

## PRESS RELEASE

### OJK DRAFTS REGULATIONS ON FINTECH DEVELOPMENT

---

**Otoritas Jasa Keuangan, Jakarta, October 6, 2016.** The Financial Services Authority (OJK), in accordance with its authority as established by Law No. 21/2011, has been drafting a number of regulations to administer and supervise the growth of financial technology (fintech), a financial services sector that capitalizes on advanced technology.

The OJK has set up the **Team for Development of Economic and Financial Digital Innovations** and its members came from different OJK work units. The team has been assigned to review and study the growth of Fintech and to prepare regulations and strategies for developing the sector.

“The OJK has been studying intensively the growing phenomenon of Fintech in order to monitor this economic evolution, so we can support the future development of the financial services industry and continue ensuring consumer protection,” OJK Deputy Chairman Rahmat Waluyanto said on Thursday, in Jakarta.

For the OJK—as the authority in the financial services industry—the presence of Fintech gives it an opportunity to continue developing the industry as well as promoting the financial inclusion program. On the other hand, Fintech also presents a challenge to the OJK to ensure that online transactions taken place within the sector are reliable, efficient, and secure, so they will not hurt the consumers.

In order to support the fintech sector’s development, soon the OJK will implement several plans, including:

1. Launching **Fintech Innovation Hub** as development and one-stop contact center for the national Fintech industry where Fintech companies can network and cooperate with institutions and agencies that support digital financial ecosystem.
2. Following up its agreement with the Ministry of Communication and Information Technology. For this plan, the OJK has prepared a **certificate authority (CA)** for the financial services sector. As the issuer of certificates that attest to digital signatures of financial services companies, CA can guarantee that digitally- signed electronic transactions are secure and have legal status that comply with the applicable provisions in Indonesia.
3. Providing **Sandbox Regulatory** for the Fintech industry. Regulations concerning this tool specify the minimum requirements that need to be

satisfied, so the industry's development will be supported by the legal grounds essential for attracting investments and protecting consumer interests towards efficient and sustainable growth.

4. Reviewing implementation of data and information security standards in relation to Fintech industry management and the need for a **Reporting Center for Information Security Incidents** in the financial services industry.
5. Reviewing a **Centralized Vulnerability Assessment (VA)** system in the financial services industry in order to make sure that posture on, and sophistication of, dealing with information security are maintained at all times to minimize risks and threats against it.

The latest update from the review conducted by OJK's Team for Development of Economic and Financial Digital Innovations reveals that Fintech companies under OJK's authority are classified based on their types of businesses such as banking, insurance, investment, financing, peer-to-peer lending, crowd funding, credit channelling, et cetera.

"The classification does not include Fintech companies that offer payment system services as they will be regulated by the Central Bank," Rahmat explained.

Based on OJK's review, at the moment there are 120 Fintech companies, which operate in Indonesia, that are under its supervision.

In terms of the scope of the Fintech draft regulations, the OJK is preparing rules about capital, business models, consumer protection and minimum risk management that Fintech companies should satisfy.

\*\*\*

**For more information:**

Fithri Hadi, Director of Information System Operation and Facilities  
Tel + 62 21 2960 0000 Email: [fithri.hadi@ojk.go.id](mailto:fithri.hadi@ojk.go.id)