

**REPORT**

# INDONESIA FINANCIAL SECTOR DEVELOPMENT

**Q3 2023**





# ABOUT THIS REPORT

The Quarterly Report on Indonesia Financial Sector Development is published by the Investor Relations Unit of the Indonesia Financial Services Authority (IRU-OJK) to provide general views on the development of the global and Indonesian economy as well as the financial services sector.

This report consists of 4 (four) main sections, namely:

1. Recent Economic and Financial Development;
2. Special Topics;
3. Policy Update; and
4. Projects Undertaken by the International and AML/CFT Department.

## OVERSEERS

Agus E. Siregar  
Bambang Mukti Riyadi  
Rendra Z. Idris

## CONTRIBUTORS

D. Miranti Wulandari  
Satrio A. Dauhan  
Jonathan E. Rayon  
Amirah Hadi A.  
Indah D. Salsabila  
Amelia D. Berliani



## IN THIS EDITION

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INDONESIA'S PMI

**52.3**



BI7DRR

**6.00%**



NPL GROSS

**2.43%**



BANKING CAR

**27.41%**



IHSG

**1.30%** YTD



GENERAL INSURANCE RBC

**308.97%**

\*compared to previous quarter

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## ECONOMIC UPDATES

Indonesia's economic growth resilience was sustained in the third quarter of 2023. Monetary indicators exhibited stability, accompanied by significant investment realization and expansion in manufacturing activities.

## FINANCIAL DEVELOPMENT UPDATES

The financial services sector remained stable with a positive intermediation function, supported by ample liquidity and sufficient capital.

## SPECIAL TOPICS OF THIS QUARTER

This quarterly report raises two topics, namely financial services liberalization through international trade agreement and financial consumer protection in Indonesia.



## CHAPTER 01

# RECENT ECONOMIC AND FINANCIAL DEVELOPMENT

During the third quarter of 2023, global economic projection improved although divergence in economic performance persisted.

On the domestic front, Indonesia's economy demonstrated robust performance, characterized by a trade surplus, stable monetary indicators, high investment realization, and rising manufacturing activities.

Likewise, the financial services industry recorded favorable growth in intermediation, supported by ample liquidity, substantial capital, and a manageable risk profile.

## GLOBAL ECONOMIC UPDATES

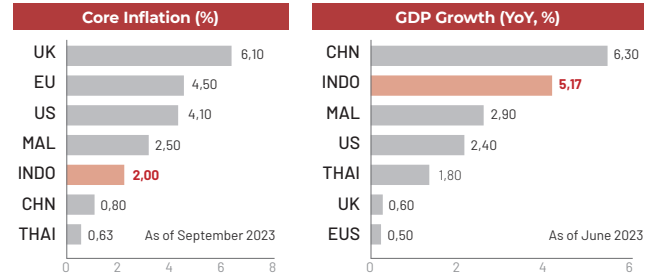
Entering the third quarter of 2023, the global economy is projected to improve amidst inflationary pressures and rising geopolitical tension.

### Economic Projection Improved Amidst Inflationary Pressures

	Global Economic Projection*		Δ from prev.**	
	2023F	2024F	2023F	2024F
<b>GDP, % yoy</b>				
IMF	3	2.9	0	-0.1
World Bank	2.1	2.4	0.4	-0.3
OECD	3	2.7	0.3	-0.2
<b>Inflation, % yoy</b>				
IMF	6.8	5.2	-0.2	0.3

\* Recent updates: IMF (Oct-23), World Bank (Jun-23), OECD (Sep-23)  
 \*\* For The World Bank, the differences are from Jan-23 projections while for IMF and OECD are from Jul-23 and Jun-23, respectively.

Inflation pressures persisted in most countries, but inflation was easing in the US.



### Rising Policy Rates

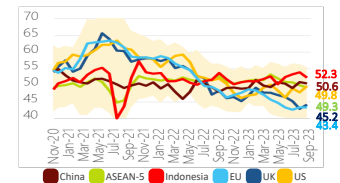
	Policy Rate (%)		Total Change (bps)		Recent Date of Change
	Jan-23	Oct-23	Jan-23 to Oct-23		
	4.50	5.50	▲ 100		26-Jul-23
	3.50	5.25	▲ 175		3-Aug-23
	2.00	4.50	▲ 250		20-Sep-23
	5.75	6.00	▲ 25		19-Oct-23
	1.50	2.50	▲ 100		27-Sep-23
	2.75	3.00	▲ 25		3-May-23
	2.75	3.45	▼ 70		21-Aug-23

### Declining Commodity Prices

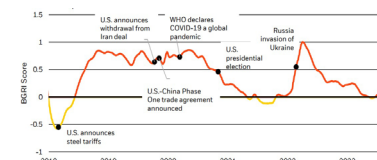
CRUDE OIL WTI	12.65%
CPO	-11.75%
SOYBEAN	-14.83%
CORN	-29.88%
LNG	-40.87%
GOLD	-0.78%
WHEAT	-26.74%
NICKEL	-35.85%
COAL	-49.04%

YTD (September 2023)

### Global PMI Manufacturing is Weakening



### Geopolitical Risk Heightens

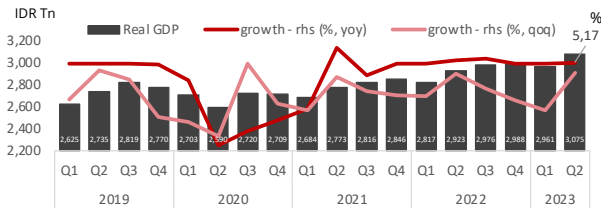


As of Sep-23

## DOMESTIC ECONOMIC UPDATES

In the third quarter of 2023, Indonesia's economic performance maintained its stability at the 5.17% level, supported by stable monetary indicators and increasing manufacturing activities. Nevertheless, the government stays vigilant of potential external headwinds.

### Indonesian economy continued to improve and surpassed its pre-pandemic level



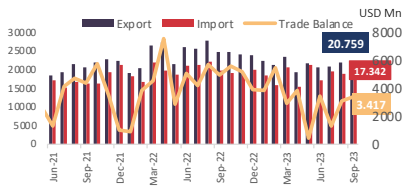
Indonesia's GDP growth in Q2-23 recorded an annual expansion of 5.17% (yoy). From the production side, the transportation and warehouse sector experienced the highest growth at 15.28%, while government consumption expenditures the highest growth at 10.62% from the expenditure side.

### Contributors of Indonesia's Economic Growth based on Sectors

Sector	Q2-23		Q1-23	
	share	%yoy	share	%yoy
Manufacturing industry	18.25%	4.88	18.57%	4.43
Agriculture, forestry, and fishery	▲ 13.35%	2.02	11.77%	0.34
Wholesale and retail trade	12.85%	5.25	12.95%	4.89
Mining	10.48%	5.01	11.85%	4.92
Construction	9.43%	5.23	9.88%	0.32
Warehouse and transportation	▲ 5.87%	15.28	5.56%	15.93
Information and communication	▲ 4.21%	8.02	4.19%	7.19
Financial services and insurance	4.10%	2.88	4.31%	4.48

▲ : % share increase compared to previous quarter

### Trade surplus trend continued, and investment realization increased



#### Export (September 2023)

16.17% (yoy) 5.63% (mtn)

#### Import (September 2023)

12.45% (yoy) 8.15% (mtn)

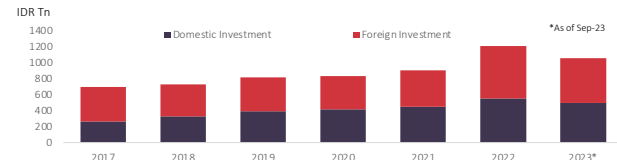
#### Trade Balance (September 2023)

Non Oil & Gas +5.34 USD Billion | Oil & Gas -1.92 USD Billion | Surplus 3.42 USD Billion

In line with the trend in commodity prices, export growth exhibited a decrease. Nevertheless, Indonesia's trade balance has maintained a surplus for 41 consecutive months from May 2020 until September 2023.

Source: Bank Indonesia, BPS, Ministry of Investment (BKPM)

### Total Investment Realization



Investment realization in the third quarter of 2023 reached IDR1,053.1 trillion or grew by 18.0% yoy. The contribution of foreign investment reached 53.1% of total investment, or an increase of 16.7% yoy.

Top 5 Origin Country of Foreign Investment in Quarter III-23



12.1 USD Billion



5.6 USD Billion



5.2 USD Billion



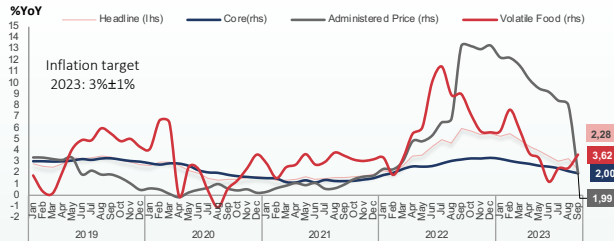
3.2 USD Billion



2.4 USD Billion

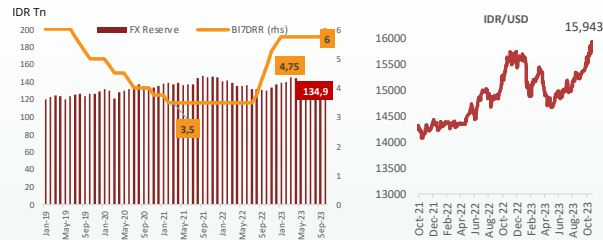
## DOMESTIC ECONOMIC UPDATES

## Inflation

INFLATION  
Sep-23  
(Headline)0.19%  
(mtn)2.28%  
(yoy)1.63%  
(ytd)

The inflation rate in September continued to decrease as all the components that made up inflation showed a downward trend.

## Monetary Indicators



By the end of the third quarter, monetary indicators were stable with adequate foreign currency reserves. However, to anticipate heightened global uncertainty and stabilize Rupiah, BI raised the BI7DRR by 25 bps to 6.00% in October 2023.

## Manufacturing and Business activities

## PMI Manufacturing



## Consumer Confidence Index (CCI)



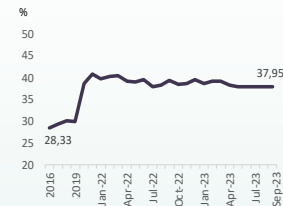
## Retail Sales Index (RSI)



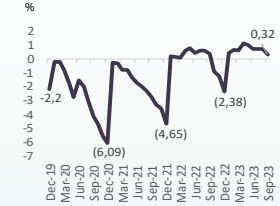
Business activities showed strong performance reflected by the increase in consumer confidence, sales index, and PMI Manufacturing.

## Fiscal Soundness

## Government Debt (%GDP)



## Fiscal Deficit Realization (%GDP)



Fiscal remained sound as government debt to GDP ratio was consistently well-maintained (below the maximum limit of 60%) and budget deficit realization was recorded below the initial estimation in 2022.

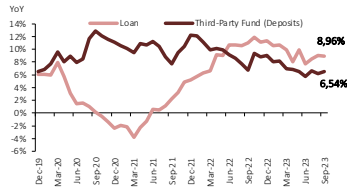


## FINANCIAL INDUSTRY STAYS RESILIENT AMIDST GLOBAL PRESSURES

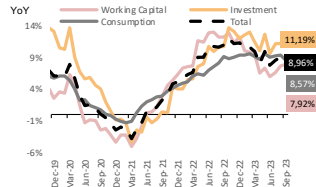
### Banking Industry

The banking industry remained resilient, indicated by strong capitalization, while maintaining robust credit risk management in the midst of higher for longer global interest rate pressures.

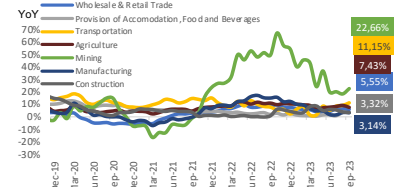
#### Intermediation



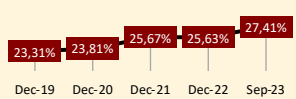
#### Loan Growth by Use



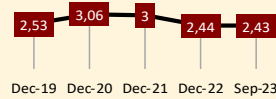
#### Loan Growth by Sectors



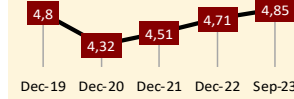
#### CAR



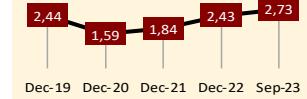
#### Gross NPL



#### NIM



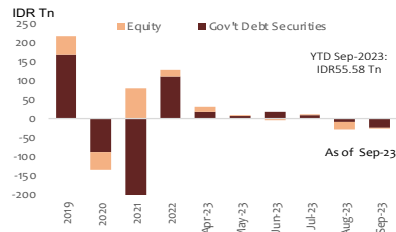
#### ROA



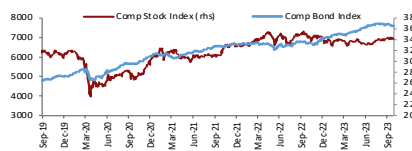
### Capital Market

The domestic capital market maintained a robust performance as indicated by positive capital flow, growing fundraising, and increasing investors.

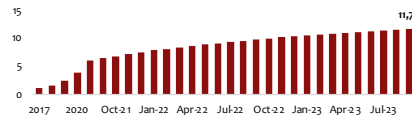
#### Capital Netflow



#### Stock and Bond Index



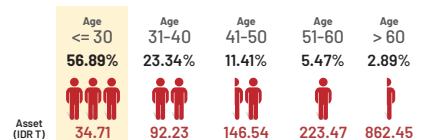
#### Total Investor (in million)



#### Public Offering

TYPE	As of Sep-23	
	No. of Issuers	Nom (IDR T)
IPO	65	51.91
Rights Issue	19	37.00
Corp Bonds / Sukuk	85	101.11
<b>TOTAL</b>	<b>169</b>	<b>190.02</b>

#### Retail Investors' Demographic



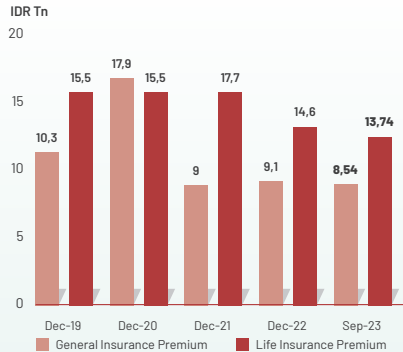
As of Sep-23

# FINANCIAL INDUSTRY STAYS RESILIENT AMIDST GLOBAL PRESSURES

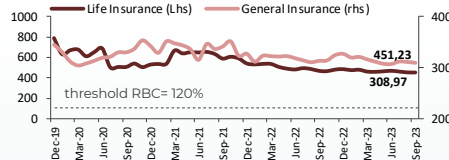
## Insurance

Risk-based capital of general and life insurance remained well above the thresholds with relatively small added insurance premiums.

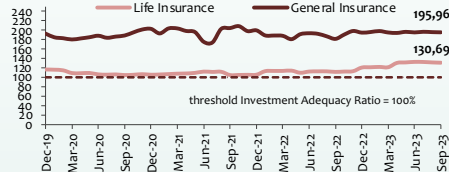
### Added Insurance Premium



### Risk Based Capital (%)



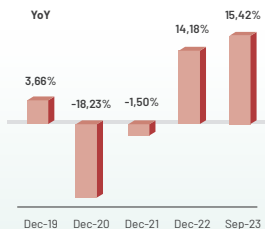
### Investment Adequacy Ratio (%)



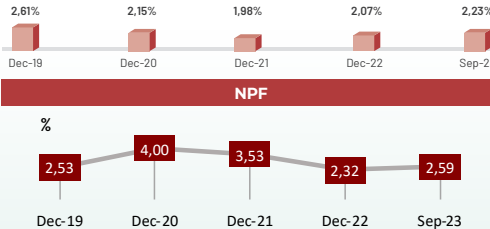
## Multifinance

In the third quarter of 2023, financing intermediation continued to grow while the gearing ratio and NPF remained steady below the threshold.

### Intermediation Growth



### Gearing Ratio



### NPF



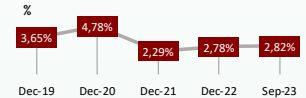
## Fintech

P2PL Fintech intermediation remained stable with a manageable NPL ratio and SCF Fundraising continued to rise.

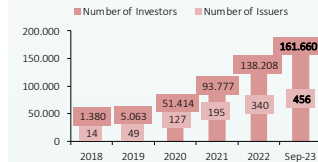
### P2PL Outstanding Loan



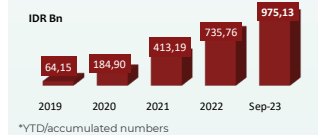
### P2PL NPL



### SCF Issuers and Investors



### SCF Fundraising\*





## CHAPTER 02

# SPECIAL TOPICS OF THIS QUARTER

### **1. Financial Services Liberalization through International Trade Agreement**

International trade agreements are designed to stimulate economic collaboration, encourage investment, and streamline the trade of goods and services among participating nations, whether through bilateral, regional, or multilateral arrangements. How can international trade agreements facilitate the achievement of financial services liberalization?

### **2. Regulatory Approach in Financial Consumer Protection**

Consumer protection has become a priority in the financial sector. To ensure that customers gain from financial products and services and to foster public trust in the industry, Indonesia has implemented regulations and programs to enhance financial consumer protection. In what ways does the newly enacted Law Number 4 of 2023 improve Indonesia's financial consumer protection?

## FINANCIAL SERVICES LIBERALIZATION THROUGH INTERNATIONAL TRADE AGREEMENT

### International Trade Agreement

International trade agreements have played a pivotal role in shaping the global economic landscape and promoting economic cooperation among nations. What are the types of international trade agreements and where does OJK stand in the arrangements of Indonesia's trade agreements?

Definition	Objectives of Trade Agreement	Types of Trade Agreement
International Trade Agreement is an international treaty, on trade conditions, for products and services between countries, that defines the trade rules between the signatories resulting from collective bargaining contracts.	Trade in Goods: Reduce tariff and non-tariff barriers (quotas)  Trade in Services: Expand market access and ensuring favorable conditions for the development of service providers  Investments: Protect and encourage investment	<b>Free Trade Agreement (FTA)</b> Two or more countries agree to remove tariffs and other trade barriers within their territory and among themselves, e.g. ASEAN - China Free Trade Agreement  <b>Comprehensive Economic Partnership Agreement (CEPA)</b> Covers a wide range of economic and trade-related issues to promote deeper integration and cooperation between the signatories in various areas, e.g. Indonesia-Australia CEPA (IACEPA)

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### Financial Services Chapter

Financial services are part of the **trade of services** and the set of rules, commitments, and provisions that govern the international trade and investment in financial services lies in the **"financial services chapter"** of the trade agreement. Some key elements in the chapter include:

#### National Treatment:

Ensure foreign financial service providers are treated as favorably as domestic providers.

#### Market Access:

Reduce or eliminate barriers like foreign ownership restrictions and limitations on cross-border services.

#### Dispute Resolution:

Mechanisms to resolve disputes such as negotiation, arbitration, or resorting to dispute settlement bodies under the trade agreement.

#### Prudential Measures:

Governments are allowed to take measures necessary to protect the integrity and stability of their financial systems.

### Arrangements of Trade Agreement

#### Process of Building an International Trade Agreement

Trade Agreement can be initiated by the President, Ministry of Trade's research, Chamber of Commerce and Industry (KADIN) suggestions, or Ministry of Foreign Affairs' political considerations.



- During the stage of negotiation, OJK coordinates internally with the relevant department(s) as well as externally with Bank Indonesia (BI) and the Ministry of Finance (MoF) for specific financial services related issues.
- The coordination forum also extends to the Ministry of Trade and the Ministry of Foreign Affairs during the stage of negotiation, implementation, and reviews.
- Any cross-cutting issues with the investment sector and e-commerce will be coordinated with Ministry of Investment (BKPM) and Ministry of Communication and Informatics (Kominfo).

## UNLOCKING ISLAMIC ECONOMIC AND FINANCIAL SERVICES POTENTIAL THROUGH IUAECEPA

### OJK's Role in FTA/CEPA

Since its establishment, OJK has actively taken part in **11** FTA/CEPA, related to the financial services sector. Earlier this year, Indonesia had 3 international trade agreements entered into force, **Indonesia-Korea CEPA** (IKCEPA, 1-Jan-23), **Regional Comprehensive Economic Partnership** (RCEP/ASEAN+5, 2-Jan-23), and **Indonesia-UAE CEPA** (IUAECEPA) which has just entered into force (1-Sep-23) and has a **specific chapter on Islamic economics**.

Currently, OJK is engaged in 5 of the negotiations. Among them are the Indonesia-European Union CEPA (IEUCEPA), Indonesia-Canada CEPA (ICACEPA), and ASEAN-Canada FTA (ACAFTA).

### IUAECEPA Unveiled: Building The Foundation



### IUAECEPA: Unlocking Economic Potential

The IUAECEPA marked a significant milestone in Indonesia's history as it is the **first CEPA** that includes a **specific chapter regarding Islamic economics**. This chapter encompasses collaboration in Islamic economics, including cooperation for the development of:

#### Digital Trade, such as:

- maintaining online consumer
- personal data protection in promoting digital trade

#### Investments, such as:

- cooperation in the exchange of information and facilitation, encouragement.
- support for the investment by sovereign wealth funds of both countries.

#### Islamic Economy, such as:

- mutual recognition on:
  1. halal logos, marks, or labels
  2. halal certification.
- facilitate cross-border investment to Islamic financial sector development:
  1. Islamic Finance and Social Finance, among others, promote Islamic finance with sustainability finance.
  2. Islamic Economics MSMEs, among others, empowerment programs to strengthen and upscale MSMEs.
  3. Islamic Economics Digitalization, among others, digitized value chain for halal traceability and digital Islamic economy ecosystem.
  4. Harmonization Standard in International Fora, among others, strengthen cooperation and harmonization of standards in relevant bilateral, regional, and multilateral fora.
  5. Capacity Building for Human Resources in Islamic Economics, among others, cooperation in research, innovation, and human resource.

### IUAECEPA Opportunities for Indonesia's Financial Services Sector



Exchanging best practices



Reducing barriers to trade in goods (94% from all post tariffs)



Driving investment from sovereign wealth fund



Enabling SMEs to export goods and services to UAE



Shaping rules for digital trade

The IUAECEPA has paved the way for Indonesia's Islamic financial institutions to operate seamlessly in the UAE by opening up market access. This creates more opportunities for other financial institutions to follow the path of Bank Syariah Indonesia which has been operating their Dubai branch since January 28, 2022.

Source: Ministry of Trade, Aug-23

Being the hub for Islamic finance, Islamic financing growth in the UAE outpaced its conventional banks in 2022, accounting for 29% of the total financing within the sector. UAE also ranked 10th (22.7%) in terms of Islamic banking share. (Fitch Ratings & IFSB, 2023)

## FINANCIAL CONSUMER PROTECTION: CONCEPTUAL FRAMEWORK

Consumer protection is crucial amidst the increasing demand for enhanced financial services. What challenges do consumers face, especially in the context of a digitalized financial ecosystem? How do financial consumer protection policies work to address these challenges?

### New Characteristics of Digital Financial Services and the Potential Risks to Consumer Protection



**High speed of transactions**



**Remote nature of service, automated decision-making**



**Market-driven Risks**

This involves the misuse of unfamiliar financial products, new fraud methods, and the quick speed of transactions increasing the likelihood of violating consumer rights, such as the right to clear information and protection from misleading advertising.



**Rapid innovation**



**Significant scale and volume of offered services**



**Consumer-driven Risks**

Low levels of digital or financial literacy contributing to financial exclusion particularly among vulnerable consumers.



**Involvement of non-financial entities**



**Technology-driven Risks**

Risks associated with technology development, such as the growing use of algorithms, cybersecurity threats, and network accessibility.

### Financial Consumer Protection (FCP) Framework

The FCP framework seeks to ensure that financial services providers follow clear codes of conduct, and that consumers are given the information needed to make informed decisions, are not subjected to unfair practices, and have access to dispute resolution procedures.

#### 1 Legal Framework

There is a robust legal framework for financial consumer protection, providing legal certainty for the industry and consumers.

#### 2 Disclosure and Transparency

Rules requiring institutions to have sufficient materials and procedures in place to give consumers relevant information on key features and risks of financial products/services, enabling them to make independent and informed decisions.

#### 3 Legal Mandate/ Institutional Arrangements

Legal framework should have an explicit and clear legal mandate for an authority in charge of consumer protection.

Source: The World Bank, OECD

## FINANCIAL CONSUMER PROTECTION

#### 4 Supervision and Enforcement

Effective supervision helps prevent misconduct and ensures adherence to standards.

#### 5 Dispute Resolution

Consumers should have access to both internal (inside providers) and external (out-of-court) dispute resolution mechanisms to seek redress, which should be effective, adequate, easy to access, and professional.

#### 6 Fair Treatment and Business Conduct

Balanced rules regarding contractual terms and conditions, product suitability and regulation, and fair practices to ensure consumers receive fair treatment and are offered suitable products or services.

## REGULATORY APPROACH IN FINANCIAL CONSUMER PROTECTION

Financial consumer protection has emerged as a major issue both in the global and domestic levels. Below are some principles, regulations, or initiatives on consumer protection.

GLOBAL	<ul style="list-style-type: none"> <li>G20/OECD High Level Principles of Financial Consumer Protection, 2011 (updated in 2022)</li> <li>The Good Practices of Financial Consumer Protection, World Bank 2012 &amp; 2017</li> </ul>	DOMESTIC
	<ul style="list-style-type: none"> <li>Law No. 8 of 1999 on Consumer Protection</li> <li>Law No. 27 of 2022 on Personal Data Protection</li> <li>National strategies, including:               <ol style="list-style-type: none"> <li>National Strategy of Inclusive Finance (Presidential Decree 82/2016)</li> <li>National Strategy of Consumer Protection (Presidential Decree 50/2017)</li> </ol> </li> </ul>	

### Consumer Protection in Indonesia's Financial Services Sector

OJK, as the regulator in the financial services sector, was given the mandate to protect consumers and the public interests.

Law No. 21/2011 concerning Otoritas Jasa Keuangan

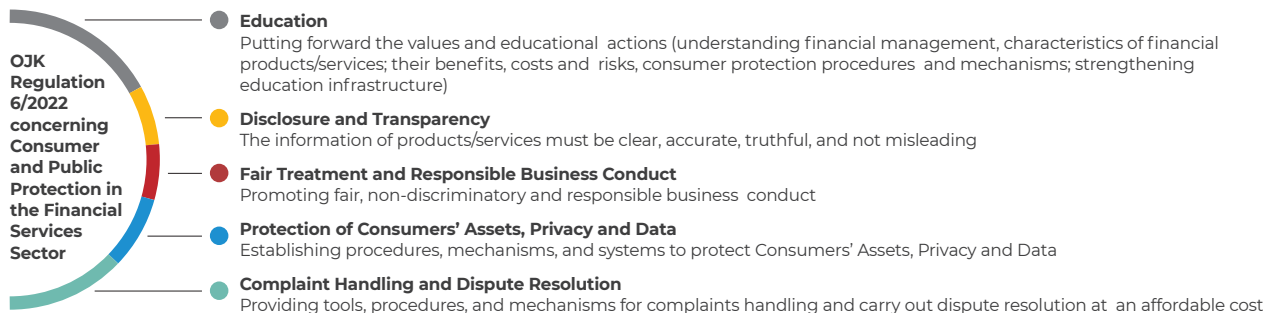
Article 4	Article 28	Article 29	Article 30
<p>OJK is established with the objectives so that the overall activities in the financial services sector are:</p> <ol style="list-style-type: none"> <li>implemented in an organized, fair, transparent, and accountable manner;</li> <li>capable of realizing the financial system that grows in a sustainable and stable manner; and</li> <li>capable of protecting the consumers and public interests.</li> </ol>	<p><b>PREVENTIVE MEASURES</b></p> <p>OJK is authorized to take necessary actions to prevent Consumers and public from losses, including:</p> <ol style="list-style-type: none"> <li>providing information and education;</li> <li>ordering Financial Services Providers/FSP to stop their activities if such activities may cause losses to public; and</li> <li>other actions deemed necessary.</li> </ol>	<p><b>COMPLAINT SERVICES</b></p> <p>OJK provides complaint services of Consumers.</p>	<p><b>LEGAL DEFENSE</b></p> <p>OJK is authorized to perform legal defense, including:</p> <ol style="list-style-type: none"> <li>ordering or performing certain actions against FSPs to resolve any complaint of Consumers who suffer from losses committed by the FSP;</li> <li>filing a lawsuit.</li> </ol>

Law No. 4/2023 concerning the Development and Strengthening of the Financial Sector (PPSK Law)

Enhancing Financial Inclusion and Education	Strengthening Consumer Complaint Services	Strengthening Market Conduct Supervision
<ul style="list-style-type: none"> <li>The Law affirms financial services providers' (FSP) obligation to perform activities to increase financial literacy and inclusion.</li> <li>The Government, Bank Indonesia, and OJK coordinate to increase financial Literacy and inclusion to achieve inclusive economic development.</li> <li>The Law provides the base for the Government to form a national committee on financial literacy and inclusion.</li> </ul>	<ul style="list-style-type: none"> <li>The Law affirms financial services providers' obligation to have and implement mechanisms for handling consumer complaints.</li> <li>In the event that there is no agreement on the results of complaint handling carried out by FSP, consumers can submit complaints to OJK or a dispute resolution body, which has an approval from OJK.</li> </ul>	<ul style="list-style-type: none"> <li>The Law affirms OJK's authority to regulate and perform market conduct supervision of financial services providers. <i>'Market Conduct Supervision is the supervision of FSPs' behaviour in designing, providing and delivering information, offering, drafting agreements, providing services for the use of products and/or services, as well as handling complaints and resolving disputes in the context Consumer Protection.'</i> – Article 1 Law No. 4/2023</li> <li>The Law provides a legal basis for OJK, together with related authorities, to form a task force to handle illegal business activities in the financial sector.</li> </ul>

## FINANCIAL CONSUMER PROTECTION: PRINCIPLES AND STRATEGIES

### Principles of Consumer and Public Protection



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### OJK's Strategies on Consumer Protection

#### Preventive

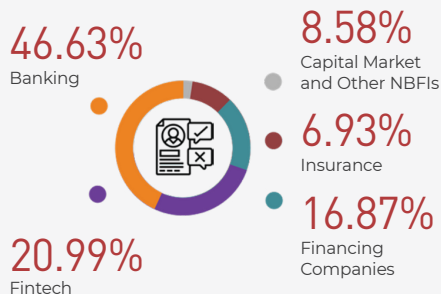
- Regulations
- Financial education
- Market conduct supervision
- Ordering financial institutions to stop their activities if such activities potentially cause losses to public

#### Curative / Remedial

- Internal dispute resolution
- Alternative dispute resolution
- Market conduct enforcement
- Administrative sanctions
- Written order
- Take necessary steps to avert loss to the public

### Facts and Figures

From January to 30 September 2023, OJK received 227,328 inquiries, including 16,555 complaints. 46.63% of the complaints was related to the banking sector, 20.99% of the FinTech industry, 8.58% of financing companies, 6.93% of the insurance industry, and the remainder related to the capital market sector and other NBFIs.



From 1 January to 6 October 2023, the Task Force for the Eradication of Illegal Activities closed 1,484 illegal financial entities, comprising 18 illegal investment entities and 1,466 illegal online lending entities. The Task Force received 8,047 complaints, consisting of 7,710 complaints regarding illegal online loans and 337 complaints concerning illegal investments.







## CHAPTER 03

# POLICY UPDATE

OJK plays a crucial role in supporting and maintaining economic recovery and stability through effective policy transmission, adequate supervision, and a supportive regulatory framework.

During the third quarter of 2023, OJK issued 9 Regulations and 6 Circular Letters.

This section highlights OJK policies to maintain financial stability and resilience. There is a highlight of OJK Regulation concerning Carbon Trading Through Carbon Exchange, and OJK Regulation concerning Investigation of Criminal Acts in the Financial Services Sector.

## OJK POLICY DIRECTIONS

OJK has undertaken measured policies actions to ensure that financial sector stability is maintained and the financial services sector continues to serve as a positive catalyst for national economic growth

### Strengthening the Financial Sector and Market Infrastructure



Issuing POJK No. 18 of 2023 regarding the issuance and requirements of sustainable debt securities and sukuk. This regulation is part of the sustainable financial roadmap to develop the capital market industry.



Establishing a cooperation with the Financial Services Regulatory Authority of Abu Dhabi Global Market (FSRA-ADGM) to enhance mutual cooperation and information exchange, primarily for the development of carbon markets.



Finalization stage of preparing regulations for margin and short selling financing to align with global standards and best practices.



Launching the Roadmap for the Development and Strengthening of the Indonesian Insurance Sector 2023-2027 under the theme "Restoring Confidence through Industrial Reform."



Refining regulations related to insurance products and marketing in line with the mandate of the Financial Sector Omnibus Law (UU P2SK).



Participating in Technical Committee Meetings and the Annual General Meeting organized by the International Organization of Pension Supervisors (IOPS) and the Global Private Pension Forum, which includes the Organization for Economic Cooperation and Development (OECD).



OJK, in collaboration with P2P lending industry stakeholders, is in the process of drafting a roadmap for the development and strengthening of P2P lending.

### Innovation in Financial Technology and Digital Financial Assets

1. Accelerating the issuance of Regulatory Sandbox recommendations for Financial System Technology Innovation Providers (ITSK) registered with OJK.
2. Developing standards and assessment parameters with the aim of expediting the resolution of Regulatory Sandbox cases for 14 clusters. Priority will be given to ITS providers that have exceeded the 1-year and 6-month trial period, while maintaining a focus on risk mitigation, consumer protection, and the sustainability of innovation in the financial services sector.
3. Continuing coordination with Bappebti regarding the transition of regulatory and supervisory responsibilities for digital financial assets, including crypto assets. Additionally, coordinating with Bank Indonesia to address cross-cutting issues related to policy coordination and harmonization in the regulation of crypto assets.

### Maintaining Financial System Stability



Amid the escalation of global geopolitical tensions and volatility in financial markets, financial institutions are expected to continuously monitor market risks.

Financial institutions are also expected to maintain sufficient capital buffers to mitigate potential vulnerabilities, ensure the availability of adequate liquidity, and routinely conduct stress tests under various scenarios.

### Strengthening of Islamic Financial Services Sector

1. Formulating RPOJK on the Implementation of Sharia Governance for Islamic Commercial Banks and Business Units. This initiative aims to support the strengthening of regulations pertaining to Sharia governance for Islamic banks.
2. Drafting the RSEOJK concerning the Application for Licensing, Approval, and Electronic Reporting for Financing Companies (PP) and Sharia Financing Companies (PP Syariah). This aligns with POJK No. 47/POJK.05/2020, which mandates further regulations on electronic services (e-licensing) for PP and PP Syariah.
3. Promoting the development of the Islamic economy and finance in Indonesia by strengthening the role and functions of the Sharia Supervisory Board (DPS) in applying Sharia principles. This effort is complemented by the enhancement of financial literacy and inclusion in Islamic finance.
4. Optimizing the role of mothers as ambassadors for Sharia financial literacy through the implementation of the "Sahabat Ibu Cakap Literasi Keuangan Syariah" (SICANTIKS) program in Jakarta, which was attended by 1,250 participants. The SICANTIKS program is designed to promote the emergence of female ambassadors for Sharia financial literacy. OJK anticipates that the SICANTIKS program will contribute to the financial empowerment of women, especially in the future.

### Financial Literacy, Inclusion, and Consumer Protection

In the implementation of Financial Inclusion Month (Bulan Inklusi Keuangan or BIK), OJK, in collaboration with the Regional Financial Access Acceleration Team (TPAKD), the Financial Services Industry Communication Forum (FKIJK), as well as local governments and relevant stakeholders, has undertaken a series of educational activities to support the government in achieving the 90% financial inclusion target by 2024. BIK 2023 is themed "Equal Financial Access, Prosperous Society" and includes:

1. Financial education activities targeting individuals with disabilities, residents in 3T regions (Remote, Frontier, and Outermost Areas), and students in Tomohon.
2. Exhibition of Financial Service Institutions, combined with the Banyuwangi Batik Festival to support the preservation of culture MSMEs (UMKM) Batik in Banyuwangi, Central Java.
3. Launching of the Batu Belimbing 2.0 Village Tourism in the Inclusive Financial Ecosystem (EKI) of Batu Belimbing Village, Singkawang, West Kalimantan.
4. A Cultural Festival in EKI featuring Pekunden Village, Banyumas, as a pilot project.
5. Financial literacy and inclusion activities for women in various regions in Banjarmasin, South Kalimantan.
6. Shariah financial inclusion activities in Santri Communities through educational forums and business meetings, encouraging students to become Shariah-based business entrepreneurs or "santripreneurs."

# OJK REGULATION NUMBER 14/2023 CARBON TRADING THROUGH CARBON EXCHANGE\*

## Background

This OJK's new regulation is expected to boost the development of the carbon market in Indonesia. It will provide a clear legal framework for carbon trading and encourage more companies to participate. The regulation is also expected to attract foreign investment in Indonesia's carbon market. This will help to finance projects that reduce greenhouse gas emissions and contribute to Indonesia's climate change goals.

## Several Main Provisions

### Key Terms

**Carbon Units** are evidence of carbon ownership in the form of certificates or technical approvals, recorded in the National Climate Change Control Registry (SRN PPI). **Carbon Units are securities.**

Carbon units traded on the Carbon Exchange must be recorded on SRN PPI and Carbon Exchange Operator.

Foreign Carbon Units that are not recorded on SRN PPI must meet the following requirements:

1. registered, validated, and verified by an institution that has been accredited by an international registry system provider;
2. meet the requirements for trading on an overseas carbon exchange; and
3. other requirements established by OJK.

Carbon units traded in the Carbon Exchange consist of:

1. **Greenhouse Gas Emission Reduction Certificates (SPE-GRK):** formal documents serving as proof of emission reduction achieved by businesses and/or activities that have undergone measurement, reporting, and verification (MRV) processes, recorded in SRN PPI.
2. **Technical Approvals for Emission Upper Limits for Business Entities (PTBAE-PU):** determination of upper emission limits for greenhouse gases for business entities and/or the allocation of emission quotas during specific compliance periods for each business entity.

### Carbon Exchange Licensing Criteria



**Legal entities based in Indonesia.**



**Financial capability and integrity.**  
Otoritas Jasa Keuangan (OJK) assesses the suitability and capability of shareholders.



**minimum paid-up capital of IDR 100,000,000,000 (one hundred billion Indonesian Rupiah).  
Capital must not be derived from loans.**

### Shareholders, Board of Directors and Commissioners

#### Carbon Exchange Shareholder:

- sui generis institutions,
- Indonesian citizens,
- Indonesian legal entities, and/or foreign legal entities.

**Foreign legal entities can own up to 20% of the total shares with voting rights.**



BOD and BOC Candidates must pass **OJK assessments** before appointment.

### Operations and Internal Controls:



Fair, effective, and efficient services must be provided to users without discrimination.



Robust internal controls and risk management must be in place.



Standard operating procedures should be developed.



Records of user activities and Carbon Trading data must be maintained for at least five years.



Rules should be established.



Providing access and support to OJK for supervision purposes.

### Reporting and Oversight

- Monthly Transaction Summary of Service Users;
- Annual Activity Summary (include Audited Financial Report);

Other reports, among others:

- approvals/rejections of user applications;
- organization changes;
- violations and sanctions imposed on users;
- special events;
- resignation of BOD/BOC members;
- shareholders meeting (RUPS) results.

### OJK Supervision

OJK supervises Carbon Trading through the Carbon Exchange.

#### Scope of supervision

1. Carbon Exchange operation;
2. supporting market infrastructure;
3. users of the Carbon Exchange services;
4. Carbon Unit transactions and settlement;
5. Carbon Trading governance;
6. risk management;
7. consumer protection; and
8. other parties, products, and/or activities related to Carbon Trading through the Carbon Exchange.



OJK has the authority to take certain actions against parties that violate the provisions of this OJK regulation.

\*Please refer to the OJK Regulation for details of the provisions

# OJK REGULATION NUMBER 16/2023 CONCERNING INVESTIGATION OF CRIMINAL ACTS IN THE FINANCIAL SERVICES SECTOR\*

## Background

Law Number 4 of 2023 concerning the Development and Strengthening of the Financial Sector (PPSK Law) has extended OJK's authority to investigate and resolve violations in the financial services sector. This OJK Regulation was based on the PPSK Law and was enacted to replace the previous OJK Regulation Number 22/2015 concerning the Investigation of Criminal Acts in the Financial Services Sector.

## Several Main Provisions

### General Provisions

- Initial Investigation is a series of actions by OJK Investigators to search for and discover an incident suspected of being a criminal act in the Financial Services Sector to determine whether a full investigation can be carried out.
- Full Investigation is a series of actions by OJK investigators to search for and collect evidence that will shed light on criminal acts in the financial services sector and to find the suspect.
- Criminal acts in the financial services sector cover\*\*:
  - Banking
  - Financing institutions, venture capital companies, microfinance, and other financial institutions
  - Capital market, financial derivatives, and carbon exchange
  - Financial sector technology innovation, digital finance assets, crypto assets
  - Insurance, guarantee companies, pension funds
  - Financial services providers' market conduct, education, and consumer protection
  - Others, as stipulated in Law concerning the financial services sector

\*\*both conventional and sharia

### Authority to Investigate Criminal Acts in the Financial Services Sector

- OJK has the authority to perform Initial and/or Full Investigation.
- OJK Investigators, who perform the Initial and/or Full Investigation, refer to:
  - Investigation officials of Indonesian National Police,
  - Certain civil servant officials; and
  - Specific officials,
 who are granted special authorities as investigators in accordance with Criminal Code Procedure, to carry out full investigation.
- OJK Investigators are authorized to determine the commencement, non-continuation, or termination of investigations of criminal acts in the financial services sector.
- OJK Investigators are authorized and responsible for, among others:
  - Receiving reports, notifications, or complaints regarding a criminal act in the financial services sector;
  - Requesting assistance from Indonesian National Police or other relevant agencies to carry out arrests, detention, searches and confiscations in criminal cases in the Financial Services Sector that are being handled;
  - Blocking accounts at banks or other financial institutions of parties suspected of committing or being involved in criminal acts in the financial services sector;
- OJK Investigators are authorized to conduct Criminal Acts of Money Laundering investigations involving predicate crimes in the financial services sector.

### Report, Notification, or Complaint Regarding Suspected Criminal Acts in the Financial Services Sector

Each party can submit reports, notifications or complaints to OJK regarding suspected criminal acts in the financial services sector.

### Information Request and Account Blocking

- OJK Investigators can request information from financial institutions regarding the financial condition, as well as block accounts at banks or other financial institutions, of parties suspected of committing or being involved in violations of the provisions of laws and regulations in the financial services sector.
- Financial institutions that do not fulfill such requests for information and account blocking are subject to sanctions according to statutory provisions.

### Settlement Procedures for Violations of Legal Regulations in the Financial Services Sector

- During the Initial Investigation, suspected parties can submit an application to OJK for settlement of violations of laws and regulations in the financial services sector.
- OJK Investigators deliver approval or rejection of the application no later than 30 (thirty) working days after the complete documents are received.
- In the event that the violation settlement agreement has been completely fulfilled, OJK Investigators will stop the Initial Investigation.

### Full Investigation Administration

Every action of OJK Investigators is outlined in the investigation administration documents.

\*Please refer to the OJK Regulation for details of the provisions



## CHAPTER 04

# PROJECTS UNDERTAKEN BY INTERNATIONAL AND AML/CFT DEPARTMENT

OJK, through the International and AML/CFT Department, is actively engaged in numerous bilateral discussions and international forums discussing reforms in the financial services sector as well as the implementation of Anti-Money Laundering, Countermeasure Financing for Terrorism, and Countermeasure Financing for the Proliferation of Weapon of Mass Destruction in the Financial Services Sector, among others.

In synergy with relevant ministries and institutions, OJK consistently disseminates information to maintain a positive perception of the Indonesian economy and the financial services sector. In addition, OJK also performs active communication regarding Technical Assistance programs.

During the third quarter of 2023, OJK maintained active communication and coordination with other ministries/agencies and stakeholders for the First Mission of the Financial Sector Assessment Program (FSAP) 2023/2024.

## INVESTOR RELATIONS UNIT

As part of the national Investor Relations Unit (IRU), IRU OJK closely coordinates and communicates with relevant government bodies and stakeholders to maintain investors' confidence in Indonesia's economy and the financial services sector, through:



### 1. Facilitating meetings with foreign investors/stakeholders

#### Meetings

##### International Organization

#### 1. ASEAN+3 Macroeconomic Research Office (AMRO)

As part of its annual consultation, AMRO paid an interim visit to OJK to discuss about household debts in Indonesia.

##### Business Council

#### 2. EU-ASEAN Business Council

The topics discussed during the meeting were:

The financial services sector's performance

OJK's Policy Directions

PPSK Law and its Implications to the Financial Sector

##### Financial Institutions and Others

#### 3. China Merchants Bank

OJK delegates met with CMB to discuss on macroeconomic updates as well as licensing requirements for foreign banks in Indonesia.

#### 4. China Eximbank

The purpose of the meeting was to discuss the developments in IFRS (International Financial Reporting Standards) implementation, especially in relation to the International Sustainability Standards Board (ISSB).

#### 5. Macquarie

During Macquarie ASEAN Conference: Indonesia Consumer and Macro Tour, OJK met with delegates from Macquarie to exchange views on credit growth and provide an update on banking consolidation.

In addition, OJK also attended the 13th Executive Board Meeting of China-ASEAN Interbank Association (CAIBA) as a keynote speaker.

### 2. Providing the latest information on the performance of financial institutions and OJK policies/regulations

#### Information Dissemination

IRU OJK uses several means of communication to disseminate updated information on the financial services sector's performance and OJK policies/regulations:

##### 1. Republic of Indonesia Presentation Book

IRU OJK contributed to drafting the Republic of Indonesia Presentation Book, published monthly by the national IRU to provide information on the development of Indonesia's economy.

##### 2. IRU Newsletter

Email blast about OJK's recent policies/regulations and critical issues in the financial sector to around 90 institutions/organizations.

##### 3. OJK International Information Hub (OJK IIH)

An information hub for foreign investors/stakeholders to get updated information on the financial services sector's data, OJK policies, summaries of some OJK Regulations, publications, and etc.

OJK IIH can be accessed through <https://ojk.go.id/iru>

## INTERNATIONAL COOPERATION DIRECTORATE

### International Trade Agreement

#### Regional

##### 1. ASEAN-Canada Free Trade Agreement (ACAFTA)

OJK participated in the 5th round of Working Group Trade in Services/Cross Border Trade in Services, Working Group E-Commerce, and Sub-Working Group on Financial Services (SWG- Fin) in September 2023.

##### 2. Working-Committee on ASEAN Banking Integration Framework (WC-ABIF)

OJK held the WC-ABIF series of events as part of the ASEAN Finance Track meeting series in Yogyakarta, in July 2023.



14th WC-ABIF Meeting Yogyakarta, July 2023



*A Comprehensive Economic Partnership Agreement or CEPA is related to tariff reduction, market access, capacity building and trade facilitation, as well as investment. The objectives of each regulation are to eliminate tariffs and deal with non-tariff barriers, maintain market access and ensure conducive conditions for service product providers, as well as protect and encourage investment.*

#### Bilateral

##### 1. Indonesia-European Union Comprehensive Economic Partnership Agreement (IEU-CEPA)

The 15th round negotiation of IEU-CEPA was conducted in Yogyakarta on 10-14 July 2023, mainly discussing the chapter of Trade in Services (WG-TIS), including revised offers, domestic regulation, and digital trade. The next round is scheduled to be held later in the fourth quarter of 2023.

##### 2. Indonesia-Canada Comprehensive Economic Partnership Agreement (ICA-CEPA)

OJK coordinated with internal units and external stakeholders to prepare for Indonesia's positions and participated in the 5th round of ICA-CEPA negotiations in June-July 2023 in the discussion of the Working Group on Trade in Services (WGTIS), Working Group on Investment (WGI), and Sub-WG on Financial Services (SWG FS).

#### Others

##### 1. Indo-Pacific Economic Framework for Prosperity (IPEF)

OJK is involved in discussing Pillar I (Trade) of IPEF, particularly in clusters relating to the financial services sector such as the Digital Economy and Services Domestic Regulation (SDR), Pillar III (Clean Economy), and Pillar IV (Fair Economy).

##### 2. Preparation of the Initial Draft of Non-Conforming Measures (NCM) Financial Services for ASEAN Trade in Services Agreement (ATISA)

OJK is preparing to draft the Non-Conforming Measures (NCM) of Indonesian Financial Services Sector Commitments according to the provisions of the ASEAN Trade in Services Agreement (ATISA), based on the latest package of commitment in the ASEAN Framework Agreement on Services (AFAS).

Working units in OJK alongside relevant ministries successfully held the consultation meeting and completed the preliminary drafting of the NCM FS ATISA. As per the latest development, the deadline for the first draft submission is extended to the end of 2023 for ASEAN-6, including Indonesia.

## INTERNATIONAL COOPERATION DIRECTORATE



### International Institutional Cooperation

#### Memorandum of Understanding and Exchange of Letter Implementation

OJK signed Memorandum of Understanding (MoU) with authorities as follows:

##### 1. MoU between OJK and Non-Bank Financial Services Authority (NBFSFA)

On 7 August 2023, in Phnom Penh, concerning Consultation, Cooperation, and Exchange of Information to promote the development of a sound and progressive financial regulatory and supervisory mechanism.

##### 2. MoU between OJK and European Securities and Market Authority (ESMA)

On 28 September 2023, by circular, concerning Monitoring of the Ongoing Compliance with Recognition Conditions by CCPs established in Indonesia and supervised by the OJK.

OJK conducted several initiatives regarding the MoU implementation as follows:

##### 1. Secondment program OJK - Financial Supervisory Service Korea (FSS Korea)

Concerning regulation and supervision of financial industries in both jurisdictions.

##### 2. 2nd Indonesia – Korea Financial Cooperation Forum

Enhancing collaboration among Indonesian, Korean regulators and financial sectors industries in Indonesia and Korea on 4th September 2023 in Jakarta.

##### 3. Study Visit of the Bank of Thailand (BoT)

Exchange views and experiences related to supervision and operation of Digital Banks in Jakarta.

#### Others

- **Meeting of OJK and Luxembourg** to discuss asset management & fund distribution, sustainable finance, digitalization on financial sectors.
- **Meeting of OJK and Banque de France (BdF) Singapore** to discuss on the strengthening of banking supervision, banking system, potential risks, and the implementation of Basel III regulations.
- **Meeting of OJK and US Embassy in Indonesia** regarding the potential collaboration on cybersecurity supervision on the financial sector.

### Cooperation in Technical Assistance

OJK is assisted by several international provider institutions in all areas such as Banking, Capital Markets, the Non-Bank Financial Industry (NBFI), and Consumer Education and Protection. OJK facilitated multiple technical assistance projects, as follows:

#### 1. Technical Assistance Projects by the World Bank

- Self-assessment Insurance Core Principles–International Association of Insurance Supervisors (ICPs IAIS) and International Organisation of Pension Supervisors (IOPS) for the Financial Sector Assessment Program (FSAP) as well as preparation of IOPS Annual General Meeting (AGM) in September 2023.
- Roadmap for Credit Information System or Lembaga Pengelola Informasi Perkreditan (LPIP).

#### 2. OJK also had meetings with several international provider institutions who offer projects regarding:

- Women Entrepreneurs DATA (WE-DATA) as a joint project with the Ministry of Women's Empowerment and Child Protection and the Asian Development Bank (ADB).
- Sustainable Finance in coordination with Agence Française de Développement (AFD).



## INTERNATIONAL POLICY DIRECTORATE

OJK actively participates in multiple International Forums and Standard-Setting Bodies to contribute to the global reform of the financial sector. Collaborative efforts have been established with International Organizations, and OJK along with other Indonesian authorities, is currently coordinating the quinquennial Financial Sector Assessment Program (FSAP) 2023/2024.

### Global Financial Sector Reform

#### Financial Stability Board (FSB)

**FSB** Standing Committee on Supervisory and Regulatory Cooperation (SRC)

OJK participated in two meetings (July and September), discussing on the following issues:

1. Recent banking events, their implications, and lessons learned
2. Liquidity preparedness for margin and collateral and recognizing its significance in ensuring financial stability
3. Climate disclosure report
4. Regulatory and supervisory aspects concerning multifunction crypto-asset intermediaries (MCI)

Furthermore, the agenda for this meeting included a comprehensive review of SRC work priorities, specifically the strategic directions the SRC will take in 2024.



BCBS

#### Basel Committee on Banking Supervision (BCBS)

The BCBS Governors and Head of Supervision (GHOS) & Head of Supervision (HOS) meeting was held on September 11, 2023 in Basel, Swiss:

1. During this meeting, the GHOS endorsed the Committee's medium-term follow-up work related to the recent banking turmoil. The Committee also assessed the progress of Basel III implementation in various jurisdictions.
2. The HOS provided critical updates on the financial conditions within various banking systems, focusing on liquidity risk. The meeting also discussed the resolution strategies for Global Systemically Important Banks (G-SIBs).
3. Over the years, OJK has integrated Basel III standards by introducing liquidity standards such as the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR), a standardized approach for calculating counterparty credit risk, and OJK issued a definitive rule on the revised standardized credit and operational risk approach.

#### Islamic Financial Services Board



The 42nd Council Meeting of the Islamic Financial Services Board (IFSB) on August 16, 2023 (Riyadh, Saudi Arabia) meeting's agenda included discussions on:

1. Liquidity risk in the Islamic Financial Services Industry (IFSI);
2. Encompassing policy implications and the consequences of SVB failure for Islamic finance; and
3. The sustainability of the joint project for preparing the IFSB-AAOIFI Revised Shari'ah Governance Framework, Technical Note-5, focusing on Shari'ah-Compliant Liquidity Risk Management Tools.

Additionally, OJK participated in completing the questionnaire on the implementation status of IFSB standards for 2023.



EMEAP

#### Executive's Meeting of East Asia Pacific Central Banks (EMEAP)

The 12th EMEAP GHOS meeting on July 24-25, 2023 (Japan) focused on lessons learned from the recent financial challenges in the banking sector. Furthermore, members discussed adequate banking supervision that adapts to the current situation.

#### Integrated Financial Supervisors Conference (IFSC)

The 24th IFSC meeting on July 5, 2023 (Frankfurt, Germany) focused on sustainable finance strategy, markets in crypto assets regulation (MiCA-R), lessons learned from banking turmoil, analytics strategy and data analysis, focus supervision of complex entities, and consumer protection international mystery shopping and financial education.

### Financial Sector Assessment Program (FSAP) 2023/2024

FSAP is a quinquennial assessment jointly conducted by WB & IMF to provide a comprehensive framework through which assessors and authorities in participating countries can identify financial system vulnerabilities and develop appropriate policy responses. The 2023/2024 conducted for 16 areas split into 2 missions:

The first FSAP mission was held from 20th September to 16th October 2023. OJK and Bank Indonesia act as national coordinator, supported by the Ministry of Finance, Indonesia Deposit Insurance Corporation, and KSSK Secretariat.

#### 8 assessment areas of FSAP first mission:

1. Basel Core Principles (BCP)
2. Core Principles for Islamic Finance Regulation (CPIFR)
3. Financial Safety Nets & Crisis Management (FSN-CM)
4. Systemic Liquidity Management (SLM)
5. Systemic Risk/Stress Test (ST)
6. Climate-related and Environmental Risk & Opportunities (CERO)
7. Capital Market Development & Long-Term Finance (LTF)
8. Payment System (RTGS & BI-S4)

## ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING DIRECTORATE

- Since 2018, Indonesia has made efforts to become a full member of the Financial Action Task Force (FATF), a global money laundering and terrorism financing watchdog through the **Mutual Evaluation Review (MER)** process.
- The success of the MER FATF will demonstrate that Indonesia's financial services sector has complied with international standards, which is expected to boost public trust and promote financial stability. Furthermore, Indonesia's FATF membership will increase the country's financial services sector's global competitiveness, which will be a catalyst for economic growth, as well as accelerate momentum for strengthening the Anti Money Laundering/Countering Terrorism Financing/Countering Proliferation Financing (AML/CFT/CPF) regime.

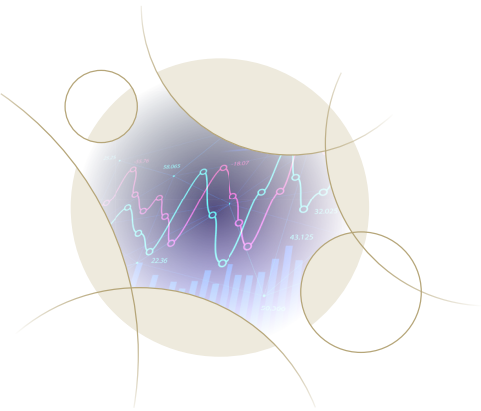
### INDONESIA'S JOURNEY TOWARDS A FULL FATF MEMBERSHIP



1. OJK, as a Supervisory and Regulatory Body in the financial sector, is fully committed to implementing the Action Plan as required for FATF membership. The Contact Group, comprised of numerous FATF member countries (Australia, the United States, France, India, Japan, China, Saudi Arabia, and New Zealand), monitors these Action Plan fulfillments.
2. In the third quarter of 2023, Indonesia submitted a report on the fulfillment of the second round of the Action Plan.
3. OJK has made every effort to fulfill the Action Plan, including the following:
  - Providing information on the imposition of sanctions for AML/CFT/CPF violations;
  - Conducting joint audit of OJK and PPATK on Terrorism Financing (TF);
  - Enacting OJK Regulation Number 8 of 2023 concerning the Implementation of the AML/CFT/CPF Program in the Financial Services Sector, which has strengthened Proliferation Financing (PF) regulations, fulfilling FATF Recommendation (Recommendation 7) as well as the 2nd amendment of Joint Regulation;
  - Conducting PF supervision and following up with supervisory letters and written warnings; and
  - Providing CTF and CPF outreach programs for supervisors and financial institutions.



The FATF granted a full membership to Indonesia on the October 2023 Plenary. Indonesia has succeeded in proving its strong political commitment to completing the action plan and continuing progress made to improve its national AML/CFT/CPF program.



## CHAPTER 05

### APPENDIX

## LIST OF NEW REGULATIONS IN Q3 2023

No	Regulation	Regarding	Effective Date
1.	OJK Regulation Number 09/2023	The Use of Public Accountant and Public Accounting Firm Services in Financial Services Activities	11 July 2023
2.	OJK Regulation Number 10/2023	Spin-Off of Sharia Business Units in Guarantee Companies	11 July 2023
3.	OJK Regulation Number 11/2023	Spin-Off of Sharia Business Units in Insurance and Reinsurance Companies	11 July 2023
4.	OJK Regulation Number 12/2023	Sharia Business Units	12 July 2023
5	OJK Regulation Number 13/2023	Policies to Maintain the Capital Market's Performance and Stability in a Significantly Fluctuating Market Condition	20 July 2023
6	OJK Regulation Number 14/2023	Carbon Trading through Carbon Exchange	02 August 2023
7	OJK Regulation Number 15/2023	Know Your Customers Principle in Administrative Services	08 August 2023
8	OJK Regulation Number 16/2023	Investigation of Criminal Acts in the Financial Services Sector	07 August 2023
9	OJK Regulation Number 17/2023	Implementation of Good Governance for Commercial Banks	14 September 2023

## LIST OF NEW CIRCULAR LETTERS IN Q3 2023

No	Circular Letter	Regardings	Effective Date
1.	Circular Letter Number 10/SEOJK.03/2023	Products of Islamic Rural Banks (BPRS)	27 June 2023
2.	Circular Letter Number 11/SEOJK.03/2023	Maximum Limit of Credit Provision for Rural Banks (BPR) and Maximum Limit of Fund Disbursement for Islamic Rural Banks (BPRS)	15 August 2023
3.	Circular Letter Number 12/SEOJK.04/2023	Carbon Trading Procedures through Carbon Exchange	06 September 2023
4.	Circular Letter Number 13/SEOJK.04/2023	Public Company Shares Buy Back due to the Cancellation of Securities Listing by the Stock Exchange due to Significant Adverse Effects on Business Continuity	06 September 2023
5.	Circular Letter Number 14/SEOJK.08/2023	Fit and Proper Interview Procedures for Prospective Management and Supervisors of Alternative Dispute Resolution Body in the Financial Services Sector	20 September 2023
6.	Circular Letter Number 15/SEOJK.05/2023	Monthly Report of the Management of Health Insurance Program for Social Security Agency for Health (BPJS Kesehatan)	21 September 2023

## HIGHLIGHTS OF THE CAPITAL MARKET SECTOR

### IHSG/JCI

(29 SEP'23)

6,939.89 ▲ 1.30% (YTD)

(30 DEC '22)

6,850.62 ▲ 4.09% (YTD)

### ICBI

(29 SEP'23)

365.17 ▲ 5.91% (YTD)

(30 DEC '22)

344.78 ▲ 3.60% (YTD)

### CAPITAL INFLOW/OUTFLOW

	2019	2020	2021	2022	Sep-23
<b>Equity (IDR T)</b>	49.20	-47.81	37.97	60.58	-5.23
<b>Government Bond (IDR T)</b>	168.61	-87.95	-82.57	-128.98	60.81

### LOCAL INVESTOR DEVELOPMENT

	2019	2020	2021	2022	Sep-23
<b>No. of Capital Market Investor (Mn)</b>	2.48	3.9	7.5	10.31	11.73
<b>Growth (% yoy)</b>	53	56.21	92.99	37.68	19.96
<b>Local % of Equity Ownership</b>	46.88	50.79	54.15	54.4	54.80

### SECURITIES CROWD FUNDING (SCF)\*

	2019	2020	2021	2022	Sep-23
<b>No. of Issuer</b>	49	127	195	304	456
<b>No. of Investors</b>	5,063	51,414	93,777	127,810	161,660
<b>Fundraising (IDR Bn)</b>	64.14	184.89	413.18	640.57	975.13

\*Cumulative since 2018. There were 16 SCF Providers, data as of Sep'23

### PUBLIC OFFERING

TYPE	2019	2020	2021		2022		2023**	
	Nom (IDR T)	Nom (IDR T)	No. of Issuers	Nom (IDR T)	No. of Issuers	Nom (IDR T)	No. of Issuers	Nom (IDR T)
<b>IPO</b>	14.7	6.1	52	61.66	65	33.03	65	51.91
<b>Rights Issue</b>	29.17	20.3	44	197.27	45	78.37	19	37.00
<b>Corp Bonds /Sukuk</b>	122.98	92.3	96	104.4	123	156.33	85	101.11
<b>TOTAL</b>	<b>166.85</b>	<b>118.7</b>	<b>192</b>	<b>363.29</b>	<b>233</b>	<b>267.73</b>	<b>169</b>	<b>190.02</b>

\*\*Data as of September 2023

## HIGHLIGHTS OF THE BANKING SECTOR

### INTERMEDIATION

	Dec-19	Dec-20	Dec-21	Dec-22	Sep-23
<b>Loan (IDR T)</b>	<b>5,617</b>	<b>5,482</b>	<b>5,769</b>	<b>6,423</b>	<b>6,837</b>
<i>Mtm (%)</i>	1.68	0.63	1.02	1.20	1.45
<i>Yoy (%)</i>	6.08	-2.41	5.24	11.35	8.96
<i>Ytd (%)</i>	8.3	-2.41	5.24	11.35	6.44
<b>Deposits (IDR T)</b>	<b>5,999</b>	<b>6,665</b>	<b>7,479</b>	<b>8,153</b>	<b>8,147</b>
<i>Mtm (%)</i>	0.85	0.46	2.03	2.25	0.80
<i>Yoy (%)</i>	6.54	11.11	12.21	9.01	6.54
<i>Ytd (%)</i>	6.54	11.11	12.21	9.01	-0.08
<b>LDR</b>	<b>93.64</b>	<b>82.24</b>	<b>77.13</b>	<b>78.78</b>	<b>83.92</b>

### PROFITABILITY

	Dec-19	Dec-20	Dec-21	Dec-22	Sep-23
<b>NIM (%)</b>	4.8	4.32	4.51	4.71	4.85
<b>ROA (%)</b>	2.33	1.59	1.84	2.43	2.73

### RISK PROFILE

	Dec-19	Dec-20	Dec-21	Dec-22	Sep-23
<b>Credit Risk</b>					
<b>Gross NPL (%)</b>	2.53	3.06	3	2.44	2.43
<b>Net NPL (%)</b>	1.18	0.98	0.88	0.71	0.77
<b>Loan at Risk (%)</b>	9.93	23.38	19.48	14.05	12.07
<b>Market Risk</b>					
<b>NOP (%)</b>	1.63	1.58	1.23	1.23	1.76
<b>Liquidity Risk</b>					
<b>Liquid Asset (IDR T)</b>	1,251	2,111	2,627	2,543	2,105
<b>LA/Deposits (%)</b>	20.86	31.67	35.12	31.20	25.83
<b>LA/NCD (%)</b>	97.61	146.7	157.9	137.67	115.37
<b>LCR (%)</b>	209.16	267.91	257.79	242.58	228.88
<b>NSFR (%)</b>	128.65	140.57	142.50	140.42	135.35

### CAPITAL

	Dec-19	Dec-20	Dec-21	Dec-22	Sep-23
<b>CAR (%)</b>	<b>23.31</b>	<b>23.81</b>	<b>25.67</b>	<b>25.63</b>	<b>27.41</b>

## HIGHLIGHTS OF THE NON-BANKING SECTOR

### INSURANCE

	Dec-19	Dec-20	Dec-21	Dec-22	Sep-23
<b>Insurance Premium Income (IDR T)*</b>	281.2	293.29	308.11	311.48	228.51**
<b>RBC Gen. Insurance (%)</b>	345.3	343.47	327.3	326.99	308.97
<b>RBC Life Insurance (%)</b>	789.4	528.59	539.8	484.22	451.23
<b>Investment Adequacy Ratio Gen. Insurance (%)</b>	203.3	200.15	195.29	195.29	195.96
<b>Investment Adequacy Ratio Life Insurance (%)</b>	105.7	105.7	120.64	120.64	130.69

### PENSION FUND

	Dec-19	Dec-20	Dec-21	Dec-22	Sep-23
<b>Investment Value (IDR T)</b>	284.78	308.01	319.37	335.93	348.35
<b>Asset Value (IDR T)</b>	293.92	317.50	329.97	344.92	360.62

### MULTI-FINANCE COMPANY

	Dec-19	Dec-20	Dec-21	Dec-22	Sep-23
<b>Financing (IDR T)</b>	452.2	369.76	364.23	415.8	458.70
<b>Growth Yoy (%)</b>	3.66	-18.23	-1.49	14.18	15.42
<b>Gross NPF (%)</b>	2.4	4.01	3.53	2.32	2.59
<b>Gearing Ratio (x)</b>	2.61	2.15	1.98	2.07	2.23

### FINTECH P2P LENDING

	Dec-19	Dec-20	Dec-21	Dec-22	Sep-23
<b>Outstanding Loan (IDR T)</b>	13.16	15.32	29.88	51.12	55.70
<b>Growth Yoy (%)</b>	-41.95	16.43	95.05	71.1	14.28
<b>P2P NPL (%)***</b>	3.65	4.78	2.29	2.78	2.82

\* : Including General Insurance, Life Insurance and Reinsurance

\*\* : accumulated yearly

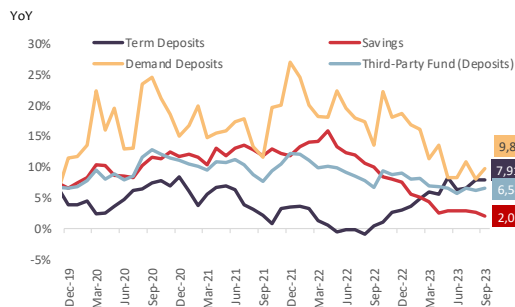
\*\*\* : Default rate for loan payment ≥ 90 days

Thresholds of RBC (120%) and Investment Adequacy Ratio (100%)

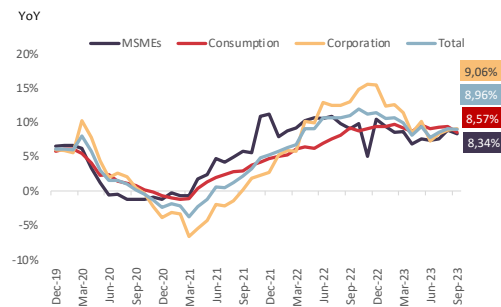


## OTHER BANKING INDUSTRY INDICATORS

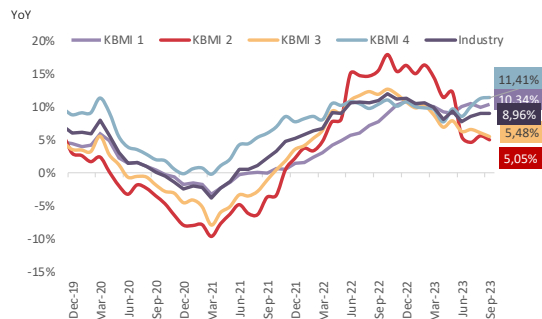
### Third-Party Fund Growth



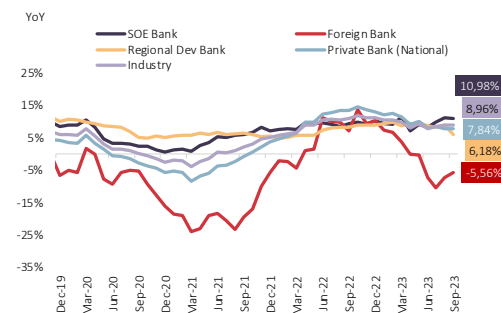
### Credit Growth by Segment



### Credit Growth by KBMI



### Credit Growth by Ownership



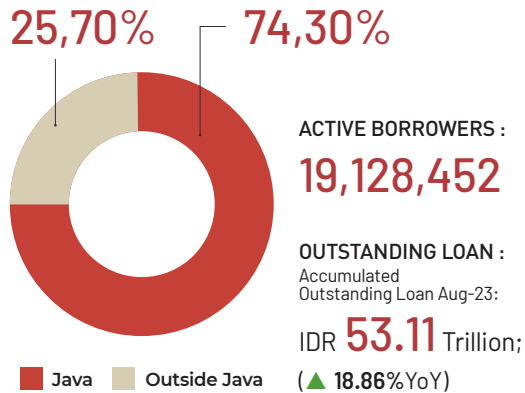
## DEVELOPMENT OF FINTECH LENDING

[ As of August 2023 ]

### REGISTERED/ LICENSED COMPANIES

TOTAL:	CONVENTIONAL:	SHARIA:
101	95	7

### ACTIVE BORROWERS



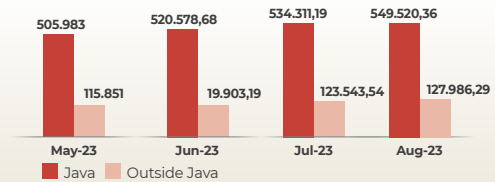
### Success rate for ≤ 90 days loan payment (TKB90):

Aug-23s	Jul-23
(97.12%);	(96.53%);

### LENDER ACCOUNT

#### TOTAL LOAN ACCUMULATION:

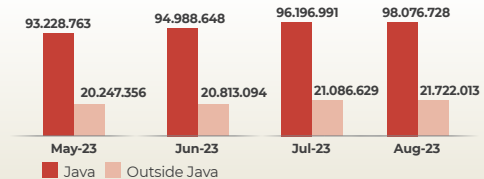
IDR **677** Trillion  
(Aug-23)  
(▲ 55.35% YoY,  
▲ 20.02% YTD)



### BORROWER ACCOUNT

#### TOTAL BORROWER ACCOUNT:

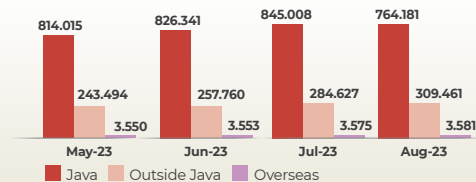
**119,798,741**  
entities (Aug-23)  
(▲ 35.80% YoY,  
▲ 20.04% YTD)



### LENDING DISTRIBUTION

#### TOTAL LENDER ACCOUNT:

**1,077,223**  
entities (Aug-23)  
(▲ 13.98% YoY,  
▲ 7.78% YTD)



## HISTORY OF INDONESIA SOVEREIGN CREDIT RATINGS

STANDARD & POOR'S		MOODY'S		FITCH		RATING AND INVESTMENT		JAPAN CREDIT RATING AGENCY	
July 7, 1992	BBB-	March 14, 1994	Baa3	June 1, 1997	BBB-	May 14, 1998	B	October 25, 2002	B
April 18, 1995	BBB	December 21, 1997	Ba1	December 23, 1997	BB+	September 28, 1999	B-	May 26, 2004	B+
October 10, 1997	BBB-	January 9, 1998	B2	January 8, 1998	BB-	June 8, 2004	B	September 21, 2006	BB-
December 31, 1997	BB+	March 20, 1998	B3	January 21, 1998	B+	July 22, 2005	BB-	September 7, 2007	BB
January 9, 1998	BB	September 30, 2003	B2	March 16, 1998	B-	October 12, 2006	BB-	September 25, 2008	BB*
January 27, 1998	B	May 19, 2006	B1	August 1, 2002	B	October 31, 2007	BB+	February 5, 2009	BB**
March 11, 1998	B-	October 22, 2007	Ba3	November 20, 2003	B+	January, 2009	BB+*	July 7, 2009	BB+
May 15, 1998	CCC+	December 23, 2008	Ba3*	January 27, 2005	BB-	October 7, 2009	BB+*	July 13, 2010	BBB-
March 29, 1999	SD	June 11, 2009	Ba3***	February 14, 2008	BB	October 14, 2010	BB+***	August 24, 2011	BBB-*
March 30, 1999	CCC+	September 16, 2009	Ba2	January 21, 2009	BB*	November 14, 2011	BB+*	November 13, 2012	BBB-*
September 12, 1999	CCC+	June 21, 2010	Ba2***	January 25, 2010	BB+	October 18, 2012	BBB-	July 22, 2013	BBB-*
October 2, 2000	B-	January 17, 2011	Ba1	February 24, 2011	BB+***	October 11, 2013	BBB-*	October 22, 2014	BBB-*
May 21, 2001	CCC+	January 18, 2012	Baa3	December 15, 2011	BBB-	March 18, 2015	BBB-*	February 1, 2016	BBB-*
November 2, 2001	CCC	January 28, 2016	Baa3*	November 22, 2012	BBB-*	April 4, 2016	BBB-*	March 7, 2017	BBB-***
April 23, 2002	SD	February 8, 2017	Baa3***	November 15, 2013	BBB-*	April 5, 2017	BBB-***	February 8, 2018	BBB
September 5, 2002	CCC+	April 13, 2018	Baa2	November 13, 2014	BBB-*	March 7, 2018	BBB	April 26, 2019	BBB***
May 12, 2003	B-	February 10, 2020	Baa2*	November 6, 2015	BBB-*	April 26, 2019	BBB*	January 31, 2020	BBB+
October 8, 2003	B	February 10, 2022	Baa2*	May 23, 2016	BBB-*	March 17, 2020	BBB+	December 22, 2020	BBB+*
December 22, 2004	B+	<b>March 1, 2023</b>	<b>Baa2*</b>	December 21, 2016	BBB-***	April 22, 2021	BBB+*	<b>July 27, 2022</b>	<b>BBB+*</b>
July 26, 2006	BB-			July 19, 2017	BBB-*	July 4, 2022	BBB+*		
November 7, 2008	BB-*			December 20, 2017	BBB	<b>July 25, 2023</b>	<b>BBB+***</b>		
October 23, 2009	BB-***			September 2, 2018	BBB*				
March 12, 2010	BB			March 14, 2019	BBB*				
April 8, 2011	BB+			January 24, 2020	BBB*				
April 23, 2012	BB+*			March 22, 2021	BBB*				
May 2, 2013	BB+**			November 23, 2021	BBB*				
April 28, 2014	BB+*			June 28, 2022	BBB*				
May 21, 2015	BB+***			December 14, 2022	BBB*				
June 1, 2016	BB+*			<b>September 1, 2023</b>	<b>BBB*</b>				
May 19, 2017	BBB-								
May 31, 2018	BBB-*								
May 31, 2019	BBB								
April 17, 2020	BBB****								
April 22, 2021	BBB*								
April 27, 2022	BBB*****								
<b>July 10, 2023</b>	<b>BBB*</b>								

\* rating affirmation  
 \*\* outlook revised from positive to stable  
 \*\*\* outlook revised from stable to positive  
 \*\*\*\* outlook revised from stable to negative  
 \*\*\*\*\* outlook revised from negative to stable  
 Note: Foreign Currency Long Term Debt

## MACROECONOMIC INDICATORS

	Dec-19	Dec-20	Dec-21	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
<b>FX Reserves (Bn USD)</b>	129.18	135.9	144.9	137.2	139.4	140.3	145.2	144.20	139.30	137.50	137.70	137.10	134.90
<b>BI7DDR* (%)</b>	5	3.75	3.5	5.5	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
<b>Exchange Rate (USD/IDR)</b>	13,901	14,105	14,278	15,592	14,992	15,240	14,977	14,661	15,003	15,000	15,080	15,230	15,455
<b>Trade Balance (Bn USD)</b>	-0.08	2.10	1.01	3.96	3.88	5.48	2.91	3.93	0.42	3.45	1.31	3.12	3.42
<b>Oil and Gas (Bn USD)</b>	-1	-0.46	-2.31	-1.72	-1.41	-1.22	-1.67	-1.69	-1.82	-0.96	-1.91	-1.34	-1.92
<b>Non Oil and Gas (Bn USD)</b>	0.92	2.56	3.32	5.61	5.29	6.68	4.5	5.63	2.25	4.41	3.22	4.46	5.34
<b>Consumer Confidence Index (%)</b>	126.37	96.5	118.3	119.9	123	122.4	123.3	126.10	128.30	127.10	123.50	125.20	121.70
<b>Retail Sales Index (%)</b>	235.1	190.06	216.3	217.8	208.2	201.2	215.3	242.90	223.50	223.20	203.30	204.10	200.20
<b>Inflation (% YoY)</b>													
Headline	2.72	1.68	1.87	5.51	5.28	5.47	4.97	4.33	4.00	3.52	3.08	3.27	2.28
Core	3.02	1.6	1.56	3.36	3.27	3.09	2.94	2.83	2.66	2.58	2.43	2.18	2.00
Administered Price	0.51	0.25	1.79	13.34	12.28	12.24	11.56	10.32	9.52	9.21	8.42	8.05	1.99
Volatile Food	4.3	3.62	3.2	5.61	5.71	7.62	5.83	3.74	3.28	1.20	2.39	2.42	3.62

\*BI7DDR increased to 6.00% in October 2023

	Feb-19	Aug-19	Feb-20	Aug-20	Feb-21	Aug-21	Feb-22	Aug-22	Feb-23
<b>Unemployment Rate (%)</b>	4.98	5.23	4.94	7.07	6.26	6.49	5.83	5.86	5.45

## GLOSSARY

<b>3T</b>	Daerah Tertinggal, Terdepan dan Terluar (Remote, Frontier, and Outermost Areas)
<b>AAOIFI</b>	Accounting and Auditing Organization for Islamic Financial Institutions
<b>ACAFTA</b>	ASEAN-Canada Free Trade Agreement
<b>ADB</b>	Asian Development Bank
<b>AFAS</b>	ASEAN Framework Agreement on Services
<b>AFD</b>	Agence Française de Développement
<b>AGM</b>	Annual General Meeting
<b>AML/CFT/CPF</b>	Anti-Money Laundering/Countermeasure Financing for Terrorism/Counteracting Proliferation Financing
<b>AMRO</b>	ASEAN+3 Macroeconomic Research Office
<b>ASEAN</b>	Association of Southeast Asian Nations
<b>ATISA</b>	ASEAN Trade in Services Agreement
<b>Bappebti</b>	Badan Pengawas Perdagangan Berjangka Komoditi (Commodity Futures Trading Supervisory Agency)
<b>BCBS</b>	Basel Committee on Banking Supervision
<b>BCP</b>	Basel Core Principles
<b>BdF</b>	Banque de France
<b>BI7DRR</b>	Bank Indonesia-7 Days Reverse Repo Rate
<b>BIK</b>	Bulan Inklusi Keuangan Program
<b>BOC</b>	Board of Commissioners
<b>BOD</b>	Board of Directors
<b>BoT</b>	Bank of Thailand
<b>BKPM</b>	Badan Koordinasi Penanaman Modal (Ministry of Investment)
<b>CAIBA</b>	China-ASEAN Interbank Association
<b>CAR</b>	Capital Adequacy Ratio
<b>CCI</b>	Consumer Confidence Index
<b>CCP</b>	Central Counterparty
<b>CEPA</b>	Comprehensive Economic Partnership Agreement
<b>CERO</b>	Climate-related and Environmental Risk & Opportunities
<b>CPIFR</b>	Core Principles for Islamic Finance Regulation
<b>CPO</b>	Crude Palm Oil
<b>DPS</b>	Dewan Syariah Nasional (Sharia Supervisory Board)
<b>EKI</b>	Ekosistem Keuangan Inklusif (Inclusive Financial Ecosystem)
<b>EMEAP</b>	Executive's Meeting of East Asia Pacific Central Banks
<b>ESMA</b>	European Securities and Market Authority

<b>FATF</b>	Financial Action Task Force
<b>FCP</b>	Financial Consumer Protection
<b>FinTech</b>	Financial Technology
<b>FKIJK</b>	Forum Komunikasi Industri Jasa Keuangan (Financial Services Industry Communication Forum)
<b>FSAP</b>	Financial Sector Assessment Program
<b>FSB</b>	Financial Stability Board
<b>FSN-CM</b>	Financial Safety Nets & Crisis Management
<b>FSP</b>	Financial Services Providers
<b>FSRA-ADGM</b>	Financial Services Regulatory Authority of Abu Dhabi Global Market
<b>FSS Korea</b>	Financial Supervisory Service Korea
<b>FTA</b>	Free Trade Agreement
<b>GDP</b>	Gross Domestic Product
<b>GHOS</b>	Governors and Head of Supervision
<b>G-SIBs</b>	Global Systemically Important Banks
<b>HOS</b>	Head of Supervision
<b>IACEPA</b>	Indonesia-Australia CEPA
<b>ICACEPA</b>	Indonesia-Canada CEPA
<b>ICBI</b>	Indonesia Composite Bond Index
<b>ICPs IAIS</b>	Insurance Core Principles – International Association of Insurance Supervisors
<b>IEUCEPA</b>	Indonesia-European Union CEPA
<b>IFRS</b>	International Financial Reporting Standards
<b>IFSB</b>	Islamic Financial Services
<b>IFSC</b>	Integrated Financial Supervisors Conference
<b>IHSG</b>	Indeks Harga Saham Gabungan (Jakarta Composite Index)
<b>IKCEPA</b>	Indonesia-Korea CEPA
<b>IMF</b>	International Monetary Fund
<b>IOPS</b>	International Organization of Pension Supervisors
<b>IPEF</b>	Indo-Pacific Economic Framework for Prosperity
<b>IPO</b>	Initial Public Offering
<b>IRU</b>	Investor Relations Unit
<b>ISSB</b>	International Sustainability Standards Board
<b>ITSK</b>	Inovasi Teknologi Sektor Keuangan (Financial Sector Technology Innovation)
<b>IUAECEPA</b>	Indonesia-UAE CEPA
<b>JCI</b>	Jakarta Composite Index

## GLOSSARY

<b>KADIN</b>	Kamar Dagang dan Industri Indonesia (Chamber of Commerce and Industry)
<b>KBMI</b>	Kelompok Bank berdasarkan Modal Inti (Bank Groups based on Core Capital)
<b>Kominfo</b>	Kementerian Komunikasi dan Informatika (Ministry of Communication and Informatics)
<b>KSSK</b>	Komite Stabilitas Sistem Keuangan (Financial System Stability Committee)
<b>LA</b>	Liquid Asset
<b>LCR</b>	Liquidity Coverage Ratio
<b>LNG</b>	Liquefied natural gas
<b>LPIP</b>	Lembaga Pengelola Informasi Perkreditan (Credit Information System)
<b>LTF</b>	Capital Market Development & Long-Term Finance
<b>MER</b>	Mutual Evaluation Review
<b>MiCA-R</b>	Markets in Crypto Assets Regulation
<b>MoU</b>	Memorandum of Understanding
<b>MSME</b>	Micro, Small, and Medium Enterprises
<b>MRV</b>	Measurement, Reporting, and Verification
<b>NBFI</b>	Non-Banking Financial Institution
<b>NBFSA</b>	Non-Bank Financial Services Authority
<b>NCD</b>	Non-Core Deposit
<b>NCM</b>	Non-Conforming Measures
<b>NIM</b>	Net Interest Margin
<b>NOP</b>	Net Open Position
<b>NPF</b>	Non-Performing Financing
<b>NPL</b>	Non-performing Loans
<b>NSFR</b>	Net Stable Funding Ratio
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>OJK IIH</b>	OJK International Information Hub
<b>P2PL</b>	Peer-to-Peer Lending
<b>Perpres</b>	Peraturan Presiden (Presidential Decree)
<b>PMI</b>	Purchasing Managers' Index
<b>PP</b>	Perusahaan Pembiayaan (Financing Companies)
<b>PTBAE-PU</b>	Penetapan Batas Atas Emisi GRK bagi Pelaku Usaha (Technical Approvals for Emission Upper Limits for Business Entities)
<b>RBC</b>	Risk-based Capital

<b>ROA</b>	Return On Assets
<b>RPOJK</b>	Rancangan Peraturan Otoritas Jasa Keuangan (Draft of OJK Regulations)
<b>RSEOJK</b>	Rancangan Surat Edaran Otoritas Jasa Keuangan (Draft of OJK Circular Letter)
<b>RSI</b>	Retail Sales Index
<b>RTGS &amp; BI-S4</b>	Payment Systems
<b>RUPS</b>	Rapat Umum Pemegang Saham (Shareholders General Meeting)
<b>SCF</b>	Securities Crowdfunding
<b>SDR</b>	Services Domestic Regulation
<b>SICANTIKS</b>	Sahabat Ibu Cakap Literasi Keuangan Syariah Program
<b>SLM</b>	Systemic Liquidity Management
<b>SOE</b>	State-Owned Enterprise
<b>SPE-GRK</b>	Sertifikat Pengurangan Emisi GRK (Greenhouse Gas Emission Reduction Certificates)
<b>SRC</b>	Supervisory and Regulatory Cooperation
<b>SRN PPI</b>	Sistem Registri Nasional Pengendalian Perubahan Iklim (National Climate Change Control Registry)
<b>ST</b>	Systemic Risk/Stress Test
<b>SWG-Fin</b>	Sub-Working Group on Financial Services
<b>TPAKD</b>	Tim Percepatan Akses Keuangan Daerah (Regional Financial Access Acceleration Team)
<b>UAE</b>	United Arab Emirates
<b>UU P2SK</b>	Law Number 4 of 2023 concerning the Development and Strengthening of the Financial Sector (Financial Sector Omnibus Law)
<b>WC-ABIF</b>	Working-Committee on ASEAN Banking Integration Framework
<b>WE-DATA</b>	Women Entrepreneurs DATA
<b>WGI</b>	Working Group on Investment
<b>WGTIS</b>	Working Group on Trade in Services
<b>WTI</b>	West Texas Intermediate