

REGULATION OF MEMBER OF BOARD OF GOVERNORS  
NUMBER 5 OF 2025  
ON  
THE AMENDMENT TO REGULATION OF MEMBER OF BOARD OF  
GOVERNORS NUMBER 23/12/PADG/2021 ON SETTLEMENT FOR  
BILATERAL TRANSACTIONS BETWEEN INDONESIA AND MALAYSIA  
USING RUPIAH AND RINGGIT THROUGH BANKS

BY THE BLESSINGS OF ALMIGHTY GOD

MEMBERS OF BOARD OF GOVERNORS OF BANK INDONESIA,

- Considering : a. that in order to increase the use of rupiah and ringgit in the bilateral transaction settlements between Indonesia and Malaysia, it has been deemed necessary to make adjustments to the aspects of participants, financial activities, and financial transactions;
- b. that Regulation of Member of Board of Governors Number 23/12/PADG/2021 on Settlement for Bilateral Transactions between Indonesia and Malaysia Using Rupiah and Ringgit through Banks needs to be adjusted;
- c. that based on the considerations as referred to in point a and point b, it has been deemed necessary to establish Regulation of Member of Board of Governors on the Amendment to Regulation of Member of the Board of Governors Number 23/12/PADG/2021 on Settlement for Bilateral Transactions between Indonesia and Malaysia Using Rupiah and Ringgit through Banks;
- Observing : Regulation of Bank Indonesia Number 22/12/PBI/2020 on Settlement of Bilateral Transactions Using Local Currency through Banks (State Gazette of the Republic of Indonesia 2020 Number 198, Supplement to the State Gazette of the Republic of Indonesia Number 6550) as amended by Regulation of Bank Indonesia Number 23/9/PBI/2021 on the Amendment to Regulation of Bank Indonesia Number

22/12/PBI/2020 on Settlement of Bilateral Transactions Using Local Currency through Banks (State Gazette of the Republic of Indonesia 2021 Number 158, Supplement to the State Gazette of the Republic of Indonesia Number 6699);

HAS DECIDED:

To enact : REGULATION OF MEMBER OF BOARD OF GOVERNORS ON THE AMENDMENT TO REGULATION OF MEMBER OF BOARD OF GOVERNORS NUMBER 23/12/PADG/2021 ON SETTLEMENT FOR BILATERAL TRANSACTIONS BETWEEN INDONESIA AND MALAYSIA USING RUPIAH AND RINGGIT THROUGH BANKS.

#### Article I

Several provisions in Regulation of Members of Board of Governors Number 23/12/PADG/2021 dated 2 August 2021 on Settlement for Bilateral Transactions between Indonesia and Malaysia Using Rupiah and Ringgit through Banks have been amended as follows:

1. Provision of Article 2 has been amended, therefore it reads as follows:

#### Article 2

- (1) The appointment of a Bank as Indonesian ACCD Bank by Bank Indonesia shall be conducted by considering:
    - a. size;
    - b. interconnectedness; and
    - c. complexity.
  - (2) In addition to considering the criteria as referred to in section (1), Bank Indonesia shall also consider:
    - a. the role in supporting the development of the money market and foreign exchange market and/or the payment system industry;
    - b. recommendations from the Malaysian authorities; and/or
    - c. other considerations stipulated by Bank Indonesia jointly with the Malaysian authorities.
2. Between section (1) and section (2) of Article 4, 1 (one) section has been inserted, namely section (1a), therefore Article 4 reads as follows:

#### Article 4

- (1) Indonesian ACCD Bank shall receive the opening of SNA Rupiah from Malaysian ACCD Bank.

- (1a) The opening of SNA Rupiah as referred to in section (1) shall be conducted by:
    - a. opening a new SNA Rupiah at Indonesian ACCD Bank; or
    - b. designating an existing account that has been owned by Malaysian ACCD Bank at Indonesian ACCD Bank.
  - (2) Indonesian ACCD Bank may only accept the opening of 1 (one) SNA Rupiah from each Malaysian ACCD Bank (one-to-many relationship).
3. Between section (1) and section (2) of Article 5, 1 (one) section has been inserted, namely section (1a), therefore that Article 5 reads as follows:

#### Article 5

- (1) Indonesian ACCD Bank shall open SNA Ringgit at Malaysian ACCD Bank.
  - (1a) The opening of SNA Ringgit as referred to in section (1) shall be conducted by:
    - a. opening a new SNA Ringgit at Malaysian ACCD Bank; or
    - b. designating an existing account that has been owned by Indonesian ACCD Bank at Malaysian ACCD Bank.
  - (2) Indonesian ACCD Bank may only open 1 (one) SNA Ringgit at each Malaysian ACCD Bank (one-to-many relationship).
4. Provisions of section (1) and the elucidation of section (3) of Article 6 have been amended, therefore Article 6 reads as follows:

#### Article 6

- (1) The total balance of SNA Rupiah from a Malaysian ACCD Bank across all Indonesian ACCD Banks is limited to a maximum of Rp800,000,000,000.00 (eight hundred billion rupiah) at the end of the Day.
- (2) Indonesian ACCD Bank monitors and ensures that the SNA Rupiah balance does not exceed the nominal amount as referred to in section (1) at the end of the Day.
- (3) The balance of SNA Rupiah may exceed the nominal amount as referred to in section (1) at the end of the Day as long as Indonesian ACCD Bank receives documents from Malaysian ACCD Bank proving that the excess SNA Rupiah balance is used to pay the following obligations:

- a. Underlying Transactions between Indonesia and Malaysia; or
  - b. investment in financial instruments in rupiah,

on the following Day.
- 5. Provisions of section (1) and elucidation of section (2) of Article 7 have been amended, and between section (1) and section (2) of Article 7, 1 (one) section has been inserted, namely section (1a), therefore Article 7 reads as follows:

#### Article 7

- (1) The total balance of SNA Ringgit from an Indonesian ACCD Bank in all Malaysian ACCD Banks is limited to a maximum of MYR200,000,000 (two hundred million ringgit) at the end of the Day.
  - (1a) Indonesian ACCD Bank is required to monitor and ensure that the balance of SNA Ringgit does not exceed the nominal amount as referred to in section (1) at the end of the Day.
  - (2) In the event that the balance of SNA Ringgit at the end of the Day exceeds the nominal amount as referred to in section (1), the excess balance of SNA Ringgit may be used for:
    - a. Underlying Transactions between Indonesia and Malaysia; or
    - b. investment in financial instruments in ringgit, on the following Day.
6. Between section (1) and section (2) of Article 8, 1 (one) section has been inserted, namely section (1a), as well as section (2), section (3), and section (4) of Article 8 have been amended, therefore Article 8 reads as follows:

#### Article 8

- (1) Indonesian ACCD Bank shall accept the opening of the Sub-SNA Ringgit for Indonesian LCS Customers for the purpose of implementing LCS Rupiah and Ringgit.
- (1a) The opening of Sub-SNA Ringgit as referred to in section (1) shall be carried out by:
  - a. opening a new Sub-SNA Ringgit at Indonesian ACCD Bank; or
  - b. designating an existing account that has been owned by Indonesia LCS Customers at Indonesian ACCD Bank to become Sub-SNA Ringgit.

- (2) Indonesian ACCD Bank may not accept the opening of Sub-SNA Ringgit for parties other than Indonesian LCS Customers.
- (3) Indonesian ACCD Bank may provide interest or profit sharing for Sub-SNA Ringgit.
- (4) The provision of interest or profit sharing on the Sub-SNA Ringgit as referred to in section (3) shall be determined based on the respective policies of Indonesian ACCD Bank.

7. Provisions of Article 10 have been amended, therefore it read as follows:

#### Article 10

- (1) Positions of ringgit-to-rupee or foreign exchange swap transactions conducted between Indonesian ACCD Bank and other Indonesian ACCD Bank or Malaysian ACCD Bank are prohibited from exceeding MYR200,000,000 (two hundred million ringgit) at the end of the Day.
- (2) In conducting rupee-to-ringgit or foreign exchange swap transactions with Malaysian ACCD Bank, Indonesian ACCD Bank ensures that the transaction position does not exceed Rp800,000,000,000.00 (eight hundred billion rupee) at the end of the Day.

8. Provision of section (2) of Article 27 has been amended, therefore it read as follows:

#### Article 27

- (1) Indonesian ACCD Bank may conduct rupee-to-ringgit transactions as referred to in Article 25 section (1) with:
  - a. Indonesian LCS Customers; or
  - b. non-Indonesian ACCD Bank acting on behalf of Indonesian LCS Customers.
- (2) Rupee-to-ringgit transactions as referred to in section (1) with nominal above or equal to the equivalent of USD500,000 (five hundred thousand United States dollars) per transaction, must be proven by the Underlying Transaction document.
- (3) The nominal value and period of rupee-to-ringgit transaction as referred to in section (1) shall not exceed the nominal value and period of the Underlying Transaction.
- (4) Indonesian LCS Customers may conduct rupee-to-ringgit transactions as referred to in section (1)

by using Underlying Transactions denominated in currency other than ringgit.

9. Chapter V has been removed.
10. Provisions of Article 35 have been amended, therefore it reads as follows:

#### Article 35

Underlying Transactions for the purpose of implementing LCS Rupiah and Ringgit shall include:

- a. current transaction activities between Indonesian LCS Customers and Malaysian LCS Customers in the form of:
  1. trade in goods and services between Indonesia and Malaysia;
  2. primary income transactions which include:
    - a) transaction for receipt and payment of manpower compensation; and
    - b) investment income from:
      - 1) direct investment;
      - 2) portfolio investment; and/or
      - 3) other investments; and
  3. secondary income transactions which include:
    - a) receipts and payments from the government sector;
    - b) receipts and payments of other sectors including remittances; and
    - c) other secondary income transactions, excluding grants, gifts, donations, and/or similar items;
- b. direct investment activities between Indonesian LCS Customers and Malaysian LCS Customers in the form of:
  1. investments between Indonesian LCS Customers and Malaysian LCS Customers, with a minimum limit of 10% (ten percent) equity ownership;
  2. inter-company loans within the same group; or
  3. capital expenditure by Indonesian LCS Customers on entities in Malaysia or projects in Malaysia under an agreement, with a contribution of at least 10% (ten percent) of the project cost;
- c. portfolio investment activities between Indonesian LCS Customers and Malaysian LCS Customers in the form of:

1. debt securities;
  2. shares; and/or
  3. other portfolio investment activities in accordance with the agreement between Bank Indonesia and the Malaysian authorities;
  - d. capital transaction activities between Indonesian LCS Customers and Malaysian LCS Customers in the form of:
    1. capital transfers including capital grants and other transfers that do not involve the exchange of goods or services;
    2. purchase or sale of non-financial assets in the form of intellectual property rights, land, and other assets; and/or
    3. other capital transfer activities in accordance with the agreement between Bank Indonesia and the Malaysian authorities; and
  - e. Financing from Indonesian ACCD Bank to Indonesian LCS Customers as referred to in Article 21.
11. Provisions of section (2), section (3), and section (4) of Article 42 have been amended, therefore it reads as follows:

#### Article 42

- (1) Bank Indonesia may terminate the appointment of a Bank as Indonesian ACCD Bank.
- (2) The termination of the appointment of a Bank as Indonesian ACCD Bank as referred to in section (1) shall be carried out by considering the following:
  - a. based on the evaluation results of Bank Indonesia with the Malaysian authorities;
  - b. in the event that the Indonesian ACCD Bank has its business license revoked by the competent authority;
  - c. in the event that the Indonesian ACCD Bank carries out a Corporate Action and the Indonesian ACCD Bank is not the Bank resulting from the Corporate Action; or
  - d. at the request of the Indonesian ACCD Bank itself.
- (3) Any Indonesian ACCD Bank that:
  - a. is in the process of having its business license revoked as referred to in section (2) point b; or
  - b. planning to carry out Corporate Action as referred to in section (2) point c,
 must submit a notification letter to Bank Indonesia accompanied by the results of the general meeting

of shareholders regarding the plan to revoke the business license or the Corporate Action plan.

- (4) Indonesian ACCD Bank shall submit a decision letter related to Corporate Action or revocation of a business license from the authority to Bank Indonesia in the event that it has obtained a permit, approval, or recommendation from the relevant authority to conduct:
  - a. Corporate Action;
  - b. revocation of its business license by the competent authority; or
  - c. revocation of its business license on its own initiative (self-liquidation).
- (5) In the event that the Bank resulting from Corporate Action is not an Indonesian ACCD Bank and intends to become an Indonesian ACCD Bank, the Bank must meet the criteria as an Indonesian ACCD Bank as referred to in Article 2 and submit an application for appointment as an Indonesian ACCD Bank as referred to in Article 3 section (2).
- (6) An example of written notification letter as referred to in section (3) is listed in Annex V which constitutes an integral part of this Regulation of Members of the Board of Governors.

12. Provision of section (1) of Article 43 have been amended, therefore it read as follows:

#### Article 43

- (1) The evaluation of Indonesian ACCD Bank as referred to in Article 42 section (2) point a may be conducted by Bank Indonesia in coordination with:
  - a. authorities in Malaysia; and/or
  - b. relevant authorities in Indonesia.
- (2) The evaluation as referred to in section (1) shall be conducted by considering the business development of Indonesian ACCD Bank for the purposes of implementing LCS Rupiah and Ringgit as well as compliance of Indonesian ACCD Bank with Bank Indonesia's provisions regarding the settlement of bilateral transactions using local currency through the Bank.

13. The provisions of section (1), section (2), and section (4) of Article 54 have been amended, and between section (4) and section (5) of Article 54, 1 (one) section has been inserted, namely section (4a), therefore Article 54 reads as follows:

## Article 54

- (1) Correspondence related to the appointment of Indonesian ACCD Bank and the termination of appointment of Indonesian ACCD Bank shall be submitted to:  
Department of International and Department of Financial Market Development, Bank Indonesia  
Jalan MH. Thamrin Number 2 Central Jakarta – 10350  
E-mail: DInt-HI3@bi.go.id and DPPK-KPVA@bi.go.id.
- (2) Correspondence related to reporting shall be submitted to:  
Department of Report Management and Compliance Bank Indonesia  
Jalan MH. Thamrin Number 2 Central Jakarta – 10350  
E-mail: laporan\_accd@bi.go.id.
- (3) Reports and/or corrections of reports shall be submitted offline in the event that the online reporting system is not yet available.
- (4) Online reporting shall comply with the provisions of Bank Indonesia regarding reporting.
- (4a) Correspondence related to the implementation of LCS Rupiah and Ringgit shall be submitted through the email address of the BICARA contact center: bicara@bi.go.id.
- (5) In the event of a change of correspondence address as referred to in section (1) and section (2), Bank Indonesia shall inform the change of address by mail and/or other media.

14. Annex IV has been amended therefore it becomes as set out in Annex IV, which constitutes an integral part of this Regulation of Members of the Board of Governors.

## Article II

This Regulation of Member of Board of Governors comes into force on 27 March 2025.

In order that every person may know hereof, it is hereby ordered that this Regulation of Member of Board of Governors be promulgated in the Bulletin Gazette of the Republic of Indonesia.

Issued in Jakarta  
on 21 March 2025

MEMBER OF THE BOARD OF  
GOVERNORS,

Signed.

DESTRY DAMAYANTI

ELUCIDATION OF  
REGULATION OF MEMBER OF BOARD OF GOVERNORS  
NUMBER 5 OF 2025  
ON  
THE AMENDMENT TO REGULATION OF MEMBER OF BOARD OF  
GOVERNORS NUMBER 23/12/PADG/2021 ON SETTLEMENT FOR  
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RUPIAH AND RINGGIT THROUGH BANKS

I. GENERAL

Bank Indonesia and Bank Negara Malaysia have entered into an agreement to encourage the use of rupiah and ringgit to improve the settlement of bilateral transactions between Indonesia and Malaysia, so it is hoped that the cooperation between Bank Indonesia and Bank Negara Malaysia can run well and be structured.

Furthermore, in order to support the implementation of the agreement, it is necessary to increase flexibility and efficiency in its implementation. The increase in flexibility and efficiency will be carried out in the form of refinement of the ACCD Bank criteria, refinement of mechanism to terminate the appointment of ACCD Bank, adjustment of the account opening mechanism related to bilateral transactions of rupiah and ringgit, adjustment of threshold, adjustment of the balance limit of ACCD Bank at the end of the Day, and adjustment of Underlying Transactions.

Based on these matters, Bank Indonesia needs to establish Regulation of Member of Board of Governors on the Amendment to Regulation of Member of Board of Governors Number 23/12/PADG/2021 on Settlement for Bilateral Transactions between Indonesia and Malaysia Using Rupiah and Ringgit through the Bank.

II. ARTICLE BY ARTICLE

Article I

Number 1

Article 2

Section (1)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

The complexity criterion includes the component of substitutability.

Section (2)

Sufficiently clear

Number 2

Article 4

Section (1)

Sufficiently clear.

Section (1a)

Sufficiently clear.

Section (2)

Example:

Bank A, which is an Indonesian ACCD Bank, may receive the opening of 1 (one) SNA Rupiah from Bank B and 1 (one) SNA Rupiah from Bank C, both of which are Malaysian ACCD Banks

Number 3

Article 5

Section (1)

Sufficiently clear.

Section (1a)

Sufficiently clear.

Section (2)

Example:

Bank X, which is an Indonesian ACCD Bank, may open 1 (one) SNA Ringgit at Bank Y and 1 (one) SNA Ringgit at Bank Z, both of which are Malaysian ACCD Banks.

Number 4

Article 6

Section (1)

Example:

Bank X, which is a Malaysian ACCD Bank, may open SNA Rupiah at Bank A, Bank B, and Bank C, all of which are Indonesian ACCD Banks with a maximum balance in Bank A, Bank B, and Bank C of Rp800,000,000,000.00 (eight hundred billion rupiah) at the end of the Day

Section (2)

Sufficiently clear.

Section (3)

Example:

Bank X, which is a Malaysian ACCD Bank, has SNA Rupiah in Bank A, which is an Indonesian ACCD Bank.

At the end of the Day on 1 August 2020, the balance of SNA Rupiah of Bank X in Bank A amounts to Rp900,000,000,000.00 (nine hundred billion rupiah). The balance of SNA Rupiah may exceed the limit of Rp800,000,000,000.00 (eight hundred billion rupiah) as long as Bank X submits a document to Bank A that they will carry out the transaction when the balance of SNA Rupiah exceeds the limit with the information that the excess balance will be used to:

- a. pay import obligations to exporters in Indonesia;
  - b. conduct direct investments; or
  - c. conduct investments in financial instruments in rupiah,
- on the following Day.

#### Number 5

##### Article 7

##### Section (1)

Example:

Bank A, which is an Indonesian ACCD Bank, has SNA Ringgit in Bank X, Bank Y, and Bank Z, all of which are Malaysian ACCD Banks. The total balance in Bank X, Bank Y, and Bank Z shall be a maximum of MYR200,000,000 (two hundred million ringgit) at the end of the Day.

##### Section (1a)

Sufficiently clear.

##### Section (2)

Example:

Bank A, which is an Indonesian ACCD Bank, has SNA Ringgit in Bank X, Bank Y, and Bank Z, all of which are Malaysian ACCD Banks. At the end of the Day on 31 July 2025, the total balance of SNA Ringgit of Bank A in Bank X, Bank Y, and Bank Z is amounting to MYR250,000,000 (two hundred and fifty million ringgit). The balance of the SNA Ringgit may exceed the limit of MYR200,000,000 (two hundred million ringgit) as long as Bank A has a document stating that the excess balance will be used to pay import obligations to exporters in Malaysia.

#### Number 6

Sufficiently clear.

## Number 7

## Article 10

Calculation of the position of rupiah swap transactions against ringgit or foreign exchange may be conducted on a gross or netting basis.

“Netting” shall refer to the settlement of transactions carried out without the full transfer of principal funds therefore only a certain amount of funds is transferred which is the result of the calculation of the transaction nominal (notional) with the foreign exchange difference.

## Number 8

## Article 27

## Section (1)

Sufficiently clear.

## Section (2)

Example:

Bank B, which is a non-Indonesia ACCD Bank, for the interest of importer A, which is an Indonesian LCS Customer who will make payment for the purchase of goods to exporters in Malaysia, shall make purchase of MYR/IDR through a spot transaction of MYR150,000 (one hundred and fifty thousand ringgit) or the equivalent of USD33,700 (thirty three thousand seven hundred United States dollars) to Bank C, which is an Indonesia ACCD Bank. The purchase of MYR/IDR by Bank B does not need to be proven by the Underlying Transaction documents from importer A.

## Section (3)

Example:

Importer B, who is an Indonesian LCS Customer in accordance with the sales contract has an obligation to exporters in Malaysia which will be due within 1 (one) month amounting to MYR1,800,000 (one million eight hundred thousand ringgit) or the equivalent of USD57,100 (fifty-seven thousand one hundred United States dollars). Based on the Underlying Transaction, importer B may make a purchase transaction of MYR/IDR through a forward transaction for a maximum MYR1,800,000 (one million eight hundred thousand ringgit) with a maximum period of 1 (one) month.

## Section (4)

Example:

Importer C who is an Indonesian LCS Customer intends to settle the invoice from exporter X, who is a Malaysian LCS Customer, amounting to USD1,000,000 (one million US dollars) or the

equivalent of MYR4,150,000 (four million one hundred and fifty thousand ringgit) with the exchange rate of USD/MYR amounting to 4.15. Based on the invoice, importer C may make a purchase of MYR/IDR through a spot transaction amounting to MYR4,150,000 (four million one hundred and fifty thousand ringgit).

Number 9

Sufficiently clear.

Number 10

Article 35

Sufficiently clear.

Number 11

Article 42

Sufficiently clear.

Number 12

Article 43

Section (1)

Sufficiently clear.

Section (2)

Considerations regarding the business development of Indonesian ACCD Bank for the purpose of implementing LCS Rupiah and Ringgit as well as Indonesian ACCD Bank's compliance with Bank Indonesia's provisions regarding the settlement of bilateral transactions using local currency through the Bank, among others, shall be obtained based on the results of supervision carried out by Bank Indonesia and/or the results of coordination between Bank Indonesia and other relevant authorities.

Number 13

Article 54

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Provisions of Bank Indonesia regarding reporting shall include provisions of Bank Indonesia regarding integrated commercial bank reports and provisions of Bank Indonesia regarding foreign exchange flow reports.

Section (4a)  
Sufficiently clear.  
Section (5)  
Sufficiently clear.

Number 14  
Sufficiently clear.

Article II  
Sufficiently clear.