



BANK INDONESIA REGULATION
NUMBER 13 OF 2024
ON
MACROPRUDENTIAL POLICY

BY THE BLESSINGS OF ALMIGHTY GOD

THE GOVERNOR OF BANK INDONESIA,

- Considering : a. that to achieve the objective of Bank Indonesia to participate in maintaining financial system stability, Bank Indonesia determines and implements macroprudential policy through efforts to promote balanced, quality, and sustainable intermediation, mitigate and manage systemic risks, and increase economic inclusion, financial inclusion, and sustainable finance;
- b. that the increasingly complex challenges faced by Bank Indonesia, including due to internal and external strategic environment changes, it is necessary to strengthen macroprudential policy framework as part of Bank Indonesia policy mix;
- c. that to support the achievement of Bank Indonesia's objective referred to in point a and to strengthen macroprudential policy framework referred to in point b, it is necessary to replace Bank Indonesia Regulation Number 16/11/PBI/2014 on Macroprudential Regulation and Supervision;
- d. that based on the foregoing considerations referred to in point a, point b, and point c, and to implement the provisions of Article 35B sections (3) of Law Number 23 of 1999 on Bank Indonesia as amended several times and last by Law Number 4 of 2023 on Development and Strengthening of Financial Sector, it is necessary to issue Bank Indonesia Regulation on Macroprudential Policy;
- 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, most recently 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 9 of 2016 on Prevention and Management of Financial System Crisis (State Gazette of the Republic of Indonesia of 2016 Number 70, Supplement to State Gazette of the Republic of Indonesia Number 5872) as amended several times, most recently 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);
3. Law Number 24 of 1999 on Foreign Exchange Traffic and Exchange Rate System (State Gazette of the Republic of Indonesia of 1999 Number 67, Supplement to State Gazette of the Republic of Indonesia Number 3844);
4. Bank Indonesia Regulation Number 4 of 2024 on Bank Indonesia Policy Mix (State Gazette of the Republic of Indonesia of 2024 Number 15/BI, Supplement to State Gazette of the Republic of Indonesia Number 83/BI);

HAS DECIDED:

To enact : BANK INDONESIA REGULATION ON MACROPRUDENTIAL POLICY.

CHAPTER I GENERAL PROVISIONS

Article 1

In this Bank Indonesia Regulation, the definitions are as follows:

1. Bank Indonesia Policy Mix, hereinafter referred to as BKBI, means integration of policies complementary and strengthening among key policies, with the support of supporting policies, to obtain policies consistent with duty implementation and objective achievement of Bank Indonesia.
2. Bank Indonesia Policy means any decisions and/or actions of Bank Indonesia determined by the Board of Governors, Members of the Board of Governors, or heads of working units.
3. Main Policy means Bank Indonesia Policy consisting of monetary policy, payment system policy, and macroprudential policy.
4. Supporting Policy means Bank Indonesia Policy to support the Main Policy.
5. Macroprudential Policy means Bank Indonesia Policy determined and implemented to contribute to maintain financial system stability.
6. Financial System Stability, hereinafter referred to as SSK, means a financial system condition which functions effectively and efficiently and stays resilient from domestic and foreign shocks to contribute to the national economic growth.
7. Meeting of Board of Governors, hereinafter referred to as RDG, means the highest decision-making forum in

determining principal and strategic policies, conducting evaluation, and/or receiving policy reports for their reference under the applicable provisions.

Article 2

Macroprudential Policy is based on the principle of good governance system of Bank Indonesia Policy, which is implemented through the element of governance system of Bank Indonesia Policy.

Article 3

The purpose and objective of Macroprudential Policy in this Bank Indonesia Regulation are as follows:

- a. to serve as a guideline for formulation and implementation of Macroprudential Policy to make it consistent with the duties and authority of Bank Indonesia in achieving the objective mandated under the Law;
- b. to serve as the key reference for establishment of Bank Indonesia provisions for implementation of Macroprudential Policy; and
- c. to serve as a reference for external parties on implementation of Macroprudential Policy.

CHAPTER II

BASIC PRINCIPLE OF MACROPRUDENTIAL POLICY

Article 4

- (1) The Macroprudential Policy referred to in Article 2 aims to help maintain SSK to support sustainable economic growth.
- (2) The SSK referred to in section (1) is correlated with mutually supportive in rupiah value stability and payment system stability.

Article 5

- (1) To support the sustainable economic growth referred to in Article 4 section (1), Bank Indonesia optimizes balance between pro-stability and pro-growth.
- (2) To optimize the balance between pro-stability and pro-growth referred to in section (1), Bank Indonesia observes economic growth which fits their capacity and is inclusive.

Article 6

- (1) Macroprudential Policy constitutes part of BKBI.
- (2) Macroprudential Policy is correlated and mutually supportive with another Main Policy to achieve Bank Indonesia's objective.
- (3) Supporting Policy which individually and/or collectively support Macroprudential Policy to achieve the objective referred to in Article 4 section (1).

Article 7

Macroprudential Policy is implemented by considering:

- a. types of vulnerabilities and sources of shocks faced by the financial system;

- b. the dynamics of global and domestic economy which pose spillover on domestic financial system;
- c. economic cycle and financial cycle; and/or
- d. other related factors.

Article 8

Macroprudential Policy is implemented with the following strategies:

- a. promote optimum credit or financing by considering vulnerabilities which cause imbalance with the financial system;
- b. maintain stable financial system by mitigating systemic risks in the financial system; and
- c. promote financial inclusion and green financing.

Article 9

Macroprudential Policy is determined and applied on all banks, which conduct conventional business activities and under sharia principle, by considering overall assessment of financial system and its correlation with the economic condition.

Article 10

Macroprudential Policy is implemented based on the following principles:

- a. preemptive, forward looking, and ahead of the curve;
- b. consistency between the achievement of SSK and the achievement of macroeconomic stability;
- c. consistency between monetary policy and payment system policy;
- d. synergy and coordination with the Financial System Stability Committee and other authorities in the financial sector; and
- e. public transparency to shape the expectation of financial system actors.

CHAPTER III MACROPRUDENTIAL POLICY FRAMEWORK

Part One Macroprudential Policy Targets

Article 11

- (1) Bank Indonesia implements Macroprudential Policy to achieve the following targets:
 - a. optimum credit or financing;
 - b. stable financial system; and
 - c. financial inclusion and green financing, to support sustainable economic growth.
- (2) The Macroprudential Policy targets referred to in section (1) are achieved by:
 - a. optimization of credit or financing by maintaining stable financial system; and
 - b. promoting development of financial inclusion and green financing to support the achievement referred to in point a.

- (3) In achieving the optimum credit or financing target referred to in section (1) point a, Macroprudential Policy is implemented by observing:
 - a. economic cycle and financial cycle in the following few years; and/or
 - b. other matters related to credit or financing targets.
- (4) In achieving the stable financial system target referred to in section (1) point b, Macroprudential Policy is implemented by observing:
 - a. liquidity, interest rate, and exchange rate occurring in the rupiah and foreign exchange market;
 - b. transactions among market participants; and/or
 - c. others related to the stable financial system target.
- (5) In achieving the target of financial inclusion and green financing referred to in section (1) point c, Macroprudential Policy is implemented by observing:
 - a. financing distribution (inclusivity);
 - b. climate risk impacts on SSK to maintain credit or financing sustainability; and/or
 - c. others related to the target of financial inclusion and green financing.

Part Two Macroprudential Policy Instruments

Article 12

- (1) To achieve the Macroprudential Policy target in promoting optimum credit or financing growth referred to in Article 11 section (1) point a, Bank Indonesia uses the following instruments:
 - a. liquidity policy;
 - b. credit or financing regulation;
 - c. regulation of domestic and foreign funding sources;
 - d. capital capacity regulation for intermediation; and/or
 - e. other instruments to promote optimum credit or financing growth.
- (2) To achieve the Macroprudential Policy target in maintaining stable financial system referred to in Article 11 section (1) point b, Bank Indonesia uses the following instruments:
 - a. regulation of liquidity risk limitation;
 - b. market risk limitation;
 - c. capital resilience;
 - d. crisis prevention and management; and/or
 - e. other instruments to maintain stable financial system.
- (3) To achieve the Macroprudential Policy target in promoting development of financial inclusion and green financing referred to in Article 11 section (1) point c, Bank Indonesia uses the following instruments:
 - a. regulation of inclusive credit or financing;
 - b. green financial policy such as green credit or financing; and/or
 - c. other instruments to promote development of financial inclusion and green financing.

Article 13

In conducting foreign exchange traffic management to support SSK, Bank Indonesia uses Macroprudential Policy instrument.

Article 14

- (1) Bank Indonesia conducts optimization of Macroprudential Policy instrument by determining the volume, time, and order of application of instruments to achieve the targets referred to in Article 11 section (1).
- (2) The optimization of Macroprudential Policy instruments referred to in section (1) is conducted by considering:
 - a. development of global economy and finance and potential spillover on domestic economy;
 - b. credit or financing growth estimate, financial cycle, and financial sector development;
 - c. forecast of financial sector risk development and potential pressure on the financial system;
 - d. correlation between macroeconomy and financial system refers to economic cycle and financial cycle for the next 2 (two) until 3 (three) years;
 - e. development of financial inclusion and green finance; and
 - f. Macroprudential Policy direction to optimize balance between pro-stability and pro-growth.

Article 15

The authority of Bank Indonesia on Macroprudential Policy instruments referred to in Article 12 is implemented through Macroprudential Policy regulation.

Article 16

- (1) Commercial banks must meet Bank Indonesia provisions for Macroprudential Policy implementation referred to in Article 15.
- (2) Any commercial banks in breach of the obligation referred to in section (1) will be imposed with sanctions under the provisions of Bank Indonesia Regulation.

Part Three

Decision-Making Process

Article 17

- (1) Decisions on Macroprudential Policy are made by the Board of Governors in a monthly RDG.
- (2) Bank Indonesia announces the monthly RDG schedule to the public.
- (3) Provisions for Macroprudential Policy decision making are determined by Bank Indonesia.

Part Four
Scope

Article 18

The scope of Macroprudential Policy includes:

- a. formulation;
- b. implementation;
- c. reporting and supervision;
- d. coordination and synergy; and
- e. accountability and transparency.

CHAPTER IV
MACROPRUDENTIAL POLICY FORMULATION

Article 19

- (1) Bank Indonesia formulates Macroprudential Policy as a principal and strategic policy to be determined in a monthly RDG.
- (2) Provisions for the Macroprudential Policy formulation referred to in section (1) are determined by Bank Indonesia.

CHAPTER V
MACROPRUDENTIAL POLICY IMPLEMENTATION

Article 20

- (1) In Macroprudential Policy implementation, the Board of Governors determines further details of the principal and strategic Macroprudential Policy referred to in Article 19 section (1) in a weekly RDG.
- (2) The weekly RDG referred to in section (1) is held to:
 - a. evaluate the implementation of Macroprudential Policy;
 - b. determine principal and strategic policies related to the implementation of Macroprudential Policy; and/or
 - c. receive reports on Macroprudential Policy for the reference of the Board of Governors.

Article 21

- (1) Bank Indonesia conducts monitoring of Macroprudential Policy implementation.
- (2) The monitoring of Macroprudential Policy implementation referred to in section (1) includes:
 - a. credit or financing development to promote optimum growth of credit or financing;
 - b. development of financial system condition to maintain a stable financial system;
 - c. development of inclusive and green credit or financing to promote financial inclusion and green financing; and/or
 - d. other related matters.
- (3) The monitoring of Macroprudential Policy implementation referred to in section (1) is conducted periodically and from time to time when necessary.
- (4) The monitoring result of Macroprudential Policy implementation is conveyed in a weekly RDG.

CHAPTER VI REPORTING AND SUPERVISION

Part One Data and Information

Article 22

- (1) To determine and implement Macroprudential Policy, Bank Indonesia is authorized to:
 - a. conduct surveys;
 - b. obtain data and information from the relevant parties; and
 - c. obtain data and information from and/or exchange data and information with the relevant authority and/or ministries or institutions.
- (2) Bank Indonesia may process and disseminate data and/or information in determining and implementing Macroprudential Policy through digital information system and/or other mechanisms under the laws and regulations.
- (3) In addition to implement the authority referred to in section (1) and the processing referred to in section (2), Bank Indonesia may also conduct data development to support formulation and implementation of BKBI.
- (4) Any parties must provide data and information for the implementation of every survey referred to in section (1) point a and every activity of data and information acquisition referred to in section (1) point b.
- (5) Any parties in breach of the provisions of section (4) will be imposed with sanctions under the provisions of Bank Indonesia regulation.
- (6) Further provisions for survey implementation and data and information acquisition referred to in section (1) are determined by Bank Indonesia.

Part Two Supervision

Article 23

- (1) Bank Indonesia conducts supervision of Macroprudential Policy implementation through:
 - a. macroprudential surveillance; and/or
 - b. on-site supervision.
- (2) The supervision referred to in section (1) is conducted on all subjects in the financial system involved in Macroprudential Policy implementation by:
 - a. monitoring and identifying systemic risks;
 - b. ensuring compliance with the provisions in macroprudential sector; and
 - c. monitoring other matters related to Macroprudential Policy implementation.

Article 24

The macroprudential surveillance referred to in Article 23 section (1) point a is implemented through:

- a. monitoring of condition development;
 - b. risk identification and analysis;
 - c. risk assessment; and/or
 - d. other matters,
- related to the financial system.

Article 25

- (1) In the macroprudential surveillance implementation referred to in Article 24, commercial banks must:
 - a. provide and submit data and information required by Bank Indonesia; and
 - b. be responsible for the accuracy of data and information submitted to Bank Indonesia.
- (2) Any commercial bank in breach of the provisions referred to in section (1) will be imposed with an administrative sanction in the form of written warning.

Article 26

- (1) The on-site supervision referred to in Article 23 section (1) point b is conducted on commercial banks.
- (2) In conducting the on-site supervision referred to in section (1), Bank Indonesia may conduct on-site supervision of parties related to commercial banks determined by Bank Indonesia.
- (3) The on-site supervision referred to in section (2) will be conducted by Bank Indonesia if the parties related to commercial banks are evaluated to provide significant risk exposure to commercial banks or pose systemic impacts.

Article 27

- (1) The commercial banks and parties related to commercial banks referred to in Article 26 must provide the supervisor with the following:
 - a. requested documents and/or data;
 - b. statement and explanation related to inspected activities, both oral and written;
 - c. access to bank information system; and/or
 - d. other matters required in the on-site supervision.
- (2) Commercial banks and parties related to commercial banks are prohibited from hindering on-site supervision process.
- (3) Any commercial banks in breach of the provisions of section (1) and section (2) will be imposed with an administrative sanction in the form of written warning.
- (4) Any parties related to commercial banks in breach of section (1) and section (2) will be imposed with sanctions under the laws and regulations.

Article 28

- (1) Based on the supervision result referred to in Article 23 section (2), Bank Indonesia is authorized to carry out supervisory follow-up actions.

- (2) In the event of any supervisory result related to the powers of any other authority, the supervisory follow-up actions referred to in section (1) may be in the form of the submission of information and/or supervisory result recommendations to the other authority.

Article 29

- (1) Commercial banks must implement the supervision follow-ups determined by Bank Indonesia referred to in Article 28 section (1).
- (2) Any commercial bank in breach of the provisions of section (1) will be imposed with an administrative sanction in the form of written warning.

Article 30

- (1) Any commercial banks imposed with an administrative sanction in the form of written warning referred to in Article 25 section (2), Article 27 section (3), and/or Article 29 section (2) remain obliged to comply with the provisions referred to in Article 25 section (1), Article 27 section (1) and section (2), and/or Article 29 section (1).
- (2) If, upon the imposition of a sanction in the form of written warning referred to in Article 25 section (2), Article 27 section (3), and/or Article 29 section (2), the commercial bank remains to fail to comply with the obligation referred to in section (1), the commercial bank will be imposed with the following administrative sanctions:
 - a. removal of any incentives obtained by the bank in macroprudential sector in the form of incentive based on the policy of macroprudential liquidity incentive and/or any other incentives;
 - b. restriction and/or prohibition from participation in monetary operations;
 - c. temporary, partial, or total termination of activities including implementation of cooperation in payment system;
 - d. change of participant status in the Bank Indonesia Real Time Gross Settlement (RTGS) system from active to suspended;
 - e. change of participant status in the Bank Indonesia-Fast Payment (BI-FAST) system from active to suspended; and/or
 - f. change of participant status in the Bank Indonesia National Clearing System (SKNBI) from active to suspended.
- (3) The administrative sanction referred to in section (2) may be imposed by considering the condition of commercial banks and other factors.

Article 31

Bank Indonesia delivers information to the relevant authority on sanction imposition to commercial banks.

Part Three
Assignment of Other Parties

Article 32

Bank Indonesia may assign any other parties for and on behalf of Bank Indonesia in implementing on-site supervision.

Article 33

- (1) The other parties assigned by Bank Indonesia conduct the on-site supervision referred to in Article 32 must maintain the confidentiality of data and information obtained from the on-site supervision result.
- (2) The other parties referred to in section (1) in breach of the duty of confidentiality of data and information from on-site supervision results will be imposed with the following administrative sanctions:
 - a. written warning;
 - b. recommendation to be excluded from a list of professions providing services in the financial sector issued by the competent institution; and/or
 - c. recommendation for business license revocation to the competent institution.

Article 34

Bank Indonesia submits information to the relevant authority on sanction imposition to another party.

Article 35

Provisions for the supervision referred to in Article 23 until Article 34 are determined by Bank Indonesia.

Part Four
Integrated Supervision

Article 36

- (1) Bank Indonesia conducts the supervision referred to in Article 23 section (2) in an integrated manner with the supervision of monetary policy and payment system policy.
- (2) The integrated supervision referred to in section (1) is conducted to ensure effective implementation of Main Policy and to optimize BKBI target achievement.
- (3) The integrated supervision referred to in section (1) is conducted by integrating the supervision result of monetary policy, Macprudential Policy, and payment system policy.
- (4) Integrated supervision strategies are implemented by observing correlation between implementation of Bank Indonesia Policy, and by including all regulation objects of Bank Indonesia Policy.

CHAPTER VII COORDINATION AND SYNERGY

Part One General

Article 37

- (1) To increase Macroprudential Policy effectiveness as part of BKBI and support for national policy mix, Bank Indonesia conducts coordination and synergy of policies with the relevant external parties.
- (2) The coordination and synergy of policies referred to in section (1) are implemented by applying the principle of independence and interdependence of policies.

Part Two Implementation of Coordination and Synergy

Article 38

- (1) The coordination and synergy of policies referred to in Article 37 section (1) consist of:
 - a. coordination and synergy of policies in the Financial System Stability Committee; and
 - b. coordination and synergy of policies with other external parties.
- (2) The coordination and synergy of policies with other external parties referred to in section (1) point b may be conducted through a forum among authorities.

Article 39

The coordination and synergy of policies in the Financial System Stability Committee referred to in Article 38 section (1) point a include:

- a. coordination for monitoring and maintenance of SSK;
- b. financial system crisis management;
- c. coordination of management of bank's systemic issues both in normal SSK condition and in financial system crisis; and/or
- d. other necessary coordination.

Article 40

The coordination and synergy of policies with other external parties referred to in Article 38 section (1) point b are conducted to:

- a. maintain SSK;
- b. increase economic inclusion, financial inclusion, and sustainable finance;
- c. promote sharia economy and finance;
- d. formulate and implement Macroprudential Policy;
- e. strengthen prevention and management of financial system crisis;
- f. promote green finance; and/or
- g. strengthen other Macroprudential Policy.

CHAPTER VIII ACCOUNTABILITY AND TRANSPARENCY

Article 41

In Macroprudential Policy, Bank Indonesia applies transparency in Macroprudential Policy implementation as a form of accountability to the public.

Article 42

- (1) In applying the policy transparency referred to in Article 41, Bank Indonesia conducts communication to:
 - a. increase public understanding of Macroprudential Policy; and/or
 - b. direct and shape the expectation of stakeholders to increase Macroprudential Policy effectiveness.
- (2) The communication referred to in section (1) may be delivered through communication canals.

CHAPTER IX CLOSING PROVISIONS

Article 43

At the time when this Bank Indonesia Regulation comes into force, all regulations which constitute the implementing regulations of Bank Indonesia Regulation Number 16/11/PBI/2014 on Macroprudential Regulation and Supervision (State Gazette of the Republic of Indonesia of 2014 Number 141, Supplement to State Gazette of the Republic of Indonesia Number 5546), are declared to remain in effect insofar as it is not contrary hereto.

Article 44

At the time when this Bank Indonesia Regulation comes into force, Bank Indonesia Regulation Number 16/11/PBI/2014 on Macroprudential Regulation and Supervision (State Gazette of the Republic of Indonesia of 2014 Number 141, Supplement to State Gazette of the Republic of Indonesia Number 5546) is repealed and declared ineffective.

Article 45

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 31 December 2024

GOVERNOR OF BANK INDONESIA,

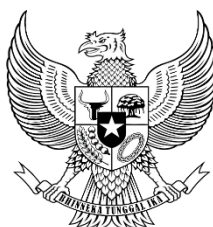
PERRY WARJIYO

Promulgated in Jakarta
on 31 December 2024

MINISTER OF LAW
REPUBLIC OF INDONESIA,

SUPRATMAN ANDI AGTAS

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2024 NUMBER 66/BI



ELUCIDATION
OF
BANK INDONESIA REGULATION
NUMBER 13 OF 2024
ON
MACROPRUDENTIAL POLICY

I. GENERAL

To achieve one of Bank Indonesia's objective namely to participate in maintaining SSK in order to support sustainable economic growth, Bank Indonesia determines and implements Macroprudential Policy through the following efforts:

- a. promote balanced, quality, and sustainable intermediation;
- b. mitigate and manage systemic risks; and
- c. increase economic inclusion, financial inclusion, and sustainable finance.

Considering the increasingly complex challenges faced by Bank Indonesia, including due to internal and external strategic environment changes, such as, among others, financial sector reform when Law Number 4 of 2023 on Development and Strengthening of Financial Sector is promulgated, development of digital economy and finance, climate change issue, and strengthening of framework and internal decision making in Bank Indonesia, it is necessary to strengthen Macroprudential Policy framework consistent with BKBI.

Further, Article 35B section (3) of Law Number 23 of 1999 on Bank Indonesia as amended several times and last by Law Number 4 of 2023 on Development and Strengthening of Financial Sector mandates regulation of Bank Indonesia's authority in determining and implementing Macroprudential Policy.

Macroprudential Policy framework is strengthened among others through elaboration of principle, target, instrument, and implementation related to Macroprudential Policy. The framework strengthening also includes formulation, implementation, reporting and supervision, coordination and synergy, as well as accountability and transparency pertaining to Macroprudential Policy.

Based on the foregoing, Bank Indonesia issued Bank Indonesia Regulation on Macroprudential Policy.

II. ARTICLE BY ARTICLE

Article 1

Sufficiently clear.

Article 2

The term “principle of governance system of Bank Indonesia Policy” means a principle underlying the application and enforcement of the governance system of Bank Indonesia Policy, including independence, consistency, coordination, accountability, and transparency, in accordance with Bank Indonesia Policy on the governance system and institution of Bank Indonesia.

The term “element of governance system of Bank Indonesia Policy” means the principal aspect of the governance system of Bank Indonesia Policy which is implemented to ensure the application of the principle of governance system of Bank Indonesia Policy in accordance with the governance system of Bank Indonesia policy and institution.

Article 3

Sufficiently clear.

Article 4

Section (1)

The term “sustainable economic growth” means economy which grows fit with its capacity and is inclusive so that it is maintained stable, balanced, and resilient to global and domestic volatilities.

Section (2)

The term “rupiah value stability” means the rupiah value stability as specified in the provisions of Bank Indonesia regulation on monetary policy.

The term “payment system stability” means the payment system stability as specified in the provisions of Bank Indonesia regulation on payment system policy.

Article 5

Sufficiently clear.

Article 6

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Supporting Policy constitute the following:

- a. regional economic and financial policy;
- b. money market and foreign exchange market policy;
- c. inclusive and green policy;
- d. sharia economic and financial policy;
- e. international policy;
- f. consumer protection policy; and
- g. other Supporting Policy determined by Bank Indonesia.

Article 7

Point a

Types of vulnerabilities include vulnerabilities with an intertemporal dimension (time series), a cross-sectional dimension (cross-section), and/or a structural dimension.

Sources of disturbances include disturbances (shocks) originating from both the supply side and the demand side.

Point b

The term “spillover effect” means spillover impacts on the domestic financial system, whether originating from both the global economy and the domestic economy.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Article 8

Point a

Vulnerabilities that may lead to financial system imbalances (financial imbalances) may originate from excessive behavioral tendency of participants or financial institutions to follow the financial cycle (procyclicality).

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Article 9

Overall assessment of the financial system and its correlation with the economic condition is conducted on:

- a. financial system aspects, both at the individual level and at the business group level (financial conglomerates), encompassing intermediation, financial system resilience, as well as financial inclusion and green finance; and
- b. activities in the financial system include, among others, fund collection and distribution, financial market transactions, digital financial products and activities including crypto assets, bullion banking, and other activities related to the financial system.

Article 10

Point a

The principle of preemptive, forward looking, and ahead the curve is implemented by considering time lag on the implications of Macroprudential Policy and the financial cycle.

The term “preemptive” means a policy step taken to anticipate risks that may arise in the future and impact the achievement of policy objectives.

The term “forward looking” means a policy step directed to achieve targets in the upcoming period.

The term “ahead the curve” means a policy step required to anticipate development of policies of other parties which may affect policy effectiveness.

Point b

Consistency is conducted by observing the close macro-financial linkages according to economic cycle and financial cycle, by observing the best international practice.

Point c

Consistency between Macroprudential Policy and monetary policy, payment system policy, and Supporting Policy is conducted periodically and in a sustainable manner, based on evaluation, projection, and simulation of economic and financial development. The term “monetary policy” means the monetary policy as specified in the provisions of Bank Indonesia regulation on monetary policy. The term “payment system policy” means the payment system policy as specified in the provisions of Bank Indonesia regulation on payment system policy.

Point d

The term “synergy” means a process or interaction among policies which result in harmonious balances to generate optimum target achievement.

Point e

Sufficiently clear.

Article 11

Section (1)

Point a

Optimum credit or financing is reflected from credit or financing which grows in a good quality by maintaining SSK and sustainable economic growth.

Point b

Stable financial system is reflected from controlled bank risks, primarily big banks.

Point c

Inclusive and green finance is reflected from developing inclusive and green credit or financing.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Article 12

Section (1)

Point a

Liquidity policy instrument among others is macroprudential liquidity incentive policy.

Point b

Credit or financing regulation instruments among others are macroprudential intermediation ratio and loan to value ratio for property credit, financing to value ratio for property financing, and advance payment credit or financing for motorized vehicles.

Point c

Onshore and offshore funding source regulation instrument among others is offshore funding ratio.

Point d

Capital capacity regulation instrument for intermediation among others is countercyclical capital buffer.

Point e

Sufficiently clear.

Section (2)

Point a

Liquidity risk limit regulation instrument among others is macroprudential liquidity buffer.

Point b

Market risk limit instrument among others is net open position.

Point c

Capital resilience instrument among others is countercyclical capital buffer.

Point d

Instruments of crisis prevention and management among others are short-term liquidity loan and short-term liquidity financing under sharia principle.

Point e

Sufficiently clear.

Section (3)

Point a

Inclusive credit or financing regulation instrument among others is macroprudential inclusive financing ratio.

Point b

Instruments of green finance policy, such as green credit or financing, among others are loan to value ratio for property credit, financing to value ratio for property financing, and green credit or financing advance payment for motorized vehicles.

Point c

Sufficiently clear.

Article 13

Macroprudential Policy instruments used by the foreign exchange traffic may be benefit optimization and/or risk management, among others through regulation of different types of foreign exchange transactions made by banks.

An example of Macroprudential Policy instrument is market risk limit.

Article 14

Section (1)

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

The interlinkage between the macroeconomy and the financial system (macro-financial linkage) refers to the explanation of Article 10 point b.

Point e

Sufficiently clear.

Point f

Sufficiently clear.

Article 15

Sufficiently clear.

Article 16

Section (1)

The term “commercial bank” means a bank conducting business activities in a conventional manner and/or under sharia principle whose activities provide services in payment traffic.

Section (2)

Sufficiently clear.

Article 17

Sufficiently clear.

Article 18

Sufficiently clear.

Article 19

Sufficiently clear.

Article 20

Sufficiently clear.

Article 21

Section (1)

Sufficiently clear.

Section (2)

Point a

Monitoring of credit or financing development is among others through:

- a. credit or financing growth level; and/or
- b. non-performing loan ratio.

Point b

Monitoring of financial system condition is among others:

- a. systemic risk;
- b. liquidity risk;
- c. market risk;
- d. credit risk;
- e. operational risk; and/or
- f. capital adequacy.

Point c

Monitoring of inclusive and green credit or financing is among others:

- a. inclusive credit or financing growth; and/or
- b. green credit or financing growth.

Point d

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 22

Section (1)

Surveys, data, and information from the relevant parties aim to meet data and information needs pertaining to formulation and

implementation of BKBI, national and international commitment, and data provision for the public.

Point a

Sufficiently clear.

Point b

The term “data and information” means data and information as specified in Bank Indonesia Regulation on data and information policy.

An example of related parties is commercial bank.

Point c

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Refer to explanation of section (1) point b.

Section (5)

Sufficiently clear.

Section (6)

Refer to explanation of section (1) point b.

Article 23

Sufficiently clear.

Article 24

Sufficiently clear.

Article 25

Sufficiently clear.

Article 26

Section (1)

Sufficiently clear.

Section (2)

Parties related to a commercial bank among others are parent companies, related companies, subsidiaries, and/or bank debtors.

Section (3)

Sufficiently clear.

Article 27

Section (1)

The term “supervisor” means Bank Indonesia and any other party assigned for and on behalf of Bank Indonesia.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 28

Sufficiently clear.

Article 29

Sufficiently clear.

Article 30
Sufficiently clear.

Article 31
Sufficiently clear.

Article 32
Examples of other parties assigned by Bank Indonesia among others are public accountants and public appraisers.

Article 33
Sufficiently clear.

Article 34
Sufficiently clear.

Article 35
Sufficiently clear.

Article 36
Sufficiently clear.

Article 37
Sufficiently clear.

Article 38
Sufficiently clear.

Article 39
Sufficiently clear.

Article 40
Sufficiently clear.

Article 41
Sufficiently clear.

Article 42
Sufficiently clear.

Article 43
Sufficiently clear.

Article 44
Sufficiently clear.

Article 45
Sufficiently clear.