

Appendix 1. Press Release No.24/350/DKom

Improvement of Provisions of Requirement Incentives for Banks Extending Credit/Financing to Priority Sectors, Inclusive Financing primarily Extension of People's Business Credit and/or Green Financing

1. Bank Indonesia improves incentives provisions by loosening reserve requirements in Rupiah to be fulfilled in average (average Rupiah RR), for banks which provide funds through credit/financing extension to priority sectors, inclusive financing primarily extension of People's Business Credit, and/or green financing.
2. Incentives are provided with the following details:
 - a. Reclassification of 46 priority sub-sectors in 3 (three) business sector groups, namely Resilience group, Growth Driver group, and Slow Starter group, according to the latest condition of maintaining credit/financing growth threshold, which enjoys an incentive for Slow Starter group at a minimum of 1%, and increasing threshold for Resilience and Growth Driver groups from initially at least 1% to at least 5% and 3%, respectively. Details of the 46 priority sub-sector cluster are as follows:

46 Subsektor Prioritas Reklasifikasi			
Berdaya Tahan/Resilience (16)	Pendorong Pertumbuhan/Growth Driver (26)		Penopang Pemulihan/Slow Starter (4)
1. Hortikultura 2. Industri Bahan Kimia, Barang dari Bahan Kimia (Termasuk Farmasi) 3. Kehutanan Dan Pemanenan Kayu dan Hasil Hutan Selain Kayu 4. Jasa Penunjang Pertanian dan Pasca Panen 5. Pengelolaan Air 6. Angkutan Jalan Rel 7. Aktivitas Jasa Keuangan Lainnya, Bukan Asuransi dan Dana Pensiun 8. Jasa Perusahaan 9. Aktivitas Penunjang Jasa Keuangan, Bukan Asuransi dan Dana Pensiun 10. Administrasi Pemerintahan dan Kebijakan Ekonomi dan Sosial 11. Aktivitas Jasa Lainnya 12. Industri Pengolahan Lainnya 13. Jasa Perantara Keuangan 14. Jasa Aktivitas Kesehatan Manusia 15. Asuransi, Reasuransi dan Dana Pensiun, Bukan Jaminan Sosial Wajib 16. Pendidikan	1. Industri Barang Galian Bukan Logam 2. Industri Mesin dan Perlengkapan 3. Industri Logam Dasar 4. Industri Kayu, Barang dari Kayu dan Gabus (Tidak Termasuk Furnitur) dan Barang Anyaman dari Bambu, Rotan, dan Sejenisnya 5. Industri Furnitur 6. Industri Pengolahan Tembakau 7. Industri Makanan dan Minuman 8. Pertanian Tanaman Tahunan (Perkebunan) 9. Pertambangan Bijih Logam 10. Pergudangan dan Aktivitas Penunjang Angkutan 11. Konstruksi 12. Angkutan Darat 13. Perdagangan, Reparasi dan Perawatan Mobil dan Sepeda Motor 14. Industri Karet, Barang dari Karet dan Plastik 15. Industri Barang dari Logam dan Elektronik 16. Angkutan Sungai, Danau, dan Penyeberangan	17. Perikanan 18. Peternakan 19. Real Estate 20. Industri Kertas dan Barang dari Kertas; serta Industri Pencetakan dan Reproduksi Media Rekaman 21. Perdagangan Besar & Eceran 22. Informasi dan Telekomunikasi 23. Tanaman Pangan 24. Pertambangan Batubara dan Lignit 25. Industri Alat Angkutan Lainnya 26. Angkutan Laut	1. Industri Tekstil 2. Industri kulit, barang dari kulit dan alas kaki 3. Angkutan Udara 4. Penyediaan Akomodasi dan Penyediaan Makan Minum

- b. Incentive in the form of loosened average Rupiah RR of 2.8% at the highest with the following details:
- i. Incentive for credit/financing to priority sectors is maintained at 1.5% at the highest with the following detailed adjustment:

Group	Threshold ¹	Incentive (%)
Resilience	≥5%-10%	0.2
	>10%-15%	0.3
	>15%	0.4
Growth Driver	≥3%-8%	0.4
	>8%-10%	0.5
	>10%	0.6
Slow Starter	≥1%-3%	0.3
	>3%-6%	0.4
	>6%	0.5
Maximum Incentive for Priority Sector		1.5

- ii. Increase in RR incentive amount to banks extending People's Business Credit and MSME credit becomes the highest at 1% from the previous incentive of 0.5% with the following details:

Threshold of MIFR Value	Incentive (%)
≥10%-20%	0.1
>20%-30%	0.4
>30-50%	0.6
>50%	1

- iii. Incentive for green financing for property and motorized vehicles at 0.3% at the highest with the following details:

¹ Average credit/financing growth in priority sectors in the last quarter

Threshold ² for the Share of Green Financing	Incentive (%)
>0%-5%	0.15
>5%	0.3

3. Bank Indonesia evaluates incentive policy at least annually.

² Average share of green financing for property and motorized vehicles to the total property and motorized vehicles financing in the last quarter.