

BANK INDONESIA REGULATION
NUMBER: 7/ 8 /PBI/2005
CONCERNING
THE DEBTOR INFORMATION SYSTEM

THE GOVERNOR OF BANK INDONESIA,

- Considering:
- a. whereas to expedite the process of provision of data for promotion of economic development, effective application of credit risk management, and availability of reliable information on debtor quality, it is necessary to have a complete and comprehensive information system on debtor profiles;
 - b. whereas to support the availability of complete and comprehensive information on debtor profiles, it is necessary to have a credit bureau;
 - c. whereas under the applicable laws, Bank Indonesia has the function of regulating and developing the operation of an interbank information system linked other financial institutions in order to acquire debtor information in an efficient and effective manner;
 - d. whereas to improve effectiveness and efficiency in operating an interbank information system linked to other financial institutions for generation of quality information, it is necessary to expand the scope of reporting entities and the reporting process, system development, and

improvements ...

improvements to the procedures for reporting/request of debtor information;

- e. whereas to establish a credit bureau, it is necessary for improvements to be made to the debtor information system on an ongoing basis;
- f. now therefore it is deemed necessary to enact renewed provisions concerning the debtor information system in a Bank Indonesia Regulation;

- In view of:
- 1. Act Number 7 of 1992 concerning Banking (State Gazette of the Republic of Indonesia Number 31 of 1992, Supplement to the State Gazette of the Republic of Indonesia Number 3472), as amended by Act Number 10 of 1998 (State Gazette of the Republic of Indonesia Number 182 of 1998, Supplement to the State Gazette of the Republic of Indonesia Number 3790);
 - 2. Act Number 23 of 1999 concerning Bank Indonesia (State Gazette of the Republic of Indonesia Number 66 of 1999, Supplement to the State Gazette of the Republic of Indonesia Number 3843) as amended by Act Number 3 of 2004 (State Gazette of the Republic of Indonesia Number 7 of 2004, Supplement to the State Gazette of the Republic of Indonesia Number 4357);

HAS DECREED:

To enact ...

To enact: THE BANK INDONESIA REGULATION CONCERNING
THE DEBTOR INFORMATION SYSTEM.

CHAPTER I GENERAL PROVISIONS

Article 1

The terminology used in this Bank Indonesia Regulation has the following meanings:

1. “Commercial Bank” is a Commercial Bank as defined in Act Number 7 of 1992 concerning Banking, as amended by Act Number 10 of 1998, including a branch office of a foreign bank, conducting conventional business and/or business based on sharia principles.
2. “Rural Bank”, hereinafter referred to as RB, is a Rural Bank as defined in Act Number 7 of 1992 concerning Banking, as amended by Act Number 10 of 1998, conducting conventional business and/or business based on sharia principles.
3. “Non-Bank Credit Card Provider” is a non-bank institution conducting credit card activities.
4. “Non-Bank Financial Institution” is a financial institution operating as an insurance company, pension fund, securities company, venture capital company, finance company, and savings and loans cooperative, and any other agency or institution extending provision of funds to debtors.
5. “Reporting Entity” is a Commercial Bank, RB, Non-Bank Credit Card Provider, and Non-Bank Financial Institution with scope extending to operational offices including but not limited to:
 - a. head office;
 - b. branch office;

c. branch ...

- c. branch office of foreign bank; or
 - d. sub-branch office of foreign bank,
submitting debtor reports.
6. “Debtor” is an individual or corporate or organizational customer receiving one or more facilities for provision of funds.
 7. “Debtor Report” is a report of provision of funds and the Debtor financial statements for a specified period that is presented and reported by the Reporting Entity to Bank Indonesia according to the procedure and in the reporting format stipulated by Bank Indonesia.
 8. “Debtor Information System” is a system providing information on Debtors comprising output of processing Debtor Reports received by Bank Indonesia from Reporting Entities.
 9. “Provision of Funds” is the placement of funds by a Reporting Entity, whether in rupiahs or in foreign currency, in the form of credit, securities, equity participation, placements, other claims, and off-balance sheet items, and any other equivalent form of funds placement.
 10. “Credit” is the provision of funds or equivalent claims on the basis of a loan agreement between a Reporting Entity and another party requiring the borrowing party to repay the debt at a specified term with interest, including:
 - a. overdraft, namely negative balance in a customer demand deposit account that is unrepayable at end of day;
 - b. takeover of claims within the framework of factoring;
 - c. takeover or purchase of credit from other parties.
 11. “Securities” are debt instruments, drafts, bonds, credit securities, or any derivative thereof, or other interest, or a liability from an issuer in any form customarily traded on the capital market and money market.

12. “Placement” is placement of funds by a Reporting Entity at another bank in the form of demand deposit, interbank call money, time deposit, certificate of deposit, credit, and other similar fund placement.
13. “Equity Participation” is placement of funds by a Reporting Entity in the form of shares in another bank or company as stipulated in the applicable laws and regulations, including placement in convertible bonds with equity options or certain kinds of transactions with the result that the Reporting Entity holds or will hold shares in the other bank and/or company.
14. “Temporary Equity Participation” is Equity Participation by a Reporting Entity in a Debtor company to resolve credit failure (debt-to-equity swap), including placement in convertible bonds with equity options or certain kinds of transactions with the result that the Reporting Entity holds or will hold shares in the Debtor company.
15. “Other Claims” are claims by the Reporting Entity on another party, including but not limited to securities purchased under reverse repo, acceptance claims, and derivative claims.
16. “Off Balance Sheet Items” are commitment liabilities and contingent liabilities, including but not limited to issued guarantees, letters of credit (L/C), standby letters of credit (SBLC), and/or other commitment liabilities and contingent liabilities.

CHAPTER II

PURPOSE AND OBJECTIVES

Article 2

The operation of the Debtor Information System is intended to assist Reporting Entities in expediting the process of provision of funds, facilitate the application

of risk ...

of risk management, and assist banks in identification of Debtor quality for purposes of legal compliance.

CHAPTER III REPORTING ENTITIES

Article 3

- (1) Commercial Banks and Non-Bank Credit Card Providers are required to become Reporting Entities within the Debtor Information System.
- (2) Any RB with total assets of Rp 10,000,000,000 (ten billion rupiahs) or more is required to become a Reporting Entity within the Debtor Information System.

Article 4

- (1) Any RB with total assets of less than Rp 10,000,000,000 (ten billion rupiahs) but possessing adequate infrastructure may become a Reporting Entity within the Debtor Information System.
- (2) A Non-Bank Financial Institution may become a Reporting Entity within the Debtor Information System.
- (3) A Non-Bank Financial Institution intending to become a Reporting Entity as referred to in paragraph (2) shall sign a membership statement.

Article 5

- (1) Reporting Entities shall submit accurate, complete, and up to date Debtor Reports to Bank Indonesia on a timely basis.

- (2) Debtor Reports as referred to in paragraph (1) shall be submitted each month for the end-of-month position.
- (3) Reporting Entities shall bear responsibility for the content and timely submission of Debtor Reports as referred to in paragraph (1) and paragraph (2).
- (4) Debtor Reports as referred to in paragraph (1) and paragraph (2) shall be prepared according to the Guidelines on Preparation of Debtor Reports stipulated by Bank Indonesia.

Article 6

In the event that a Debtor Report fails to comply with the provisions referred to in Article 5, the Reporting Entity shall be required to submit corrections to the Debtor Report previously submitted to Bank Indonesia.

CHAPTER IV DEBTOR REPORTS

Article 7

Debtor Reports as referred to in Article 5 shall include information concerning:

- a. the Debtor;
- b. management and owners;
- c. facilities for Provision of Funds;
- d. collateral;
- e. guarantor;
- f. Debtor financial statement.

Article 8

- (1) The Debtor financial statement as referred to in Article 7 letter f is required only for corporate or organizational Debtors receiving facilities for Provision of Funds in the amount of Rp 5,000,000,000 (five billion rupiahs) or more.
- (2) Information in the Debtor financial statement referred to in Article 7 letter f shall be presented on the basis of up to date financial information.
- (3) Up to date financial information as referred to in paragraph (2) shall comprise at least information for the latest 1 (one) year.

Article 9

Any amendment to the scope of Debtor Reports as referred to in Article 7 shall be stipulated further in a Circular Letter of Bank Indonesia.

CHAPTER V

PERIOD FOR SUBMISSION OF DEBTOR REPORTS AND DEBTOR REPORT CORRECTIONS

Article 10

- (1) Reporting Entities shall submit Debtor Reports as referred to in Article 5 no later than the 12th (twelfth) day after the relevant Debtor Report month.
- (2) A Reporting Entity shall be deemed to have submitted a Debtor Report on the date that the Debtor Report is received by Bank Indonesia.

Article 11

A Reporting Entity shall be deemed late in submission of a Debtor Report if the Debtor Report is submitted after the deadline referred to in Article 10 paragraph (1) through the end of the month after the relevant Debtor Report month.

Article 12

If the deadline for submission of a Debtor report as referred to in Article 10 paragraph (1) and Article 11 falls on a Saturday, Sunday, or official holiday, the Debtor Report shall be submitted on the previous working day.

Article 13

- (1) A Reporting Entity shall make corrections to a Debtor Report as referred to in Article 5 no later than the 12th (twelfth) day after the relevant Debtor Report month.
- (2) A Reporting Entity shall be deemed to have submitted Debtor Report corrections on the date that the Debtor Report corrections are received by Bank Indonesia.

Article 14

A Reporting Entity shall be deemed late in submission of Debtor Report corrections in the event of submitting the Debtor Report corrections past the deadline referred to in Article 13 paragraph (1) through the end of the month after the month of the Debtor Report concerned.

Article 15

If the deadline for submission of Debtor Report corrections as referred to in Article 13 paragraph (1) and Article 14 falls on a Saturday, Sunday, or official holiday, the Debtor Report corrections shall be submitted on the previous working day.

CHAPTER VI

PROCEDURE FOR SUBMISSION OF DEBTOR REPORTS AND DEBTOR REPORT CORRECTIONS

Article 16

- (1) Reporting Entities are required to submit Debtor Reports and/or Debtor Report corrections on line.
- (2) Exemption from the requirement for on line submission of Debtor Reports and/or Debtor Report corrections shall be provided in the case of:
 - a. a Reporting Entity domiciled in an area without telecommunications facilities or under conditions of force majeure preventing it from submitting Debtor Reports and/or Debtor Report corrections on line;
 - b. a Reporting Entity newly commencing operation, subject to a time limit of no more than 2 (two) months after commencing operation; or
 - c. A Reporting Entity experiencing technical outage in the submission of a Debtor Report and/or Debtor Report corrections.
- (3) An exempted Reporting Entity as referred to in paragraph (2) shall submit a written notification to Bank Indonesia no later than 7 (seven) working days after the occurrence of the conditions referred to in paragraph (2).
- (4) If a Debtor Report and/or Debtor Report corrections are received in defective condition due to technical outage or other outage in the system

and/or ...

and/or communications network at Bank Indonesia, Bank Indonesia may request the Reporting Entity to resubmit the Debtor Report and/or Debtor Report corrections.

Article 17

- (1) A Reporting Entity conducting operations in Indonesia is required to submit Debtor Reports and/or Debtor Report corrections to the Bank Indonesia Head Office, if submission is on line.
- (2) If a Debtor Report and/or corrections to a Debtor Report as referred to in paragraph (1) is submitted off line, the Debtor Report and/or Debtor Report corrections shall be submitted to:
 - a. Directorate of Bank Licensing and Information, c.q. Banking Data Section, Jl. MH. Thamrin No.2 Jakarta 10110, for a Reporting Entity domiciled in the working area of the Bank Indonesia head office; or
 - b. The local Bank Indonesia Regional Office, for a Reporting Entity domiciled outside the working area of the Bank Indonesia head office.
- (3) For a Reporting Entity conducting operations outside Indonesia, the Debtor Reports and/or Debtor Report corrections shall be put together and submitted by the head office of the Reporting Entity.
- (4) Written notification to obtain exemption from on line submission as referred to in Article 16 paragraph (3) and the list of parties appointed as responsible staff and/or officers as referred to in Article 21 paragraph (2) and paragraph (3) shall be submitted to:
 - a. Directorate of Bank Licensing and Information, c.q. Banking Data Section, Jl. MH. Thamrin No.2 Jakarta 10110, for a Reporting Entity domiciled in the working area of the Bank Indonesia head office; or

- b. the local Bank Indonesia Regional Office, for a Reporting Entity domiciled outside the working area of the Bank Indonesia head office.

CHAPTER VII REQUESTS FOR DEBTOR INFORMATION

Article 18

- (1) A Reporting Entity having complied with the reporting requirements referred to in Article 5 and Article 6 may request Debtor information from Bank Indonesia.
- (2) The scope of Debtor information provided to a Reporting Entity shall include but not be limited to the identity of the Debtor, owners and management, facilities for Provision of Funds received by the Debtor, collateral, guarantor, and/or collectibility.

Article 19

- (1) Debtor Information obtained by a Reporting Entity as referred to in Article 18 may only be used for the needs of the Reporting Entity.
- (2) Needs of the Reporting Entity as referred to in paragraph (1) are within the framework of:
 - a. application of risk management;
 - b. expediting the process for Provision of Funds;
 - c. identification of Debtor quality for compliance with the applicable legal provisions.
- (3) All legal consequences arising in connection with the use of Debtor information other than for the needs of the Reporting Entity as referred to

in paragraph ...

in paragraph (1) and paragraph (2) shall constitute the full liability of the Reporting Entity concerned.

Article 20

- (1) Requests made by for Reporting Entities for Debtor Information shall be placed on line.
- (2) If a Reporting Entity is domiciled in an area without telecommunications facilities, is experiencing telecommunications outage, or is undergoing a condition of force majeure preventing it from requesting Debtor Information on line, the request may be placed through another office of the Reporting Entity.

CHAPTER VIII

APPOINTMENT OF REPORTING STAFF AND REPORTING OFFICER

Article 21

- (1) Reporting Entities are required to appoint reporting staff and/or reporting officer responsible for:
 - a. preparation and submission of Debtor Reports;
 - b. ensuring up to date authenticity and completeness of Debtor Reports;
 - c. requesting and receiving Debtor information.
- (2) Reporting Entities are required to submit a list of parties appointed as responsible staff and/or officers as referred to in paragraph (1) to Bank Indonesia no later than 1 (one) month prior to the effective date of the reporting requirement for the Reporting Entity as stipulated in this Bank Indonesia Regulation.

- (3) In the event of any amendment to the list of appointees as responsible staff or officers as referred to in paragraph (2), the Reporting Entity shall submit the amendments to the list no later than 7 (seven) days after the change.

CHAPTER IX MISCELLANEOUS PROVISIONS

Article 22

- (1) Bank Indonesia may update Debtor data in the Debtor Information System in the event that a Reporting Entity is:
 - a. ordered to freeze business activity; or
 - b. liquidated.
- (2) Updating of Debtor data as referred to in paragraph (1) shall be based on written statements from the parties processing the Debtor data.

CHAPTER X SANCTIONS

Article 23

Any Reporting Entity failing to report one or more facilities for Provision of Funds in a Debtor Report as referred to in Article 7 shall be liable to a financial penalty as follows:

- a. for a Commercial Bank, Non-Bank Credit Card Provider, and Non-Bank Financial Institution, in the amount of Rp 250,000 (two hundred and fifty thousand rupiahs) per facility for each reporting month to a maximum of Rp 10,000,000 (ten million rupiahs) during the latest 12 (twelve) months;

b. for ...

- b. for an RB, in the amount of Rp 50,000 (fifty thousand rupiahs) per facility for each reporting month to a maximum of Rp 1,000,000 (one million rupiahs) during the latest 12 (twelve) months.

Article 24

Any Reporting Entity late in submission of a Debtor Report as referred to in Article 11 shall be liable to sanctions in the form of:

- a. financial penalty:
 - 1) for a Commercial Bank, Non-Bank Credit Card Provider, and Non-Bank Financial Institution, in the amount of Rp 1,000,000 (one million rupiahs) per day of delay;
 - 2) for an RB, in the amount of Rp 100,000 (one hundred thousand rupiahs) per day of delay,and
- b. withholding of Debtor information until the Debtor Report in question is received by Bank Indonesia.

Article 25

Any Reporting Entity failing to submit a Debtor Report within the deadline for late submission as referred to in Article 11 shall be liable to sanctions in the form of:

- a. financial penalty:
 - 1) for a Commercial Bank, Non-Bank Credit Card Provider, and Non-Bank Financial Institution, in the amount of Rp 50,000,000 (fifty million rupiahs) for each report;

- 2) for an RB, in the amount of Rp 5,000,000 (five million rupiahs) for each report,
and
- b. withholding of Debtor information until the Debtor Report in question is received by Bank Indonesia.

Article 26

- (1) Any Reporting Entity late in submission of Debtor Report corrections as referred to in Article 14 shall be liable to sanctions in the form of a financial penalty:
 - a. for a Commercial Bank, Non-Bank Credit Card Provider, and Non-Bank Financial Institution, in the amount of Rp 100,000 (one hundred thousand rupiahs) per day of delay;
 - b. for an RB, in the amount of Rp 25,000 (twenty five thousand rupiahs) per day of delay.
- (2) Any Reporting Entity failing to submit Debtor Report corrections within the deadline for late submission as referred to in Article 14 shall be liable to sanctions in the form of a financial penalty:
 - a. for a Commercial Bank, Non-Bank Credit Card Provider, and Non-Bank Financial Institution, in the amount of Rp 10,000,000 (ten million rupiahs) for each report;
 - b. for an RB, in the amount of Rp 2,500,000 (two million five hundred thousand rupiahs) for each report.

Article 27

- (1) Any Reporting Entity submitting Debtor Report corrections on the basis of findings by and at the request of Bank Indonesia shall be liable to a financial penalty as referred to in Article 26 paragraph (2).
- (2) Any Reporting Entity failing to submit Debtor Report corrections on the basis of findings by and at the request of Bank Indonesia shall in addition to imposition of the financial penalty referred to in Article 26 paragraph (2) also be issued a written warning.
- (3) If the Reporting Entity is issued 2 (two) written warnings within a period of 2 (two) weeks and notwithstanding fails to submit the Debtor Report corrections, the Reporting Entity shall be subject to withholding of Debtor information until the Debtor Report corrections are received by Bank Indonesia.

Article 28

- (1) Any Reporting Entity failing to submit Debtor Reports and/or Debtor Report corrections on line as referred to in Article 16 paragraph (1) shall be liable to a financial penalty of:
 - a. for a Commercial Bank, Non-Bank Credit Card Provider, and Non-Bank Financial Institution, in the amount of Rp 1,000,000 (one million rupiahs) for each report;
 - b. for an RB, in the amount of Rp 100,000 (one hundred thousand rupiahs) for each report.
- (2) Sanctions as referred to in paragraph (1) are waived in the case of a Reporting Entity approved by Bank Indonesia not to submit reports on line as referred to in Article 16 paragraph (2).

Article 29

Any Reporting Entity requesting Debtor information found to be used not for the purpose and objectives referred to in Article 2 and the needs referred to in Article 19 paragraph (1) and paragraph (2) shall be liable to a financial penalty of Rp 50,000,000 (fifty million rupiahs) for each item of Debtor information.

Article 30

Any Reporting Entity failing to comply with the provisions referred to in Article 3, Article 5, Article 6, Article 10 paragraph (1), Article 13 paragraph (1), Article 16 paragraph (1) and paragraph (3), Article 17, Article 19, and Article 21 shall be liable to administrative sanctions as referred to in Article 52 of Act Number 7 of 1992 concerning Banking as amended by Act Number 10 of 1998 in the form of written warning.

CHAPTER XI

TRANSITIONAL PROVISIONS

Article 31

With the enactment of this Bank Indonesia Regulation, Commercial Banks in their capacity as Reporting Entities shall continue to be required to submit reports for the positions of January 2005 through May 2005 as stipulated in Bank Indonesia Regulation Number 1/7/PBI/1999 dated September 20, 1999, concerning the Debtor Information System.

CHAPTER XII
CONCLUDING PROVISIONS

Article 32

The requirement for submission of Debtor Reports on all facilities for Provision of Funds recorded in the books as referred to in Article 5 is stipulated for Commercial Banks as follows:

- a. for Provision of Funds with a ceiling of Rp 50,000,000 (fifty million rupiahs) or more per Debtor, shall be reported commencing with the Debtor Report for March 2005;
- b. for Provision of Funds with a ceiling of less than Rp 50,000,000 (fifty million rupiahs) per Debtor, may be reported commencing with the Debtor Report for March 2005 and must be reported commencing from no later than the Debtor Report for December 2005.

Article 33

- (1) The reporting requirement for Debtor Reports for all facilities for Provision of funds recorded in the books as referred to in Article 5, in the case of RBs as referred to in Article 3 paragraph (2), shall become effective commencing from the Debtor Report for January 2006.
- (2) The reporting requirement for Debtor Reports for all facilities for Provision of Funds recorded in the books as referred to in Article 5, in the case of RBs as referred to in Article 4 paragraph (1), shall become effective commencing from the Debtor Report for the position of January 2006.

Article 34

- (1) The reporting requirement for Debtor Reports for all facilities for Provision of Funds recorded in the books as referred to in Article 5, in the case of Non-Bank Credit Card Providers, shall become effective from the Debtor Report for January 2006.
- (2) The reporting requirement for Debtor Reports for all facilities for Provision of Funds recorded in the books as referred to in Article 5, in the case of Non-Bank Financial Institutions that have signed a membership statement, shall be stipulated further in a Circular Letter of Bank Indonesia.

Article 35

- (1) For Commercial Banks, imposition of sanctions as referred to in Article 23, Article 24, Article 25, Article 26, Article 27, and Article 28 shall come into force:
 - a. for ceilings as referred to in Article 32 letter a, commencing from the reporting of data for June 2005;
 - b. for ceilings as referred to in Article 32 letter b, commencing from the reporting of data for December 2005.
- (2) For RBs as referred to in Article 3 paragraph (2), imposition of sanctions as referred to in Article 23, Article 24, Article 25, Article 26, Article 27, and Article 28 shall come into force commencing from the reporting of data for March 2006.
- (3) For RBs as referred to in Article 4 paragraph (1), Non-Bank Credit Card Providers, and Non-Bank Financial Institutions, imposition of sanctions as referred to in Article 23, Article 24, Article 25, Article 26, Article 27, and

Article 28 shall come into force 3 (three) months after becoming a Reporting Entity.

Article 36

Implementation provisions concerning the Debtor Information System shall be stipulated further in a Circular Letter of Bank Indonesia.

Article 37

With the enactment of this Bank Indonesia Regulation, Bank Indonesia Regulation Number 1/7/PBI/1999 dated September 20, 1999, concerning the Debtor Information System is revoked and declared no longer valid commencing from the reporting of data for June 2005.

- 22 -

Article 38

This Bank Indonesia Regulation shall come into force on the date of its enactment.

Enacted in Jakarta

Dated January 24, 2005

THE GOVERNOR OF BANK INDONESIA,

BURHANUDDIN ABDULLAH

STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 18 OF
2005

DPIP/DPNP