

BANK INDONESIA REGULATION

NUMBER: 11/12/PBI/2009

CONCERNING

ELECTRONIC MONEY

WITH THE BLESSING OF GOD ALMIGHTY THE ONE AND ONLY

GOVERNOR OF BANK INDONESIA

- Considering:
- a. whereas development of means of payment in the form of electronic money previously regulated as a prepayment card is not only issued in the form of a card but has also developed in other forms;
 - b. whereas in line with development of information technology and communication, means of payment in the form of electronic money issued by a bank or an institution other than bank is currently blooming;
 - c. whereas to improve the uninterrupted flow and security for all parties in maintaining electronic money it is deemed necessary to have a more comprehensive regulation;
 - d. whereas based on the consideration referred to in letter a, letter b, and letter c, it is necessary to stipulate provisions regarding electronic money in a Bank Indonesia Regulation;

- In view of:
- 1. Law Number 7 Year 1992 concerning Banking (Republic of Indonesia State Gazette Year 1992 Number 31, Supplement to Republic of Indonesia State Gazette Number 3472) as subsequently revised by Law Number 10 Year 1998 (Republic of Indonesia State Gazette Year 1998 Number 182, Supplement to Republic of Indonesia State Gazette Number 3790);
 - 2. Law Number 23 Year 1999 concerning Bank Indonesia (Republic of Indonesia State Gazette Year 1999 Number 66, Supplement to

Republic of Indonesia State Gazette Number 3843) as finally revised by Law Number 6 Year 2009 (Republic of Indonesia State Gazette Year 2009 Number 7, Supplement to Republic of Indonesia State Gazette Number 4962);

3. Law Number 15 Year 2002 concerning Money Laundering Criminal Act (Republic of Indonesia State Gazette Year 2002 Number 30, Supplement to Republic of Indonesia State Gazette Number 4191) as subsequently revised by Law Number 25 Year 2003 (Republic of Indonesia State Gazette Year 2003 Number 108, Supplement to Republic of Indonesia State Gazette Number 4324);
4. Law Number 40 Year 2007 concerning Limited Liability Company (Republic of Indonesia State Gazette Year 2007 Number 106, Supplement to Republic of Indonesia State Gazette Number 4756);
5. Law Number 21 Year 2008 concerning Syariah Banking (Republic of Indonesia State Gazette Year 2008 Number 94, Supplement to Republic of Indonesia State Gazette Number 4867);

HAS DECREED

To enact: **BANK INDONESIA REGULATION CONCERNING
ELECTRONIC MONEY**

CHAPTER I

GENERAL PROVISIONS

Article 1

The terminology mentioned in this Law is defined as follows:

1. Bank means Commercial Bank and Bank Perkreditan Rakyat as referred to in Law Number 7 Year 1992 concerning Banking as subsequently revised by Law Number 10 Year 1998 including foreign bank branch offices in Indonesia and Sharia Commercial Banks and Sharia People's Financing Banks as referred to in Law Number 21 Year 2008 concerning Sharia Banking.
2. Institution Other Than Bank refers to a legal entity non-Bank business institution established based on the Indonesian law.

3. Electronic Money refers to means of payment in compliance with the following elements:
 - a. issued based on value of money deposited first by a holder to an issuer;
 - b. money value is stored electronically in a media such as a server or a chip;
 - c. used as means of payment to a Merchant who is not an Issuer of electronic money; and
 - d. value of electronic money deposited by a Holder and managed by an Issuer is not savings as referred to in the law concerning banking.
4. Electronic Money Value refers to value of money stored electronically in a media able to be transferred in the interest of a payment transaction and/or transfer of funds.
5. Principal refers to a Bank or an Institution Other Than Bank responsible for systems management and/or network among its members, both playing the role of Issuer and/or Acquirer, in an Electronic Money transaction whereby cooperation with its members is based on a written agreement.
6. Issuer refers to a Bank or an Institution Other Than Bank that issues Electronic Money.
7. Acquirer refers to a Bank or an Institution Other Than Bank that enters into a cooperation agreement with a Merchant able to process data of Electronic Money issued by another party.
8. Holder refers to a party using Electronic Money.
9. Merchant refers to a seller of goods and/or services that accept payment transactions from a Holder.
10. Replenishment refers to addition of Electronic Money Value on Electronic Money.
11. Float Funds refer to all Electronic Money Value accepted by an Issuer on issue proceeds of Electronic Money and/or Replenishment that still represent the obligation of the Issuer to Holders and Merchants.
12. Cash Withdrawal refers to a cash withdrawal facility against Electronic Money Value able to be conducted at any moment by a Holder.

13. Clearing Operator refers to a Bank or an Institution Other Than Bank that conducts calculation of financial rights and liabilities of each Issuer and/or Acquirer in the context of Electronic Money transactions.
14. Final Settlement Operator refers to a Bank or an Institution Other Than Bank that acts and is responsible for final settlement over financial rights and liabilities of each Issuer and/or Acquirer in the context of Electronic Money transactions based on calculation result from a Clearing Operator.

CHAPTER II

PRINCIPAL, ISSUER, ACQUIRER, CLEARING OPERATOR AND/OR FINAL SETTLEMENT OPERATOR

First Part

Licensing

Paragraph 1

Principal

Article 2

- (1) Activity of a Principal can be conducted by a Bank or an Institution Other Than Bank.
- (2) The Bank or Institution Other Than Bank that intends to act as a Principal referred to in paragraph (1) is obliged to obtain a license from Bank Indonesia.
- (3) Further provisions regarding requirements and procedures for obtaining a license as a Principal are regulated by a Bank Indonesia Circular Letter.

Article 3

- (1) In implementing its activities, a Principal is obliged to:
 - a. determine objective and transparent requirements and procedures; and
 - b. conduct supervision against security and reliability of systems and/or network, against all Issuers and/or Acquirers that become members of the respective Principal.

- (2) Supervision against security and reliability of systems and/or network as referred to in paragraph (1) letter b, must also be conducted by a Principal against other parties that cooperate with an Issuer and/or an Acquirer.

Article 4

- (1) A Principal is obliged to terminate a cooperation with an Issuer and/or Acquirer if Bank Indonesia imposed a sanction to revoke the license granted to the Issuer and/or Acquirer as regulated in this Bank Indonesia Regulation.
- (2) Cooperation termination referred to in paragraph (1) must be implemented by the Principal at the latest on the next working day after the date of receipt of a written notification from Bank Indonesia regarding revocation of license granted to an Issuer and/or an Acquirer.
- (3) Cooperation termination implementation as referred to in paragraph (2), must be notified in writing by the Principal and received by Bank Indonesia at the latest 10 (ten) working days starting from the date of cooperation termination implementation.

Paragraph 2

Issuer

Article 5

- (1) Activities as an Issuer can be conducted by a Bank or an Institution Other Than Bank.
- (2) A Bank that acts as an Issuer as referred to in paragraph (1) is obliged to obtain a license as an Issuer from Bank Indonesia.
- (3) An Institution Other Than Bank that acts as an Issuer as referred to in paragraph (1) is obliged to obtain a license as Issuer from Bank Indonesia if:
 - a. Float Funds managed have reached a certain value; or
 - b. Float Funds that according to plan will reach a certain value.
- (4) Further provisions regarding requirements and procedures for obtaining a license as an Issuer as referred to in paragraph (2) and paragraph (3) including provisions regarding the value of Float Funds as referred to in paragraph (3) are regulated by a Bank Indonesia Circular Letter.

Paragraph 3

Acquirer

Article 6

- (1) Activities as an Acquirer can be conducted by a Bank or an Institution Other Than Bank.
- (2) A Bank and an Institution Other Than Bank that intend to conduct activities as Acquirers as referred to in paragraph (1) are obliged to obtain a license from Bank Indonesia.
- (3) Further provisions regarding requirements and procedures to obtain a license as an Acquirer as referred to in paragraph (2) are regulated by a Bank Indonesia Circular Letter.

Article 7

- (1) An Acquirer is obliged to educate and develop Merchants cooperating with the Acquirer.
- (2) An Acquirer is obliged to terminate cooperation with a Merchant that conducted a damaging action.
- (3) An Acquirer can share information or data with another Acquirer concerning a Merchant that conducted a damaging action and can propose to include the merchant's name in the Merchant black list.
- (4) Further provisions regarding minimum clauses to be stated in the cooperation agreement between an Acquirer and a Merchant are regulated by a Bank Indonesia Circular Letter.

Paragraph 4

Clearing Operator and/or Final Settlement Operator

Article 8

- (1) A Bank or an Institution Other Than Bank that intends to conduct activities as a Clearing Operator and/or Final Settlement Operator is obliged to obtain a license from Bank Indonesia.
- (2) In case a Bank or an Institution Other Than Bank intends to act as a Clearing Operator and/or Final Settlement Operator, then obligation to obtain a license

from Bank Indonesia as referred to in paragraph (1) must be conducted for each respective activity.

- (3) Further provisions regarding requirements and procedures for obtaining a license as a Clearing Operator and/or Final Settlement Operator as referred to in paragraph (1) are regulated by a Bank Indonesia Circular Letter.

Part Two

Activities as Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator

Article 9

- (1) A Bank or an Institution Other Than Bank that has already obtained a license from Bank Indonesia as Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator is obliged to conduct their activities in a period as stipulated by Bank Indonesia.
- (2) The Bank or Institution Other Than Bank is obliged to submit a written notification to Bank Indonesia, if within the stipulated period referred to in paragraph (1), the Bank or Institution Other Than Bank has or has not conducted any activity.
- (3) The stipulated period referred to in paragraph (1) and procedure of submitting written notification as referred to in paragraph (2) are regulated by a Bank Indonesia Circular Letter.

Third Part

Legal Entity Form and Cooperation

Article 10

An Institution Other Than Bank that intends to conduct activities as Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator operating in the territory of the Republic of Indonesia must become an Indonesian legal entity in the form of a limited liability company.

Article 11

A Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that have obtained a license from Bank Indonesia can only cooperate with a Principal, Issuer,

Acquirer, Clearing Operator and/or Final Settlement Operator that have obtained a license from Bank Indonesia.

Article 12

- (1) In case a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator cooperate with another party, then the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator must:
 - a. report the plan and realization of cooperation with another party to Bank Indonesia;
 - b. have evidence regarding the reliability and security of systems used by another party in implementing Electronic Money that among others are proven by the existence of:
 1. information technology audit result from an independent auditor; and
 2. certification result conducted by the Principal, if required by the Principal.
 - c. require another party in implementing Electronic Money to safeguard confidentiality of data.
- (2) Further provisions regarding the plan and realization procedure of cooperation between a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator and another party as referred to in paragraph (1) are regulated by a Bank Indonesia Circular Letter.

CHAPTER III

IMPLEMENTATION OF ACTIVITIES

Part One

Issuance and Risk Management

Article 13

An Issuer is prohibited to issue Electronic Money with a larger or lesser Electronic Money Value than the value of money deposited by a Holder to an Issuer.

Article 14

- (1) Bank Indonesia stipulates the largest limit of Electronic Money Value deposited in the electronic media and the largest limit of Electronic Money total value in a certain period.

- (2) An Issuer is obliged to comply with the largest limit as referred to in paragraph (1).
- (3) Further provisions regarding the largest limit as referred to in paragraph (1) are regulated by a Bank Indonesia Circular Letter.

Article 15

In case the Electronic Media has an expiry date then the Issuer is prohibited from deleting or removing the Value of Electronic Money when the Electronic Money's validity has expired.

Article 16

- (1) An Institution Other Than Bank that has obtained a license as an Issuer and intends to provide a transfer of funds facility through Electronic Money is obliged to obtain a license as an operator of money remittance business activity
- (2) A Cash Withdrawal Facility can only be granted by an Issuer that provides a transfer of funds facility through Electronic Money.
- (3) In case an Issuer providing a transfer of funds facility as referred to in paragraph (2) conducts a cooperation agreement with another party for provision of a Cash Withdrawal facility, then the Issuer can only cooperate with another party that has obtained a license as a money remittance business activity operator.
- (4) In case an Issuer provides a transfer of funds facility through Electronic Money then the Issuer is obliged to keep records of any Holder's identity.
- (5) Provision of a transfer of funds facility through Electronic Money by an Issuer besides subject to this provision must also be subject to other relevant provisions.
- (6) Further provisions regarding transfer of funds and Cash Withdrawal facilities through Electronic Money as referred to in paragraph (1) and paragraph (2) are regulated by a Bank Indonesia Circular Letter.

Article 17

- (1) An Issuer is obliged to keep records of the identity of any Holder that cooperates with the Issuer and administrates all documents related to any Merchant.
- (2) An Issuer is obliged to implement management of operational and financial risks.
- (3) In the context of implementing financial risk management as referred to in paragraph (2), the Issuer is obliged to:

- a. place Float Funds in the form of safe and liquid assets;
 - b. use Float Funds as referred to in letter a only for meeting liabilities to Holders and Merchants; and
 - c. comply with liabilities to Holders and Merchants in a timely manner.
- (4) Further provisions regarding implementation of operational risk management as referred to in paragraph (2) and placement of Float Funds as referred to in paragraph (3) letter a are regulated by a Bank Indonesia Circular Letter.

Article 18

- (1) An Issuer is obliged to provide written information to Holders regarding Electronic Money products issued.
- (2) Further regulations regarding provision of written information as referred to in paragraph (1) are regulated in a Bank Indonesia Circular Letter.

Article 19

- (1) In case an Issuer has obtained a license from Bank Indonesia and intends to issue Electronic Money with a different type or name and/or an additional new facility, then their issue must be reported in writing by the Issuer to Bank Indonesia.
- (2) The written report referred to in paragraph (1) must be completed with information that at least includes:
- a. a business plan; and
 - b. explanation about characteristics of the different type or name and/or additional new facility of Electronic Money.
- (3) Further provisions regarding the procedure of submitting a written report as referred to in paragraph (1) are regulated by a Bank Indonesia Circular Letter.

Second Part

Use of Rupiah Currency

Article 20

- (1) Electronic Money issued must use rupiah currency.
- (2) Electronic Money used in the territory of the Republic of Indonesia must use rupiah currency.

CHAPTER IV

TRANSFER OF LICENSE TO IMPLEMENT ELECTRONIC MONEY
ACTIVITIES

Article 21

- (1) Transfer of license to conduct activities as Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator to another party can only be made by a Bank or an Institution Other Than Bank in the context of a merger, consolidation, or division.
- (2) Transfer of license to implement activities as Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator as referred to in paragraph (1) must first obtain an approval from Bank Indonesia.
- (3) In the event of a takeover occurrence, a Bank or an Institution Other Than Bank that has obtained a license to implement activities as Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator is obliged to report in writing to Bank Indonesia.
- (4) Further provisions regarding requirements and procedures to obtain a license as referred to in paragraph (2) and submission of a written report as referred to in paragraph (3) are regulated by a Bank Indonesia Circular Letter.

CHAPTER V

SUPERVISION

Article 22

- (1) Bank Indonesia conducts supervision against Principals, Issuers, Acquirers, Clearing Operators and/or Final Settlement Operators.
- (2) In the context of supervision as referred to in paragraph (1), Bank Indonesia holds consultative meetings with Principals, Issuers, Acquirers, Clearing Operators and/or Final Settlement Operators.
- (3) In the context of supervision referred to in paragraph (1), a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator are obliged to:
 - a. submit a written report and/or on-line to Bank Indonesia regarding Electronic Money activities;

- b. provide information and/or data which are relevant with Electronic Money implementation in accordance with Bank Indonesia's request;
 - c. provide an opportunity to Bank Indonesia to conduct an on site visit for obtaining information that is relevant with implementation of Electronic Money activities;
- (4) Bank Indonesia can request other parties in cooperation with the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator, as referred to in Article 12 paragraph (1) to submit a written report regarding a certain information.
- (5) Based on supervision findings as referred to in paragraph (1) Bank Indonesia can conduct guidance and/or impose administrative sanctions.
- (6) Further provisions regarding submission procedure and types of reports to be submitted in writing and/or on-line as referred to in paragraph (3) letter a are regulated by a Bank Indonesia Circular Letter.

Article 23

Bank Indonesia can assign another party to and on behalf of Bank Indonesia to conduct an on site visit inspection as referred to in Article 22 paragraph (3) letter c.

CHAPTER VI

TECHNOLOGICAL SECURITY IMPROVEMENT

Article 24

- (1) A Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator are obliged to:
 - a. implement a secured and reliable system;
 - b. maintain and improve Electronic Money technological security;
 - c. have a standard operating procedure on implementing Electronic Money activities; and
 - d. uphold security and confidentiality of data.
- (2) In the context of fulfilling obligations as referred to in paragraph (1), the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator are obliged to conduct an information technology audit periodically and report the information technology audit result to Bank Indonesia.

- (3) Further provisions regarding technological security as referred to in paragraph (1), implementation of audit and reporting procedure of information technology audit result as referred to in paragraph (2) are regulated by a Bank Indonesia Circular Letter.

CHAPTER VII

OTHERS

Article 25

The implementation of Electronic Money activities by Sharia Commercial Banks or Sharia Business Units are subject to this Bank Indonesia Regulation through constant reference with prevailing Sharia principles.

Article 26

- (1) Bank Perkreditan Rakyat and Sharia People's Financing Banks (Bank Pembiayaan Rakyat Syariah) can conduct Electronic Money activities insofar not prohibited in regulations that regulate Bank Perkreditan Rakyat or Bank Pembiayaan Rakyat Syariah.
- (2) In case Bank Perkreditan Rakyat or Bank Pembiayaan Rakyat Syariah as referred to in paragraph (1) conducts Electronic Money activities, accordingly all provisions in this Bank Indonesia Regulation are in force for Bank Perkreditan Rakyat or Bank Pembiayaan Rakyat Syariah.

Article 27

- (1) A Principal, Issuer, and/or Acquirer must provide a system that is able to be connected with other Electronic Money systems.
- (2) Further provisions regarding the necessity to provide a system that can be connected with other Electronic Money systems as referred to in paragraph (1) are regulated by a Bank Indonesia Circular Letter.

Article 28

- (1) In case there are changes to the name, address and/or information on certain documents, a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator of Electronic Money must report in writing to Bank Indonesia.

- (2) Further provisions regarding reporting procedure of changes to the name, address and/or information on certain documents as referred to in paragraph (1) are regulated by a Bank Indonesia Circular Letter.

Article 29

Each report, information and/or data submitted by a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator must be submitted completely, correctly and accurately.

Article 30

- (1) A Principal, Issuer, Acquirer, Clearing Operator and other parties related to Electronic Money implementation can agree upon establishing a forum or institution aiming at self-regulation of matters of a technical and micro nature, by reporting the existence of the forum or institution to Bank Indonesia in writing.
- (2) All regulations issued by the forum or institution referred to in paragraph (1) must first be consulted to Bank Indonesia and may not contradict Bank Indonesia regulations and policies.
- (3) A Principal, Issuer, Acquirer, Clearing Operator, Final Settlement Operator and other parties that become a member in the forum or institution referred to in paragraph (1) must adhere to and obey the rules already issued and agreed upon by the forum or institution.

Article 31

Bank Indonesia lists the names of Banks and Institutions Other Than Bank that have obtained a license and effectively conducted activities as Principals, Issuers, Acquirers, Clearing Operators and/or Final Settlement Operators in the Bank Indonesia's website.

CHAPTER VIII

SANCTIONS

Article 32

A Bank or an Institution Other Than Bank that failed to fulfill liabilities as referred to in Article 2 paragraph (2), Article 5 paragraph (2), Article 5 paragraph (3), Article 6 paragraph (2), Article 8 paragraph (1), and/or Article 48, is imposed administrative sanctions in the form of:

- a. termination of Electronic Money activities, in the case of a Bank; or
- b. termination of Electronic Money activities by an authorized agency based on Bank Indonesia's request, in the case of an Institution Other Than Bank.

Article 33

- (1) A Principal who failed to fulfill obligations as referred to in Article 3 paragraph (1), Article 4 paragraph (1), Article 4 paragraph (2), and/or Article 4 paragraph (3), is imposed an administrative sanction in the form of a written warning.
- (2) If within a period of 30 (thirty) calendar days since the date of written warning referred to in paragraph (1) the Principal who failed to comply with provisions of Article 3 paragraph (1), Article 4 paragraph (1), Article 4 paragraph (2), and/or Article 4 paragraph (3), is provided with a second written warning.
- (3) If within a period of 30 (thirty) calendar days since the date of the second written warning referred to in paragraph (2) the Principal who failed to comply with provisions of Article 3 paragraph (1), Article 4 paragraph (1), Article 4 paragraph (2), and/or Article 4 paragraph (3), is imposed a sanction in the form of revocation of license as a Principal.

Article 34

- (1) An Issuer who violated provisions or failed to fulfill obligations referred to in Article 13, Article 14 paragraph (2), Article 15, Article 16 paragraph (1), Article 16 paragraph (3), Article 16 paragraph (4), Article 16 paragraph (5), Article 17 paragraph (1), Article 17 paragraph (2), Article 17 paragraph (3), Article 18 paragraph (1), and/or Article 20 paragraph (1), is imposed an administrative sanction in the form of a written warning.
- (2) If within a period of 30 (thirty) calendar days since the date of written warning referred to in paragraph (1) the Issuer who violated provisions or failed to fulfill obligations as referred to in Article 13, Article 14 paragraph (2), Article 15, Article 16 paragraph (1), Article 16 paragraph (3), Article 16 paragraph (4), Article 16 paragraph (5), Article 17 paragraph (1), Article 17 paragraph (2), Article 17 paragraph (3), Article 18 paragraph (1), and/or Article 20 paragraph (1), is provided with a second written warning.
- (3) If within a period of 30 (thirty) calendar days since the date of second written warning referred to in paragraph (2) the Issuer who violated provisions or failed to

fulfill obligations as referred to in Article 13, Article 14 paragraph (2), Article 15, Article 16 paragraph (1), Article 16 paragraph (3), Article 16 paragraph (4), Article 16 paragraph (5), Article 17 paragraph (1), Article 17 paragraph (2), Article 17 paragraph (3), Article 18 paragraph (1), and/or Article 20 paragraph (1), is imposed a sanction in the form of revocation of license as an Issuer.

Article 35

- (1) An Acquirer who failed to fulfill obligations referred to in Article 7 paragraph (1) and/or Article 7 paragraph (2) is imposed an administrative sanction in the form of a written warning.
- (2) If within 30 (thirty) calendar days since the date of written warning referred to in paragraph (1) the Acquirer who failed to comply with the provisions in Article 7 paragraph (1) and/or Article 7 paragraph (2), is provided with a second written warning.
- (3) If within 30 (thirty) calendar days since the date of the second written warning as referred to in paragraph (2) the Acquirer who failed to comply with the provisions in Article 7 paragraph (1) and/or Article 7 paragraph (2), is imposed a sanction in the form of revocation of license as an Acquirer.

Article 36

- (1) A Bank or an Institution Other Than Bank that failed to fulfill liabilities as referred to in Article 9 paragraph (1) and/or Article 9 paragraph (2) is imposed an administrative sanction in the form of a written warning.
- (2) If within a period of 30 (thirty) calendar days since the date of written warning referred to in paragraph (1) the Bank or Institution Other Than Bank that failed to comply with the provisions in Article 9 paragraph (1), and/or Article 9 paragraph (2), is imposed an administrative sanction in the form of second written warning.
- (3) If within a period of 30 (thirty) calendar days since the date of the second written warning as referred to in paragraph (2), the Bank or Institution Other Than Bank that failed to comply with the provisions in Article 9 paragraph (1) and/or Article 9 paragraph (2), is imposed a sanction in the form of cancellation of license as a Principal, Issuer, Acquirer, Clearing Operator, and/or Final Settlement Operator.

Article 37

- (1) A Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that violated Article 11, are imposed an administrative sanction in the form of a written warning and instruction to terminate cooperation with another Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator.
- (2) If within a period of 30 (thirty) calendar days since the date of written warning as referred to in paragraph (1), the Principal, Issuer, Acquirer, Clearing Operator, and/or Final Settlement Operator who failed to terminate cooperation with another Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator, are provided with a second written warning.
- (3) If within a period of 30 (thirty) calendar days since the date of the second written warning as referred to in paragraph (2), the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator who failed to terminate cooperation with another Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator, are imposed a sanction in the form of revocation of license as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator.

Article 38

- (1) A Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that violated Article 12 paragraph (1), are imposed an administrative sanction in the form of a written warning and instruction to terminate cooperation with another party.
- (2) If within a period of 30 (thirty) calendar days since the date of written warning referred to in paragraph (1), the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that failed to terminate cooperation with another party, are imposed a second written warning.
- (3) If within a period of 30 (thirty) calendar days since the date of the second written warning referred to in paragraph (2), the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator who failed to terminate cooperation with another party, are imposed a sanction in the form of revocation of license as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator.

Article 39

Violation against the provisions in Article 20 paragraph (2) is imposed a sanction based on Article 65 of Law Number 23 Year 1999 concerning Bank Indonesia as finally revised by Law Number 6 Year 2009.

Article 40

- (1) A Bank or an Institution Other Than Bank that violated provisions or failed to fulfill liabilities in Article 21 paragraph (1), Article 21 paragraph (2), and/or Article 21 paragraph (3), is imposed an administrative sanction in the form of a written warning.
- (2) If within a period of 30 (thirty) calendar days since the date of written warning referred to in paragraph (1), the Bank or Institution Other Than Bank that violated provisions or failed to fulfill liabilities in Article 21 paragraph (1), Article 21 paragraph (2), and/or Article 21 paragraph (3) is imposed an administrative sanction in the form of a second written warning.
- (3) If within a period of 30 (thirty) calendar days since the date of the second written warning as referred to in paragraph (2), the Bank or Institution Other Than Bank that violated provisions or failed to fulfill liabilities in Article 21 paragraph (1), Article 21 paragraph (2), and/or Article 21 paragraph (3), is imposed a sanction in the form of revocation of license on activities as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator.

Article 41

- (1) A Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that failed to fulfill obligation to submit a written report as referred to in Article 22 paragraph (3) letter a after expiry of report submission time limit, are imposed an administrative sanction in the form of a written warning.
- (2) If within a period of 30 (thirty) calendar days since the date of written warning referred to in paragraph (1), the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator violated Article 22 paragraph (3) letter a, are imposed an administrative sanction in the form of a second written warning.
- (3) If within a period of 30 (thirty) calendar days since the date of the second written warning referred to in paragraph (2), the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator violated Article 22 paragraph (3) letter

a, are imposed a sanction in the form of revocation of license on activities as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator.

- (4) A Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that failed to fulfill obligations of submitting reports in an on-line manner as referred to in Article 22 paragraph (3) letter a, are imposed an administrative sanction as regulated in Bank Indonesia Regulation concerning Report from the Head Office of Commercial Bank and Bank Indonesia Regulation concerning Report on Implementation of Means of Payment Activity through the Use of a Card by Bank Perkreditan Rakyat and Institution Other Than Bank.

Article 42

- (1) A Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that failed to fulfill obligations as referred to in Article 22 paragraph (3) letter b, Article 24 paragraph (1), and/or Article 24 paragraph (2) are imposed an administrative sanction in the form of a written warning.
- (2) If within a period of 30 (thirty) calendar days since the date of written warning referred to in paragraph (1) the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that failed to fulfill obligations as referred to in Article 22 paragraph (3) letter b, Article 24 paragraph (1), and/or Article 24 paragraph (2), are imposed an administrative sanction in the form of a second written warning.
- (3) If within a period of 30 (thirty) calendar days since the date of the second written warning referred to in paragraph (2), the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that failed to fulfill obligations as referred to in Article 22 paragraph (3) letter b, Article 24 paragraph (1), and/or Article 24 paragraph (2), are imposed a sanction in the form of revocation of license as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator.

Article 43

- (1) A Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that failed to fulfill obligations as referred to in Article 22 paragraph (3) letter c, are imposed an administrative sanction in the form of a written warning.

- (2) If within a period of 14 (fourteen) calendar days since the date of written warning referred to in paragraph (1), the Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator failed to fulfill obligations as referred to in Article 22 paragraph (3) letter c, are imposed a sanction in the form of revocation of license as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator.

Article 44

- (1) A Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that failed to fulfill obligations of submitting on-line reports completely, correctly and accurately as referred to in Article 29, are imposed an administrative sanction as regulated in Bank Indonesia Regulation concerning Report on Implementation of Means of Payment Activities through the Use of a Card by Bank Perkreditan Rakyat and Institutions Other Than Bank.
- (2) The Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator that failed to fulfill obligations of submitting written reports completely, correctly and accurately as referred to in Article 29, are imposed an administrative sanction in the form of a written warning.

Article 45

A Bank or an Institution Other Than Bank that failed to fulfill liabilities as referred to in Article 49, is imposed a sanction in the form of a written warning.

Article 46

- (1) An Institution Other Than Bank that failed to fulfill liabilities as referred to in Article 50, is imposed an administrative sanction in the form of a written warning.
- (2) If within a period of 30 (thirty) calendar days since the date of written warning referred to in paragraph (1), the Institution Other Than Bank that failed to fulfill liabilities as referred to in Article 50, is imposed an administrative sanction in the form of a second written warning.
- (3) If within a period of 30 (thirty) calendar days since the date of the second written warning referred to in paragraph (2), the Institution Other Than Bank that failed to fulfill liabilities as referred to in Article 50, is imposed a sanction in the form of revocation of license on activities as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator.

CHAPTER IX

SUSPENSION, CANCELLATION AND REVOCATION OF LICENSE

Article 47

Besides in the context of imposing sanctions as referred to in Article 32, Article 33, Article 34, Article 35, Article 36, Article 37, Article 38, Article 40, Article 41, Article 42, Article 43, and/or Article 46, Bank Indonesia can suspend, cancel or revoke any license already granted to a Bank or an Institution Other Than Bank as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator, among others in the event:

- a. there is a verdict from the court with permanent legal strength that instructs a Bank or an Institution Other Than Bank that conducts activities as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator to terminate their activities;
- b. there is a recommendation from the competent supervisory authority among others regarding worsening of economic condition and/or risk management weakness of a Bank or an Institution Other Than Bank;
- c. there is a written request or recommendation from the competent supervisory authority to Bank Indonesia to suspend the activities of a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator;
- d. the competent supervisory authority has revoked the business license and/or terminated the business activities of a Bank or an Institution Other Than Bank that conducts activities as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator; or
- e. there is a cancellation request submitted by a Bank or an Institution Other Than Bank that already obtained a license from Bank Indonesia.

CHAPTER X

TRANSITORY PROVISIONS

Article 48

A Bank or an Institution Other Than Bank that has already conducted activities as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator before this Bank Indonesia Regulation came into force and has not obtained a license or a

confirmation from Bank Indonesia, is obliged to obtain a license from Bank Indonesia in accordance with the period stipulated by Bank Indonesia.

Article 49

A Bank or an Institution Other Than Bank that has already conducted activities as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator before this Bank Indonesia Regulation came into force and has obtained a license or a confirmation from Bank Indonesia, is obliged to report its activities to Bank Indonesia and complete the requirements as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator as regulated in this Bank Indonesia Regulation.

Article 50

An Institution Other Than Bank that has already conducted activities as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator in the territory of the Republic of Indonesia before this regulation came into force and is not yet an Indonesian legal entity in the form of a limited liability company, is obliged to become an Indonesian legal entity in the form of a limited liability company within a time limit as stipulated by Bank Indonesia.

CHAPTER XI

CLOSING PROVISIONS

Article 51

This Bank Indonesia Regulation shall become effective on the date enacted.

For the public to be informed, it is ordered that this Bank Indonesia Regulation be promulgated in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On April 13, 2009

GOVERNOR OF BANK INDONESIA

BOEDIONO

Enacted in Jakarta

On April 13, 2009

MINISTER OF LAW AND HUMAN RIGHTS

REPUBLIC OF INDONESIA

ANDI MATTALATTA

REPUBLIC OF INDONESIA STATE GAZETTE YEAR 2009 NUMBER 65

DASP

ELUCIDATION
ON
BANK INDONESIA REGULATION
NUMBER: 11/12/PBI/2009
CONCERNING
ELECTRONIC MONEY

I. GENERAL

At this moment, development of information technology and communication has motivated development of Electronic Money that in the past was arranged through prepayment cards to develop through other means than cards. On the other hand, Electronic Money development can be used as an alternative non-cash means of payment to reach out to the public that so far has no access to the banking system.

Based on its storage media, currently Electronic Money can be differentiated in two types:

1. Electronic Money Value that besides recorded in the electronic media organized by an Issuer is also recorded in the electronic media organized by a Holder. Electronic Media organized by a Holder can take the form of a chip saved in a card, sticker, or harddisk inserted in a personal computer owned by a Holder. With such a recording system, any payment transaction using Electronic Money can be performed off-line by directly deducting Electronic Money Value in the electronic media organized by a Holder. While reconciliation of Electronic Money Value in the electronic media is organized by the Issuer for a later deduction when claimed by Merchants against the Issuer.

2. Electronic Money with its Electronic Money Value is only recorded in the electronic media organized by an Issuer. In this case, a Holder is granted the right to access Electronic Money Value. With such a recording system, any payment transaction using Electronic Money can only be conducted on-line whereby Electronic Money Value recorded in the electronic media organized by an Issuer will decrease in a direct manner.

In view that Electronic Money has a function like money, to provide protection to a Holder, to improve public confidence towards Electronic Money payment instruments, and to support smoothness of Bank Indonesia tasks in safeguarding monetary stability, Bank Indonesia stipulates requirements that must be complied with by Banks and Institutions Other Than Bank in implementing Electronic Money. Moreover to support governments efforts in preventing money laundering criminal acts and funding of terrorists, Bank Indonesia stipulates certain restrictions against Electronic Money, among others the amount nominal value that can be stored in Electronic Money and implementation of know your customer principles.

Electronic Money issued must use rupiah currency units. In addition to that, any Electronic Money used in the territory of the Republic of Indonesia must be denominated in rupiah currency. Obligation to use rupiah currency is a mandate by the Law concerning Bank Indonesia. Besides that, the obligation to use rupiah currency is based on a consideration that Electronic Money Value must be fully convertible so that the value of one rupiah Electronic Money Value equals one rupiah in cash.

Electronic Money Value deposited first by a Holder to an Issuer is not savings as referred to in the Law concerning Banking and the Law concerning Sharia Banking. The consequence of classifying Electronic Money Value not as savings must be known since the beginning by a Holder thus obliging an Issuer to inform the Holder. Besides that, as it is not included as savings, Electronic Money owned by a Holder is not guaranteed by the Deposit Protection Agency (*Lembaga Penjamin Simpanan*) as regulated in the Law concerning *Lembaga Penjamin Simpanan*.

To support Bank Indonesia efforts in improving national efficiency, it is expected that since the beginning a Principal and/or an Issuer have already prepared their systems in order to connect with the systems of other Principals and/or Issuers.

In addition to the abovementioned issues, to support security and smoothness of Electronic Money implementation, Bank Indonesia also regulates the obligations that must be fulfilled by all Electronic Money operators such as obligations to implement risk management, reporting, and system security in a Bank Indonesia Regulation.

It is possible in several circumstances that regulations of a technical and micro nature can be regulated and agreed upon by the industry itself to provide an opportunity so that the industry can self-regulate to complement regulations thus far stipulated by Bank Indonesia (Self-Regulation/SRO). However regulations issued by the SRO may not contradict regulations of a macro nature and policies established by Bank Indonesia.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory

Article 2

Paragraph (1)

Basically both a Bank and an Institution Other Than Bank has an equal opportunity to act as a Principal, like having the same responsibility in fulfilling reliability of systems and establishing fair or objective procedures and requirements if their network is used by another Issuer.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Article 3

Paragraph (1)

“Objective” means in accordance with requirements established by a Principal and implementation of equal treatment to all Issuers and/or Acquirers.

“Transparent” means that adequate information must be available to an Issuer and/or Acquirer on compilation process, procedure implementation and requirements established by a Principal.

Supervision by a Principal of network security and reliability used by an Issuer and/or an Acquirer is conducted effectively either through on-line monitoring or inspection at the site of an Issuer and/or an Acquirer. The implementation of inspections can be conducted routinely or incidentally without having to wait for an occurrence or if the Issuer and/or Acquirer intends to conduct a cooperation with another party.

Paragraph (2)

“Another party cooperating with the Issuer and/or Acquirer” in this paragraph means a party other than the Principal, Issuer, Acquirer, Clearing Operator, and/or Final Settlement Operator, such as a personalizing company and/or a company that supply Electronic Money transaction processing facilities.

Article 4

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

A written notification to Bank Indonesia at the latest 10 (ten) working days can be proven by the date seal from the document dispatching service company or Bank Indonesia’s receipt date seal.

Article 5

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Letter a

Self-explanatory

Letter b

“Float Funds that according to plan will reach a certain value” means that if an Institution Other Than Bank plans to manage or improve the value of Float Funds to reach a certain value even though at the moment of submitting an application for Float Funds the certain value has not been reached.

Paragraph (4)

Self-explanatory

Article 6

Self-explanatory

Article 7

Paragraph (1)

Self-explanatory

Paragraph (2)

“Damaging action” includes action by a Merchant that inflicts losses to the Principal, Issuer, Acquirer and/or Holder, among others detection that a Merchant was found to cooperate with a fraudster.

Paragraph (3)

An information sharing activity among Acquirers concerning the name and data of Merchants can be followed-up with proposing a Merchant to be included in the Merchant black list. The Merchant black list is managed by Acquirers or the Acquirers’ association.

Paragraph (4)

Self-explanatory

Article 8

Self-explanatory

Article 9

Paragraph (1)

Self-explanatory

Paragraph (2)

A Bank or an Institution Other Than Bank is declared capable of implementing its activities as a Principal, Issuer, Acquirer, Clearing Operator, and/or Final Settlement Operator if its network and systems can be operated and its products can be used by the general public as Electronic Money.

Written notification about refusal to conduct activities as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator must be accompanied with supporting proof that strenghtens the explanation regarding reasons and constraints causing refusal to conduct activities as a Principal, Issuer, Acquirer, Clearing Operator and/or Final Settlement Operator.

Paragraph (3)

Self-explanatory

Article 10

Self-explanatory

Article 11

The Principals, Issuers, Acquirers, Clearing Operators, and/or Final Settlement Operators cooperating in this article are Principals, Issuers, Acquirers, Clearing Operators, and/or Final Settlement Operators operating in Indonesia.

Article 12

Paragraph (1)

“Another party” in this paragraph means other parties besides Principal, Issuer, Acquirer, Clearing Operator, and/or Final Settlement Operator, such as companies supplying Electronic Money transaction processing facilities.

Paragraph (2)

Self-explanatory

Article 13

Prohibition for an Issuer to issue Electronic Money with Electronic Money Value larger than the value of money deposited by a Holder is aimed at preventing occurrence of an Electronic Money problem with Electronic Money discount potential to create uncontrollable money. As an example of Electronic Money discount: An Electronic Money with Electroning Money Value amounting to Rp 100,000.00 is sold by an Issuer through money/funds deposit from a Holder to an Issuer for Rp 90,000.00.

Besides that, the prohibition to issue Electronic Money with a smaller Electronic Money Value than the value of money deposited by a Holder is meant to protect the interest of the Holder. Example: Electronic Money Value amounting to Rp 100,000.00 is sold by an Issuer through money/funds deposit from a Holder to the Issuer for Rp 110,000.00.

Article 14

Paragraph (1)

The limitation of Electronic Money Value and total transaction value is because basically Electronic Money is used for payment of a retail nature and for preventing misuse of Electronic Money such as money laundering criminal act and funding of terrorism.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Article 15

Due to a technical problem, Electronic Money storage media has a technical age limitation that must be updated by replacing the Electronic Money storage media. Considering that in replacing the storage media there is still a possibility of Electronic Money Value leftover belonging to a Holder, its replacement may not delete or erase Electronic Money value still left over and must remain the Issuer's liability or the Holder's ownership.

Article 16

Paragraph (1)

Transfer of funds in this provision means transfer of Electronic Money Value among the Holders and does not include payment from a Holder to a Merchant. An Issuer from a Bank that intends to provide a transfer of funds facility through Electronic Money does not need a license from Bank Indonesia as a money remittance business activity operator in view that money remittance activity is already the Bank's business activity referred to in the law on banking.

Paragraph (2)

Self-explanatory

Paragraph (3)

Another party in this paragraph means Merchants, Issuer agents or parties as a correspondent in conducting money remittance activities.

Paragraph (4)

Keeping records of a Holder's identity data is meant to comply with know your customer principles and to facilitate implementation of money remittance activities. The identity data that must be recorded should at least include the name, address, date of birth and other data as stated on the Holder's identity card (fully registered).

Paragraph (5)

Other relevant provisions are among others provisions that regulate money remittance business activities and/or transfer of funds, know your customer principles and money laundering criminal acts and funding of terrorism.

Paragraph (6)

Self-explanatory

Article 17

Paragraph (1)

Obligation to keep records of a Merchant's identity is meant so that an Issuer has data in the interest of payment and to honor a claim to a Merchant after a transaction has been conducted between a Merchant and a Holder.

To keep records of a Merchant's identity at least includes information regarding the name, address, business entity form, line of business of the Merchant and information about the Merchant's account number for receiving payment.

The importance to keep records of a Merchant's identity is also related to the activities of an Issuer and use of the Issuer's system if the Issuer conducts a cooperation with a Merchant such as for Electronic Money Replenishment activity, Cash Withdrawal activity in the context of redeeming Electronic Money use, and Cash Withdrawal activity in the context of a transfer of funds.

Paragraph (2)

Self-explanatory

Paragraph (3)

Letter a

Self-explanatory

Letter b

A Holder is among others obliged to refund all Electronic Money Value left over in Electronic Money when the Holder redeems Electronic Money use, cash withdrawal and obligation to Merchants on transaction payment from the Holder to the Merchants.

Letter c

Self-explanatory

Paragraph (4)

Self-explanatory

Article 18

Paragraph (1)

The obligation to provide written information in this paragraph is meant so that an Issuer implements product transparency principles and educates the Holders.

Paragraph (2)

Self-explanatory

Article 19

Paragraph (1)

Electronic Money with a different type or name in this provision among others means Electronic Money issued using a different media than previously used including if there is a change in product name.

Paragraph (2)

Explanation of Electronic Money new product characteristics among others include transaction flow, system security improvement efforts, and distinction between new products and previous products.

Paragraph (3)

Self-explanatory

Article 20

Paragraph (1)

What is meant by using rupiah currency is rupiah currency units already used in payment transaction with non-cash means of payment.

Paragraph (2)

Using rupiah currency units in Electronic Money Value is as mandated by Article 2 paragraph (3) of Law Number 23 Year 1999 concerning Bank Indonesia as finally revised by Law Number 6 Year 2009. Besides that the obligation to use rupiah currency units is based on consideration that Electronic Money Value must be fully convertible so that value of one rupiah Electronic Money Value equals one rupiah in cash. Using Electronic Money in the territory of the Republic of Indonesia with rupiah currency is among others indicated by existence of a transaction voucher in rupiah currency, such as recorded in the sales draft or other transaction proof.

Article 21

Paragraph (1)

A Merger is a legal action conducted by a Bank or an Institution Other Than Bank or more to merge with another existing Bank or Institution Other Than Bank resulting in the legal transfer of assets and liabilities of the Bank or Institution Other Than Bank to the Bank or Institution Other Than Bank that accepts the merger and from then on the legal entity status of the Bank or Institution Other Than Bank that has merged comes to an end due to the law.

A Consolidation is a legal action conducted by two Banks or two Institutions Other Than Bank or more to merge by way of establishing one new Bank or Institution Other Than Bank that because of the law accepts assets and liabilities from the Bank or Institution Other Than Bank that merged and from then on the

legal entity status of the Bank or Institution Other Than Bank that has consolidated comes to an end due to the law.

A Division is a legal action conducted by a Bank or an Institution Other Than Bank to separate business resulting in all assets and liabilities of the Bank or Institution Other Than Bank to be shifted over by law to two or more Banks or Institutions Other Than Bank or the shifting over of a portion of assets and liabilities of the Bank or Institution Other Than Bank to one or more Banks or Institutions Other Than Bank.

Paragraph (2)

Self-explanatory

Paragraph (3)

A Takeover is a legal action conducted by a legal entity or an individual to take over the shares of a Bank or an Institution Other Than Bank resulting in a shifting over of control over the Bank or Institution Other Than Bank.

Paragraph (4)

Self-explanatory

Article 22

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Letter a

Self-explanatory

Letter b

Self-explanatory

Letter c

Providing opportunity to Bank Indonesia to obtain information includes provision of access on information technology systems.

Paragraph (4)

Self-explanatory

Paragraph (5)

Self-explanatory

Paragraph (6)

Self-explanatory

Article 23

“Another party” in this article means parties that according to Bank Indonesia assessment have a capacity to conduct supervision, among others Public Accountants and Information Technology Consultants. Supervision by another party can be conducted on its own or together with Bank Indonesia inspectors.

Article 24

Paragraph (1)

Electronic Money technological security includes security in Electronic Money issuing process, data processing, Electronic Money security, and security of all systems used to process Electronic Money transactions.

“Secure” means that the electronic system used is protected physically and non-physically.

“Reliable” means that the electronic system has a capacity in accordance with its usage requirement.

Paragraph (2)

Implementation of information technology audit can be conducted by an independent auditor.

Paragraph (3)

Self-explanatory

Article 25

Self-explanatory

Article 26

Self-explanatory

Article 27

Paragraph (1)

The necessity to provide a system that can be connected to another Electronic Money system is among others meant to improve efficiency of Electronic Money activities.

Paragraph (2)

Self-explanatory

Article 28

Paragraph (1)

Change of information against a certain document that must be reported among others includes composition of management or owners of the respective business entity.

Paragraph (2)

Self-explanatory

Article 29

Self-explanatory

Article 30

Paragraph (1)

Self-regulation by a forum or an institution (Self-Regulation Organization/SRO) is meant to complement regulations of a macro nature and policies issued by Bank Indonesia.

Paragraph (2)

To prevent that regulations issued do not contradict Bank Indonesia regulations and policies, accordingly the substance of regulations that will be issued by the forum or institution must first be consulted with Bank Indonesia.

Paragraph (3)

Self-explanatory

Article 31

Inclusion of the names of Banks or Institutions Other Than Bank in the Website of Bank Indonesia is meant for the general public to become aware of Principals, Issuers, Acquirers, Clearing Operators and/or Final Settlement Operators that already have obtained a license from Bank Indonesia in implementation of Electronic Money.

Article 32

Self-explanatory

Article 33

Self-explanatory

Article 34

Self-explanatory

Article 35

Self-explanatory

Article 36

Self-explanatory

Article 37

Self-explanatory

Article 38

Self-explanatory

Article 39

Self-explanatory

Article 40

Self-explanatory

Article 41

Self-explanatory

Article 42

Self-explanatory

Article 43

Self-explanatory

Article 44

Self-explanatory

Article 45

Self-explanatory

Article 46

Self-explanatory

Article 47

Letter a

Self-explanatory

Letter b

Recommendations from the competent supervisory authority can come from bank inspectors, payment system supervisors, or supervisors from the respective Institutions Other Than Bank.

Letter c

Self-explanatory

Letter d

Self-explanatory

Letter e

Self-explanatory

Article 48

Self-explanatory

Article 49

Self-explanatory

Article 50

Self-explanatory

Article 51

Self-explanatory

SUPPLEMENT TO REPUBLIC OF INDONESIA STATE GAZETTE NUMBER
5001