

BANK INDONESIA REGULATION
NUMBER 4 OF 2023
ON
SHORT-TERM LIQUIDITY ASSISTANCE FOR
CONVENTIONAL COMMERCIAL BANKS

BY THE BLESSINGS OF ALMIGHTY GOD

GOVERNOR OF BANK INDONESIA,

- Considering :
- a. that the enforcement of Law Number 4 of 2023 on the Development and Strengthening of the Financial Sector has resulted in changes of some laws and regulations on financial sector, among others on strengthening of handling of bank issues by regulating short-term liquidity assistance;
 - b. that Bank Indonesia as the authority in financial sector also maintains financial system stability, among others, through disbursing fund in its capacity as the lender of the last resort, among others through granting short-term liquidity assistance for conventional commercial banks experiencing liquidity difficulties;
 - c. that Bank Indonesia Regulation Number 19/3/PBI/2017 on Short-Term Liquidity Assistance for Conventional Commercial Banks as amended several times and last by Bank Indonesia Regulation Number 22/15/PBI/2020 on the Third Amendment to Bank

Indonesia Regulation Number 19/3/PBI/2017 on Short-Term Liquidity Assistance for Conventional Commercial Banks needs to be replaced to conform to the provisions in Law Number 4 of 2023 on the Development and Strengthening of the Financial Sector;

- d. that based on the foregoing considerations in point a, point b, and point c, it is necessary to establish Bank Indonesia Regulation on Short-Term Liquidity Assistance for Conventional Commercial Banks;

Observing : 1. Law Number 23 of 1999 on Bank Indonesia (State Gazette of the Republic of Indonesia of 1999 Number 66, Supplement to State Gazette of the Republic of

Indonesia Number 3843) as amended several times and last by 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);

2. Law Number 9 of 2016 on the Prevention and Management of Financial System Crisis (State Gazette of the Republic of Indonesia of 2016 Number 70, Supplement to State Gazette of the Republic of Indonesia Number 5872) as amended by 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 SHORT-TERM LIQUIDITY ASSISTANCE FOR CONVENTIONAL COMMERCIAL BANKS.

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Bank Indonesia Regulation:

1. Bank Indonesia means the Central Bank of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia.

2. Financial Services Authority, hereinafter abbreviated to OJK, means an independent state institution with the function, duty, and authority for regulation, supervision, audit, and investigation as specified in the Law on the Financial Services Authority.
3. Bank means an entity which collects fund from the public in the form of deposit and distributes it to the public in the form of credit or financing and/or any other forms to improve people's living standard.
4. Conventional Bank means a Bank conducting business activities in a conventional manner and by type, it consists of conventional commercial Bank and rural bank.
5. Conventional Commercial Bank, hereinafter abbreviated to BUK, means a type of Conventional Bank which, in its activities, provides services in payment flow, excluding the branch office of Bank located overseas.
6. Sharia Principle means Islamic law principle under fatwa and/or sharia compliance statement issued by an institution with authority in fatwa issuance in sharia sector.
7. Sharia Business Unit, hereinafter abbreviated to UUS, means a working unit of BUK's head office functioning as the main office of an office or unit conducting business activities under Sharia Principle, or working unit of a Bank's branch office located overseas conducting business activities in a conventional manner functioning as the main office of sharia supporting branch office and/or sharia unit.

8. Minimum Reserve Requirement, hereinafter abbreviated to GWM, means minimum reserve requirement in rupiah as specified in Bank Indonesia Regulation on minimum reserve requirement in rupiah and foreign currency for BUK, sharia commercial bank, and UUS.
9. Liquidity Difficulty means short-term liquidity difficulty resulting from fund inflows are insufficient compared to fund outflows (mismatch) thereby leaving the BUK unable to meet minimum reserve requirements.
10. Short-Term Liquidity Assistance, hereinafter abbreviated to PLJP, means a loan from Bank Indonesia to BUK to overcome Liquidity Difficulty experienced by BUK.
11. Bank Indonesia Certificate, hereinafter abbreviated to SBI, means Bank Indonesia Certificate as specified in the provisions of Bank Indonesia Regulation on monetary operation.
12. Bank Indonesia Sharia Certificate, hereinafter abbreviated to SBIS, means Sharia Bank Indonesia Certificate as specified in the provisions of Bank Indonesia Regulation on monetary operation.
13. Bank Indonesia Deposit Certificate, hereinafter abbreviated to SDBI, means Bank Indonesia Deposit Certificate as specified in the provisions of Bank Indonesia Regulation on monetary operation.
14. Sukuk Bank Indonesia, hereinafter referred to as SukBI, means Bank Indonesia Sukuk as specified in the provisions of Bank Indonesia Regulation on monetary operation.
15. Government Debt Security, hereinafter abbreviated to SUN, means security in the form of government debt security whose principal

and interest payment is guaranteed by the Republic of Indonesia according to the validity, excluding SUN in foreign currency.

16. Government Islamic Security, hereinafter abbreviated to SBSN, or may be referred to as Government Sukuk, means government security issued under Sharia Principle, as evidence of participation portion against SBSN asset, excluding SBSN in foreign currency.
17. Government Security, hereinafter abbreviated to SBN, means SUN and SBSN.
18. Credit means provision of fund or billing equivalent thereto under a lending approval or agreement between BUK and another party obliging the borrower to repay their debt after a certain period with interest thereon.
19. Credit Asset means BUK asset in the form of Credit, excluding Credit in foreign currency.
20. Financing means provision of fund or billing equivalent thereto under an approval or agreement between UUS and another party obliging the party funded and/or fund facility provider to repay after a certain period with *ujrah* yield, without yield, or profit sharing, including profit sharing transaction, rent transaction, sale agreement, lending transaction, and service use transaction under Sharia Principle.
21. Financing Asset means UUS asset in the form of Financing, excluding Financing in foreign currency.

CHAPTER II

PLJP REQUIREMENTS

Article 2

- (1) BUK experiencing Liquidity Difficulty may submit a written application to Bank Indonesia to obtain PLJP by submitting the copy to OJK.
- (2) To obtain PLJP as specified in paragraph (1), BUK must meet the following requirements:
 - a. solvability;
 - b. has adequate collateral as PLJP guarantee; and
 - c. has adequate cash flow projection to repay PLJP.
- (3) BUK applies PLJP ceiling based on the amount of liquidity requirements until BUK meets the GWM.
- (4) Further provisions for BUK requirements to obtain PLJP shall be regulated in a Regulation of Member of the Board of Governors.

Article 3

- (1) The adequate collateral as PLJP guarantee as referred to in Article 2 paragraph (2) point b is in the following forms:
 - a. security with high rating;
 - b. sharia security with high rating recorded in UUS bookkeeping;
 - c. Credit Asset;
 - d. Financing Asset recorded in UUS bookkeeping; and

e. fixed asset.

(2) The security referred to in paragraph (1) point a is in the following forms:

a. SBI;

b. SDBI;

c. SukBI;

d. SBN; and

e. security issued by other legal entities which meet the following requirements:

1. has the lowest rating of investment grade;

2. are actively traded; and

3. has the remaining period as determined by Bank Indonesia.

(3) The types of security referred to in paragraph (1) point b are in the following forms:

a. SBIS;

b. SukBI;

c. SBSN; and

d. corporate sukuk issued by other legal entities that meet following requirement:

1. has the lowest rating of investment grade;

2. are actively traded; and

3. has the remaining period as determined by Bank Indonesia.

- (4) The Credit Asset as referred to in paragraph (1) point c and/or Financing Asset as referred to in paragraph (1) point d must meet the following requirements:
- a. the quality is classified as current for the last 12 (twelve) consecutive months;
 - b. guaranteed by land and building and/or land as collateral, except employee or retiree Credit and/or employee or retiree Financing;
 - c. not a Credit and/or Financing to BUK-related parties;
 - d. never been restructured within the last 2 (two) years;
 - e. the remaining term of maturity of Credit and/or Financing is 9 (nine) months at the shortest as from the signing date of PLJP granting agreement;
 - f. Credit debit balance or Financing principal balance does not exceed the maximum limit of Credit extension or fund distribution upon extension and does not exceed the Credit or Financing ceiling;
 - g. has a Credit and/or Financing agreement as well as binding collateral agreement that has legal force; and
 - h. in a Credit and/or Financing agreement between BUK and debtor or customer, there is a clause specifying that the Credit and/or Financing is transferable to another party.
- (5) In the event that the eligible Credit Asset and/or Financing Asset which are never restructured as referred to in paragraph (4) point d are inadequate, BUK may use Credit Asset

and/or Financing Asset restructured during the stimulus period of corona virus disease 2019 as collateral under the following provisions:

- a. Credit Asset and/or Financing Asset are never restructured within the last 2 (two) years beyond the stimulus period of corona virus disease 2019; and
 - b. other requirements for the Credit Asset and/or Financing Asset as referred to in paragraph (4) point a, point b, point c, point e, point f, point g, and point h have been met.
- (6) The fixed asset as referred to in paragraph (1) point e must meet the following requirements:
- a. types of fixed asset are:
 1. land and building; and/or
 2. land;
 - b. owned by BUK; and
 - c. not an abandoned property.
- (7) The security as referred to in paragraph (2) point e and paragraph (3) point d may only be used as PLJP collateral if BUK does not have the security as referred to in paragraph (2) point a until point d and paragraph (3) point a until point c in a sufficient amount to become PLJP collateral during PLJP application.
- (8) The Credit Asset and/or Financing Asset as referred to in paragraph (4) and paragraph (5) may only be used as PLJP collateral if BUK does not have the security as referred to in paragraph (2) and paragraph (3) which meets PLJP collateral requirements in a

sufficient amount to become PLJP collateral during PLJP application.

- (9) The fixed asset as referred to in paragraph (6) may only be used as PLJP collateral if BUK do not have the security as referred to in paragraph (2) and paragraph (3) and the Credit Asset and/or Financing Asset as referred to in paragraph (4) and paragraph (5) meet PLJP collateral requirements in an adequate amount during PLJP application.
- (10) The PLJP collateral as referred to in paragraph (1) must be equipped with supporting documents.
- (11) BUK guarantees that the PLJP collateral as referred to in paragraph (1) has met PLJP collateral requirements.
- (12) Further provisions for collateral criteria, collateralization mechanism, types of Financing agreement which can be used, and collateral documents shall be regulated in Regulation of Member of the Board of Governors.

Article 4

- (1) Bank Indonesia may request BUK to submit other collateral on condition that PLJP collateral received by Bank Indonesia within PLJP extension period depreciates which makes the collateral fail to meet the required collateral value adequacy and BUK unable to replace or add the collateral as referred to in Article 3 paragraph (1) until paragraph (6).

- (2) The other collateral as referred to in paragraph (1) is in the following forms:
 - a. land and building and/or land of another party; and/or
 - b. other assets of BUK and/or any other parties determined by Bank Indonesia.
- (3) The other collateral as referred to in paragraph (1) must be equipped with supporting documents.
- (4) Further provisions for other collateral shall be regulated in Regulation of Member of the Board of Governors.

Article 5

- (1) The PLJP collateral as referred to in Article 3 and Article 4 must be free from any binding agreement, dispute, and attachment and it is not being pledged as collaterals to other parties and/or Bank Indonesia.
- (2) BUK may not sell or buy and/or re-secure PLJP collateral as referred to in Article 3 and Article 4 in the status of PLJP collateral.

Article 6

- (1) The value of security, Credit Asset, Financing Asset, and fixed asset used as PLJP collateral is determined as follows:
 - a. SBI is calculated based on SBI selling value;
 - b. SBIS is calculated based on SBIS nominal value;
 - c. SDBI is calculated based on SDBI selling value;
 - d. SukBI is calculated based on SukBI selling value;

- e. SBN is calculated based on SUN market value and/or SBSN market value;
 - f. securities issued by other legal entities are calculated based on the market value of the securities;
 - g. Credit Asset or Financing Asset is calculated based on the market value of Credit Asset or Financing Asset; and
 - h. fixed asset is calculated based on the market value of the fixed asset.
- (2) To mitigate the depreciation risk of the security, Credit Asset, Financing Asset, and fixed asset value as referred to in paragraph (1), Bank Indonesia will conduct the following calculations:
- a. value of collateral in the form of SBI is determined 100% (one hundred percent) of PLJP ceiling calculated based on the SBI selling value as referred to in paragraph (1) point a;
 - b. value of collateral in the form of SBIS is determined 100% (one hundred percent) of PLJP ceiling calculated based on the SBIS nominal value as referred to in paragraph (1) point b;
 - c. value of collateral in the form of SDBI is determined 100% (one hundred percent) of PLJP ceiling calculated based on the SDBI selling value as referred to in paragraph (1) point c;
 - d. value of collateral in the form of SukBI is determined 100% (one hundred percent) of PLJP ceiling calculated based on the SukBI selling value as referred to in paragraph (1) point d;

- e. value of collateral in the form of SBN is determined 102% (one hundred two percent) of PLJP ceiling calculated based on the SBN market value as referred to in paragraph (1) point e;
- f. value of collateral in the form of securities issued by other legal entities is determined 120% (one hundred twenty percent) of PLJP ceiling at the lowest calculated based on the security market value as referred to in paragraph (1) point f;
- g. value of collateral in the form of Credit Asset or Financing Asset is determined as follows:
 - 1. at the lowest 200% (two hundred percent) of PLJP ceiling secured by the Credit Asset or Financing Asset as referred to in Article 3 paragraph (4) calculated by using the basic value of Credit Asset or Financing Asset calculation; and
 - 2. at the lowest 250% (two hundred fifty percent) of PLJP ceiling secured by the Credit Asset or Financing Asset as referred to in Article 3 paragraph (5) calculated by using the basic value of Credit Asset or Financing Asset calculation;
- h. the basic value of Credit Asset or Financing Asset calculation as referred to in point g includes:
 - 1. the lowest value of:
 - a) market value of Credit Asset or Financing Asset;
 - or

- b) market value of Credit Asset or Financing Asset collateral in the form of land and building and/or land adjusted based on appraisal position, for individual Credit Asset and/or Financing Asset secured by land and building and/or land; and
- 2. market value of Credit Asset or Financing Asset for Credit Asset or Financing Asset in the form of employee or retiree Credit Asset and/or employee or retiree Financing Asset; and
 - i. value of collateral in the form of fixed asset is determined 200% (two hundred percent) of PLJP ceiling calculated based on the market value of fixed asset as referred to in paragraph (1) point h.
- (3) Further provisions for collateral value and the mechanism to calculate collateral value shall be regulated in Regulation of Member of the Board of Governors.

Article 7

- (1) BUK must replace PLJP collateral under the following provisions:
 - a. PLJP collateral does not meet the conditions as referred to in Article 5;
 - b. securities issued by other legal entities no longer meet the rating requirements as referred to in Article 3 paragraph (2) point e item 1 and paragraph (3) point d item 1;

- c. there is full repayment of Credit and/or Financing which are made PLJP collateral by BUK debtor or UUS customer; and/or
 - d. collateralized Credit Asset and/or Financing Asset no longer meet the quality requirement as referred to in Article 3 paragraph (4) point a,
so that PLJP collateral value depreciates and overall, no longer meets PLJP ceiling.
- (2) PLJP collateral replacement is prioritized by collateral in the form of security as referred to in Article 3 paragraph (2) and paragraph (3).
 - (3) In the event BUK no longer has securities which meet requirements for PLJP collateral in a sufficient amount to become PLJP collateral, the Credit Asset and/or Financing Asset as referred to in Article 3 paragraph (4) and paragraph (5) may be used as PLJP collateral replacement.
 - (4) In the event that BUK no longer has securities, Credit Asset, and/or Financing Asset which meet requirements for PLJP collateral in a sufficient amount to become PLJP collateral, the fixed asset as referred to in Article 3 paragraph (6) may be used as PLJP collateral replacement.
 - (5) Throughout the time of the PLJP collateral replacement process by Bank Indonesia as referred to in paragraph (1), during PLJP extension period, BUK may remain to apply for PLJP liquidation as

long as the ceiling or remaining ceiling and PLJP collateral has a sufficient amount.

- (6) Further provisions for the mechanism of PLJP collateral replacement shall be regulated in Regulation of Member of the Board of Governors.

Article 8

- (1) BUK must maintain and administer the list of collateral which meets the requirements and is allocated to become PLJP collateral.
- (2) BUK must conduct a self-assessment of requirement fulfillment prior to PLJP application submission.
- (3) Provisions for self-assessment implementation shall be regulated in Regulation of Member of the Board of Governors.

Article 9

- (1) The binding of PLJP collateral is conducted under the laws and regulations.
- (2) Bank Indonesia administers documents related to PLJP collateral.
- (3) Further provisions for binding of collateral shall be regulated in Regulation of Member of the Board of Governors.

CHAPTER III

PLJP APPLICATION

Article 10

- (1) The PLJP application in writing as referred to in Article 2 paragraph (1) must be equipped with the following documents:
- a. BUK statement letter which at least contains:
 - 1. BUK experienced Liquidity Difficulty;
 - 2. BUK guarantees that PLJP collateral has met all PLJP collateral requirements as referred to in Article 3 paragraph (11);
 - 3. an asset which is made PLJP collateral is free from any binding agreement, dispute, and confiscation, and is not being pledged to other parties and/or Bank Indonesia as referred to in Article 5 paragraph (1);
 - 4. BUK will not sell or buy and/or re-secure any PLJP collateral which is still in the status of PLJP collateral as referred to in Article 5 paragraph (2);
 - 5. BUK is able to pay all obligations pertaining to PLJP;
 - 6. BUK guarantees the accuracy of submitted data and documents; and
 - 7. BUK is able to submit any other data and documents requested by Bank Indonesia;
 - b. statement letter from BUK's controlling shareholders that they guarantee PLJP repayment and are able to issue personal security and/or corporate security with a list of controlling shareholder's assets;

- c. documents supporting the required amount to overcome Liquidity Difficulty;
- d. list of all assets made PLJP collateral based on the appraisal result of public appraisal firm and verification from public accounting firm;
- e. rating of corporate bonds and/or corporate sukuk issued by at least 1 (one) rating agency recognized by OJK in the event there is collateral in the form of corporate bonds and/or corporate sukuk and the rating does not exceed 1 (one) year until PLJP application date;
- f. appraisal result of public appraisal firm on market value;
 - 1. PLJP collateral; and
 - 2. collateral of Credit Asset and/or Financing Asset in the form of land and building and/or land in the event there is PLJP collateral in the form of Credit Asset and/or Financing Asset secured by land and building and/or land;
- g. verification result of public accounting firm of:
 - 1. fulfillment of PLJP collateral requirements;
 - 2. completeness and consistency of PLJP collateral documents; and
 - 3. calculation of collateral value which may be used to secure PLJP;

- h. approval letter on PLJP application and/or BUK asset use as PLJP collateral from an authorized party under BUK's articles of association and the laws and regulations;
 - i. BUK's articles of association, including their amendment(s); and
 - j. any other documents requested by Bank Indonesia.
- (2) BUK is required to guarantee the accuracy of data and documents submitted to Bank Indonesia as referred to in paragraph (1).
- (3) Any BUK which fails to meet the obligation as referred to in paragraph (2) will be imposed with the following sanctions:
- a. written warning;
 - b. PLJP may not be extended; and/or
 - c. it may not apply for PLJP application within a certain period of time.
- (4) Further provisions for the mechanism of PLJP application, appraisal by public appraisal firm, verification by public accounting firm, and mechanism of sanction imposition shall be regulated in Regulation of Member of the Board of Governors.

Article 11

- (1) Bank Indonesia coordinates with OJK to follow up PLJP applications as referred to in Article 10 paragraph (1).
- (2) The coordination as referred to in paragraph (1) is conducted to evaluate the PLJP requirement fulfillment as referred to in Article 2 paragraph (2).

- (3) The coordination between Bank Indonesia and OJK as referred to in paragraph (2) shall be at least about:
 - a. request for appraisal to OJK on fulfillment of requirements or solvability adequacy and BUK's soundness level; and
 - b. implementation of joint assessment between Bank Indonesia and OJK on fulfillment of collateral adequacy and BUK's cash flow forecast to repay PLJP.

CHAPTER IV

APPROVAL AND REJECTION OF PLJP APPLICATION

Article 12

- (1) Bank Indonesia grants approval or rejection of PLJP applications as referred to in Article 10 paragraph (1).
- (2) In granting the approval or rejection as referred to in paragraph (1), Bank Indonesia considers at least:
 - a. fulfillment of the requirements as referred to in Article 2 paragraph (2);
 - b. completeness of PLJP application documents as referred to in Article 10 paragraph (1); and
 - c. analysis of estimated amount of BUK's liquidity requirement.
- (3) The approval or rejection as referred to in paragraph (1) is submitted by letter to BUK, the copy of which is delivered to OJK.
- (4) Based on the approval letter as referred to in paragraph (1), BUK must:

- a. submit documents related to PLJP collateral;
 - b. appoint a notary;
 - c. submit documents in the form of draft deed on the PLJP granting agreement and draft deed on the binding of PLJP collateral; and
 - d. submit any other documents requested by Bank Indonesia.
- (5) Bank Indonesia checks the completeness of documents submitted by BUK as referred to in paragraph (4) point a, point c, and point d.
- (6) In the event that, based on the checking result as referred to in paragraph (5), it is found that documents submitted by BUK are complete, the PLJP granting agreement and the binding of PLJP collateral deed will be signed.
- (7) In the event that, based on the checking result as referred to in paragraph (5), it is found that documents submitted by BUK are incomplete which makes the collateral value insufficient for the ceiling and BUK unable to add PLJP collateral, PLJP ceiling will be decreased according to the collateral value available on condition that BUK has other fund sources to cover liquidity shortage which cannot be obtained from PLJP.
- (8) The approval for PLJP application as referred to in paragraph (1) will be annulled by Bank Indonesia in the event that:
- a. BUK fails to meet the provisions as referred to in paragraph (4);
 - b. based on the checking result as referred to in paragraph (5), it is found that documents submitted by BUK are incomplete

which makes the collateral value insufficient for the ceiling, BUK unable to add PLJP collateral, and BUK have no other fund sources to cover liquidity shortage which cannot be obtained from PLJP; and/or

c. it is found that BUK no longer meets the requirements as referred to in Article 2 paragraph (2).

(9) Further provisions for grant of approval or rejection for PLJP application shall be regulated in Regulation of Member of the Board of Governors.

Article 13

Based on certain considerations in accordance with the authority of Bank Indonesia, Bank Indonesia may reject PLJP application although BUK has met all PLJP requirements.

Article 14

- (1) Bank Indonesia grants PLJP for a maximum period of 30 (thirty) calendar days for each PLJP granting period.
- (2) The period as referred to in paragraph (1) comes into force after the activation date of PLJP granting by Bank Indonesia.
- (3) The period as referred to in paragraph (1) may be extended for 2 (two) consecutive terms at the maximum.

CHAPTER V

PLJP DISBURSEMENT

Article 15

- (1) BUK may apply for PLJP disbursement after the activation date of PLJP granting by Bank Indonesia as referred to in Article 14 paragraph (2).
- (2) PLJP disbursement is conducted once in a day at the maximum in the estimated amount of BUK's requirement to overcome Liquidity Difficulty.
- (3) The PLJP disbursement application as referred to in paragraph (1) is submitted to Bank Indonesia by attaching the following documents:
 - a. promissory note in the amount of disbursement application;
and
 - b. cash flow forecast reflecting disbursement requirement.
- (4) PLJP is disbursed through the rupiah current account of BUK at Bank Indonesia.
- (5) Further provisions for PLJP disbursement shall be regulated in Regulation of Member of the Board of Governors.

Article 16

- (1) Bank Indonesia may restrict PLJP disbursement.
- (2) The PLJP disbursement as referred to in paragraph (1) is restricted on condition that the collateral value is insufficient for the ceiling and BUK fails to increase and/or replace PLJP collateral so that the total collateral value is insufficient for the ceiling.

- (3) Further provisions for PLJP disbursement restriction shall be regulated in Regulation of Member of the Board of Governors.

Article 17

- (1) Bank Indonesia has an authority to terminate PLJP disbursement prior to the maturity date in the event that, according to OJK evaluation submitted to Bank Indonesia, BUK no longer meets the requirements or solvability adequacy and BUK's soundness level.
- (2) Further provisions for PLJP disbursement termination shall be regulated in Regulation of Member of the Board of Governors.

CHAPTER VI

PLJP PERIOD EXTENSION

Article 18

- (1) BUK may apply for PLJP period extension in writing to Bank Indonesia by delivering the copy to OJK.
- (2) The application for PLJP period extension as referred to in paragraph (1) must be equipped with the following supporting documents:
 - a. documents supporting the required amount to overcome Liquidity Difficulty;
 - b. list of all assets made PLJP collateral based on the appraisal result of public appraisal firm and public accounting firm;
 - c. appraisal result of public appraisal firm on market value:

1. PLJP collateral; and
 2. collateral of Credit Asset and/or Financing Asset in the form of land and building and/or land in the event there is PLJP collateral in the form of Credit Asset and/or Financing Asset secured by land and building and/or land;
- d. verification result of public accounting firm of:
1. fulfillment of PLJP collateral requirements;
 2. completeness and consistency of PLJP collateral documents; and
 3. calculation of collateral value which may be used to secure PLJP; and
- e. any other documents requested by Bank Indonesia.
- (3) For PLJP period extension, BUK may remain to use PLJP collateral in the previous PLJP granting period on condition that it meets the requirements and sufficiency of PLJP collateral amount.
- (4) In the event BUK has securities which meet PLJP collateral requirements on application for PLJP period extension, BUK must submit the securities as collateral for PLJP period extension.
- (5) Bank Indonesia coordinates with OJK to follow up the application for PLJP period extension as referred to in paragraph (1).

Article 19

- (1) Bank Indonesia grants approval or rejection of application for PLJP period extension as referred to in Article 18 paragraph (1).

- (2) In granting the approval or rejection as referred to in paragraph (1), Bank Indonesia considers at least:
 - a. fulfillment of the requirements as referred to in Article 2 paragraph (2);
 - b. the total PLJP period has not exceeded the term as referred to in Article 14 paragraph (3); and
 - c. BUK has submitted the documents as referred to in Article 18 paragraph (2).
- (3) The approval or rejection as referred to in paragraph (1) is submitted by letter to BUK, the copy of which is delivered to OJK.
- (4) Based on the approval letter as referred to in paragraph (1), BUK must:
 - a. submit documents related to PLJP collateral if there is increase in and/or replacement of PLJP collateral;
 - b. appoint a notary;
 - c. submit documents in the form of draft deed on the amendment to PLJP granting agreement and draft deed on the amendment to the binding of PLJP collateral;
 - d. fully repay PLJP interest as and when due; and
 - e. submit any other documents requested by Bank Indonesia.
- (5) Bank Indonesia checks the completeness of documents submitted by BUK as referred to in paragraph (4).
- (6) In the event that, based on the checking result as referred to in paragraph (5), it is found that documents submitted by BUK are complete, the deed on the amendment to PLJP granting agreement

and the deed on the amendment to the binding of PLJP collateral will be signed.

- (7) In the event that, based on the checking result as referred to in paragraph (5), it is found that documents submitted by BUK are incomplete which makes collateral value insufficient for the ceiling, BUK must:
- a. increase PLJP collateral; and/or
 - b. provide other fund sources to cover liquidity shortage which may not be obtained from PLJP.
- (8) The approval for PLJP period extension application as referred to in paragraph (1) will be annulled by Bank Indonesia in the event that:
- a. BUK fails to meet the provisions as referred to in paragraph (4);
 - b. based on the checking result as referred to in paragraph (5), it is found that documents submitted by BUK are incomplete which makes the collateral value insufficient for the ceiling and BUK unable to increase PLJP collateral and/or BUK have no other fund sources to cover liquidity shortage which cannot be obtained from PLJP as referred to in paragraph (7); and/or
 - c. it is found that BUK no longer meets the requirements as referred to in Article 2 paragraph (2).
- (9) Further provisions for PLJP term extension shall be regulated in Regulation of Member of the Board of Governors.

CHAPTER VII

INCREASE AND DECREASE OF PLJP CEILING

Article 20

- (1) BUK may apply for PLJP ceiling increase in writing to Bank Indonesia by delivering the copy to OJK.
- (2) The application for PLJP ceiling increase as referred to in paragraph (1) is submitted simultaneously with the application for PLJP period extension as referred to in Article 18 paragraph (1).
- (3) The application for PLJP ceiling increase as referred to in paragraph (1) must be equipped with the following documents:
 - a. documents supporting the required amount to overcome Liquidity Difficulty;
 - b. list of all assets made PLJP collateral based on the appraisal result of public appraisal firm and public accounting firm;
 - c. appraisal result of public appraisal firm on market value;
 1. PLJP collateral; and
 2. collateral of Credit Asset and/or Financing Asset in the form of land and building and/or land in the event there is PLJP collateral in the form of Credit Asset and/or Financing Asset secured by land and building and/or land;
 - d. verification result of public accounting firm of:
 1. fulfillment of PLJP collateral requirements;

2. completeness and consistency of PLJP collateral documents; and
 3. calculation of collateral value which may be used to secure PLJP; and
 - e. any other documents requested by Bank Indonesia.
- (4) Bank Indonesia coordinates with OJK to follow up the application for PLJP ceiling increase as referred to in paragraph (1).

Article 21

- (1) Bank Indonesia grants approval for or rejection of PLJP ceiling increase applications as referred to in Article 20 paragraph (1).
- (2) In granting the approval or rejection as referred to in paragraph (1), Bank Indonesia at least considers the following:
 - a. fulfillment of the requirements as referred to in Article 2 paragraph (2);
 - b. the total PLJP period has not exceeded the period as referred to in Article 14 paragraph (3); and
 - c. BUK has submitted the documents as referred to in Article 20 paragraph (3).
- (3) The approval or rejection as referred to in paragraph (1) is submitted by letter to BUK, the copy of which is delivered to OJK.
- (4) Based on the approval letter as referred to in paragraph (1), BUK must:
 - a. submit documents related to PLJP collateral if there is PLJP collateral increase;

- b. appoint a notary;
 - c. submit documents in the form of a draft deed on the amendment to PLJP granting agreement and a draft deed on the amendment to the binding of PLJP collateral; and
 - d. submit any other documents requested by Bank Indonesia.
- (5) Bank Indonesia checks the completeness of documents submitted by BUK as referred to in paragraph (4) point a, point c, and point d.
- (6) In the event that, based on the checking result as referred to in paragraph (5), it is found that documents submitted by BUK are complete, the deed on the amendment to PLJP granting agreement and the deed on the amendment to the binding of PLJP collateral will be signed.
- (7) In the event that, based on the checking result as referred to in paragraph (5), it is found that documents submitted by BUK are incomplete which makes the collateral value insufficient for the PLJP ceiling, BUK must:
- a. increase PLJP collateral; and/or
 - b. provide other fund sources to cover liquidity shortage which may not be obtained from PLJP.
- (8) The approval for PLJP ceiling increase application as referred to in paragraph (1) will be annulled by Bank Indonesia in the event that:
- a. BUK fails to meet the provisions as referred to in paragraph (4);
 - b. based on the checking result as referred to in paragraph (5), it is found that documents submitted by BUK are incomplete

which makes the collateral value insufficient for the PLJP ceiling and BUK unable to increase PLJP collateral and/or BUK have no other fund sources to cover liquidity shortage which cannot be obtained from PLJP as referred to in paragraph (7); and/or

c. it is found that BUK no longer meets the requirements as referred to in Article 2 paragraph (2).

- (9) The approved PLJP ceiling increase will be accumulated with the previous PLJP ceiling.
- (10) Further provisions for PLJP ceiling increase shall be regulated in Regulation of Member of the Board of Governors.

Article 22

- (1) BUK may apply for PLJP ceiling decrease in writing to Bank Indonesia by delivering the copy to OJK.
- (2) The application for PLJP ceiling decrease as referred to in paragraph (1) is submitted simultaneously with the application for PLJP period extension as referred to in Article 18 paragraph (1).
- (3) PLJP ceiling increase process is conducted according to the PLJP period extension process as referred to in Article 18 and Article 19.
- (4) Further provisions for PLJP ceiling decrease shall be regulated in Regulation of Member of the Board of Governors.

CHAPTER VIII

PROHIBITION AND RESTRICTION OF ACTIVITIES FOR PLJP-
RECIPIENT BUK

Article 23

- (1) During PLJP granting period or as long as BUK has not repaid its PLJP obligation, BUK is prohibited from:
 - a. making fund placement;
 - b. extending new Credit and/or Financing to BUK's related parties except for fulfillment of pre-agreed commitment;
 - c. realizing fund withdrawal by BUK's related parties; and
 - d. sharing dividend.
- (2) The prohibition as referred to in paragraph (1) does not annul other prohibitions issued by OJK.
- (3) Any BUK, which breaches the prohibition during PLJP granting period or has not repaid the PLJP obligation as referred to in paragraph (1), is subject to the following sanctions:
 - a. written warning;
 - b. PLJP may not be extended; and/or
 - c. it may not apply for PLJP application within a certain period.
- (4) Further provisions for the mechanism of sanction imposition shall be regulated in Regulation of Member of the Board of Governors.

Article 24

During PLJP granting period, BUK is restricted to participate only in expansionary monetary operation of Bank Indonesia.

Article 25

The prohibition as referred to in Article 23 and the restriction as referred to in Article 24 is notified by Bank Indonesia by letter to BUK, the copy of which is delivered to OJK.

CHAPTER IX

INTEREST

Article 26

- (1) Bank Indonesia charges daily interest on BUK on PLJP debit balance.
- (2) The interest as referred to in paragraph (1) is calculated by a formula using interest rate on rupiah fund provision effective on the activation date of PLJP granting plus a margin of 100 (one hundred) basis points.
- (3) Further provisions for interest calculation shall be regulated in Regulation of Member of the Board of Governors.

CHAPTER X

PLJP REPAYMENT AND COLLATERAL EXECUTION

Article 27

- (1) BUK is required to repay PLJP as and when due in the amount of PLJP principal and interest.

- (2) Any BUK which fails to meet the obligation as referred to in paragraph (1) is subject to the following sanctions:
 - a. written warning;
 - b. it may not apply for PLJP application within a certain period.
and
 - c. suspension from participation in monetary operation, including suspension from participation in sharia monetary operation for UUS.
- (3) Further provisions for sanction imposition mechanism shall be regulated in Regulation of Member of the Board of Governors.

Article 28

- (1) Any BUK which fails to repay PLJP as and when due is declared in default.
- (2) Any defaulting BUK as referred to in paragraph (1) will voluntarily deliver all PLJP collateral to Bank Indonesia for collateral execution.

Article 29

- (1) Bank Indonesia will debit the BUK's rupiah giro account at Bank Indonesia in the following events:
 - a. prior to the maturity date, PLJP and balance of BUK's giro account at Bank Indonesia exceed GWM plus 10% (ten percent) of GWM;
 - b. BUK requests for repayment prior to PLJP maturity date;
and/or

c. PLJP falls due.

- (2) Bank Indonesia will debit BUK's giro account on a daily basis until PLJP is repaid.
- (3) In the event the balance of BUK's rupiah giro account at Bank Indonesia is insufficient to pay the PLJP principal and interest as referred to in Article 27 paragraph (1), Bank Indonesia will vacate the BUK's rupiah and foreign currency giro account, including UUS's giro account.
- (4) Bank Indonesia remains to calculate interest until PLJP principal is repaid.
- (5) Further provisions for PLJP repayment shall be regulated in Regulation of Member of the Board of Governors.

Article 30

- (1) In the event BUK is declared in default as referred to in Article 28 paragraph (1), in addition to debiting BUK's giro account after PLJP maturity date as referred to in Article 29 paragraph (2) and paragraph (3), Bank Indonesia will:
 - a. execute PLJP collateral; or
 - b. sell or transfer of collection right over PLJP.
- (2) The collateral execution or selling or transfer collection right over PLJP as referred to in paragraph (1) is conducted by Bank Indonesia without having to obtain any approval from BUK.

- (3) In the event the collateral execution result as referred to in paragraph (1) is smaller than PLJP, BUK is required to repay by paying the PLJP shortage to Bank Indonesia.
- (4) In the event the collateral execution or selling or transfer collection right over PLJP as referred to in paragraph (1) is higher than PLJP, Bank Indonesia will return the excessive amount to BUK.
- (5) The collateral execution or selling or transfer of collection right over PLJP as referred to in paragraph (1) refers to the laws and regulations.
- (6) Any BUK which fails to meet the obligation as referred to in paragraph (3) after collateral execution is subject to the following sanctions:
 - a. written warning;
 - b. it may not apply for PLJP application within a certain period;
 - c. suspension from participation in monetary operation, including suspension from participation in sharia monetary operation for UUS;
 - d. degradation of participation status in Bank Indonesia's national clearing system, including such degradation for UUS;
 - e. degradation of Bank Indonesia's participation status - real-time gross settlement, including such degradation for UUS;
 - f. degradation of Bank Indonesia's participation status - fast payment, including such degradation for UUS; and/or

g. degradation of Bank Indonesia's participation status - scripless securities settlement system, including such degradation for UUS.

- (7) Further provisions for the mechanism of sanction imposition as referred to in paragraph (6) shall be regulated in Regulation of Member of the Board of Governors.

Article 31

- (1) In conducting PLJP collateral execution or selling or transfer of collection right over PLJP as referred to in Article 30 paragraph (1), Bank Indonesia may coordinate with OJK and/or cooperate with other parties.
- (2) BUK must cooperate with Bank Indonesia for smooth collateral execution or selling or transfer of collection right over PLJP.
- (3) Further provisions for collateral execution or selling or assignment of the right to demand PLJP shall be regulated in Regulation of Member of the Board of Governors.

CHAPTER XI

FEES

Article 32

- (1) Fees arising from PLJP process are borne by BUK.
- (2) Further provisions for fees arising from PLJP process shall be regulated in Regulation of Member of the Board of Governors.

CHAPTER XII

REPORTING

Article 33

- (1) Any BUK which receives PLJP is required to submit the following reports to Bank Indonesia and deliver the copies to OJK:
 - a. PLJP use report;
 - b. BUK liquidity report;
 - c. minimum capital adequacy ratio calculation report;
 - d. collateral report if there are:
 1. corporate bonds or corporate sukuk which do not meet the rating requirements determined by Bank Indonesia;
 2. full repayment of Credit or Financing which are made PLJP collateral by BUK debtor or customer; and/or
 3. Credit Asset or Financing Asset with quality decrease;
 - e. cash flow forecast report for the next 30 (thirty) calendar days on a daily basis;
 - f. action plan to overcome Liquidity Difficulty; and
 - g. any other reports requested by Bank Indonesia.
- (2) The daily cash flow forecast report as referred to in paragraph (1) point e is submitted during PLJP granting period as referred to in Article 14 paragraph (2) until 1 (one) working day prior to the maturity date or accelerated PLJP repayment date.
- (3) Any BUK which fails to meet the obligation as referred to in paragraph (1) is subject to the following sanctions:

- a. written warning;
 - b. PLJP may not be extended; and/or
 - c. it may not apply for PLJP application within a certain period.
- (4) Further provisions for reporting submission and the sanction imposition mechanism shall be regulated in Regulation of Member of the Board of Governors.

CHAPTER XIII

SUPERVISION

Article 34

- (1) Supervision of BUK receiving PLJP is conducted by OJK in coordination with Bank Indonesia to ensure PLJP fund use according to the purpose and implementation of PLJP repayment plan under PLJP granting agreement.
- (2) The supervision by OJK in coordination with Bank Indonesia as referred to in paragraph (1) includes:
- a. use of PLJP fund extended according to the purpose;
 - b. potential BUK may apply PLJP repayment plan under PLJP extension agreement, including BUK's action plan report;
 - c. compliance of collateral with PLJP collateral requirements; and/or
 - d. other supervision information relevant to PLJP extension.
- (3) Bank Indonesia submits a letter to BUK as referred to in Article 25 as part of the supervision as referred to paragraph (2) point a.

- (4) The supervision as referred to in paragraph (1) also aims to ensure fulfillment of PLJP requirements during PLJP extension period.

Article 35

- (1) Bank Indonesia may audit BUK receiving PLJP.
- (2) The audit as referred to in paragraph (1) may be conducted by:
- a. direct audit to BUK; or
 - b. joint audit with OJK to BUK.

Article 36

Bank Indonesia notifies the sanction imposition as referred to Article 10 paragraph (3), Article 23 paragraph (3), Article 27 paragraph (2), Article 30 paragraph (6), and Article 33 paragraph (3) by letter to BUK, the copy of which is delivered to OJK.

CHAPTER XIV

CLOSING PROVISIONS

Article 37

At the time when this Bank Indonesia Regulation comes into force, implementing regulations of Bank Indonesia Regulation Number 19/3/PBI/2017 on Short-Term Liquidity Assistance for Conventional Commercial Banks (State Gazette of the Republic of Indonesia of 2017 Number 82, Supplement to State Gazette of the Republic of Indonesia Number 6044) as amended several times and last by Bank Indonesia

Regulation Number 22/15/PBI/2020 on the Third Amendment to Bank Indonesia Regulation Number 19/3/PBI/2017 on Short-Term Liquidity Assistance for Conventional Commercial Banks (State Gazette of the Republic of 2020 Number 221, Supplement to State Gazette of the Republic of Indonesia Number 6557), declared to remain effective to the extent not contrary to the provisions of this Bank Indonesia Regulation.

Article 38

At the time when this Bank Indonesia Regulation comes into force:

- a. Bank Indonesia Regulation Number 10/35/PBI/2008 on Short-Term Funding Facilities for People's Credit Banks (State Gazette of the Republic of Indonesia of 2008 Number 196, Supplement to State Gazette of the Republic of Indonesia Number 4943); and
 - b. Bank Indonesia Regulation Number 19/3/PBI/2017 on Short-Term Liquidity Assistance for Conventional Commercial Banks (State Gazette of the Republic of Indonesia of 2017 Number 82, Supplement to State Gazette of the Republic of Indonesia Number 6044) as amended several times and last by Bank Indonesia Regulation Number 22/15/PBI/2020 on the Third Amendment to Bank Indonesia Regulation Number 19/3/PBI/2017 on Short-Term Liquidity Assistance for Conventional Commercial Banks (State Gazette of the Republic of 2020 Number 221, Supplement to State Gazette of the Republic of Indonesia Number 6557),
- are repealed and declared ineffective.

Article 39

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 Regulation by its placement in the State Gazette of the Republic of Indonesia.

Issued in Jakarta

on 27 June 2023

GOVERNOR OF BANK INDONESIA,

PERRY WARJIYO

Promulgated in Jakarta

on 27 June 2023

MINISTER OF LAW AND HUMAN RIGHTS

REPUBLIC OF INDONESIA,

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2023 NUMBER 14/BI

ELUCIDATION
OF
BANK INDONESIA REGULATION
NUMBER 4 OF 2023
ON
SHORT-TERM LIQUIDITY ASSISTANCE FOR
CONVENTIONAL COMMERCIAL BANKS

I. GENERAL

To boost sustainable national economic growth and robust financial system, the Government has issued Law Number 4 of 2023 on the Development and Strengthening of Financial Sector which strengthens the regulation on various aspects in the financial sector, among others on authority institutional strengthening and prevention and handling financial system issues, primarily on strengthening of BUK problem handling. In performing one of Bank Indonesia's duties to determine and implement macroprudential policy, the law specifies to strengthen the authority of Bank Indonesia as a lender of the last resort through PLJP granting to BUK facing Liquidity Difficulty and meeting requirements.

PLJP regulation strengthening in the law includes requirements for BUK to obtain PLJP, PLJP collateral, loan period, and coordination between Bank Indonesia and OJK on PLJP granting. In addition, Bank Indonesia also strengthens PLJP regulation, among others including collateral value against ceiling for SBN and requirements for Credit Asset and/or Financing Asset to be accepted as PLJP collateral so that it is in line with the authority's latest policy.

Based on the foregoing, Bank Indonesia needs to determine Bank Indonesia Regulation on Short-Term Liquidity Assistance for Conventional Commercial Banks.

II. ARTICLE BY ARTICLE

Article 1

Sufficiently clear.

Article 2

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Point a

Solvability requirement shows BUK performs its functions in a proper manner as a going concern reflected from, among others, capital adequacy based on the latest OJK's evaluation and it includes consideration of subsequent events.

Point b

Sufficiently clear.

Point c

The term "adequate cash flow projection to repay PLJP" means BUK has the fund source to repay PLJP.

Paragraph (3)

BUK's estimate of required liquidity amount is based on cash flow forecast 45 (forty-five) calendar days at the shortest as from PLJP application date.

Paragraph (4)

Sufficiently clear.

Article 3

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

SBN which may be used as PLJP collateral is tradable SBN.

Point e

The term "securities issued by other legal entities" means corporate bonds and corporate sukuk issued by Indonesian legal entities other than BUK submitting PLJP applications.

Point 1

Investment grade refers to the result of rating agencies recognized by OJK by observing OJK provisions for rating agencies and rating recognized by OJK.

Point 2

Sufficiently clear.

Point 3

Sufficiently clear.

Paragraph (3)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

“Corporate bonds issued by other legal entities” means corporate sukuk issued by Indonesian legal entities.

Paragraph (4)

Point a

“Quality is classified current” means current quality as referred to in OJK Regulation on asset quality evaluation of commercial Banks or OJK Regulation on asset quality evaluation of sharia commercial banks and SBU.

Point b

“Employee or retiree Credit and/or employee or retiree Financing” means Credit or Financing which meets the following criteria:

1. extended to employees or retirees of Civil Servants, Indonesian National Military, Indonesian National Police, and state institution employees;
2. installment or repayment of Credit or Financing from the salary or retirement money under power of attorney by deducting the salary or retirement money to BUK extending Credit or Financing; and
3. employee or retirement money receiving Credit or Financing guaranteed by life insurance and special retirement plus Credit or Financing insurance from insurance companies which are state-owned enterprises or private insurance companies with the lowest investment rating from rating agencies recognized by OJK by observing OJK provisions for rating agencies and rating recognized by OJK.

Point c

The term “BUK-related parties” means related parties as specified in OJK Regulation on maximum Credit limit and large fund provision for commercial Banks.

Point d

“Restructured” means restructuring as specified in OJK Regulation on asset quality evaluation of commercial Banks or OJK Regulation on asset quality evaluation of sharia commercial banks and SBU.

Point e

Sufficiently clear.

Point f

Maximum limit of Credit extension or fund extension refers to OJK Regulation on maximum Credit limit and large fund provision for commercial Banks.

Point g

Mandatory binding collateral with valid legal force for Credit Asset and/or Financing Asset secured by land and building and/or land.

Point h

Sufficiently clear.

Paragraph (5)

Point a

The term “stimulus period of corona virus disease 2019” means the period from 16 March 2020 until 31 March 2023 as referred to in OJK Regulation on national economic

stimulus as a countercyclical policy to manage impacts of corona virus disease 2019.

Specifically the stimulus period of corona virus disease 2019 for certain sectors and/or areas from 16 March 2020 until 31 March 2023 by observing the Decision of OJK's Board of Commissioners on determination of accommodation and food & beverage sectors, textile and textile product and footwear sectors, micro, small, and medium business segment, and Bali Province as a sector and area requiring special treatment for Credit or Financing by Banks.

Point b

Sufficiently clear.

Paragraph (6)

Point a

Sufficiently clear.

Point b

Fixed asset ownership by BUK is supported by valid ownership documents.

Point c

The term "abandoned property" means abandoned property as specified in OJK Regulation on asset quality evaluation of commercial Banks.

Paragraph (7)

Sufficiently clear.

Paragraph (8)

Sufficiently clear.

Paragraph (9)

Sufficiently clear.

Paragraph (10)

"Supporting documents" among others are:

- a. Credit Asset or Financing Asset documents among others in the form of Credit and/or Financing agreement between BUK and debtor or UUS and customer, collateral agreement proof, and proof of ownership of assets made collateral for Credit and/or Financing; and
- b. proof of fixed asset ownership.

Paragraph (11)

Sufficiently clear.

Paragraph (12)

Sufficiently clear.

Article 4

Sufficiently clear.

Article 5

Sufficiently clear.

Article 6

Paragraph (1)

Point a

SBI selling value refers to the price specified in Bank Indonesia - scripless securities settlement system.

Point b

Sufficiently clear.

Point c

SDBI selling value refers to the price specified in Bank Indonesia - scripless securities settlement system.

Point d

SukBI selling value refers to the price specified in Bank Indonesia - scripless securities settlement system.

Point e

SUN market value and/or SBSN market value refer to the price specified in Bank Indonesia - scripless securities settlement system.

Point f

Sufficiently clear.

Point g

Sufficiently clear.

Point h

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Article 7

Sufficiently clear.

Article 8

Paragraph (1)

Maintenance and administration of collateral list are conducted against assets allocated by BUK as collateral to anticipate PLJP requirement.

Paragraph (2)

Self-assessment of fulfillment of requirements among others include BUK's solvability adequacy and soundness level. In self-assessment of fulfillment of PLJP requirements, BUK consults with the relevant authority.

Paragraph (3)

Sufficiently clear.

Article 9

Paragraph (1)

"Laws and regulations" include, among others, the Civil Code and the Law on fiduciary and encumbrance.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Article 10

Paragraph (1)

Point a

Sufficiently clear.

Point b

Commitment to issuing personal guarantee and/or corporate guarantee accompanied by a list of controlling shareholders' assets is implemented under the laws and regulations.

Point c

“Documents supporting the required amount to overcome Liquidity Difficulty” among others include cash flow forecast 45 (forty-five) calendar days at the shortest as from PLJP application date.

Point d

“Public appraisal firm” means an entity which has obtained a business license from the Minister of Finance as a forum for public appraisers to provide their services.

“Public accounting firm” means an entity which is established under the laws and regulations and has obtained a business license under the law on public accountants.

Point e

Sufficiently clear.

Point f

Sufficiently clear.

Point g

Sufficiently clear.

Point h

An approval letter will be submitted if it is specified under BUK’s articles of articles and the laws and regulations.

Point i

Sufficiently clear.

Point j

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Article 11

Sufficiently clear.

Article 12

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Paragraph (5)

Sufficiently clear.

Paragraph (6)

Sufficiently clear.

Paragraph (7)

Other fund sources are evidenced by availability of additional fund at BUK’s giro account at Bank Indonesia accompanied by supporting documents and/or data.

Paragraph (8)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Information that BUK no longer meets requirements is obtained among others from OJK.

Paragraph (9)

Sufficiently clear.

Article 13

“Certain considerations” include, among others, the simulation result of BUK’s condition.

Article 14

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Activation date of PLJP granting will be notified by Bank Indonesia by letter which constitutes an inseparable part of PLJP extension agreement.

Paragraph (3)

The term “2 (two) consecutive terms” means each period has 30 (thirty) calendar days at the maximum. Therefore, extension of 2 (two) terms consecutively is 60 (sixty) calendar days at the maximum, and accordingly, the total PLJP term is 90 (ninety) calendar days at the maximum.

Article 15

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Point a

The term “promissory note” means a letter containing BUK’s commitment to paying to Bank Indonesia on PLJP fund liquidation. The promissory note is not tradable in the financial market.

Point b

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Paragraph (5)

Sufficiently clear.

Article 16

With PLJP disbursement restriction, BUK may only disburse PLJP in a maximum undisbursed amount supported by collateral adequacy.

Example of disbursement restriction:

PLJP initial ceiling amounting to Rp500,000,000,000.00 (five hundred billion rupiah).

Total collateral value decreases which make collateral value only suffices for PLJP ceiling amounting to Rp450,000,000,000.00 (four hundred fifty billion rupiah).

The current position of PLJP debit balance is Rp250,000,000,000.00 (two hundred fifty billion rupiah).

With the debit balance, there is undisbursed amount of
Rp450,000,000,000.00 – Rp250,000,000,000.00 =
Rp200,000,000,000.00 (two hundred billion rupiah).

Based on the condition, collateral value still suffices PLJP debit balance and has undisbursed amount. Therefore, Bank Indonesia applies PLJP disbursement restriction until Rp450,000,000,000.00 (four hundred fifty billion rupiah).

Article 17

Paragraph (1)

Although early termination applies to PLJP disbursement, PLJP repayment will be made as and when due.

Paragraph (2)

Sufficiently clear.

Article 18

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Point a

“Documents supporting the required amount to overcome Liquidity Difficulty” among others include cash flow forecast 45 (forty-five) calendar days at the shortest as from application date of PLJP term extension.

Point b

Sufficiently clear.

Point c

Market value of PLJP collateral uses the market value updated by a public appraisal firm.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Submission of securities by BUK as collateral for PLJP period extension does not depend on sufficiency of PLJP collateral amount.

Paragraph (5)

Sufficiently clear.

Article 19

Sufficiently clear.

Article 20

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Point a

“Documents supporting the required amount to overcome Liquidity Difficulty” among others include cash flow forecast

45 (forty-five) calendar days at the shortest as from application date of PLJP ceiling increase.

Point b

Sufficiently clear.

Point c

Market value of PLJP collateral uses the market value updated by a public appraisal firm.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Article 21

Sufficiently clear.

Article 22

Paragraph (1)

Ceiling decrease application is based on BUK's liquidity requirement until BUK meets GWM under Bank Indonesia Regulation on GWM supported by cash flow forecast.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Article 23

Paragraph (1)

"Mandatory PLJP" means PLJP principal or outstanding debit balance, PLJP interest, and other fees related to PLJP.

Prohibition for BUK also applies to UUS of BUK receiving PLJP.

Point a

"Fund placement" among others includes fund placement in interbank financial market, interbank financial market under Sharia Principle, and purchase of securities.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Article 24

Expansionary monetary operation of Bank Indonesia among others includes repurchase agreement (repo) for open market operation and lending facility transaction for standing facilities.

Participation restriction for BUK in Expansionary monetary operation of Bank Indonesia also applies to UUS of BUK in sharia monetary operation.

Article 25

Sufficiently clear.

Article 26

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Formula to calculate PLJP interest:

$$X = P \times R \times t / 360$$

Remarks:

X: interest received by Bank Indonesia

P: PLJP debit balance

R: interest rate of rupiah lending facility + 100 (one hundred) basis points.

t: calendar days for interest calculation.

“Interest rate of rupiah lending facility” means the interest rate of lending facility as specified in Bank Indonesia Regulation on monetary operation.

Paragraph (3)

Sufficiently clear.

Article 27

Paragraph (1)

“Principal” means PLJP debit balance as and when due.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Article 28

Sufficiently clear.

Article 29

Paragraph (1)

Point a

BUK's giro account is debited as long as there is PLJP debit balance (outstanding), the highest is amounting to the lowest value between PLJP debit balance and excess giro account balance of GWM plus 10% (ten percent) of GWM.

Point b

Early repayment of due PLJP is made by debiting BUK's giro account balance in the same amount of PLJP principal and interest.

Point c

If PLJP maturity date falls on Saturday, Sunday, holiday, or a working day later determined as a holiday, BUK's giro

account balance will be debited on the following working day, without calculating PLJP interest on that day.

In the event Bank Indonesia operates in a limited manner on a holiday or joint leave, where Bank Indonesia operates Bank Indonesia - real-time gross settlement, the day will include a working day.

Paragraph (2)

PLJP repayment means high priority transaction as specified in Bank Indonesia Regulation on implementation of transactions, administration of securities, and outright settlement prior to settlement of other transactions.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Paragraph (5)

Sufficiently clear.

Article 30

Sufficiently clear.

Article 31

Sufficiently clear.

Article 32

Paragraph (1)

Fees arising from PLJP process among others are notary fee for agreement and collateral, fee to execute collateral or sale or transfer of collection right over PLJP, and fee to retain documents on collateral.

Paragraph (2)

Sufficiently clear.

Article 33

Paragraph (1)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Point f

The term “action plan” means the action plan as referred to in OJK Regulation on status determination and follow up to the supervision of commercial Banks.

Point g

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Paragraph (4)
Sufficiently clear.

Article 34
Sufficiently clear.

Article 35
Paragraph (1)
Sufficiently clear.
Paragraph (2)
In auditing BUK, Bank Indonesia submits notices in writing to OJK.
In a direct audit by Bank Indonesia or between Bank Indonesia and OJK, Bank Indonesia may use data among others data obtained from OJK.

Article 36
Sufficiently clear.

Article 37
Sufficiently clear.

Article 38
Sufficiently clear.

Article 39
Sufficiently clear.

SUPPLEMENT TO STATE GAZETTE OF THE REPUBLIC OF INDONESIA
NUMBER 39/BI