



BANK INDONESIA REGULATION
NUMBER 3 OF 2024
ON
ALTERNATIVE DISPUTE RESOLUTION INSTITUTION
WITHIN THE FINANCIAL SECTOR

BY THE BLESSING OF ALMIGHTY GOD

THE GOVERNOR OF BANK INDONESIA,

- Considering :
- a. that to implement the provisions of Article 246 section (2) of Law Number 4 of 2023 on the Development and Strengthening of the Financial Sector and in order to fulfill consumer needs for out-of-court dispute resolution, it has been deemed necessary for Bank Indonesia to regulate and supervise alternative dispute resolution institution within the financial sector;
 - b. that based on the considerations as referred to in point a, it has been deemed necessary to enact a Bank Indonesia Regulation on Alternative Dispute Resolution Institution within the financial sector;

- Observing :
1. Law Number 23 of 1999 on Bank Indonesia (State Gazette of the Republic of Indonesia of 1999 Number 66, Supplement to the State Gazette of the Republic of Indonesia Number 3843) as amended several times, and lastly by Law Number 4 of 2023 on the Development and Strengthening of the Financial Sector (State Gazette Republic of Indonesia of 2023 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 6845);
 2. Law Number 4 of 2023 on the Development and Strengthening of the Financial Sector (State Gazette of the Republic of Indonesia of 2023 Number 4, Supplement to State Gazette of the Republic of Indonesia Number 6845);

HAS DECIDED:

- To enact :
- BANK INDONESIA REGULATION ON ALTERNATIVE
DISPUTE RESOLUTION INSTITUTION WITHIN THE
FINANCIAL SECTOR.

CHAPTER I
GENERAL PROVISIONS

Article 1

In this Bank Indonesia Regulation the term definitions are:

1. Alternative Dispute Resolution Institution within the Financial Sector (Lembaga Alternatif Penyelesaian Sengketa Sektor Keuangan), hereinafter referred to as LAPS-SK, is an institution that resolves out-of-court disputes between a Consumer and a Provider within the financial sector.
2. Consumer is an individual, a corporation, or a business entity whether incorporated or unincorporated in the form of a legal entity, or other entities as an owner and/or final beneficiary of products and/or services provided by a Provider for the interests of themselves and not for trading or forwarded to other Providers.
3. Provider is any party, either a bank or a non-bank institution, which carries out activities regulated and supervised by Bank Indonesia whose products and/or services are utilized by Consumers.
4. Bank Indonesia Consumer Protection, hereinafter referred to as Consumer Protection, is all efforts to ensure legal certainty in order to provide protection to Consumers.
5. Management is an organ which performs the management function of a LAPS-SK for the interests of the LAPS-SK in accordance with the purposes and objectives of the LAPS-SK as well as representing the LAPS-SK both in and out-of-court in accordance with the provisions of the articles of association.
6. Supervisor is an organ in a LAPS-SK whose role is to perform general and/or specific supervisory function in accordance with the articles of association as well as providing advice to the Management in carrying out the management of the LAPS-SK.
7. Dispute is a dispute between a Consumer and a Provider that has been occurred through a complaint resolution process by the Provider.
8. Payment System is a system that includes a set of rules, institutions, mechanisms, infrastructure, sources of funds for payment, and access to sources of funds for payment, which is used to carry out transfer of funds to fulfill an obligation arising from an economic activity.
9. Money Service Activities are business activities that use money as the main object of service.
10. Money Market is a part of the financial system that is related to:
 - a. activities of issuance and trading of financial instruments or debt securities with a maturity of no more than 1 (one) year;
 - b. money lending and borrowing transactions;
 - c. interest rate derivative transactions; and
 - d. other transactions that meet the characteristics of the money market,in rupiah or foreign exchange.
11. Foreign-Exchange Market is a part of the financial system in relation to transaction activities involving the exchange of currencies from 2 (two) different countries along with their

derivatives but does not include the exchange of bank notes organized by money changer.

Article 2

Provider as referred to in Article 1 point 3 shall include:

- a. Provider in the Payment System sector;
- b. Money Service Activity Provider;
- c. party that carries out activities in the Money Market and Foreign-Exchange Market; and
- d. other parties regulated and supervised by Bank Indonesia, which directly is related to Consumer.

CHAPTER II

PURPOSES, FUNCTIONS, DUTIES AND AUTHORITY

Article 3

LAPS-SK has the purpose of resolving Dispute between a Consumer and a Provider in an easily accessible, independent, fair, effective, and efficient manner as well as is trusted by Consumer and Provider.

Article 4

LAPS-SK has function to organize integrated Dispute resolution services within the financial sector.

Article 5

To implement the function as referred to in Article 4, the LAPS-SK has the following duties and authority to:

- a. carry out Dispute handling and resolution;
- b. provide consultation on Dispute resolution within the financial sector;
- c. conduct research and development of Dispute resolution services within the financial sector;
- d. draw up regulations in order for Dispute resolution within the financial sector;
- e. cooperate with consumer protection institutions and/or agencies, both national and international levels; and
- f. develop the competence of mediators and arbitrators registered with the LAPS-SK.

CHAPTER III

INSTITUTIONAL ASPECT AND ORGANIZATION OF ALTERNATIVE DISPUTE RESOLUTION INSTITUTION WITHIN THE FINANCIAL SECTOR

Part One Requirements

Article 6

- (1) LAPS-SK as referred to in Article 4 shall obtain approval from Bank Indonesia.
- (2) LAPS-SK that may submit an application for approval to Bank Indonesia shall:
 - a. be incorporated in the form of an association legal entity that has been validated by the minister who organizes government affairs in the law and human rights sector; and

- b. has obtained approval from the authorized authority in the financial services sector.

Article 7

- (1) The application for approval as referred to in Article 6 shall be submitted by LAPS-SK to Bank Indonesia by enclosing documents.
- (2) The documents as referred to in section (1) shall include:
 - a. most recent deed of establishment and articles of association;
 - b. letter of approval from the authorized authority in the financial services sector;
 - c. regulations whose content shall include:
 - 1. types of Dispute resolution services;
 - 2. procedure Dispute resolution;
 - 3. scale of Dispute resolution fees based on Dispute category;
 - 4. period of Dispute resolution;
 - 5. provisions regarding conflict of interest and affiliation for mediators and arbitrators;
 - 6. code of ethics, requirements, sanctions, assessment procedures and measures, as well as evaluation for mediators and arbitrators; and
 - 7. sanctions for members who violate the regulations stipulated by the Alternative Dispute Resolution Institution Within the Financial Services Sector; and
 - d. annual work plan and budget.
- (3) In the event that the documents as referred to in section (2) point a, point c, and point d have not yet cover the Dispute resolution between a Consumer and a Provider as referred to in Article 3, the LAPS SK shall submit the commitment of the management of LAPS-SK to amend said documents by a maximum of 1 (one) year after the application is approved by Bank Indonesia.
- (4) In addition to submitting the documents as referred to in section (2), in order to obtain approval from Bank Indonesia, LAPS-SK shall fulfill the following requirements of:
 - a. having at least 2 (two) Dispute resolution services in the form of:
 - 1. mediation; and
 - 2. arbitration;
 - b. having adequate resources may be able to carry out Dispute resolution services; and
 - c. having at least the following organs:
 - 1. general meeting of members;
 - 2. Supervisor; and
 - 3. Management.

Part Two

Articles of Association

Article 8

- (1) Articles of association or amendment to the articles of association of LAPS-SK shall be stipulated by the general meeting of members.

- (2) The articles of association as referred to in section (1) shall at least contain:
 - a. name and place of domicile;
 - b. objectives and activities of the association;
 - c. period of establishment;
 - d. acquisition and use of assets;
 - e. rights and obligations of members;
 - f. authority, organization, and participation in the general meeting of members;
 - g. procedures for the nomination, appointment, replacement, and dismissal of the Management and Supervisor;
 - h. duties and authority of the Management and Supervisor;
 - i. procedures for the implementation and decision making in Management meetings and Supervisor meetings; and
 - j. dissolution and utilization of any remaining assets resulting from liquidation.
- (3) In the event that there is an amendment to the articles of association, a LAPS-SK is required to submit amendment to the articles of association to Bank Indonesia for approval before holding a general meeting of members.
- (4) Bank Indonesia shall provide a response to the amendment to the articles of association as referred to in section (3) by a maximum of 20 (twenty) business days after the complete document of the amendment to the articles of association is received by Bank Indonesia.
- (5) The LAPS-SK shall stipulate the amendment to the articles of association which has been responded to by Bank Indonesia in the general meeting of members and follow up on the amendment to the articles of association based on provisions of laws and regulations.
- (6) LAPS-SK that violates the provisions as referred to in section (3) shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. replacement of the Management and/or Supervisor.
- (7) Further provisions on the articles of association and procedures for the imposition of administrative sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

Part Three Regulation

Article 9

- (1) LAPS-SK is required to evaluate the regulations as referred to in Article 5 point d periodically at least 1 (one) time in 1 (one) year.
- (2) In the event that based on the evaluation as referred to in section (1), it has been deemed necessary to amend the regulation on the organization of Dispute resolution services between a Consumer and a Provider, the LAPS-SK shall submit the draft amendment to the regulation as referred to in section (1) to Bank Indonesia for approval.
- (3) Bank Indonesia shall give approval or rejection to the draft amendment to regulation as referred to in section (2) by a

- maximum of 30 (thirty) business days after the complete document of draft amendment to regulation is received.
- (4) The draft amendment to regulation as referred to in section (2) comes into force after obtaining approval from Bank Indonesia.
 - (5) LAPS-SK that violates the provisions as referred to in section (1) shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. replacement of the Management and/or Supervisor.
 - (6) Further provisions on the evaluation of regulations and procedures for the imposition of administrative sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

Part Four Membership

Article 10

Provider is required to:

- a. become a member of a LAPS-SK;
- b. pay membership fees in accordance with regulation of the LAPS-SK regulations;
- c. implement agreements and decisions of the LAPS-SK; and
- d. publish the LAPS-SK through a website or other media officially managed by the Provider.

Article 11

- (1) In organizing a LAPS-SK, a Provider is required to:
 - a. pay Dispute resolution fees in accordance with regulation of the LAPS-SK; and
 - b. follow the Dispute resolution process in accordance with regulation of the LAPS-SK
- (2) In organizing a LAPS-SK, a Provider is entitled to:
 - a. obtain equal services and treatment in the Dispute resolution in the LAPS-SK; and
 - b. obtain guidance and carry out consultation on procedures and service program for Dispute resolution in the LAPS-SK.

Article 12

- (1) Provider that violates the provisions as referred to in Article 10 and Article 11 section (1) shall be subject to administrative sanction in the form of:
 - a. written reprimand;
 - b. partial or entire restriction on products and/or services and/or business activities;
 - c. partial or entire suspension of products and/or services and/or business activities;
 - d. dismissal of the management;
 - e. penalty;
 - f. revocation of product and/or service licenses; and/or
 - g. revocation of business license.
- (2) Further provisions on the procedures for imposition of administrative sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

Part Five
General Meeting of Members

Article 13

- (1) The general meeting of members has authority that is not granted to the Management or Supervisor within the limits stipulated in this Bank Indonesia Regulation and/or the articles of association.
- (2) The authority of the general meeting of members which is not granted to the Management or Supervisor within the limits stipulated in this Bank Indonesia Regulation as referred to in section (1) shall be in the form of:
 - a. establishing the articles of association and amendment to the articles of association;
 - b. appointing, replacing, and dismissing the Management and/or Supervisor;
 - c. requesting information from the Management and/or Supervisor in the implementation of their respective duties;
 - d. determining salaries, allowances, and/or honorariums for the Management and Supervisor;
 - e. approving annual work plan and budget, including membership fees and its amendments;
 - f. appointing a public accountant; and
 - g. assessing and approving annual report which at least contain:
 1. financial statements that have been audited by a public accountant registered with the authorized authority in the financial services sector;
 2. management report carried out by the Management; and
 3. supervision report carried out by the Supervisor.

Article 14

General meetings of members shall be held in the territory of the Republic of Indonesia.

Article 15

- (1) The general meeting of members shall consist of an annual general meeting of members and an extraordinary general meeting of members.
- (2) The annual general meeting of members shall be held 1 (one) time in a year.
- (3) The extraordinary general meeting of members may be held at any time based on the need for the interests of the LAPS-SK.
- (4) The annual general meeting of members and/or extraordinary general meeting of members may be held through electronic media.

Article 16

- (1) LAPS-SK shall submit the resolution of the general meeting of members to Bank Indonesia.
- (2) The resolution of the general meeting of members as referred to in section (1) is required to be submitted to Bank Indonesia by not later than 14 (fourteen) business days after the general meeting of members is held.

- (3) In the event of the resolution of the general meeting of members:
 - a. is deemed to have the potential to endanger the interests of the LAPS-SK; and/or
 - b. is not in accordance with provisions of laws and regulations,Bank Indonesia has the authority to cancel the resolution of the general meeting of members.
- (4) In the event that the resolution of the general meeting of members is cancelled by Bank Indonesia, the LAPS-SK is required to hold another general meeting of members.
- (5) LAPS-SK that violates the provisions as referred to in section (2) shall be subject to administrative sanction in the form of a penalty in the amount of Rp50,000.00 (fifty thousand rupiahs) per business day of lateness and at the highest of Rp5,000,000.00 (five million rupiahs).
- (6) LAPS-SK that fails to fulfill the provisions as referred to in section (4) shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. replacement of the Management and/or Supervisor.
- (7) Further provisions on the procedures for the imposition of administrative sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

Part Six Management

Article 17

- (1) The governance of an LAPS-SK shall be conducted by a Management.
- (2) The Management shall be appointed and dismissed by the general meeting of members.
- (3) The Management as referred to in section (1) shall be odd in number and shall consist of at least 3 (three) persons, one of whom shall be appointed as the chairperson.
- (4) The Management is prohibited from holding a concurrent position as a member of the board of directors or as an employee of other companies or institutions in any position.
- (5) The Management shall be appointed for a maximum term of office of 5 (five) years and may be reappointed for 1 (one) term of office.

Article 18

- (1) Management is required to obtain approval from Bank Indonesia prior to undertaking any such governance.
- (2) The approval as referred to in section (1) shall be granted by Bank Indonesia after a fit-and-proper interview.
- (3) The fit-and-proper interview shall be conducted to assess that the Management fulfills the following requirements of:
 - a. integrity;
 - b. financial reputation; and
 - c. competence,which is determined by Bank Indonesia.
- (4) The integrity requirement as referred to in section (3) point a, shall include:
 - a. is capable of performing legal acts;

- b. has good character and moral, at least as indicated by the attitude of complying with provisions of laws and regulations, including never being convicted of a criminal act within a certain period prior to nomination;
 - c. has a commitment to comply with provisions of laws and regulations and support policy of Bank Indonesia;
 - d. has a commitment to the development of sound LAPS-SK; and
 - e. is excluded as a party which is prohibited from becoming the key persons as referred to in regulation of the authorized authority in the financial services sector on the fit and proper test for the key persons of financial services institutions
- (5) The Financial reputation requirement as referred to in section (3) point b, shall be proven at least by:
- a. has no non-performing credit and/or financing; and
 - b. has never been declared bankrupt and/or has never been a controller who is a shareholder or not, a member of the Board of Directors, or a member of the Board of Commissioners who is found guilty of causing a company to be declared bankrupt within the last 5 (five) years prior to the nomination.
- (6) The competency requirement as referred to in section (3) point c shall have at least knowledge and/or experience that supports the management of LAPS-SK.
- (7) The Management that has obtained approval from Bank Indonesia as referred to in section (2) shall be appointed by a general meeting of members.
- (8) In the event that the Management as referred to in section (7) has an indication of involvement and/or responsibility toward the integrity, financial reputation, and competence issues as referred to in section (3), Bank Indonesia has the authority to conduct another fit-and-proper interview of the Management.

Article 19

- (1) LAPS-SK that fails to fulfill the provisions as referred to in Article 17 section (4) and Article 18 section (1) shall be subject to administrative sanction in the form of:
- a. written reprimand; and/or
 - b. replacement of the Management and/or Supervisor.
- (2) Further provisions on the fit-and-proper interview of the Management of LAPS-SK as well as procedures for the imposition of administrative sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

Part Seven Supervisor

Article 20

- (1) Supervision of the governance of LAPS-SK shall conducted by a Supervisor.
- (2) The Supervisor shall be appointed and dismissed by a general meeting of members.

- (3) The Supervisor as referred to in section (1) shall amount to at least 3 (three) persons, one of whom is elected as the chairperson.
- (4) The Supervisor shall be appointed for a maximum term of office of 5 (five) years and may be reappointed for 1 (one) additional term.

Article 21

- (1) The Supervisor is required to obtain approval from Bank Indonesia prior to undertaking any such supervision.
- (2) The approval as referred to in section (1) shall be granted by Bank Indonesia after a fit-and-proper interview.
- (3) The fit-and-proper interview shall be conducted to assess that the Supervisor fulfills the following requirements:
 - a. integrity;
 - b. financial reputation; and
 - c. competence,which is determined by Bank Indonesia.
- (4) The integrity requirement as referred to in section (3) point a, shall include:
 - a. is capable of performing legal acts;
 - b. has good character and moral, at least as indicated by the attitude of complying with provisions of laws and regulations, including never being convicted of a criminal act within a certain period prior to nomination;
 - c. has a commitment to comply with provisions of laws and regulations and support policy of Bank Indonesia;
 - d. has a commitment to the development of sound LAPS-SK; and
 - e. is excluded as a party which is prohibited from becoming the key persons as referred to in the regulation of the authorized authority in the financial services sector on the fit and proper test for the key persons of financial services institutions.
- (5) The financial reputation requirement as referred to in section (3) point b, shall be proven at least by:
 - a. has no non-performing credit and/or financing; and
 - b. has never been declared bankrupt and/or has never been a controller who is a shareholder or not, a member of the Board of Directors, or a member of the Board of Commissioners who is found guilty of causing a company to be declared bankrupt within the last 5 (five) years prior to the nomination.
- (6) The competency requirement as referred to in section (3) point c shall have at least knowledge and/or experience that supports the management of LAPS-SK.
- (7) Supervisor that has obtained approval from Bank Indonesia as referred to in section (2) shall be appointed by the general meeting of members.
- (8) In the event that the Supervisor as referred to in section (7) has an indication of involvement and/or responsibility toward the integrity, financial reputation, and competence issues as referred to in section (3), Bank Indonesia has the authority to conduct another fit and proper interview of the Supervisor.

Article 22

- (1) LAPS-SK that fails to fulfill the provisions as referred to in Article 21 section (1) shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. replacement of the Manager and/or Supervisor.
- (2) Further provisions on the fit and proper interview of LAPS-SK Supervisor as well as procedures for the imposition of administrative sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

Part Eight

Annual Work Plan and Budget

Article 23

LAPS-SK budget shall be sourced from:

- a. membership fees;
- b. grants;
- c. non-binding donations or aids; and
- d. other receipts that do not conflict with the articles of association and/or provisions of laws and regulations.

Article 24

- (1) LAPS-SK shall prepare an annual work plan and budget.
- (2) The annual work plan and budget as referred to in section (1) shall contain:
 - a. executive summary;
 - b. management policy and strategy;
 - c. projection of financial statements along with the assumption used;
 - d. projection of the number of Disputes to be handled;
 - e. funding plan;
 - f. development plan of LAPS-SK; and
 - g. other information.
- (3) The annual work plan and budget shall first be discussed at the Supervisory meeting to obtain approval.
- (4) The annual work plan and budget that has obtained approval at the Supervisor meeting as referred to in section (3) shall be submitted to Bank Indonesia for approval.
- (5) In the event that there is an amendment to the annual work plan and budget requested by Bank Indonesia, the LAPS-SK is required to submit it to Bank Indonesia by not later than 15 (fifteen) business days from the date of the letter from Bank Indonesia.
- (6) The annual work plan and budget that has obtained approval from Bank Indonesia shall be validated at the general meeting of members.
- (7) LAPS-SK is required to submit the annual work plan and budget that has been validated by the general meeting of members to Bank Indonesia by not later than 30 September prior to the implementation of the annual work plan and budget.

Article 25

- (1) In the event that the annual work plan and budget that has been validated as referred to in Article 24 section (7):

- a. is deemed to have the potential to endanger the duties and functions of LAPS-SK; and/or
 - b. is not in accordance with provisions of laws and regulations,
- Bank Indonesia has the authority to cancel the annual work plan and budget.
- (2) In the event that Bank Indonesia cancelled the annual work plan and budget as referred to in section (1), LAPS-SK shall hold a general meeting of members to re-validate the annual work plan and budget.

Article 26

- (1) In the event that the annual work plan and budget of LAPS-SK for the current year:
- a. there are external and internal factors that significantly influence the operation of LAPS-SK; and/or
 - b. based on review of Bank Indonesia of the implementation of the ongoing annual work plan and budget, it is deemed that it has the potential to hinder the implementation of functions and duties or operation of the LAPS-SK,
- LAPS-SK shall change the annual work plan and budget.
- (2) The amendment to the annual work plan and budget as referred to in section (1) is required to be submitted to Bank Indonesia for approval prior to the general meeting of members.
- (3) The amendment to the annual work plan and budget as referred to in section (1) point a shall be conducted a maximum of 1 (one) time and shall be conducted by not later than 30 June of the current year.
- (4) In the event that the LAPS-SK makes amendment or based on a review from Bank Indonesia amendment to the annual work plan and budget as referred to in section (1) must be made, the LAPS-SK shall hold a general meeting of members again to validate the amendment to the annual work plan and budget.
- (5) Amendment to the annual work plan and budget that has been validated is required to be submitted to Bank Indonesia by not later than 30 (thirty) business days before the implementation of amendment to the annual work plan and budget.

Article 27

- (1) LAPS-SK shall prepare a report on the realization of annual work plan and budget on a half-year basis.
- (2) The report as referred to in section (1) is required to be submitted to Bank Indonesia by not later than the 10th (tenth) day of the following month.
- (3) The report as referred to in section (1) shall contain information:
- a. achievement of annual work plan and budget in the form of comparison between plan and realization;
 - b. explanation of the causes and obstacles to differences between plan and the realization of work plan and annual budget; and

- c. follow-up efforts that have been and will be undertaken in order to improve the achievement of the realization of the annual work plan and budget.

Article 28

- (1) In the event that the revenue for the current year is greater than the expenditure for the current year, the excess funds in question are prohibited from being distributed to the Supervisor, Manager, employees of LAPS-SK, and/or other parties.
- (2) Excess funds as referred to in section (1) shall be used to optimize LAPS-SK.

Article 29

- (1) LAPS-SK that violates the provisions as referred to in Article 24 section (5), section (7), Article 26 section (5), and Article 27 section (2) shall be subject to an administrative sanction in the form of a penalty in the amount of Rp50,000.00 (fifty thousand rupiahs) per business day of lateness and at the highest of Rp5,000,000.00 (five million rupiahs).
- (2) LAPS-SK that fails to fulfill the provisions as referred to in Article 26 section (2) shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. replacement of the Management and/or Supervisor.
- (3) Further provisions regarding the LAPS-SK annual work plan and budget as well as procedures for the imposition of administrative sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

Part Nine Annual Report

Article 30

- (1) LAPS-SK is required to publish its annual report by not later than 31st July through a website officially managed by the LAPS-SK or other media.
- (2) The annual report as referred to in section (1) must at least contain:
 - a. profile of the LAPS-SK;
 - b. financial statements that have been audited by a public accountant registered with the authorized authority in the financial services sector;
 - c. membership and compliance with the payment of membership fees;
 - d. members compliance in implementing agreement and/or decision; and
 - e. Dispute handling carried out by the LAPS-SK.
- (3) LAPS-SK is required to submit the published annual report to Bank Indonesia by a maximum of 10 (ten) business days after the annual report is published as referred to in section (1).
- (4) LAPS-SK that violates the provisions as referred to in section (1) and section (3) shall be subject to an administrative sanction in the form of penalty in the amount of Rp50,000.00 (fifty thousand rupiahs) per

business day of lateness and at the highest of Rp5,000,000.00 (five million rupiahs).

- (5) Further provisions regarding the LAPS-SK annual report and procedures for the imposition of administrative sanctions shall be regulated under a Regulation of Members of the Board of Governors.

Part Ten Mediator and Arbitrator

Article 31

- (1) LAPS-SK is required to have a list of mediator and arbitrator in the LAPS-SK.
- (2) The mediator and arbitrator as referred to in section (1) must have the ability and capacity to resolve Dispute in the Payment System sector, Money Service Activities, activities in the Money Market and Foreign-Exchange Market, as well as other sectors regulated and supervised by Bank Indonesia.
- (3) The Management shall assess the mediator and the arbitrator in order to be included in the list as referred to in section (1).
- (4) The list of mediator and arbitrator as referred to in section (1) comes into force for a period of 3 (three) years.
- (5) The Management is required to re-evaluate the mediator and arbitrator before the period as referred to in section (4) has elapsed.
- (6) LAPS-SK that fails to fulfill the provisions as referred to in section (1) and section (5) shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. replacement of the Management and/or Supervisor.
- (7) Further provisions on mediator and arbitrator as well as procedures for the imposition of administrative sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

Part Eleven Information Security

Article 32

- (1) LAPS-SK is required to implement security controls for information and/or Dispute service documents in any electronic system used by the LAPS-SK.
- (2) LAPS-SK must have internal provisions on cyber resilience and security.
- (3) LAPS-SK that violates the provisions as referred to in section (1) shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. replacement of the Management and/or Supervisor.
- (4) Further provisions on information security and procedures for the imposition of administrative sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

Part Twelve
Role of the Association

Article 33

- (1) In order to support the implementation of Dispute resolution services by LAPS-SK, the association shall conduct a supervisory function over Providers in conducting the obligations as referred to in Article 10 and Article 11 section (1) as a member of the LAPS-SK.
- (2) Bank Indonesia may assign an association to facilitate consumer complaints received by a Provider.
- (3) The association shall supervise the fulfillment of Consumer Protection principles by the Provider, including the handling and resolution of Consumer complaints received by the Provider in accordance with Bank Indonesia Regulation on Bank Indonesia consumer protection.
- (4) Further provisions on the role of the association shall be regulated under a Regulation of the Members of the Board of Governors.

CHAPTER IV
PRINCIPLES OF ALTERNATIVE DISPUTE RESOLUTION
INSTITUTION WITHIN THE FINANCIAL SECTOR

Article 34

LAPS-SK shall fulfill the following principles:

- a. accessibility;
- b. independence;
- c. justice; and
- d. effectiveness and efficiency.

Article 35

- (1) In implementing the principle of accessibility as referred to in Article 34 point a, LAPS-SK is required to:
 - a. have Dispute resolution services and procedures that are easily accessible to Consumers;
 - b. provide services covering the entire territory of Indonesia;
 - c. develop a communication strategy to improve understanding of Consumers regarding the Dispute resolution process implemented by the LAPS-SK; and
 - d. have a website that lists LAPS-SK information.
- (2) In implementing the principle of independence as referred to in Article 34 point b, LAPS-SK:
 - a. is required to have a Supervisor who ensures that the LAPS-SK has fulfilled the requirements to carry out its functions;
 - b. is prohibited from giving veto rights to its members;
 - c. is required to consult with relevant stakeholders in amending a regulation prior to its implementation; and
 - d. is required to have adequate resources to carry out its functions.
- (3) In implementing the principle of justice as referred to in Article 34 point c, LAPS-SK is required to:
 - a. have regulations in making an agreement and/or decision; and/or

- b. provide written reasons for the rejection of a Dispute resolution application and/or Dispute resolution decision by an arbitrator.
- (4) In implementing the principles of effectiveness and efficiency as referred to in Article 34 point d, LAPS-SK is required to:
 - a. have Dispute resolution regulations which contain provisions on the period for Dispute resolution;
 - b. impose affordable fees to Consumers in Dispute resolution;
 - c. have Dispute resolution regulations which contain provisions that ensure that members of the LAPS-SK comply with and implement any agreement and decision of the LAPS-SK; and
 - d. supervise the implementation of agreement or decision.

Article 36

- (1) LAPS-SK that violates the provisions as referred to in Article 35 shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. replacement of the Management and/or Supervisor.
- (2) Further provisions on the procedures for the imposition of sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

CHAPTER V

DISPUTE RESOLUTION BY ALTERNATIVE DISPUTE RESOLUTION INSTITUTION WITHIN THE FINANCIAL SECTOR

Article 37

- (1) LAPS-SK may handle Dispute with the following criteria:
 - a. complaint has undergone measures to be resolved by a Provider but is rejected by the Consumer or the Consumer has not received a response to the complaint as regulated in Bank Indonesia Regulation on Bank Indonesia Consumer Protection;
 - b. Dispute is not a Dispute that is currently in process or has been decided by any judicial institution, arbitration, or other alternative Dispute resolution institutions; and
 - c. Dispute of a civil nature.
- (2) In addition to the Disputes as referred to in section (1), LAPS-SK may handle other Disputes that have obtained approval from Bank Indonesia.
- (3) Handling of Disputes through LAPS-SK as referred to in section (1) and section (2) is confidential.

Article 38

- (1) Dispute resolution through LAPS-SK may be conducted through:
 - a. face-to-face before a mediator or an arbitrator;
 - b. electronic media; and/or
 - c. examination of documents.
- (2) Dispute resolution through electronic media as referred to in section (1) point b may be carried out through long-distance communication media which enables all parties to:
 - a. hear; or

- b. see and hear;
directly and participate in a meeting.
- (3) Dispute resolution may be conducted at the LAPS-SK office or at the representative office of Bank Indonesia.
- (4) LAPS-SK is required to administer all information and data related to Dispute resolution.

Article 39

- (1) LAPS-SK that violates the provisions as referred to in Article 38 section (4) shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. replacement of the Management and/or Supervisor.
- (2) Further provisions regarding Dispute resolution and procedures for the imposition of sanctions shall be regulated under a Regulation of the Members of the Board of Governors.

CHAPTER VI REPORTING AND PROVISION OF INFORMATION BY ALTERNATIVE DISPUTE RESOLUTION INSTITUTION WITHIN THE FINANCIAL SECTOR

Article 40

- (1) LAPS-SK is required to submit a periodic report every 3 (three) months at the end of March, June, September, and December to Bank Indonesia, not later than the 10th of the following month.
- (2) The report as referred to in section (1) shall contain information:
 - a. each service shall at least:
 - 1. the number of applications for the Dispute resolution accompanied by a brief description of the problem;
 - 2. demographic of Consumers who submit Dispute resolution application;
 - 3. the number of applications for the Dispute resolution which are rejected due to the fact that they do not meet the requirements, including the reasons for rejection;
 - 4. the number of Disputes that are still in the process of resolution;
 - 5. average timeframe required to settle each Dispute;
 - 6. types of services and/or products in Dispute; and
 - 7. the number of Disputes that have been decided and the results of monitoring the implementation of said agreement and decision;
 - b. list of 5 (five) major Disputes received by the LAPS-SK;
 - c. list of Providers that have not become members of LAPS-SK; and
 - d. list of members who have not paid membership fees from the LAPS-SK.
- (3) Submission of the report as referred to in section (1) shall be conducted through the electronic reporting system provided by Bank Indonesia.
- (4) In the event that the electronic reporting system as referred to in section (3) is not yet available, the report shall be

submitted through the facility used by Bank Indonesia to receive the report.

Article 41

LAPS-SK is required to submit in writing the name of Providers and Consumers who fail to implement the agreement or decision of the LAPS-SK to Bank Indonesia by a maximum of 10 (ten) business days from the deadline for the implementation of the agreement or decision.

Article 42

- (1) Bank Indonesia may request information and/or documents from LAPS-SK through a letter and/or an electronic mail.
- (2) LAPS-SK is required to provide information and/or documents as referred to in section (1) to Bank Indonesia by maximum of 10 (ten) business days from the date of receipt of the request for information and/or documents through a letter and/or an electronic mail.

Article 43

In the event that the deadline for the submission of report as referred to in Article 16 section (2), Article 24 section (5), section (7), Article 26 section (3), section (5), Article 27 section (2), Article 30 section (1), section (3), Article 40 section (1), Article 41, and Article 42 section (2) fall on a Saturday, Sunday, or national holiday and/or joint leave day stipulated by Bank Indonesia in relation to religious holiday, reporting obligation shall be submitted by not later than 1 (one) following business day.

Article 44

- (1) LAPS-SK that violates the provisions as referred to in Article 40 section (1), Article 41, and Article 42 section (2) shall be subject to an administrative sanction in the form of a penalty in the amount of Rp50,000.00 (fifty thousand rupiahs) per business day of lateness and at the highest of Rp5,000,000.00 (five million rupiahs).
- (2) Further provisions on reporting of LAPS-SK and procedures for the imposition of administrative sanctions shall be regulated under a Regulation of Members of the Board of Governors.

CHAPTER VII SUPERVISION

Article 45

- (1) Bank Indonesia shall supervise LAPS-SK.
- (2) The Supervision as referred to in section (1) shall be conducted through:
 - a. indirect supervision; and
 - b. direct supervision.
- (3) In conducting the supervision as referred to in section (1), Bank Indonesia has the authority to request documents, data, information, details, and/or explanation from LAPS-SK.
- (4) LAPS-SK is required to submit documents, data, information, details and/or explanations upon the request of Bank Indonesia as referred to in section (3).

- (5) Bank Indonesia may assign other parties for and on behalf of Bank Indonesia to carry out the direct supervision as referred to in section (2) point b.
- (6) Other parties as referred to in section (5) is required to comply with Bank Indonesia Regulation.
- (7) In carrying out the supervision as referred to in section (1), Bank Indonesia has the authority to request LAPS-SK to perform or not do something.
- (8) In the event that based on the supervision as referred to in section (1) LAPS-SK is subject to administrative sanctions, Bank Indonesia may announce the imposition of said sanctions to the public.

Article 46

- (1) LAPS-SK that violates the provisions as referred to in Article 45 section (4) shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. replacement of the Management and/or Supervisor.
- (2) Other parties who violate the provisions as referred to in Article 45 section (6) shall be subject to administrative sanction in the form of:
 - a. written reprimand; and/or
 - b. recommendations to relevant agencies to:
 - 1. remove other parties who are assigned from the list of certain professions; and/or
 - 2. revocation of business license.
- (3) Further provisions regarding supervision of LAPS-SK and procedures for the imposition of administrative sanctions shall be regulated under a Regulation of Members of the Board of Governors.

CHAPTER VIII COORDINATION

Part One

Coordination of Bank Indonesia with the Authorized Authority in the Financial Services Sector

Article 47

- (1) Bank Indonesia and the authorized authority in the financial services sector shall coordinate in the organization of LAPS-SK.
- (2) The scope of coordination as referred to in section (1) shall include:
 - a. institutional aspect of LAPS-SK;
 - b. approval for the operation of LAPS-SK;
 - c. supervision and imposition of sanctions on LAPS-SK; and
 - d. other matters.
- (3) The coordination as referred to in section (1) shall be implemented:
 - a. at the management level and technical level;
 - b. periodically or at any time if necessary; and
 - c. through online and/or offline methods.

- (4) The coordination mechanism as referred to in section (1) between Bank Indonesia and the authorized authority in the financial services sector shall be set forth in the (5) implementing guidelines for cooperation and coordination in the context of monitoring and organization of LAPS-SK.

Part Two

Coordination of Bank Indonesia with Ministries and Institutions

Article 48

Bank Indonesia may coordinate with relevant ministries and/or institutions in the context of the implementation of LAPS-SK.

CHAPTER IX

TRANSITIONAL PROVISIONS

Article 49

- (1) Providers who have become a member of LAPS-SK and have obtained approval from the authorized authority in the financial services sector before this Bank Indonesia Regulation comes into force shall remain as a member as commencing from LAPS-SK obtained approval from Bank Indonesia.
- (2) Management that has served on LAPS-SK and has obtained approval from the authorized authority in the financial services sector before this Bank Indonesia Regulation comes into force shall remain as Management as commencing from LAPS-SK obtained approval from Bank Indonesia.
- (3) Supervisor that has served on LAPS-SK that have obtained approval from the authorized authority in the financial services sector before this Bank Indonesia Regulation comes into force shall remain as Supervisor as commencing from LAPS-SK obtained approval from Bank Indonesia.

CHAPTER X

CLOSING PROVISIONS

Article 50

This Bank Indonesia Regulation comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Bank Indonesia by its placement in the State Gazette of the Republic of Indonesia.

Issued in Jakarta
On 7 May 2024



THE GOVERNOR OF BANK INDONESIA,

43 BANK INDONESIA BANK
SENTRAL REPUBLIK INDONESIA
PERRY WARJIYO

Promulgated in Jakarta
On 14 May 2024

THE MINISTER OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,



YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2024 NUMBER 12/BI

[flektronik](https://ba.c.tsgn.govdprerifikasi) Keaslian Dokuraen dapat clichek melahai Taman <https://ba.c.tsgn.govdprerifikasi>

ELUCIDATION
OF
BANK INDONESIA REGULATION
NUMBER 3 OF 2024
ON
ALTERNATIVE DISPUTE RESOLUTION INSTITUTION
WITHIN THE FINANCIAL SECTOR

I. GENERAL

In order to encourage sustainable national economic growth as well as a strong financial system, the Government has issued Law Number 4 of 2023 on the Development and Strengthening of the Financial Sector, which strengthens the regulation of various aspects within the financial sector, among others, on the strengthening the institution of Bank Indonesia as the authority within the financial sector that has the authority to regulate and supervise Providers in the monetary, Payment System, and macro-prudential sectors whose products and/or services are utilized by Consumers.

In essence, Providers are required to handle and resolve complaints submitted by Consumers effectively. However, the resolution of Consumer complaints within the financial sector by Providers do not always conclude in an agreement, thus resulting in the occurrence of Disputes between Consumers and Providers. In order to provide Consumer Protection, a Dispute resolution mechanism outside Providers is required, namely through court or out- of--court.

Out-of-court Dispute resolution may be conducted by LAPS-SK. The resolution process in LAPS-SK is confidential and prioritizes win-win solutions so that consumer trust within the financial sector may be maintained. In addition to that, Dispute resolution through LAPS-SK shall be implemented with the principles of easily accessible, independent, fair, effective, and efficient.

Based on this, it has been deemed necessary for Bank Indonesia to establish a Bank Indonesia Regulation on Alternative Dispute Resolution Institution within the financial sector.

II. ARTICLE BY ARTICLE

Article 1

Sufficiently clear.

Article 2

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Other parties regulated and supervised by Bank Indonesia shall include, among others, banks that conduct deposits and/or withdrawals of rupiah currency.

Article 3

Sufficiently clear.

Article 4

The term "integrated" means Dispute resolution services for Providers under the authority of Bank Indonesia and financial services business actors under auspices of the authority in the financial services sector in 1 (one) LAPS-SK.

Article 5

Sufficiently clear.

Article 6

Section (1)

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

The term "authorized authority within the financial services sector" means the Financial Services Authority.

Article 7

Section (1)

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

The term "letter of approval from the authorized authority in the financial services sector" means a letter of operational approval as an Alternative Dispute Resolution Institution within the Financial Services Sector.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Point a

Point 1

The term "mediation" means a method of Dispute resolution through a third party to assist the disputing parties to reach an agreement.

Point 2

The term "arbitration" means a method of resolving a civil Dispute out of court based on an arbitration agreement made in writing by the disputing parties.

Point b

Resources shall include, among others, operational employees, mediators, arbitrators, and infrastructure.

Point c

Sufficiently clear.

Article 8

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Following up on amendment to the articles of association shall include, among others, registration with the Government apparatus in charge of law for approval.

Section (6)

Sufficiently clear.

Section (7)

Sufficiently clear.

Article 9

Section (1)

Sufficiently clear.

Section (2)

Amendment to regulations on the organization of Dispute resolution services between a Consumer and a Provider shall include, among others, due to harmonization with provisions of laws and regulations and to adjust the implementation of functions and duties of LAPS-SK.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Section (6)

Sufficiently clear.

Article 10

Point a

Sufficiently clear.

Point b

Membership fees paid by a Provider to LAPS-SK are fees that have been stipulated at the general meeting of members and are the obligation of Provider as a member of the LAPS-SK association.

The amount of membership fees shall take into account, among others, the size of business scale of Provider as well as other variables such as assets of Provider.

Point c

The term "agreement and decision" means the agreement reached and the decision resulting in the Dispute resolution process.

District Court Registrar and has exceeded the application period for the cancellation of the arbitration awards.

Point d

The term "other media officially managed by a Provider" means the media used by the Provider for communication with Consumers.

Example: electronic mail and notice boards provided at branch offices.

Article 11

Sufficiently clear.

Article 12

Sufficiently clear.

Article 13

Sufficiently clear.

Article 14

Sufficiently clear.

Article 15

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

The general meeting of members by using electronic media shall be conducted by taking the effectiveness and efficiency of said activities into consideration.

Article 16

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Point a

Example of resolution of general meeting of members that has the potential to endanger the interests of LAPS-SK: stipulation of budget that is not in accordance with duties and functions of LAPS-SK.

Point b

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Section (6)

Sufficiently clear.

Section (7)

Sufficiently clear.

Article 17

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

The determination of concurrent positions shall be conducted by LAPS-SK.

Section (5)

Sufficiently clear.

Article 18

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Point a

Sufficiently clear.

Point b

The term "criminal act" means:

1. criminal act within the financial sector whose sentence has been completed within the last 20 (twenty) years prior to the nomination;
2. criminal act as set out in the Indonesian Criminal Code and/or criminal act provisions that apply outside the territory of the Republic of Indonesia that subject to imprisonment for 1 (one) year or more whose sentence has been completed within the last 10 (ten) years prior to the nomination; and/or
3. other criminal acts subject to imprisonment of 1 (one) year or more, among others, corruption, money laundering, narcotics or psychotropics, smuggling, customs, excise, human trafficking, illicit weapons trade, terrorism, money counterfeiting, in the taxation sector, in the forestry sector, in the environmental sector, in the maritime and fisheries sector, whose sentence has been completed within the last 20 (twenty) years prior to the nomination.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Section (5)

Sufficiently clear.

Section (6)

Sufficiently clear.

Section (7)

Sufficiently clear.

Section (8)

Sufficiently clear.

Article 19

Sufficiently clear.

Article 20

Sufficiently clear.

Article 21

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Point a

Sufficiently clear.

Point b

See the elucidation of Article 18 section (4) point b.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Section (5)

Sufficiently clear.

Section (6)

Sufficiently clear.

Section (7)

Sufficiently clear.

Section (8)

Sufficiently clear.

Article 22

Sufficiently clear.

Article 23

Sufficiently clear.

Article 24

Section (1)

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Point f

The development of LAPS-SK shall include, among others, organizational and development of human resources,

development and/or changes to office networks, as well as development of electronic system.

Point g

Other information shall include, among others, information on dissemination, communication activities, education of mediator/arbitrator, and cooperation with international institutions.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Section (6)

Sufficiently clear.

Section (7)

Sufficiently clear.

Article 25

Section (1)

Point a

Assessed as potentially dangerous, shall include, among others, the stipulation of a budget that is not in accordance with duties and functions of the LAPS-SK.

Point b

Sufficiently clear.

Section (2)

Sufficiently clear.

Article 26

Section (1)

External factors shall include, among others, the economic crisis which resulted in the target may not be able to achieved.

Internal factors shall include, among others, the realization of the revenue target that does not reach the target.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Article 27

Sufficiently clear.

Article 28

Section (1)

Sufficiently clear.

Section (2)

Optimization of LAPS-SK shall include, among others, operational costs for the following year, organizational and development of human resource, development and/or changes to office networks, development of electronic systems may be able to connecting with

integrated consumer service system provided by the authority within the financial sector.

Article 29

Sufficiently clear.

Article 30

Section (1)

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

See the elucidation of Article 6 section (2) point b.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Article 31

Sufficiently clear.

Article 32

Section (1)

Control of the security of information and/or Dispute service documents on any electronic system used by LAPS-SK shall include:

- a. confidentiality;
- b. integrity;
- c. availability;
- d. authenticity;
- e. may not be repudiation;
- f. authorization control in system, database, and application;
- g. segregation of duty and responsibility; and
- h. maintenance of audit trails.

The term "electronic system" means a series of electronic devices and procedures that function to prepare, collect, process, analyze, store, display, announce, transmit and/or disseminate electronic information.

The electronic system used by LAPS-SK shall include, among others, electronic system for Dispute resolution and general meetings of members.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 33

Section (1)

The term "association" means an association of Providers that engage in payment systems activities, money service activities, money market, and foreign-exchange market, and other activities that shall be regulated and supervised by Bank Indonesia.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 34

Sufficiently clear.

Article 35

Section (1)

Point a

Easily accessible, shall include, among others, LAPS-SK provides facilities that make it easier for Consumers to find out their whereabouts, how to contact, and the types of Dispute resolution services owned by LAPS-SK, including the provision of information system.

Point b

In providing services covering all regions of Indonesia, shall include, among others, utilizing information technology through teleconferencing and/or video conferencing tools.

Point c

Developing communication strategy to improve understanding of Consumers regarding the Dispute resolution process, shall include, among others, through the website of LAPS-SK or in brochures provided by LAPS-SK.

Point d

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

Veto rights shall include, among others, the right to replace the Management or amendment to regulations of the LAPS-SK.

Point c

Relevant stakeholders shall include, among others, Consumer association or alliance or institution operating in the Consumer protection sector and Provider association or alliance in accordance with their respective sectors.

Point d

The term "adequate resources" means the minimum resources owned by LAPS-SK that are sufficient in carrying out the operation of LAPS-SK.

Resources shall include, among others, human resources, facilities, and infrastructure.

Section (3)

Point a

Rules for making an agreement and/or decision regarding their content shall include, among others:

1. obligation of the mediator to actually act as a facilitator in order to bring together the interests of the disputing parties to obtain a settlement agreement;
2. prohibition of an arbitrator from making award based on information unknown to the parties; and
3. obligation of the arbitrator to provide written reasons for each award.

Point b

Written reasons for rejection of Dispute resolution application shall include:

1. reasons for rejection related to the substance of the Dispute being submitted, such as the Dispute has never been submitted to the Provider or the Dispute is not related to the financial sector; and/or
2. administration-related reasons for rejection, such as incomplete Dispute documents.

Section (4)

Point a

The term "period" means the period required for the Dispute resolution.

The period may be measured by comparing the period for handling and resolving a Dispute in the LAPS-SK with the period for Dispute resolution in institutions, agencies, entities, or other agencies that have other Dispute resolution function.

Point b

Affordable costs may be measured by comparing the costs of Dispute resolution at LAPS-SK with the costs of Dispute resolution in institutions, agencies, entities, or other entities that have other Dispute resolution functions.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Article 36

Sufficiently clear.

Article 37

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

The term "confidential Dispute handling" means Dispute resolution conducted in a private manner and the decision is not announced.

Article 38

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

The scope of administration shall include, among others, recording administration and information control.

Article 39

Sufficiently clear.

Article 40

Section (1)

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

List of the 5 (five) major Disputes received by LAPS-SK based on Dispute frequency.

Example: the case of credit card being used by other people (fraud).

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Section (3)

The term "electronic reporting system provided by Bank Indonesia" means the reporting system to include the facility and infrastructure used by Bank Indonesia to receive and process report.

Section (4)

The facility used by Bank Indonesia to receive report shall include, among others, letter and/or electronic mail.

Article 41

The term "agreement or decision" means the agreement reached and the decision resulting in the Dispute resolution process.

Article 42

Section (1)

Requests for information and/or documents are made, shall include, among others, for the process of granting approval by Bank Indonesia.

Section (2)

Sufficiently clear.

Article 43

Sufficiently clear.

Article 44

Sufficiently clear.

Article 45

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Section (6)

Provisions of Bank Indonesia shall include, among others, provisions on the obligation to maintain data confidentiality.

Section (7)

Bank Indonesia has requested LAPS-SK to do something, shall include, among others, amendment to regulations of LAPS-SK which are not in accordance with the principles of LAPS-SK.

Section (8)

Sufficiently clear.

Article 46

Sufficiently clear.

Article 47

Section (1)

See the elucidation of Article 6 section (2) point b.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

See the elucidation of Article 6 section (2) point b.

Article 48

Sufficiently clear.

Article 49

Section (1)

See the elucidation of Article 6 section (2) point b.

Section (2)

See the elucidation of Article 6 section (2) point b.

Section (3)

See the elucidation of Article 6 section (2) point b.

Article 50

Sufficiently clear.

