

PRESS RELEASE

OJK ISSUES NEW CONSUMER PROTECTION REGULATION

Jakarta, 18th May 2022. The Indonesia Financial Services Authority (OJK) continues to strengthen consumer protection efforts in the financial services sector through promulgation of OJK Regulation (POJK) Number 6/POJK.07/2022 concerning Consumer and Public Protection in the Financial Services Sector.

Among others, this amendment to POJK Number 1/POJK.07/2013 regulates the implementation of consumer protection by the financial services industry, from product planning and services to dispute resolution. In addition, the POJK clarifies disclosure and transparency obligations regarding services and product information and enhances consumer data and information protection.

“This POJK strengthens consumer protection regulations and the obligations of Financial Services Providers in response to dynamic changes in the financial services sector,” noted Commissioner in Charge of Consumer Protection and Education, Tirta Segara.

Strengthening consumer and public protection in the financial services sector is necessary to adjust to rapid and dynamic innovation and technology in the sector as well as efforts to improve consumer protection by Financial Services Providers.

“We expect OJK Regulation (POJK) Number 6/POJK.07/2022 to answer that need and ensure a stable financial services sector can grow sustainably, while protecting the interests of consumers and the public,” added Tirta.

The POJK was formulated with the involvement of various stakeholders, including Financial Services Providers from the banking sector, capital market and non-bank financial industry, academics, legal experts, relevant associations, Alternative Dispute Resolution Institutions (LAPS) and non-governmental organisations (NGOs), for input and recommendations.

The salient provisions of OJK Regulation (POJK) Number 6/POJK.07/2022 to strengthen consumer and public protection are as follows:

1. A regulatory approach to the product and/or service life cycle that further optimises consumer and public protection efforts from product planning and design to services and dispute resolution;
2. Strengthening consumer and public protection principles by obligating Financial Services Providers to offer “adequate education”, thereby enhancing consumer ability when selecting financial products and services;
3. Strengthening information disclosure and transparency principles by regulating the form, procedures and exemptions when submitting product and service

information summaries;

4. Strengthening support for consumers and/or people living with disabilities and the elderly, while increasing consumer data and information protection;
5. Obligations to provide sufficient time for consumers to fully understand a financial agreement prior to signing, followed by a grace period for longer-term and more complex products and services;
6. Voice and/or video recording obligations if a product and/or service is offered via a personal communication device;
7. Affirming the consumer protection authority of OJK, including market conduct supervision, as stipulated by Articles 28 – 30 of the OJK Act;
8. Obligations to establish a consumer and public protection unit or function;
9. Reporting obligations for Financial Services Providers to submit self-assessments to OJK regarding compliance with consumer protection regulations.

Promulgation of OJK Regulation (POJK) Number 6/POJK.07/2022 supersedes and repeals POJK Nomor 1/POJK.07/2013 in its entirety.
