

BANK INDONESIA REGULATION
NUMBER 12 OF 2023
ON
ISSUANCE OF MONEY MARKET INSTRUMENTS AND MONEY MARKET
TRANSACTIONS

BY THE BLESSINGS OF ALMIGHTY GOD

GOVERNOR OF BANK INDONESIA,

- Considering : a. that the enforcement of Law Number 4 of 2023 on Development and Strengthening of Financial Sector has affirmed the authority of Bank Indonesia to conduct regulation, development, and supervision of money market;
- b. that regulation, development, and supervision of money market aim to build a modern and advanced money market contributing in development and deepening of financial market and further support monetary policy effectiveness, financial system stability, and economic financing synergy;
- c. that to build a modern and advanced money market, it is necessary to conduct regulation, development, and supervision of money market instruments and money market transactions, reference price, market participants, and use of financial market infrastructures in the money market;
- d. that based on the considerations as referred to in point a, point b, and point c, it is necessary to establish Bank Indonesia Regulation on Issuance of Money Market Instruments and Money Market Transactions;
- 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 Development and Strengthening of 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 4 of 2023 on Development and Strengthening of Financial Sector (State Gazette of the Republic of Indonesia of 2023 Number 4, Supplement to State Gazette

- of the Republic of Indonesia Number 6845);
3. Bank Indonesia Regulation Number 6 of 2023 on Money Market and Foreign Exchange Market (State Gazette of the Republic of Indonesia of 2023 Number 16/BI, Supplement to State Gazette of the Republic of Indonesia Number 41/BI);

HAS DECIDED:

To enact : BANK INDONESIA REGULATION ON ISSUANCE OF MONEY MARKET INSTRUMENTS AND MONEY MARKET TRANSACTIONS.

CHAPTER I GENERAL PROVISIONS

Article 1

In this Bank Indonesia Regulation:

1. Money Market means a part of financial system related to:
 - a. activities of issuance and trade of financial instruments or debt securities with a term of no more than 1 (one) year;
 - b. money lending transactions;
 - c. interest rate derivative transactions; and
 - d. other transactions which meet the characteristics in the money market,in rupiah or any foreign currency.
2. Money Market Instrument means negotiable and/or tradable short-term securities, including debt securities with a term of no more than 1 (one) year and any other instruments comparable to short-term securities determined by Bank Indonesia.
3. Issuance of Money Market Instruments means a process in issuing Money Market Instruments.
4. Money Market Transaction means a financial transaction and/or transaction of financial instrument which meet the criteria and/or requirements for transactions in the Money Market.
5. Derivative means an instrument whose value is derivative of its underlying asset.
6. Money Market Supporting Institution means a party which provides services related to Issuance of Money Market Instruments, intermediary for implementation of Money Market Instrument transactions, transaction settlements, administration of Money Market Transactions and instruments, and any other parties determined by Bank Indonesia.
7. Financial Sector Supporting Profession Engaged in Money Market and/or Foreign Exchange Market, hereinafter referred to as PPSK PUVA, means a provider of professional services to support activities in the Money Market and foreign exchange market.
8. Financial Transaction Termination by Set-Off, hereinafter referred to as Close-Out Netting, means a process of early termination, valuation, and set-off of all Derivative transactions in the financial market between parties to 1

(one) master agreement to generate 1 (one) single amount which may be invoiced to one of the parties.

CHAPTER II SCOPE

Article 2

Bank Indonesia conducts regulation, development, and supervision of Money Market which include:

- a. products consisting of:
 1. Money Market Instruments; and
 2. Money Market Transactions;
- b. pricing which may be used in Issuance of Money Market Instruments, Money Market Transactions, issuance of financial instruments, and/or other financial market transactions;
- c. participants related to Issuance of Money Market Instruments and/or Money Market Transactions; and
- d. financial market infrastructures used in Issuance of Money Market Instruments and/or Money Market Transactions.

CHAPTER III MONEY MARKET PRODUCTS

Part One Issuance of Money Market Instruments

Article 3

Forms of the Money Market Instruments as referred to in Article 2 point a item 1 include:

- a. promissory note;
- b. payment order;
- c. debt securities; or
- d. other short-term securities determined by Bank Indonesia.

Article 4

- (1) Bank Indonesia determines criteria for Issuance of Money Market Instruments as referred to in Article 2 point a item 1.
- (2) The criteria for Issuance of Money Market Instruments as referred to in paragraph (1) include:
 - a. general criteria; and/or
 - b. special criteria.

Article 5

- (1) The general criteria for Issuance of Money Market Instruments as referred to in Article 4 paragraph (2) point a include:
 - a. scripless;
 - b. there is transparency of information on:
 1. Money Market Instruments; and/or
 2. issuers of Money Market Instruments;
 - c. administered at the operator of transaction settlement, administration, and/or central custodian facilities determined by Bank Indonesia; and
 - d. other general criteria determined by Bank Indonesia.

- (2) The Money Market Instruments issued scripless as referred to in paragraph (1) point a, and their issuance, administration, recording, and/or transfer of ownership may serve as valid evidence under the laws and regulations.
- (3) The transfer of Money Market Instruments issued scripless as referred to in paragraph (2) includes transfer of all rights arising from the Money Market Instruments.

Article 6

- (1) The special criteria for Issuance of Money Market Instruments as referred to in Article 4 paragraph (2) point b include:
 - a. registration;
 - b. quotation;
 - c. administration and settlement; and/or
 - d. other special criteria determined by Bank Indonesia.
- (2) The special criteria for Issuance of Money Market Instruments as referred to in paragraph (1) are determined by Bank Indonesia by the form and/or type of Money Market Instrument.

Article 7

- (1) The Money Market Instruments as referred to in Article 2 point a item 1 may be issued to be non-transferrable, non-tradable, and/or non-negotiable to the extent that it is specified in a law and/or government regulation.
- (2) Bank Indonesia may determine certain criteria for Issuance of the non-transferrable, non-tradable, and/or non-negotiable Money Market Instruments as referred to in paragraph (1), to the extent that it is not specified otherwise in a law and/or government regulation.
- (3) The certain criteria for Issuance of the non-transferrable, non-tradable, and/or non-negotiable Money Market Instruments as referred to in paragraph (2) may be determined different from the criteria for Issuance of Money Market Instruments as referred to in Article 4.

Article 8

Further provisions for Issuance of Money Market Instruments are specified in a Regulation of Member of Board of Governors.

Part Two

Money Market Transactions

Article 9

Types of Money Market Transactions as referred to in Article 2 point a item 2 include:

- a. trade of financial instruments in the Money Market;
- b. non-credit money lending or funding transactions;
- c. repurchase agreement;
- d. Derivative transactions in the Money Market; and
- e. other transactions which meet the characteristics of the Money Market.

Article 10

- (1) Bank Indonesia determines the criteria for Money Market Transactions as referred to in Article 9.
- (2) The criteria for Money Market Transactions as referred to in paragraph (1) include:
 - a. general criteria; and/or
 - b. special criteria.

Article 11

- (1) The general criteria for Money Market Transactions as referred to in Article 10 paragraph (2) point a include:
 - a. Money Market Transactions using financial instruments must be:
 1. issued scripless; and
 2. administered at an operator of transaction settlement, administration, and/or central custodian facilities;
 - b. use contract and/or confirmation; and
 - c. refer to the applicable market standard or market convention.
- (2) The special criteria for Money Market Transactions as referred to in Article 10 paragraph (2) point b are determined by Bank Indonesia by the type of Money Market Transaction as referred to in Article 9.

Article 12

Further provisions for Money Market Transactions are specified in a Regulation of Member of Board of Governors.

Part Three

Money Market Transaction Time

Article 13

- (1) The Money Market Transactions as referred to in Article 9 are conducted at the transaction time determined by Bank Indonesia.
- (2) The Money Market Transaction time as referred to in paragraph (1) considers:
 - a. operational time of the system operating transaction and securities administration facilities and/or electronic fund transfer facilities as specified in Bank Indonesia provisions for transaction implementation, securities administration, and outright fund settlement;
 - b. operational time of a system operating storage and settlement of financial transactions and/or financial instruments, including Money Market Instruments; and/or
 - c. global consensus on Money Market Transactions conducted in foreign currencies.
- (3) In a certain condition, Bank Indonesia may determine:
 - a. change of Money Market Transaction time; and/or
 - b. mandatory implementation of certain Money Market Transactions at the transaction time determined by Bank Indonesia.

Article 14

- (1) Money Market Transaction participants must conduct Money Market Transactions at the transaction time determined by Bank Indonesia as referred to in Article 13 paragraph (3) point b.
- (2) Any Money Market Transaction participants which breach the provisions as referred to in paragraph (1) will be imposed with an administrative sanction in the form of written warning.

Article 15

Further provisions for:

- a. Money Market Transaction time; and
 - b. procedure and mechanism of administrative sanction imposition,
- are specified in a Regulation of Member of Board of Governors.

Part Four

Settlement of Money Market Transaction

Section 1

General

Article 16

- (1) Settlement of the Money Market Transactions as referred to in Article 9 applies the following principles:
 - a. settlement of eligible Money Market Transactions is final and binding;
 - b. delivery and/or payment in Money Market Transactions; and
 - c. recognition of transaction settlement by netting, by directly calculating the final result of rights and obligations of the parties.
- (2) The transaction settlement through delivery and/or payment in Money Market Transactions as referred to in paragraph (1) point b is conducted for:
 - a. securities; and/or
 - b. fund.
- (3) Settlement of Money Market Transactions may be conducted through:
 - a. gross transaction settlement;
 - b. transaction settlement by netting as referred to in paragraph (1) letter c; or
 - c. other methods of transaction settlement determined by Bank Indonesia.

Article 17

The Money Market Transactions as referred to in Article 9 which:

- a. occur prior to the pronouncement of bankruptcy statement decision; and
 - b. have met the requirements,
- must remain settled as if there was no bankruptcy and they may not be canceled by parties directly related to the transactions as specified in the Law on development and strengthening of financial sector.

Section 2
Close-Out Netting

Article 18

- (1) In the event of failure due to:
 - a. event of default; and/or
 - b. event of termination,by one of the transacting parties, the transaction may be settled by the mechanism of Close-Out Netting.
- (2) The transaction settlement by the mechanism of Close-Out Netting as referred to in paragraph (1) may be conducted to the extent that it is required or agreed under a master agreement.

Article 19

Transactions which may be settled by the mechanism of Close-Out Netting as referred to in Article 18 paragraph (1) include:

- a. Derivative transactions in the Money Market;
- b. repurchase agreement transactions; and
- c. other transactions determined by Bank Indonesia or the competent authority.

Article 20

If in 1 (one) master agreement as referred to in Article 18 paragraph (2) there is:

- a. a transaction included as a transaction which may be settled by the mechanism of Close-Out Netting; and
 - b. a transaction not included as a transaction which may be settled by the mechanism of Close-Out Netting,
- the Close-Out Netting mechanism may remain conducted against the transaction as referred to in point a.

Article 21

- (1) The transaction settlement by the mechanism of Close-Out Netting as referred to in Article 18 paragraph (1) may be conducted both before and after bankruptcy.
- (2) In the event that, prior to the pronouncement of bankruptcy statement decision, transaction settlement by the mechanism of Close-Out Netting against a transaction agreed under a contract has been conducted, the transaction must be settled.

Article 22

- (1) Implementation of transaction settlement under a master agreement requiring settlement through Close-Out Netting by a bankrupt debtor may not be canceled by the court as specified in the Law on bankruptcy and suspension of payment of indebtedness.
- (2) The implementation of transaction settlement requiring settlement through Close-Out Netting as referred to in paragraph (1) does not require a request for set-off as specified in the Law on bankruptcy and suspension of payment of indebtedness.
- (3) The implementation of Close-Out Netting as referred to in paragraph (1) and paragraph (2) may not be delayed, avoided, or limited by actions and/or authority of a receiver

as specified in the Law on bankruptcy and suspension of payment of indebtedness.

- (4) The provisions as referred to in paragraph (3) also apply to a collateral agreement based on the master agreement as referred to in Article 18 paragraph (2).

Article 23

A receiver may not cancel or deem invalid a collateral payment or transfer in connection with a settlement terminated by netting of the value or amount of rights or liabilities with the defaulting party, unless it is proven that the collateral payment or transfer occurs due to fraud.

Article 24

Further provisions for:

- a. settlement of Money Market Transactions; and
 - b. Close-Out Netting,
- are specified in a Regulation of Member of Board of Governors.

Part Five

Currency in Issuance of Money Market Instruments and Money Market Transactions

Article 25

- (1) Issuance of the Money Market Instruments as referred to in Article 4 paragraph (1) and Money Market Transactions as referred to in Article 9 may be conducted in rupiah and/or foreign currencies.
- (2) The Money Market Transactions as referred to in paragraph (1) may also be conducted cross currency in rupiah and/or foreign currencies.
- (3) Bank Indonesia may determine a certain policy on currencies in Issuance of Money Market Instruments and/or Money Market Transactions as referred to in paragraph (1) and paragraph (2).

Article 26

- (1) Bank Indonesia may determine the use of rupiah in settlement of Money Market Transactions.
- (2) If Bank Indonesia determines the use of rupiah as referred to in paragraph (1), Money Market Transaction participants must use rupiah in settlement of Money Market Transactions.
- (3) Any Money Market Transaction participants which breach the provisions as referred to in paragraph (2) will be sanctioned under a Bank Indonesia Regulation on mandatory use of rupiah within the Republic of Indonesia.

Article 27

Further provisions for currencies in Issuance of Money Market Instruments and/or Money Market Transactions are specified in a Regulation of Member of Board of Governors.

Part Six
Smart Contract

Article 28

- (1) The Issuance of Money Market Instruments as referred to in Article 4 paragraph (1) and/or Money Market Transactions as referred to in Article 9 may use a smart contract as specified in the laws and regulations on electronic information and transactions.
- (2) A smart contract and/or its printed format may serve as valid evidence as specified in the Law on electronic information and transactions.
- (3) Use of smart contract is followed by retention of the smart contract.
- (4) The retention of smart contract as referred to in paragraph (3) at least contains the terms and conditions for automation of implementation of rights and obligations agreed under the smart contract.

Article 29

- (1) An issuer of Money Market Instruments and/or Money Market Transactions using the smart contract as referred to in Article 28 paragraph (1) must:
 - a. maintain governance, risk management application, and/or principle of prudence;
 - b. ensure confidentiality of data and/or information;
 - c. ensure availability of data and/or information access for Bank Indonesia; and/or
 - d. any other obligations determined by Bank Indonesia.
- (2) The use of smart contract as referred to in paragraph (1) for the first time must be consulted with Bank Indonesia.
- (3) The provisions as referred to in paragraph (2) are exempted for certain Money Market Transactions determined by Bank Indonesia.
- (4) The use of smart contract as referred to in paragraph (1) must observe the laws and regulations on implementation of system, electronic information and transactions, and/or cyber defense.
- (5) Any issuers of Money Market Instruments and/or Money Market Transactions which breach the provisions as referred to in paragraph (1) or paragraph (2) are imposed with the following administrative sanctions:
 - a. written warning; and/or
 - b. temporary, partial, or entire restrictions of activities in Issuance of Money Market Instruments and/or Money Market Transactions.

Article 30

Further provisions for:

- a. smart contract; and
- b. procedure and mechanism of administrative sanction imposition,

are specified in a Regulation of Member of Board of Governors.

CHAPTER IV
REFERENCE PRICE

Part One
General

Article 31

- (1) Market participants related to the Issuance of Money Market Instruments and/or Money Market Transactions as referred to in Article 2 point c must use a reference price in a transparent, robust, and credible manner in:
 - a. the Issuance of Money Market Instruments as referred to in Article 4 paragraph (1);
 - b. Money Market Transactions as referred to in Article 9; and/or
 - c. issuance of other financial instruments and/or transactions in the financial market.
- (2) The reference price as referred to in paragraph (1) includes:
 - a. interest rate;
 - b. instrument yield or price; and
 - c. other reference prices in the Money Market.

Article 32

- (1) Bank Indonesia may provide information on reference price in the Money Market and/or determine another party to support provision of the reference price as referred to in Article 31 paragraph (2).
- (2) Bank Indonesia may determine another party supporting the provision of reference price as referred to in paragraph (1) under the following considerations:
 - a. to boost the creation of a liquid and efficient money market;
 - b. to observe international principles in connection with reference price formation; and
 - c. other considerations determined by Bank Indonesia.
- (3) Another party determined to support provision of reference price as referred to in paragraph (2) must:
 - a. maintain credibility and transparency of data and/or information;
 - b. ensure confidentiality of data and/or information;
 - c. have a mechanism for provision of reference price;
 - d. ensure availability of data and/or information access for Bank Indonesia; and
 - e. other obligations determined by Bank Indonesia.
- (4) Another party which is determined to support provision of reference price and breaches the provisions as referred to in paragraph (3) will be imposed with the following administrative sanctions:
 - a. written warning; and/or
 - b. revocation of determination of a party supporting provision of reference price in the Money Market.

Article 33

Money Market Transaction Participants and Money Market Supporting Institutions must be supported by formation of

reference price in a transparent, robust, and credible manner as referred to in Article 31 paragraph (1).

Article 34

- (1) The reference price in the form of interest rate as referred to in Article 31 paragraph (2) point a is published on the website of Bank Indonesia and/or any other medium determined by Bank Indonesia.
- (2) The reference price in the form of interest rate as referred to in paragraph (1) is published at a certain tenor determined by Bank Indonesia.

Article 35

The reference price in the form of interest rate as referred to in Article 31 paragraph (2) point a is determined through:

- a. data input;
- b. determination and/or calculation method; and/or
- c. other methods determined by Bank Indonesia.

Part Two Data Input

Article 36

Data input in formation of the reference price in the form of interest rate as referred to in Article 35 point a is obtained from:

- a. contributor; and/or
- b. financial transaction data.

Article 37

- (1) Bank Indonesia may determine a bank and/or a certain party as a contributor in formation of reference price in the form of interest rate.
- (2) The bank and/or certain party as a contributor as referred to in paragraph (1) must:
 - a. determine indicative interest rate according to the requirements determined by Bank Indonesia;
 - b. submit quotation for indicative interest rate to Bank Indonesia;
 - c. administer data, information, and/or matters related to the process to determine quotation for indicative interest rate;
 - d. have an internal guideline related to the indicative interest rate;
 - e. meet any transaction from:
 1. another contributor; and/or
 2. non-contributor;
 - f. have a commitment to support transparent and credible reference pricing in the form of interest rate; and
 - g. any other obligations determined by Bank Indonesia.
- (3) Any bank which breaches the provisions as referred to in paragraph (2) point b will be imposed with administrative sanctions under Bank Indonesia Regulation on integrated reports of commercial banks.

- (4) The certain party which breaches the provisions as referred to in paragraph (2) point b will be imposed with an administrative sanction in the form of written warning.
- (5) Any bank and/or certain party which breach the provisions as referred to in paragraph (2) point a, point c, point d, point e, point f, or point g will be imposed with an administrative sanction in the form of written warning.

Article 38

- (1) Bank Indonesia evaluates determination of a bank and/or certain party as a contributor in reference pricing in the form of interest rate.
- (2) Based on the evaluation result as referred to in paragraph (1), Bank Indonesia may add and/or terminate a bank and/or certain party as a contributor.

Part Three

Determination and Calculation Methods

Article 39

- (1) Bank Indonesia specifies determination and/or calculation methods for reference pricing in the form of interest rate as referred to in Article 35 point b.
- (2) The determination and/or calculation methods for reference pricing in the form of interest rate as referred to in paragraph (1) include:
 - a. size of data centering and data distribution;
 - b. coverage of data used; and
 - c. any other determination and/or calculation methods for reference pricing in the form of interest rate specified by Bank Indonesia.
- (3) The determination and/or calculation methods for reference pricing in the form of interest rate as referred to in paragraph (1) are used to process:
 - a. indicative interest rate; and/or
 - b. financial transaction data.

Article 40

In a certain condition, Bank Indonesia may determine a certain policy on provision of reference price.

Article 41

Further provisions for:

- a. reference price in the Money Market; and
- b. procedure and mechanism of administrative sanction imposition,

are specified in a Regulation of Member of Board of Governors.

CHAPTER V MARKET PARTICIPANTS

Part One

Types of Market Participants

Article 42

Market participants related to the Issuance of Money Market Instruments and/or Money Market Transactions as referred to in Article 2 point c include:

- a. Money Market participants;
- b. Money Market Supporting Institutions;
- c. PPSK PUVA; and
- d. any other parties related to the Issuance of Money Market Instruments and/or Money Market Transactions determined by Bank Indonesia.

Article 43

- (1) The Money Market participants as referred to in Article 42 point a include:
 - a. issuers of Money Market Instruments; and
 - b. Money Market Transaction participants.
- (2) The Issuers of Money Market Instruments as referred to in paragraph (1) point a include:
 - a. financial service institutions;
 - b. corporations;
 - c. special purpose vehicles; and/or
 - d. any other parties determined by Bank Indonesia.
- (3) Money Market Transaction participants as referred to in paragraph (1) point b include:
 - a. financial service institutions;
 - b. corporations;
 - c. individuals;
 - d. non-residents; and/or
 - e. any other transaction participants determined by Bank Indonesia.
- (4) The Issuers of Money Market Instruments in the form of financial service institutions as referred to in paragraph (2) point a must observe the laws and regulations on financial service institutions in issuing Money Market Instruments.
- (5) The Money Market Transaction participants in the form of financial service institutions as referred to in paragraph (3) point a must observe the laws and regulations on financial service institutions in conducting Money Market Transactions.

Article 44

- (1) The Money Market Supporting Institutions as referred to in Article 42 point b include:
 - a. supporting institutions for Issuance of Money Market Instruments;
 - b. supporting institutions for Money Market Transactions;
 - c. supporting institutions for administration and settlement of Money Market Transactions; and
 - d. any other Money Market Supporting Institutions determined by Bank Indonesia.
- (2) The supporting institutions for Issuance of Money Market Instruments as referred to in paragraph (1) point a include:
 - a. arrangers;
 - b. rating agencies; and

- c. any other issuance supporting institutions determined by Bank Indonesia.
- (3) The supporting institutions for Money Market Transactions as referred to in paragraph (1) point b include:
 - a. banks;
 - b. securities companies;
 - c. broker companies; and
 - d. any other transaction supporting institutions determined by Bank Indonesia.

Article 45

- (1) The supporting institutions for administration and settlement of Money Market Transactions as referred to in Article 44 paragraph (1) point c include:
 - a. banks which conduct custodian business activities;
 - b. securities companies; and
 - c. any other administration supporting institutions determined by Bank Indonesia.
- (2) The supporting institution for administration and settlement of Money Market Transactions as referred to in paragraph (1) is:
 - a. holder of an account with the deposit and settlement institution as specified in the Law on capital market;
 - b. sub-registry other than Bank Indonesia performing administration function for the interest of customers as specified in Bank Indonesia provisions for implementation of transactions, administration of securities, and outright fund settlement; and/or
 - c. any other participant and/or account holder at transaction settlement, administration, and/or central custodian facilities.

Article 46

- (1) The PPSK PUVA as referred to in Article 42 point c includes:
 - a. legal consultant;
 - b. public accountant;
 - c. notary; and
 - d. any other supporting professions determined by Bank Indonesia.
- (2) The PPSK PUVA as referred to in paragraph (1) may provide services in:
 - a. the Issuance of Money Market Instruments as referred to in Article 4 paragraph (1);
 - b. the Money Market Transactions as referred to in Article 9 and foreign currency market transactions; and
 - c. implementation of financial market infrastructures.

Article 47

Further provisions for market participants related to Issuance of Money Market Instruments and/or Money Market Transactions are specified in a Regulation of Member of Board of Governors.

Part Two
Utilization of Technology Innovation in Financial Sector

Article 48

- (1) The Money Market Supporting Institutions as referred to in Article 44 paragraph (1) may use technology innovation in financial sector in conducting business activities as Money Market Supporting Institutions to the extent that they have obtained a permit to implement technology innovation in financial sector from:
 - a. Bank Indonesia; or
 - b. Financial Services Authority.
- (2) If a Money Market Supporting Institution has obtained a permit to implement technology innovation in financial sector from the Financial Services Authority as referred to in paragraph (1) point b, the Money Market Supporting Institution must consult their plan to use technology innovation in financial sector to support business activities as a Money Market Supporting Institution with Bank Indonesia.
- (3) Any Money Market Supporting Institutions which breach the provisions as referred to in paragraph (2) will be imposed with the following administrative sanctions:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities as a Money Market Supporting Institution; and/or
 - c. revocation of permit as a Money Market Supporting Institution.

Article 49

An implementer of technology innovation in financial sector other than the Money Market Supporting Institution as referred to in Article 44 paragraph (1) may become a Money Market Supporting Institution to the extent that they have obtained the following permit from the Financial Services Authority:

- a. issuance of securities and/or financial instruments;
- b. financial transactions and/or transactions of financial instruments; and/or
- c. administration and/or settlement of financial transactions.

Article 50

Further provisions for:

- a. utilization of Technology Innovation in Financial Sector; and
- b. procedure and mechanism of administrative sanction imposition,

are specified in a Regulation of Member of Board of Governors.

Part Three
Permit and Obligation of Money Market Supporting Institution

Section 1
Permit for Money Market Instruments

Article 51

A party which may issue Money Market Instruments is the issuer as referred to in Article 43 paragraph (1) point a.

Article 52

- (1) The Issuer of Money Market Instruments as referred to in Article 43 paragraph (1) point a must obtain a permit from Bank Indonesia prior to Issuance of Money Market Instruments.
- (2) The permit as referred to in paragraph (1) takes the following forms:
 - a. approval for registration of Issuance of Money Market Instruments;
 - b. approval as an issuer of Money Market Instruments; or
 - c. proof of submission of planning document for Issuance of Money Market Instruments.
- (3) The form of permit granted by Bank Indonesia as referred to in paragraph (2) is determined by Bank Indonesia by types of Money Market Instruments to be issued by an issuer of Money Market Instruments as referred to in Article 43 paragraph (1) point a.

Article 53

- (1) To obtain the permit for Issuance of Money Market Instruments as referred to in Article 52 paragraph (1), a party which will become an issuer of Money Market Instruments must meet the requirements determined by Bank Indonesia.
- (2) The requirements as referred to in paragraph (1) include:
 - a. general requirements; and/or
 - b. special requirements.
- (3) The general requirements for a party which will become an issuer of Money Market Instruments as referred to in paragraph (2) point a include:
 - a. have good financial capability; and
 - b. have good governance.
- (4) The special requirements for a party which will become an issuer of Money Market Instruments as referred to in paragraph (2) point b are determined by types of Money Market Instruments.
- (5) Determination of special requirements for a party which will become an issuer of Money Market Instruments as referred to in paragraph (4) considers the following qualifications of the party which will become an issuer:
 - a. listed or not listed as an issuer or public company;
 - b. has or has never issued any bonds and/or sukuk listed on Indonesia stock exchange within a certain period; and/or
 - c. other considerations on the party which will become an issuer.

Article 54

- (1) Any party who wishes to become an issuer of Money Market Instruments and applies for a permit for Issuance of Money

Market Instruments must submit the application in writing in Indonesian to Bank Indonesia.

- (2) The application as referred to in paragraph (1) is accompanied by supporting documents for fulfillment of the criteria for Issuance of Money Market Instruments as referred to in Article 4 and the supporting documents for fulfillment as referred to in Article 53 paragraph (1).
- (3) In the process to grant a permit for Issuance of Money Market Instruments, Bank Indonesia may request:
 - a. additional information; and/or
 - b. additional documents,to a potential issuer of Money Market Instruments.
- (4) Any party who will become an issuer of Money Market Instruments must submit the additional information and/or documents as referred to in paragraph (3).

Article 55

- (1) In granting the permit as referred to in Article 52 paragraph (1), Bank Indonesia will not evaluate the advantages or weaknesses of the Money Market Instruments to be issued.
- (2) The permit obtained by an issuer of Money Market Instruments from Bank Indonesia as referred to in paragraph (1) may not be used for issuance of any other financial instruments and any other actions in favor of the issuer of Money Market Instruments.

Section 2

Obligations of Issuers of Money Market Instruments

Article 56

- (1) An issuer of Money Market Instruments must meet the criteria for Issuance of Money Market Instruments as referred to in Article 4.
- (2) Any issuer of Money Market Instruments which breach the provisions as referred to in paragraph (1) will be imposed with the following administrative sanctions:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities in Issuance of Money Market Instruments; and/or
 - c. revocation of a permit related to business activities in the Money Market.

Article 57

Fulfillment of obligations of an issuer of Money Market Instruments to an investor is the full responsibility of the issuer of Money Market Instruments.

Article 58

- (1) The issuer of Money Market Instruments as referred to in Article 43 paragraph (2) must use the service of Money Market Supporting Institution as referred to in Article 42 point b.
- (2) The provisions as referred to in paragraph (1) are exempted for:
 - a. certain issuers of Money Market Instruments determined by Bank Indonesia; and/or

- b. certain types of Money Market Instruments determined by Bank Indonesia.
- (3) Any issuer of Money Market Instruments which breach the provisions as referred to in paragraph (1) will be imposed with the following administrative sanctions:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities in Issuance of Money Market Instruments; and/or
 - c. revocation of a permit for business activities in the Money Market.

Article 59

- (1) Issuers of Money Market Instruments must ensure that material information and facts related to the Issuance of Money Market Instruments submitted to a party which will become an investor and Bank Indonesia are correct and not misleading.
- (2) In the event of any change of the material information and facts as referred to in paragraph (1), an issuer of Money Market Instruments must submit such change to the investor and Bank Indonesia.
- (3) Any issuer of Money Market Instruments which breaches the provisions as referred to in paragraph (1) or paragraph (2) will be imposed with the following sanctions:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities in Issuance of Money Market Instruments; and/or
 - c. revocation of a permit for business activities in the Money Market.

Article 60

- (1) Every party is prohibited from conducting:
 - a. Issuance of Money Market Instruments with a term of not more than 1 (one) year offered to the public; and/or
 - b. Issuance of Money Market Instruments with a term of not more than 1 (one) year to be traded in the secondary market, without any permit from Bank Indonesia.
- (2) Without waiving criminal sanctions under the Law on development and strengthening of financial sector, any party which breaches the provisions as referred to in paragraph (1) will be imposed with the following administrative sanctions:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities in Issuance of Money Market Instruments; and/or
 - c. revocation of a permit for business activities in the Money Market.

Article 61

Further provisions for:

- a. permit and obligations of issuers of Money Market Instruments; and
- b. procedure and mechanism for imposition of administrative sanctions,

are specified in a Regulation of Member of Board of Governors.

Section Four
Obligations of Money Market Transaction Participants

Article 62

- (1) Bank Indonesia determines the Money Market Transaction participants as referred to in Article 43 paragraph (3) to conduct the Money Market Transactions as referred to in Article 9 in the following manner:
 - a. directly; and/or
 - b. through the Money Market Supporting Institution as referred to in Article 42 point b.
- (2) The Money Market Transaction participants determined to conduct Money Market Transactions through Money Market Supporting Institution as referred to in paragraph (1) point b must use the service of Money Market Supporting Institution as referred to in Article 42 point b.
- (3) Any:
 - a. Money Market Transaction participants which conduct Money Market Transactions directly as referred to in paragraph (1) point a; and/or
 - b. the Money Market Supporting Institution as referred to in paragraph (1) point b which becomes a Money Market Transaction intermediarymust ensure that Money Market Transactions meet the criteria for Money Market Transactions as referred to in Article 10.
- (4) Any Money Market Transaction participants which breach the provisions as referred to in paragraph (3) will be imposed with an administrative sanction in the form of written warning.

Article 63

- (1) Bank Indonesia may determine qualified Money Market Transaction participants.
- (2) Certain issuers of Money Market Instruments must ensure that an investor meets the qualifications for qualified Money Market Transactions as referred to in paragraph (1).
- (3) Certain Money Market Transaction participants must ensure that Money Market Transaction participants in the secondary market meet the qualifications as qualified participants as referred to in paragraph (1).
- (4) The certain issuers of Money Market Instruments which breach the provisions as referred to in paragraph (2) will be imposed with the following administrative sanctions:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities in Issuance of Money Market Instruments; and/or
 - c. revocation of a permit for business activities in the Money Market.
- (5) The certain Money Market Transaction participants who breach the provisions as referred to in paragraph (3) will be imposed with an administrative sanction in the form of written warning.

Article 64

- (1) Money Market Transaction participants must apply the code of ethics and implement treasury certification under Bank Indonesia provisions for strengthening of the quality of participants and implementation of self-regulatory organization of Money Market and foreign exchange market.
- (2) The scope of Money Market Transaction participants as referred to in paragraph (1) who must apply the code of ethics and implement treasury certification refers to Bank Indonesia provisions for strengthening of the quality of participants and implementation of self-regulatory organization of Money Market and foreign exchange market.

Article 65

Further provisions for:

- a. obligations of Money Market Transaction participants; and
 - b. procedure and mechanism of administrative sanction imposition,
- are specified in a Regulation of Member of Board of Governors.

Part Five

Permits and Obligations of Money Market Supporting Institutions

Section 1

Permits for Money Market Supporting Institutions

Article 66

- (1) Any party who will become a Money Market Supporting Institution must be registered at Bank Indonesia.
- (2) The mandatory registration as a Money Market Supporting Institution as referred to in paragraph (1) applies to:
 - a. the supporting institutions for Issuance of Money Market Instruments as referred to in Article 44 paragraph (2);
 - b. the supporting institutions for Money Market Transactions as referred to in Article 44 paragraph (3); and
 - c. other Money Market Supporting Institutions determined by Bank Indonesia.
- (3) The mandatory registration as a Money Market Supporting Institution as referred to in paragraph (2) point b in the form of bank applies to banks which provide supporting services in:
 - a. transactions of Money Market Instruments whose criteria are determined by Bank Indonesia as referred to in Article 4; and
 - b. transactions of certain financial instruments transactable in the Money Market.
- (4) The provisions as referred to in paragraph (1) and paragraph (2) apply *mutatis mutandis* to the technology innovation implementers in financial sector as referred to in Article 49.

- (5) Any party which breaches the provisions as referred to in paragraph (1) will be imposed with an administrative sanction in the form written warning.

Article 67

- (1) To be able to be registered as a Money Market Supporting Institution as referred to in Article 66 paragraph (1), any party who will become a Money Market Supporting Institution must meet the requirements determined by Bank Indonesia.
- (2) Requirements to become a Money Market Supporting Institution as referred to in paragraph (1) include:
 - a. institutional aspect of the Money Market Supporting Institution;
 - b. capability aspect of the Money Market Supporting Institution in performing its functions; and
 - c. any other aspects determined by Bank Indonesia.

Article 68

- (1) Any party which will become a Money Market Supporting Institution and applies to register as a Money Market Supporting Institution must submit the application in writing to Bank Indonesia in Indonesian language.
- (2) The application as referred to in paragraph (1) is accompanied by the supporting documents for fulfillment of requirements as referred to in Article 67 paragraph (2).

Section 2

Obligations of Money Market Supporting Institutions

Article 69

- (1) The Money Market Supporting Institutions as referred to in Article 44 paragraph (1) must provide services and/or information in a professional, objective, and not misleading manner.
- (2) Certain Money Market Supporting Institutions must ensure that Money Market Transaction participants meet the qualifications for qualified Money Market Transaction participants determined by Bank Indonesia as referred to in Article 63 paragraph (1).
- (3) Any Money Market Supporting Institutions which breach the provisions as referred to in paragraph (1) or paragraph (2) will be imposed with administrative sanctions in the following forms:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities as Money Market Supporting Institutions; and/or
 - c. revocation of a permit as a Money Market Supporting Institution.

Article 70

- (1) In the event that the Money Market Supporting Institution as referred to in Article 44 paragraph (1) uses the service of a third party to support the Issuance of Money Market Instruments and/or Money Market Transactions, such

Money Market Supporting Institution must ensure its capability and effective application of risk management of such use of the third party's service.

- (2) Any Money Market Supporting Institution must ensure that Bank Indonesia may:
 - a. have information access required for the use of third party's service as referred to in paragraph (1); and
 - b. supervise the use of third party's service through Money Market Supporting Institutions as referred to in paragraph (1).
- (3) Any Money Market Supporting Institutions which breach the provisions as referred to in paragraph (1) or paragraph (2) will be imposed with administrative sanctions in the following forms:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities as Money Market Supporting Institutions; and/or
 - c. revocation of a permit as a Money Market Supporting Institution.

Article 71

Bank Indonesia will evaluate the performance of Money Market Supporting Institutions.

Article 72

- (1) Bank Indonesia may revoke the registered status of a Money Market Supporting Institution.
- (2) The registered status revocation as referred to in paragraph (1) will be conducted based on the following considerations:
 - a. the evaluation result of Bank Indonesia as referred to in Article 71;
 - b. recommendation and/or request from the relevant authority;
 - c. business permit revocation;
 - d. request for revocation at the initiative of a Money Market Supporting Institution;
 - e. corporate action; and/or
 - f. any other considerations determined by Bank Indonesia.

Article 73

Further provisions for:

- a. permits and obligations of Money Market Supporting Institutions; and
 - b. procedure and mechanism of administrative sanction imposition,
- are specified in a Regulation of Member of Board of Governors.

Part Six

Permits and Obligations of PPSK PUVA

Section 1

Permits of PPSK PUVA

Article 74

- (1) Professional participants who will become PPSK PUVA must be registered at Bank Indonesia.
- (2) Professional participants who will become PPSK PUVA but breach the provisions as referred to in paragraph (1) will be imposed with an administrative sanction in the form of written warning.
- (3) The administrative sanction imposition as referred to in paragraph (2) is also conveyed by Bank Indonesia to the relevant ministries, institutions, or professional guiding and supervisory authority granting permits as specified in the Law on development and strengthening of financial sector.

Article 75

- (1) To be able to be registered as PPSK PUVA, any professional participants who will become PPSK PUVA must meet the requirements determined by Bank Indonesia.
- (2) The requirements to become PPSK PUVA as referred to in paragraph (1) include:
 - a. individual legality aspect of the PPSK PUVA;
 - b. capability aspect of the PPSK PUVA in performing its functions; and
 - c. any other aspects determined by Bank Indonesia.

Article 76

- (1) Any professional participants who will become PPSK PUVA and applies for registration as PPSK PUVA must submit the application in writing to Bank Indonesia in Indonesian language.
- (2) The application as referred to in paragraph (1) is accompanied by the supporting documents for fulfillment of requirements as referred to in Article 75 paragraph (2).

Section 2

Obligations of PPSK PUVA

Article 77

- (1) The PPSK PUVA as referred to in Article 46 paragraph (1) must provide services and/or information in an independent, professional, objective, and not misleading manner.
- (2) Any PPSK PUVA who breaches the provisions as referred to in paragraph (1) will be imposed with administrative sanctions in the following forms:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities as PPSK PUVA; and/or
 - c. revocation of registration as PPSK PUVA.
- (3) Bank Indonesia submits information on the administrative sanction imposition as referred to in paragraph (2) to the relevant ministries, institutions, or professional guiding and supervisory authority granting permits as specified in the Law on development and strengthening of financial sector.

Article 78

- (1) Bank Indonesia determines types of Money Market Instruments whose issuance uses PPSK PUVA.
- (2) Issuers of Money Market Instruments must use PPSK PUVA in Issuance of Money Market Instruments as referred to in paragraph (1).
- (3) Any issuers of Money Market Instruments which breach the provisions as referred to in paragraph (2) will be imposed with administrative sanctions in the following forms:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities in Issuance of Money Market Instruments; and/or
 - c. revocation of a permit for business activities in the Money Market.

Article 79

- (1) Money Market Transaction participants must use PPSK PUVA for:
 - a. Money Market Transactions which are determined by Bank Indonesia to use PPSK PUVA; and/or
 - b. Money Market Transactions which, based on the standard operational procedure, must use supporting professional services.
- (2) Any Money Market Transaction participants which breach the provisions as referred to in paragraph (1) will be imposed with an administrative sanction in the form of written warning.

Article 80

Further provisions for:

- a. permits and obligations of PPSK PUVA; and
 - b. procedure and mechanism of administrative sanction imposition,
- are specified in a Regulation of Member of Board of Governors.

Part Seven

Determination of Restrictions and Prohibitions against Issuers of Money Market Instruments, Money Market Transaction Participants, and Money Market Supporting Institutions

Article 81

- (1) Bank Indonesia may determine a policy to restrict Issuance of Money Market Instruments.
- (2) The restrictions against Issuance of Money Market Instruments as referred to in paragraph (1) are implemented in the form of moratorium and/or restrictions to grant a permit for Issuance of Money Market Instruments.

Article 82

- (1) Bank Indonesia may determine the policy to restrict and/or prohibit Money Market Transactions as referred to in Article 9.
- (2) Money Market Transaction participants and/or Money Market Supporting Institutions must comply with the

- restrictions and/or prohibitions against Money Market Transactions as referred to in paragraph (1).
- (3) Any Money Market Transaction participants and/or Money Market Supporting Institutions which breach the provisions as referred to in paragraph (2) will be imposed with administrative sanctions in the following forms:
- a. written warning; and/or
 - b. temporary, partial, or entire restrictions of activities in Transactions in the Money Market and/or as a Money Market Supporting Institution.

Article 83

Further provisions for:

- a. determination of restrictions and/or prohibitions against issuers of Money Market Instruments, Money Market Transaction Participants, and Money Market Supporting Institution; and
 - b. procedure and mechanism of administrative sanction imposition,
- are specified in a Regulation of Member of Board of Governors.

Part Eight Application of Sustainable Finance

Article 84

- (1) Any:
- a. issuers of Money Market Instruments as referred to Article 43 paragraph (1) point a;
 - b. Money Market Transaction participants as referred to in Article 43 paragraph (1) point b; and
 - c. Money Market Supporting Institutions as referred to in Article 44 paragraph (1),
- which are businesses in financial sector, issuers, and/or public companies must apply sustainable finance.
- (2) The application of sustainable finance as referred to in paragraph (1) will be implemented under:
- a. the Law on development and strengthening of financial sector;
 - b. regulations of the financial sector authority and regulations of the minister in charge of regulating the application of sustainable finance; and
 - c. regulations of the authority in charge of regulating and supervising business activities of businesses in financial sector, issuers, and/or public companies.

Article 85

- (1) Bank Indonesia may determine issuers of Money Market Instruments to allocate some portion of their corporate social and environmental responsibility fund in supporting the application of sustainable finance.
- (2) The issuer of Money Market Instruments as referred to in paragraph (1) is:
- a. any party other:
 1. business in financial sector;
 2. issuer; and/or
 3. public company; and

- b. any party obliged to carry out social and environmental responsibilities as specified in the laws and regulations.
- (3) The issuers of Money Market Instruments as referred to in paragraph (1) must allocate some portion of their social and environmental responsibility fund to support application of sustainable finance.
- (4) Any issuers which breach the provisions as referred to in paragraph (3) will be imposed with administrative sanctions in the following forms:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities in Issuance of Money Market Instruments; and/or
 - c. revocation of a permit for business activities in the Money Market.

Article 86

Further provisions for:

- a. application of sustainable finance; and
 - b. procedure and mechanism of administrative sanction imposition,
- are specified in a Regulation of Member of Board of Governors.

CHAPTER VI FINANCIAL MARKET INFRASTRUCTURES

Article 87

- (1) Bank Indonesia determines the Issuance of Money Market Instruments as referred to in Article 4 paragraph (1) and/or the Money Market Transactions as referred to in Article 9 which may use financial market infrastructures.
- (2) The financial market infrastructures as referred to in paragraph (1) include:
 - a. transaction facility;
 - b. clearing and/or central counterparty facility;
 - c. transaction settlement, administration, and/or central custodian facility;
 - d. fund settlement (payment system) facility;
 - e. trade repository for financial and/or Derivative instruments; and/or
 - f. any other facilities determined by Bank Indonesia.
- (3) The use of financial market infrastructures in Money Market Transactions as referred to in paragraph (1) includes:
 - a. financial market infrastructures whose business activities are implemented, regulated, and/or supervised by Bank Indonesia; and
 - b. financial market infrastructures used in intermarket implementation as specified in the Law on development and strengthening of financial sector.

Article 88

Provisions for the financial market infrastructures as referred to in Article 87 paragraph (3) point a are implemented under Bank Indonesia Regulation on financial market infrastructures.

Article 89

The use of financial market infrastructures in intermarket implementation as referred to in Article 87 paragraph (3) point b applies after an operator of financial market infrastructure obtains:

- a. permit from the supervisory authority of an operator of financial market infrastructures; and
- b. permit in the form approval from Bank Indonesia for Money Market Instruments and/or Money Market Transactions.

Article 90

- (1) Bank Indonesia coordinates with the relevant authority in the use of financial market infrastructures in intermarket implementation as referred to in Article 89.
- (2) The coordination as referred to in paragraph (1) may be specified in a document of understanding.
- (3) Agreement in the document of understanding as referred to in paragraph (2) includes:
 - a. exchange and update of data and information;
 - b. joint supervision;
 - c. risk mitigation measures; and
 - d. any other agreements.
- (4) In the event that, based on the joint supervision as referred to in paragraph (3) point b, any breach is found, Bank Indonesia and/or the relevant authority will impose a sanction on an operator of intermarket infrastructures intermarket implementation in accordance with their respective duties and authority.

Article 91

- (1) Bank Indonesia may determine obligations pertaining to types of Money Market Transactions and/or standardization of Money Market Transactions which are:
 - a. transacted through the transaction facility as referred to in Article 87 paragraph (2) point a;
 - b. cleared through the clearing facility as referred to in Article 87 paragraph (2) point b; and/or
 - c. reported through trade repository of financial and/or Derivative instruments as referred to in Article 87 paragraph (2) point e.
- (2) In the event that Bank Indonesia determines mandatory types and/or standardization of Money Market Transactions as referred to in paragraph (1), Money Market Transaction participants must meet the types and/or standardization of Money Market Transactions and use of financial market infrastructures in Money Market Transactions.
- (3) Any Money Market Transaction participants which breach the provisions as referred to in paragraph (2) will be imposed with an administrative sanction in the form of written warning.

Article 92

Further provisions for:

- a. financial market infrastructures; and

- b. procedure and mechanism of administrative sanction imposition,
are specified in a Regulation of Member of Board of Governors.

CHAPTER VII DATA AND INFORMATION

Part One General

Article 93

- (1) Bank Indonesia may obtain data, information, reports, details, and/or explanation from a party related to Issuance of Money Market Instruments and/or Money Market Transactions.
- (2) The party as referred to in paragraph (1) includes:
 - a. issuer of Money Market Instruments;
 - b. Money Market Transaction participant;
 - c. Money Market Supporting Institution;
 - d. PPSK PUVA; and/or
 - e. any other party determined by Bank Indonesia.
- (3) Any party as referred to in paragraph (2) must provide data, information, reports, details, and/or explanation from a party related to Issuance of Money Market Instruments and/or Money Market Transactions.
- (4) Any party which breaches the provisions as referred to in paragraph (3) will be imposed with administrative sanctions in the following forms:
 - a. written warning; and/or
 - b. payment obligation.
- (5) The administrative sanction imposition as referred to in paragraph (4) does not omit an obligation to provide data, information, reports, details, and/or explanation from a party related to Issuance of Money Market Instruments and/or Money Market Transactions as referred to in paragraph (3).

Part Two Reporting

Article 94

- (1) The reports submitted to Bank Indonesia as referred to in Article 93 paragraph (1) include:
 - a. periodic report; and/or
 - b. incidental report.
- (2) The reports as referred to in paragraph (1) must be submitted to Bank Indonesia in a complete, accurate, updated, full, and timely manner.
- (3) In the event that an error is found in a report submitted, the party as referred to in Article 93 paragraph (2) must submit a correction to the report.
- (4) Any parties who breach the provisions as referred to in paragraph (2) or paragraph (3) will be imposed with administrative sanctions in the following forms:
 - a. written warning; and/or
 - b. payment obligation.

- (5) The administrative sanction imposition as referred to in paragraph (4) will not omit the report submission obligation as referred to in paragraph (2) and paragraph (3).

Article 95

- (1) The reports as referred to in Article 94 paragraph (1) are submitted to Bank Indonesia online through a reporting system.
- (2) In the event that the online reporting as referred to in paragraph (1) is unavailable, a report will be submitted offline.

Article 96

The reports submitted online to Bank Indonesia through a reporting system by a party as referred to in Article 93 paragraph (2) are implemented under Bank Indonesia provisions for reporting.

Article 97

- (1) If necessary, Bank Indonesia may request additional information on the reports submitted to Bank Indonesia as referred to in Article 94 paragraph (1).
- (2) The party as referred to in Article 93 paragraph (2) must submit the additional information as referred to in paragraph (1).
- (3) Any parties which breach the provisions as referred to in paragraph (2) will be imposed with an administrative sanction in the form of written warning.
- (4) The administrative sanction imposition as referred to in paragraph (3) does not omit the obligation of additional information submission as referred to in paragraph (1).

Part Three

Data and Information Management

Article 98

- (1) Money Market participants and Money Market Supporting Institutions must:
 - a. provide, give, and/or ensure access availability and provide transaction data for permit, supervision, evaluation, and/or any other purposes;
 - b. ensure data standardization, technical standardization, security standardization, and governance standardization of the provided and/or submitted financial market data and/or information;
 - c. maintain and document transaction database and/or conversation recordings readable and/or intelligible by Bank Indonesia with retention period under the laws and regulations;
 - d. manage, process, and retain transaction data within the Republic of Indonesia; and
 - e. maintain confidentiality of customer or service user data.
- (2) Obligations of the party as referred to in paragraph (1) to manage, process, and retain transaction data within the

Republic of Indonesia as referred to in paragraph (1) point d will be exempted if approved by Bank Indonesia.

- (3) Any parties which breach the provisions as referred to in paragraph (1) will be imposed with an administrative sanction in the form of written warning.

Article 99

Further provisions for:

- a. data and information; and
- b. procedure and mechanism of administrative sanction imposition,

are specified in a Regulation of Member of Board of Governors.

CHAPTER VIII APPLICATION OF PRUDENTIAL PRINCIPLE AND RISK MANAGEMENT

Article 100

- (1) Participants related to Issuance of Money Market Instruments and/or Money Market Transactions as referred to in Article 42 must apply the prudential principle and/or risk management.
- (2) Any participants which breach the provisions as referred to in paragraph (1) will be imposed with administrative sanctions in the following forms:
 - a. written warning;
 - b. temporary, partial, or entire restrictions of activities in Issuance of Money Market Instruments and/or Money Market Transactions; and/or
 - c. revocation of a permit for business activities in the Money Market.

Article 101

- (1) The risk management application as referred to in Article 100 paragraph (1) must at least include:
 - a. active supervision by an operator;
 - b. sufficiency of policy and procedure as well as fulfillment of organizational structure sufficiency;
 - c. sufficiency of risk management process and risk management function which at least include:
 1. risk management framework;
 2. risk management related to information technology; and
 3. risk management related to disaster recovery;
 - d. human resources; and
 - e. internal control.
- (2) The risk management as referred to in paragraph (1) applies to any risks faced.

Article 102

Money Market Transaction participant in the form of investor of Money Market Instrument must apply prudential principle in investment and have good understanding of investment risks.

Article 103

Application of prudential principle and/or risk management for:

- a. Money Market Instrument issuer;
- b. Money Market Transaction participant;
- c. Money Market Supporting Institution; and
- d. operator of financial market infrastructure used in intermarket implementation in the Money Market, whose business permits are regulated and supervised by another authority is subject to the provisions specified by the competent authority.

Article 104

Further provisions for:

- a. application of prudential principle and risk management in the Money Market; and
 - b. procedure and mechanism of administrative sanction imposition,
- are specified in a Regulation of Member of Board of Governors.

CHAPTER IX CONSUMER PROTECTION

Article 105

- (1) Issuance of Money Market Instruments and/or Money Market Transactions must meet consumer protection principle.
- (2) The principle as referred to in paragraph (1) is applied by considering the form of products and/or services of participants related to the Issuance of Money Market Instruments and/or Money Market Transactions.

Article 106

Scope of the party, consumer protection application, and sanction imposition against breach of provisions for consumer protection as referred to in Article 105 are implemented under Bank Indonesia provisions for Bank Indonesia consumer protection.

CHAPTER X SUPERVISION

Article 107

- (1) Bank Indonesia supervises in the Money Market.
- (2) The supervision as referred to in paragraph (1) is conducted on market participants related to Issuance of Money Market Instruments and/or Money Market Transactions as referred to in Article 42.
- (3) In conducting the supervision as referred to in paragraph (1), Bank Indonesia may coordinate with the competent authority.
- (4) The supervision as referred to in paragraph (1) includes:
 - a. indirect supervision; and/or
 - b. audit.

Article 108

- (1) In implementation of Bank Indonesia supervision as referred to in Article 107 paragraph (1), market participants related to Issuance of Money Market

Instruments and/or Money Market Transactions must provide and submit data, information, details, and/or explanation required by Bank Indonesia.

- (2) Market participants related to Issuance of Money Market Instruments and/or Money Market Transactions as referred to in paragraph (1) must be responsible for the accuracy of data, information, and/or details submitted to Bank Indonesia.
- (3) Any market participants related to Issuance of Money Market Instruments and/or Money Market Transactions which breach the provisions as referred to in paragraph (1) or paragraph (2) will be imposed with an administrative sanction in the form of written warning.

Article 109

- (1) Bank Indonesia may assign another party to conduct the audit as referred to in Article 107 paragraph (4) point b.
- (2) The other party assigned to conduct audit as referred to in paragraph (1) must maintain confidentiality of data, information, and/or details obtained from the audit result.
- (3) Any parties which breach the provisions as referred to in paragraph (2) will be imposed with an administrative sanction in the form of written warning.

Article 110

- (1) If necessary, Bank Indonesia may conduct supervision of a third party cooperating with market participants related to Issuance of Money Market Instruments and/or Money Market Transactions as referred to in Article 42.
- (2) Any market participants related to Issuance of Money Market Instruments and/or Money Market Transactions as referred to in paragraph (1) must support supervision of Bank Indonesia on the cooperating third party as referred to in paragraph (1).
- (3) Any market participants related to Issuance of Money Market Instruments and/or Money Market Transactions which breach the provisions as referred to in paragraph (2) will be imposed with an administrative sanction in the form of written warning.

Article 111

Further provisions for:

- a. supervision in the Money Market; and
- b. procedure and mechanism of administrative sanction imposition,

are specified in a Regulation of Member of Board of Governors.

CHAPTER XI COORDINATION

Article 112

- (1) In conducting Money Market regulation, development, and supervision, Bank Indonesia may coordinate with the relevant authority, ministries, and/or parties.
- (2) The coordination as referred to in paragraph (1) also includes for coordination of financial market development.

Article 113

- (1) The coordination in financial market development as referred to in Article 112 paragraph (2) is conducted for regulation, development, and supervision of financial instruments and/or transactions of financial instruments which have:
 - a. more than 1 (one) characteristic between the Money Market and capital market, and commodity market; and/or
 - b. characteristics of equal risks, rights, and benefits of investor or penerbit.
- (2) The coordination as referred to in paragraph (1) aims to allow Bank Indonesia and the relevant authority, ministries, and/or parties to determine an equal standard for regulation, development, and supervision of financial instruments and/or transactions of financial instruments.
- (3) The standard for regulation, development, and supervision as referred to in paragraph (2) will at least include:
 - a. mechanism of issuance, information transparency, and reporting;
 - b. risk mitigation including systemic and non-systemic risks; and
 - c. fair protection and sanctions for market participants.

CHAPTER XII
OTHER PROVISIONS

Article 114

- Provisions of this Bank Indonesia Regulation are exempted for:
- a. Issuance of Money Market Instruments conducted by Bank Indonesia;
 - b. Issuance of Money Market Instruments issued and guaranteed by the Government of the Republic of Indonesia; and
 - c. Money Market Transactions conducted by Bank Indonesia and/or the Government of the Republic of Indonesia.

CHAPTER XIII
TRANSITIONAL PROVISIONS

Article 115

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

- a. supporting institutions for issuance of commercial securities including:
 1. banks and securities companies functioning as issuance arrangers; and
 2. rating agencies,which have been registered at Bank Indonesia, are determined as supporting institutions for Issuance of Money Market Instruments;
- b. supporting institutions for issuance of commercial securities including:
 1. legal consultant;

2. public accountant; and
3. notary,
which have been registered at Bank Indonesia, are determined as PPSK PUVA;
- c. supporting institutions for transactions of commercial securities and/or intermediaries for deposit certificate transactions in the form of securities companies which have been registered at Bank Indonesia, are determined as supporting institutions for Money Market Transactions;
- d. supporting institutions for commercial securities and/or intermediaries for deposit certificate transaction implementation in the form of broker companies which have:
 1. been registered at Bank Indonesia; and/or
 2. obtained business permits from Bank Indonesia as broker companies,
are determined as supporting institutions for Money Market Transactions; and
- e. supporting institutions for administration and settlement of commercial securities transaction settlement and/or custodians administering deposit certificates transacted in the Money Market in the form of:
 1. banks which conduct custodian activities; or
 2. securities companies,
which have been registered at Bank Indonesia, and/or become account holders of deposit and settlement institutions as specified in the Law on capital market, are determined as supporting institutions for administration and settlement of Money Market Transactions.

Article 116

- (1) Any parties which have submitted or are in the process of permit application:
 - a. issuance of commercial securities; and/or
 - b. registration application as:
 1. supporting institutions for issuance of commercial securities; and/or
 2. supporting institutions for commercial securities transactions;

prior to the enforcement of this Bank Indonesia Regulation, will remain to follow the process under Bank Indonesia Regulation Number 19/9/PBI/2017 on Issuance and Transactions of Commercial Securities in the Money Market (State Gazette of the Republic of Indonesia of 2017 Number 164, Supplement to State Gazette of the Republic of Indonesia Number 6100).
- (2) Permit approval for the supporting institution as referred to in paragraph (1) point b uses Money Market Supporting Institution nomenclature as referred to in Article 115.

Article 117

- (1) Any parties which have applied or are in the process of permit application submission as intermediaries for deposit certificate transaction implementation prior to enforcement of this Bank Indonesia Regulation will remain to follow the process under Bank Indonesia Regulation

- Number 19/2/PBI/2017 on Deposit Certificate Transactions in the Money Market (State Gazette of the Republic of Indonesia of 2017 Number 50, Supplement to State Gazette of the Republic of Indonesia Number 6034).
- (2) The permit approval for intermediaries for deposit certificate transaction implementation as referred to in paragraph (1) uses the Money Market Supporting Institution nomenclature as referred to in Article 115.

CHAPTER XIV CLOSING PROVISIONS

Article 118

At the time when this Bank Indonesia Regulation comes into force, all regulations which are the implementing regulations of:

- a. Bank Indonesia Regulation Number 19/2/PBI/2017 on Deposit Certificate Transactions in the Money Market (State Gazette of the Republic of Indonesia of 2017 Number 50, Supplement to State Gazette of the Republic of Indonesia Number 6034);
- b. Bank Indonesia Regulation Number 19/9/PBI/2017 on Issuance and Transactions of Commercial Securities in the Money Market (State Gazette of the Republic of Indonesia of 2017 Number 164, Supplement to State Gazette of the Republic of Indonesia Number 6100);
- c. Bank Indonesia Regulation Number 20/7/PBI/2018 on Indonesia Overnight Index Average and Jakarta Interbank Offered Rate (State Gazette of the Republic of Indonesia of 2018 Number 113, Supplement to State Gazette of the Republic of Indonesia Number 6227); and
- d. Bank Indonesia Regulation Number 20/13/PBI/2018 on Rupiah Interest Rate Derivative Transactions (State Gazette of the Republic of Indonesia of 2018 Number 201, Supplement to State Gazette of the Republic of Indonesia Number 6261),

are declared to remain effective to the extent not contrary to the provisions of this Bank Indonesia Regulation.

Article 119

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

- a. Bank Indonesia Regulation Number 19/2/PBI/2017 on Deposit Certificate Transactions in the Money Market (State Gazette of the Republic of Indonesia of 2017 Number 50, Supplement to State Gazette of the Republic of Indonesia Number 6034);
- b. Bank Indonesia Regulation Number 19/9/PBI/2017 on Issuance and Transactions of Commercial Securities in the Money Market (State Gazette of the Republic of Indonesia of 2017 Number 164, Supplement to State Gazette of the Republic of Indonesia Number 6100);
- c. Bank Indonesia Regulation Number 20/7/PBI/2018 on Indonesia Overnight Index Average and Jakarta Interbank Offered Rate (State Gazette of the Republic of Indonesia of 2018 Number 113, Supplement to State Gazette of the Republic of Indonesia Number 6227); and

- d. Bank Indonesia Regulation Number 20/13/PBI/2018 on Rupiah Interest Rate Derivative Transactions (State Gazette of the Republic of Indonesia of 2018 Number 201, Supplement to State Gazette of the Republic of Indonesia Number 6261),
are repealed and declared ineffective.

Article 120

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 16 November 2023

GOVERNOR OF BANK INDONESIA,

PERRY WARJIYO

Promulgated in Jakarta
on 16 November 2023

MINISTER OF LAW AND HUMAN RIGHTS
REPUBLIC OF INDONESIA,

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2023 NUMBER 34/BI

ELUCIDATION
OF
BANK INDONESIA REGULATION
NUMBER 12 OF 2023
ON
ISSUANCE OF MONEY MARKET INSTRUMENTS AND MONEY MARKET
TRANSACTIONS

I. GENERAL

The Government of the Republic of Indonesia has issued Law Number 4 of 2023 on Development and Strengthening of Financial Sector as one of the efforts to reform financial sector in Indonesia. The Law aims to arrange the laws and regulations in financial sector to be able to realize national development supported by resilient economy. One of the points in the Law is strengthening of the authority of Bank Indonesia to determine and implement monetary policy through regulation, development, and supervision of Money Market in rupiah and foreign currencies.

The strengthening of authority in regulation, development, and supervision of Money Market is in line with the effort of Bank Indonesia to realize a modern and advanced Money Market as contained in the Blueprint for Money Market Development. A modern and advanced Money Market will contribute in financial market development and deepening, which will then support financial system stability and synergy of national economic financing.

A modern and advanced Money Market may be realized through end-to-end regulation, development, and supervision of Money Market including:

1. Money Market Instruments and Money Market Transactions (product) which also include regulation, development, and supervision of financial instruments and/or transactions of financial instruments which have:
 - a. more than 1 (one) characteristic between Money Market and capital market and/or commodity market, for example, repurchase agreement; and/or
 - b. characteristics of equal risks, rights, and benefits for investors or issuers;
2. pricing which may be used in Issuance of Money Market Instruments, Money Market Transactions, issuance of financial instruments, and/or other transactions in the financial market;
3. market participants related to Issuance of Money Market Instruments and/or Money Market Transactions; and

4. use of financial market infrastructures in the Money Market, so that the Money Market becomes a well-functioning money market.

Based on that, Bank Indonesia needs to determine Bank Indonesia Regulation on Issuance of Money Market Instruments and Money Market Transactions.

II. ARTICLE BY ARTICLE

Article 1

Sufficiently clear.

Article 2

Sufficiently clear.

Article 3

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

“Debt securities” means securities as a debt with maturity of not more than 1 (one) year as specified in the Law on development and strengthening of financial sector.

Point d

Sufficiently clear.

Article 4

Sufficiently clear.

Article 5

Paragraph (1)

Point a

“Scripless” means issuance, administration, recording, and/or transfer of ownership of Money Market Instruments are conducted electronically by system, in a digital manner, or any other forms according to technology advancement.

Point b

Sufficiently clear.

Point c

Examples of an operator of transaction settlement, administration, and/or central custodian facility among others are:

1. Bank Indonesia as the central registry and/or infrastructure operator as specified in Bank Indonesia provisions for transaction implementation, securities administration, and outright fund settlement; and
2. central custodian as specified in the Law on capital market.

Point d

Other general criteria determined by Bank Indonesia relate to the criteria for information transparency.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

A right arising from Money Market Instruments among others is a right resulting in economic benefits such as the right to demand/invoice.

Article 6

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Type of Money Market Instrument among others is commercial security.

Article 7

Paragraph (1)

An example of law and/or government regulation among others is Government Regulation Number 36 of 2023 on Export-Generated Foreign Exchange from Administration, Management, and/or Processing Activities of Natural Resources.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Article 8

Sufficiently clear.

Article 9

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Repurchase agreement transaction is a type of transaction in the financial market with more than 1 (one) characteristic between Money Market and capital market, both as a lending transaction and sale or purchase transaction with a promise to re-buy or re-sell as specified in the Law on development and strengthening of financial sector.

Point d

Example of type of Derivative transaction in the Money Market:

1. interest rate Derivative transaction; and
2. Derivative transaction from Money Market Instruments as specified in the Law on development and strengthening of financial sector.

Point e

Another transaction which meet characteristics in the Money Market among others is lending transaction of securities in the form of Bank Indonesia Rupiah Securities.

Article 10

Sufficiently clear.

Article 11

Sufficiently clear.

Article 12

Sufficiently clear.

Article 13

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Point a

“Transaction administration and securities administration facility” means Bank Indonesia-Scriptless Securities Settlement System.

“Electronic fund transfer facility” means Bank Indonesia-Real Time Gross Settlement system.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Paragraph (3)

Examples of certain conditions among others are:

- a. abnormal and/or emergency condition;
- b. system problem;
- c. financial market condition; and/or
- d. any other reasons to maintain smooth Money Market Transactions.

Article 14

Sufficiently clear.

Article 15

Sufficiently clear.

Article 16

Paragraph (1)

Point a

The principle of eligible and final and binding settlement of Money Market Transactions means a principle that financial instruments and/or funds transferred to an account in transaction settlement, administration, and/or central custodian or another party is final and irrevocable.

Point b

Examples of delivery and/or payment principle in Money Market Transactions among others are through:

1. delivery versus payment: for example, settlement of sale/purchase of Money Market Instruments and repurchase agreement;
2. delivery free of payment: for example, transfer of securities and/or delivery of underlying asset in a repurchase agreement and/or securities lending;
3. delivery versus delivery: for example, securities transfer in a securities lending transaction; and/or
4. payment versus payment.

Point c

To the extent required or agreed, netting mechanism must be implemented by transacting parties despite business activity suspension, business permit revocation, or bankruptcy statement decision against a transacting party.

Therefore, all Money Market Transactions by parties imposed with business activity suspension, business permit revocation, or bankruptcy statement decision remain calculated by netting and settled.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Point a

“Gross transaction settlement” means real transaction settlement for each transaction of full nominal value of transaction or its equivalence.

Point b

“Netting transaction settlement” means transaction settlement by calculating difference between liabilities and transactions.

Point c

Sufficiently clear.

Article 17

Pronouncement time of bankruptcy statement decision means the hour, minute, and second on the date of bankruptcy statement decision pronouncement by the time applicable at the local commercial court.

Eligible Money Market Transaction means a Money Market Transaction conducted through trade facilities in the secondary market.

“As if bankruptcy did not happen” means a debtor remains considered to have ownership over bankrupt property.

Article 18

Paragraph (1)

Point a

“Event of default” means failure of one of parties to fulfil its obligations which include payment or delivery failure, breach of agreement, bankruptcy, and any other events agreed in a master agreement.

Point b

“Event of termination” means a certain agreed event triggers the parties to terminate an agreement which includes illegality, force majeure, tax event, additional event of termination, or other events of termination agreed in a master agreement.

Paragraph (2)

Examples of master agreement among others are Indonesia Derivative Master Agreement, International Swaps and Derivatives Association Master Agreement, Global Master Repurchase Agreement, and master-master agreements such as Cross-Product Master Agreement.

Article 19

Sufficiently clear.

Article 20

Point a

Sufficiently clear.

Point b

Any transaction which is not included in the scope of transaction which may be settled by Close-Out Netting will be settled by a mechanism other than Close-Out Netting.

Article 21

Sufficiently clear.

Article 22

Sufficiently clear.

Article 23

Sufficiently clear.

Article 24

Sufficiently clear.

Article 25

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Certain policies consider among others Bank Indonesia policies on foreign exchange transactions, use of rupiah in international activities, and/or mandatory use of rupiah within the Republic of Indonesia.

Article 26

Sufficiently clear.

Article 27

Sufficiently clear.

Article 28

Paragraph (1)

Smart contract means one of the forms of electronic contract as specified in the Law on electronic information and transactions.

Smart contract may be in the form of a set of agreements specified in digital form including computer protocol.

In line with the current technology advancement, it is possible for a contract to exist such as in standard Derivative transactions supported by digital technology, and some terms may automatically apply for efficiency and they are binding, implemented in a certain platform, among others including distributed ledger technology/DLT.

Preparation and implementation of technology solution in a contract must be consistent with the applicable standard regulation and law. Use of smart contract aims to decrease possibility of different legal meaning and operational performance of the contract.

Paragraph (2)

Smart contract and/or its printed form are expansion of valid and binding evidence under the applicable procedural code in Indonesia.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Agreement which is used as an agreement framework containing natural language as underlying of automation of performance of

rights and obligations utilizes programming code in a smart contract.

Article 29

Paragraph (1)

Point a

Application of risk management among others is cyber risk.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Paragraph (5)

Sufficiently clear.

Article 30

Sufficiently clear.

Article 31

Paragraph (1)

“Reference price” means reference interest rate which may be for pricing of Money Market Instruments, Money Market Transactions, issuance of financial instruments, and/or transactions in other financial markets.

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Examples of issuance of financial instruments and/or other transactions in financial market among others are issuance of securities at a floating rate, extension of credit or financing, and interest rate derivative transactions.

Paragraph (2)

Sufficiently clear.

Article 32

Paragraph (1)

Another party which supports the provision of pricing means a participating party among others in calculation and publication of reference price.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Article 33

Sufficiently clear.

Article 34

Paragraph (1)

An example of reference price is in the form of interest rates, among others is Indonesia Overnight Index Average.

Paragraph (2)

Example of price reference tenors in the form of interest rate published by Bank Indonesia among others are 1 (one) day, 1 (one) month, and/or 30 (thirty) days.

Article 35

Sufficiently clear.

Article 36

Sufficiently clear.

Article 37

Paragraph (1)

Certain parties mean Money Market Transaction participants other than bank, for example, non-bank financial service institution.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Paragraph (5)

Sufficiently clear.

Article 38

Sufficiently clear.

Article 39

Sufficiently clear.

Article 40

An example of certain condition among others is market efficiency is not created due to force majeure.

An example of certain condition among others is determination of mechanism of fulfillment of transaction requests without through Bank Indonesia reporting system.

Article 41

Sufficiently clear.

Article 42

Sufficiently clear.

Article 43

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Point a

“Financial service institution” means an institution conducting activities in banking sector, capital market, insurance, pension fund, financing institution, and other financial service institutions under the laws and regulations in financial service sector.

“Other financial service institutions” means pawnshop, insurance institution, Indonesia export financing institution, secondary financing company for mortgage, provider of IT-based funding services, and institution administering mandatory public fund management, including provider of social, pension, and welfare security program, as specified in the laws and regulations on pawnshop, insurance institution, Indonesia export financing institution, secondary financing company for mortgage, and mandatory public fund management, and other financial service institutions which are declared to be supervised by the Financial Services Authority under the laws and regulations.

Point b

“Corporation” means an organized group of people and/or assets, both in the form of legal entity and non-legal entity.

Point c

“Special purpose vehicle” means a company specifically established to conduct asset securitization activity, including financial assets, among others are Money Market Instruments.

Point d

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Paragraph (5)

Sufficiently clear.

Article 44

Sufficiently clear.

Article 45

Sufficiently clear.

Article 46

Sufficiently clear.

Article 47

Sufficiently clear.

Article 48

Paragraph (1)

Permit for implementation of technology innovation in financial sector may be in the form of approval.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Article 49
Sufficiently clear.

Article 50
Sufficiently clear.

Article 51
Sufficiently clear.

Article 52
Sufficiently clear.

Article 53
Paragraph (1)
Sufficiently clear.
Paragraph (2)
Sufficiently clear.
Paragraph (3)
Point a
Examples of good financial capability among others are to never experience payment default for a certain period and to have financial reports with a certain standard.
Point b
Examples of good governance among others are to have good track record and to have a guideline for application of prudential principle and risk management.
Paragraph (4)
Sufficiently clear.
Paragraph (5)
Sufficiently clear.

Article 54
Sufficiently clear.

Article 55
Sufficiently clear.

Article 56
Sufficiently clear.

Article 57
“Investor” means a Money Market Transaction participant who purchases Money Market Instruments in the primary market.
Examples of obligations of Money Market Instrument issuers among others are:
a. payment of principal or nominal of Money Market Instruments;
and
b. any other obligations arising from occurrence of required conditions in a memorandum of information on Issuance of Money Market Instruments, for example, fine or penalty payment.

Article 58
Sufficiently clear.

Article 59
Sufficiently clear.

Article 60

Sufficiently clear.

Article 61

Sufficiently clear.

Article 62

Sufficiently clear.

Article 63

Paragraph (1)

Sufficiently clear.

Paragraph (2)

“Certain issuer of Money Market Instruments” means an issuer of Money Market Instruments conducting Issuance of Money Market Instruments without through a Money Market Supporting Institution.

For investor, refer to the explanation of Article 57.

Paragraph (3)

Certain Money Market Transaction participant means, among others, bank.

Paragraph (4)

Sufficiently clear.

Paragraph (5)

Sufficiently clear.

Article 64

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Scope of Money Market Transaction participants which must apply the code of ethics and implementation of treasury certification among others includes:

- a. bank; and/or
- b. broker company.

Article 65

Sufficiently clear.

Article 66

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Point a

An example of Money Market Instrument transaction whose issuance criteria are determined by Bank Indonesia among others is commercial securities.

Point b

An example of transaction of certain financial instrument which may be transacted in the Money Market among others is negotiable certificate of deposit.

Paragraph (4)

Sufficiently clear.

Paragraph (5)
Sufficiently clear.

Article 67

Paragraph (1)
Sufficiently clear.

Paragraph (2)

Point a

Examples of institutional aspect of Money Market Supporting Institution among others are deed of incorporation and other institutional legality.

Point b

Examples of capability aspect of Money Market Supporting Institution among others are standard operational procedure and code of conduct.

Point c

Sufficiently clear.

Article 68

Sufficiently clear.

Article 69

Sufficiently clear.

Article 70

Paragraph (1)

Third party among others is a party cooperating with a Money Market Supporting Institution.

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Article 71

Sufficiently clear.

Article 72

Sufficiently clear.

Article 73

Sufficiently clear.

Article 74

Sufficiently clear.

Article 75

Sufficiently clear.

Article 76

Sufficiently clear.

Article 77

Sufficiently clear.

Article 78

Sufficiently clear.

Article 79

Paragraph (1)

Point a

Sufficiently clear.

Point b

Example:

A Money Market Transaction participant will make a Derivative transaction using International Swaps and Derivatives Association Master Agreement. Before the Money Market Transaction participant uses the International Swaps and Derivatives Association Master Agreement, under the standard operational procedure of the Money Market Transaction participant, it must obtain a legal review and/or opinion from a supporting profession, namely a legal consultant. The Money Market Transaction participant must use PPSK PUVA.

Paragraph (2)

Sufficiently clear.

Article 80

Sufficiently clear.

Article 81

Paragraph (1)

Sufficiently clear.

Paragraph (2)

“Moratorium” means termination of permit for Issuance of Money Market Instruments for a certain period.

Article 82

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Example:

A Money Market Supporting Institution is prohibited from providing an intermediary service for selling a certain negotiable certificate of deposit to a non-resident in the secondary market.

Paragraph (3)

Sufficiently clear.

Article 83

Sufficiently clear.

Article 84

“Sustainable finance” means an ecosystem with overall support in the form of policy, regulation, norm, standard, product, transaction, and financial service which align economic, environmental, and social interest in financing of sustainable activities and transition financing towards sustainable economic growth as specified in the Law on development and strengthening of financial sector.

Article 85

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Point a

Sufficiently clear.

Point b

Laws and regulations on performance of social and environmental responsibilities among others are the Law on limited liability companies and Government Regulation on social and environmental responsibilities.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Article 86

Sufficiently clear.

Article 87

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Point a

Examples of transaction facilities among others are electronic trading platform and telephone trading information system.

Point b

“Central counterparty” means a clearing agency providing services for transactions on the stock exchange and over the counter by novation.

Point c

An example of transaction settlement, administration, and/or central custodian facilities is Bank Indonesia-Scripless Securities Settlement System.

Transaction settlement, administration, and/or central custodian facilities implemented both by Bank Indonesia and central custodian as specified in the Law on capital market include variants of recording and settlement model, in the form of electronic and book entry system, and/or in the form of digital finance.

Point d

An example of fund settlement facility among others is Bank Indonesia-Real Time Gross Settlement.

Point e

“Trade repository for financial and/or Derivative instruments” means an agency managing all information on Derivative transactions.

Point f

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Article 88

Sufficiently clear.

Article 89

Sufficiently clear.

Article 90

Paragraph (1)

Sufficiently clear.

Paragraph (2)

An example of memorandum document among others is minutes of coordination meeting and memorandum of understanding between institutions.

Paragraph (3)

Point a

Sufficiently clear.

Point b

Joint audit will be conducted among others by way of coordination if there is an issue of audit result requiring discussions between institutions and mechanism of correspondence of supervision result between institutions.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Article 91

Sufficiently clear.

Article 92

Sufficiently clear.

Article 93

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point Huruf d

Sufficiently clear.

Point e

“Other parties” include:

1. parent company, subsidiary, and any party with business relationship and/or financial relationship; and/or
2. a third party supporting and/or providing services to Money Market participants, Money Market Supporting Institution, and/or PPSK PUVA.

Paragraph (3)

Sufficiently clear.

Paragraph (4)

Sufficiently clear.

Paragraph (5)

Sufficiently clear.

Article 94

Sufficiently clear.

Article 95

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Offline report submission is conducted among others by electronic mail.

Article 96

Examples of Bank Indonesia provisions for reporting among others are Bank Indonesia provisions for integrated commercial bank reports and Bank Indonesia provisions for money market reports.

Article 97

Sufficiently clear.

Article 98

Sufficiently clear.

Article 99

Sufficiently clear.

Article 100

Sufficiently clear.

Article 101

Paragraph (1)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Risk management process and risk management function among others are identification, measurement, monitoring, and risk control, and risk management information system.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Paragraph (2)

Sufficiently clear.

Article 102

Sufficiently clear.

Article 103

Otoritas lain antara lain Otoritas Jasa Keuangan.

Article 104

Sufficiently clear.

Article 105

Sufficiently clear.

Article 106

Sufficiently clear.

Article 107

Sufficiently clear.

Article 108

Sufficiently clear.

Article 109

Paragraph (1)

Audit by another party is conducted for and on behalf of Bank Indonesia.

Examples of other parties assigned by Bank Indonesia among others are public accountant and public appraisers.

In assigning other parties for audit, Bank Indonesia issues a notice to proceed and determines terms of reference.

Paragraph (2)

The obligation of other parties to maintain confidentiality of data, information, and/or details obtained from audit applies to all board of commissioners, board of directors, managers, experts, supervisory staffs, and other supporting staffs related to the audit.

Paragraph (3)

Sufficiently clear.

Article 110

Paragraph (1)

For a third party, refer to the explanation of Article 70 paragraph (1).

Paragraph (2)

Sufficiently clear.

Paragraph (3)

Sufficiently clear.

Article 111

Sufficiently clear.

Article 112

Sufficiently clear.

Article 113

Sufficiently clear.

Article 114

Sufficiently clear.

Article 115

Sufficiently clear.

Article 116

Sufficiently clear.

Article 117

Sufficiently clear.

Article 118
Sufficiently clear.

Article 119
Sufficiently clear.

Article 120
Sufficiently clear.

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