

Presentation Book  
**Investor Relation Unit  
Republic of Indonesia**

*“Strong and Resilient: Synergy of Higher and More Sustainable Growth”*

**February 2026**



# About Investor Relations Unit of the Republic of Indonesia



Investor Relations Unit (IRU) of the Republic of Indonesia has been established through a collaborative effort between the Coordinating Ministry of Economic Affairs, the Ministry of Finance and Bank Indonesia since 2005. The primary objective of IRU is to actively communicate Indonesian economic policies and to address the concerns of investors, particularly those in financial markets.

As an important part of its communication strategy, IRU maintains a website hosted under Bank Indonesia website, which is administered by the International Department of Bank Indonesia. However, day-to-day activities of IRU are supported by all relevant government agencies, among others: Bank Indonesia, Ministry of Finance, Coordinating Ministry for Economic Affairs, Ministry of Investment, Financial Services Authority, Ministry of State-Owned Enterprises, and The Committee for Acceleration of Priority Infrastructure Delivery.

IRU also actively engages with investors by organizing a monthly Investor Conference Call. Additionally, it promptly addresses inquiries through email and telephone channels. Furthermore, IRU may also facilitates direct visit of banks/financial institutions to Bank Indonesia and other relevant government offices. This multifaceted approach underscores the commitment of the IRU to foster transparent communication and address the needs of the investors.

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This Presentation Book is also available for download at: <https://www.bi.go.id/en/iru/presentation/default.aspx>

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## Section 1

# Indonesia's Story

*“Synergized Policy Framework to Safeguard  
Stability and Strengthening Economic Growth  
Amidst Global Uncertainties”*

# Synergized Policy Framework to Safeguard Stability and Support Sustainable Growth Amid Global Uncertainties



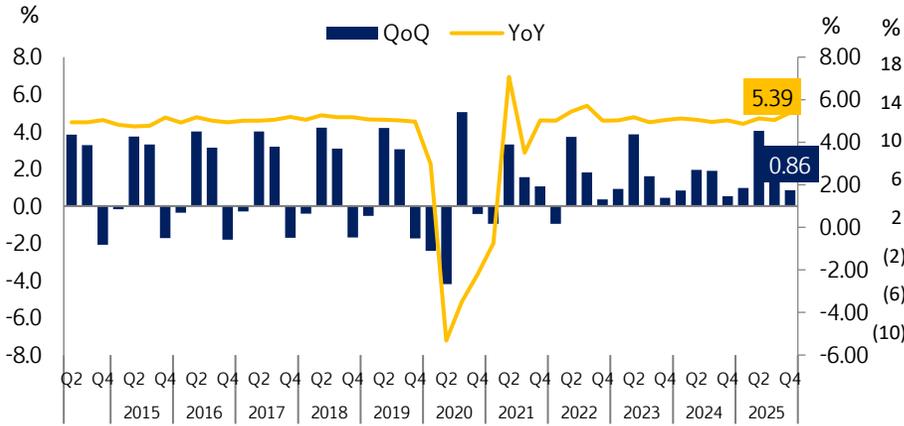
*Amidst global challenges, Indonesia continues to demonstrate strong resilience, supported by solid domestic demand, low and stable inflation, and a sound external sector with ample reserves. Fiscal policy also remains disciplined, with the 2025 deficit outlook contained at 2.92% of GDP and directed to support sustainable growth and job creation, further reinforced by the government's 8+4+5 policy package. Alongside central bank credible policy mix and ongoing structural reforms, Indonesia's investment-grade ratings underscores the country's policy credibility and attractiveness as a long-term investment destination.*

- **Solid growth:** Indonesia's economy continues to demonstrate resilience, the economy grew by 5.39% (yoy) in the fourth quarter of 2025, higher than the 5.04% (yoy) growth recorded in the previous quarter. With this development, Indonesia's economy as a whole expanded by 5.11% (yoy) in 2025, up from 5.03% (yoy) growth in the preceding year. Looking ahead, economic growth in 2026 is projected to strengthen to a range of 4.9–5.7% year-on-year, supported by stronger domestic demand in line with the policy mix implemented to continue promoting economic growth. The Government has launched the 8+4+5 policy package to further strengthen growth into 2026, as well as to create more jobs.
- **Low and stable inflation:** Inflation remains low and stable. The Consumer Price Index (CPI) stood at 3.55% (yoy) in January 2026, underpinning purchasing power and price stability.
- **Sound external sector:** The external sector remains sound, with sound Balance of Payments and a trade surplus of USD 2.51 billion in December 2025. This growth was primarily maintained due to a persistently solid non-oil and gas trade surplus. Foreign exchange reserves remain robust at USD154.6 billion, equivalent to 6.3 months of imports or 6.1 months of imports and the servicing of government external debt.
- **Fiscal Discipline:** Fiscal discipline remains intact. The 2025 fiscal deficit is projected at 2.92% of GDP in 2025, well below 3% threshold, alongside a low debt-to-GDP ratio. The 2026 budget continues this prudence, focusing on eight priority programs to drive growth while maintaining fiscal deficit below 3%.
- **Credible Policy Mix:** Bank Indonesia's policy mix continues to be strengthened to support economic growth and maintain economic stability. Since September 2024, the BI Rate has been reduced by 150 bps to 4.75%, its lowest level since 2022, supported by macroprudential and liquidity measures to boost credit and financing. Monetary easing, together with fiscal expansion, is expected to further stimulate the real sector and strengthen economic recovery.
- **Reform Commitment:** The Government remains committed to structural reforms aligned with the Asta Cita agenda. The key priorities focus on strengthening human capital and technology, improving governance and inclusion, and advancing industrial and sustainability transformation. Reforms in education, health, innovation, and bureaucracy aim to boost productivity and the business climate, while regional, downstreaming, and green-economy initiatives enhance value creation and resilience.
- **Sovereign Credit Rating:** Indonesia's sovereign credit rating remains at investment grade level BBB (Fitch and S&P) and Baa2 (Moody's).

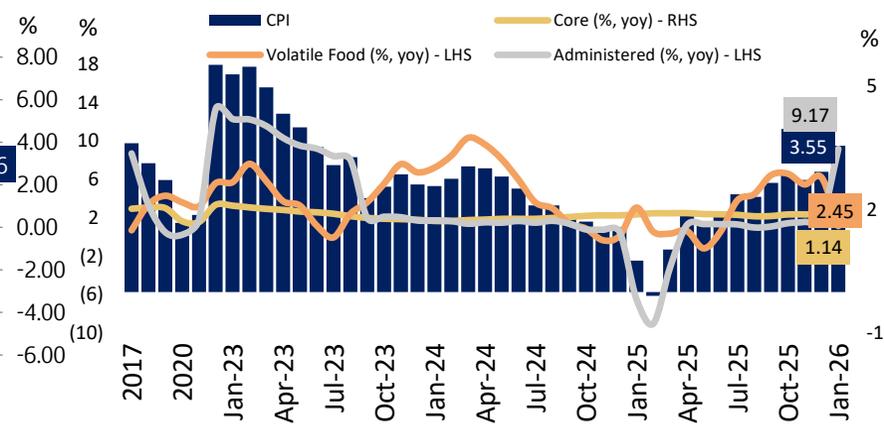
# Indonesia's Macroeconomy Remain Stable and Strong, Supported by Solid Growth, Anchored Inflation, Sound External and Fiscal Positions



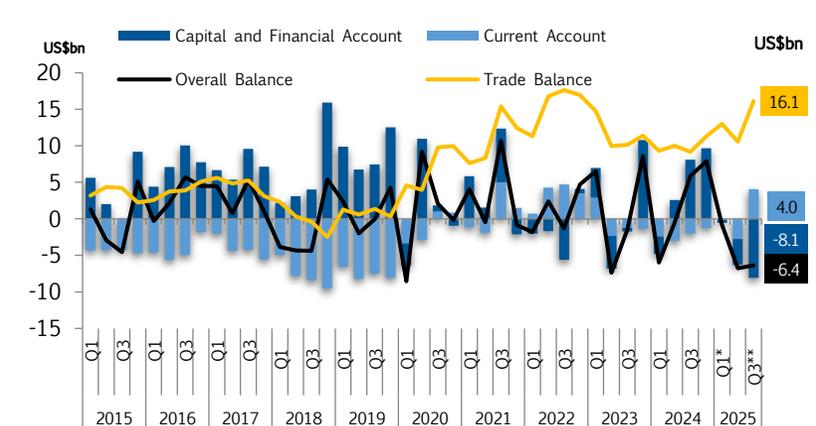
**Economic Growth in 2025 is Projected within 4.7%-5.5% range**



**Inflation that will Remain Maintained**

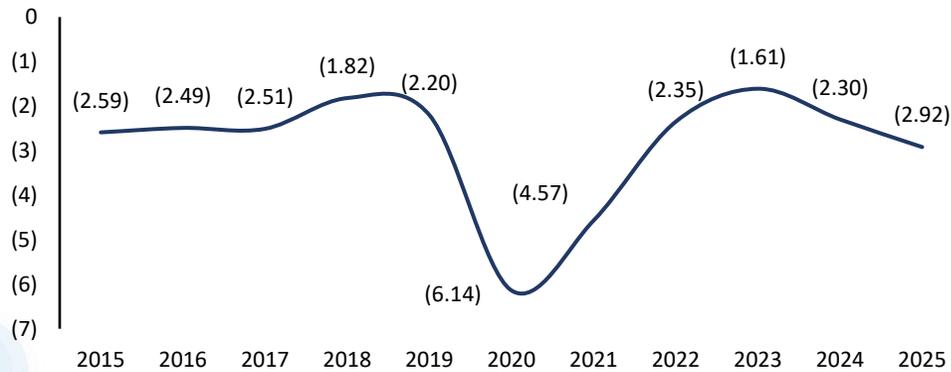


**Balance Of Payment Remains Solid**

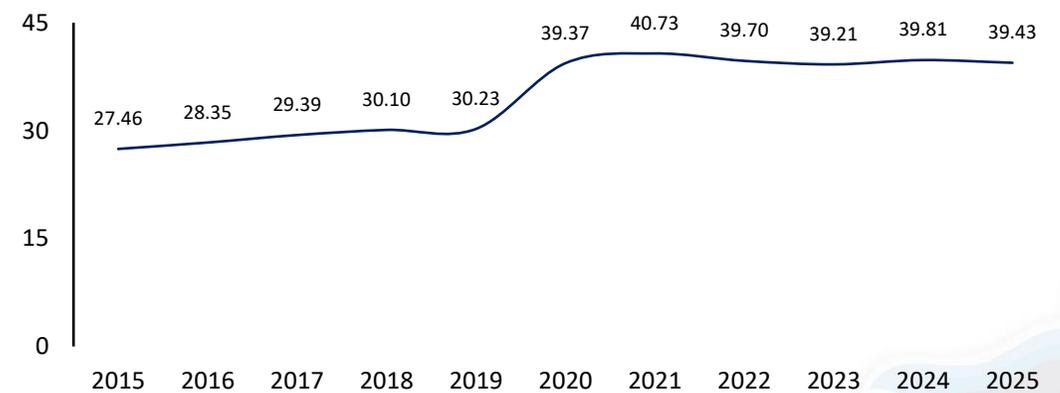


Source: BPS

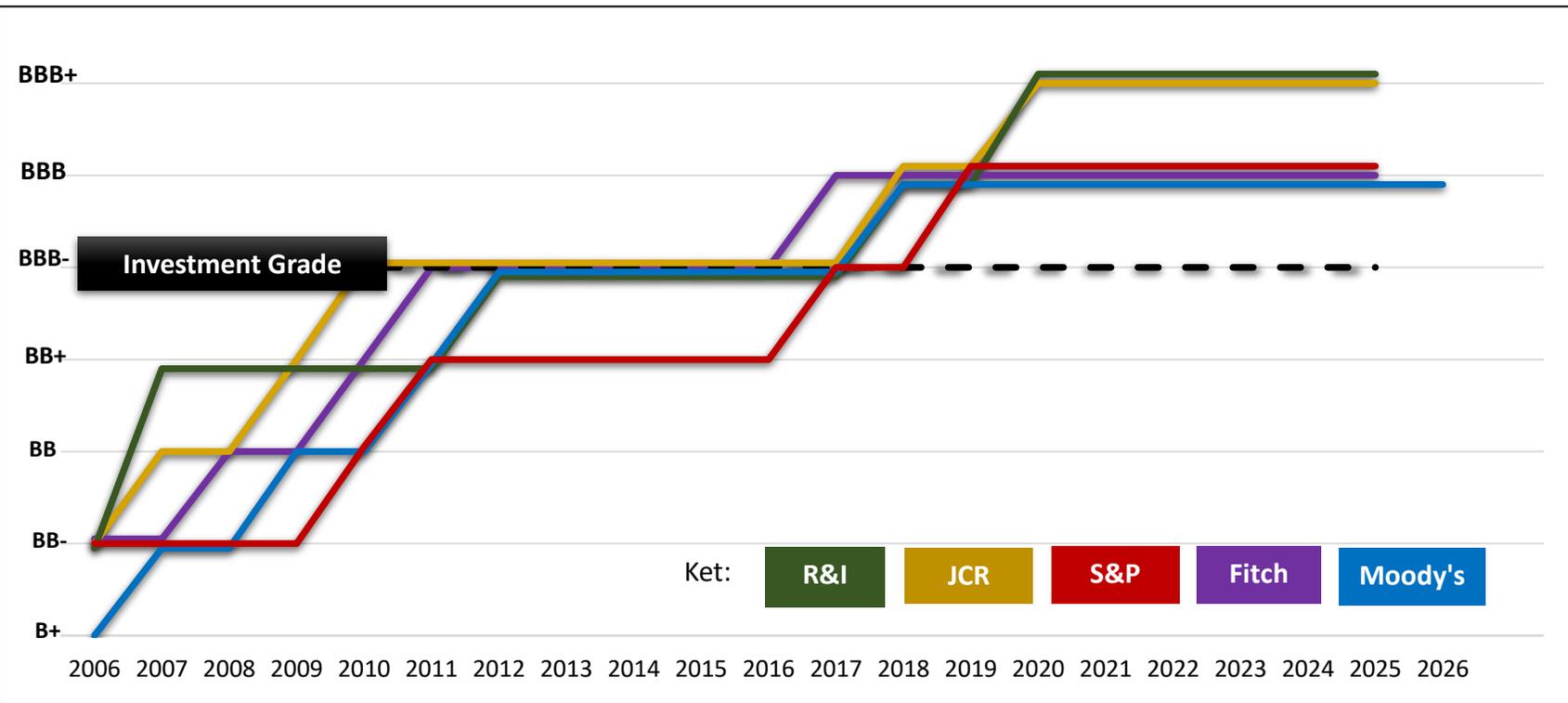
**A controlled deficit (% GDP)**



**Debt ratio is under control (% GDP)**



# Affirmation on Indonesia's Sovereign Credit Rating



**FitchRatings** BBB / Stable

**March 2025, Rating Affirmed at BBB/Stable Outlook**

*Indonesia's 'BBB' rating reflects the country's favorable medium-term growth outlook and low government debt/GDP ratio. The rating is primarily constrained by a weak government revenue intake and lagging structural features, such as GDP per capita and governance indicators compared with 'BBB' category peers.*

**S&P Global** BBB / Stable

**July 2025, Rating Affirmed at BBB/Stable Outlook**

*Indonesia's BBB rating reflects the country's robust economic growth prospects, prudent policy settings, and relatively low net external and government debt burdens. Meanwhile, the stable outlook is supported by the government's commitment to maintaining the 3% annual fiscal deficit ceiling as a policy anchor.*

**R&I** BBB+ / Stable

**October 2025, Rating Affirmed at BBB+/Stable Outlook**

*Indonesia's economic fundamentals remain resilient, supported by demographic expansion, abundant natural resources and growing manufacturing sectors. The economy has been on a relatively stable trajectory, with the inflation rate kept in check. The government debt ratio remains at a low level, reflecting the government's fiscal policy in accordance with fiscal rules. R&I has a view that prudent fiscal and monetary policies have been maintained so far under the Prabowo administration.*

**JCR** BBB+ / Stable

**September 2025, Rating Affirmed at BBB+/Stable Outlook**

*The ratings mainly reflect the country's solid domestic demand-led economic growth and restrained public debt. On the other hand, they are constrained by its weak revenue base. The economy's real GDP growth in 2024 remained at around 5%, the same level as the previous year. JCR holds that the government debt-GDP ratio, which rose due to measures aimed to combat the pandemic, will be maintained at current levels amid the ongoing fiscal consolidation efforts through tax reforms and budget allocation revisions.*

**MOODY'S** Baa2 / Stable

**February 2026, Rating Affirmed at Baa2/Negative Outlook**

*The rating affirmation highlights Indonesia's economic resilience, supported by solid growth, structural strengths, and a track record of credible monetary and prudent fiscal policies that underpin macroeconomic and financial stability. The outlook revision reflects the assessment of rising risks to policy predictability, which have not yet materially affected credit fundamentals but could weigh on performance if prolonged.*



Section 2

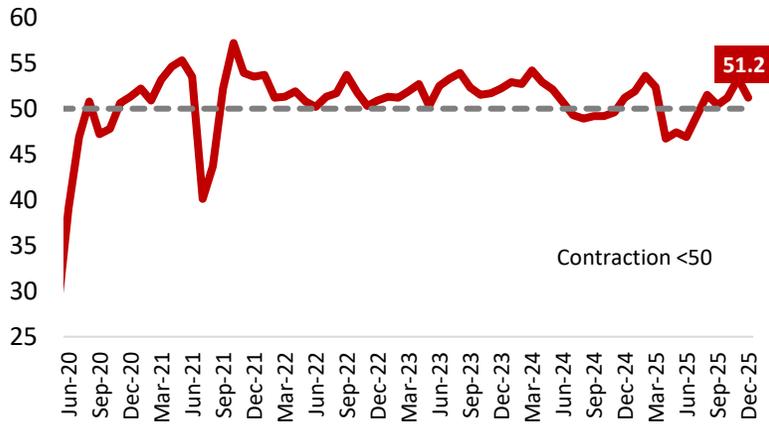
# Macroeconomic

*“Promising Growth Prospects  
Supported by Continued Economic  
Recovery Momentum”*

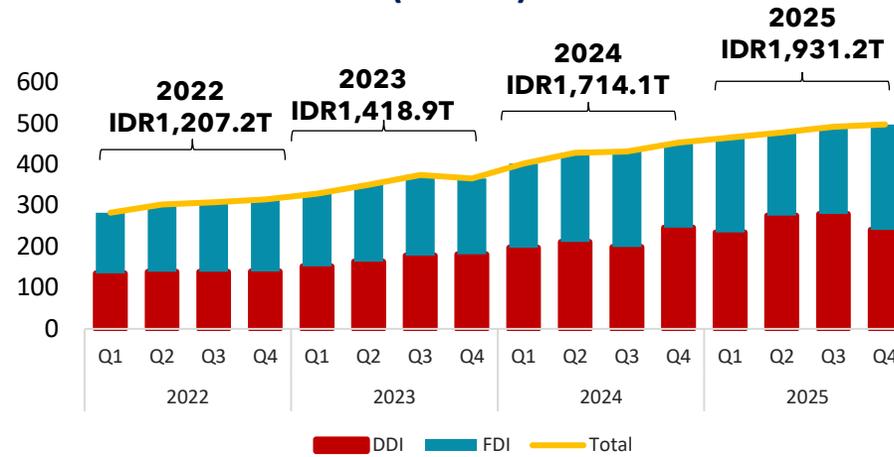
# Indonesia's Leading Indicators Exhibit Favorable Outlooks



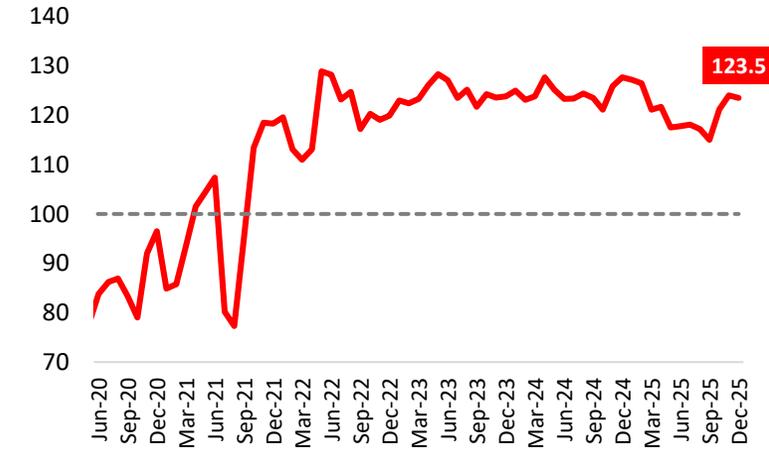
### Manufacturing PMI



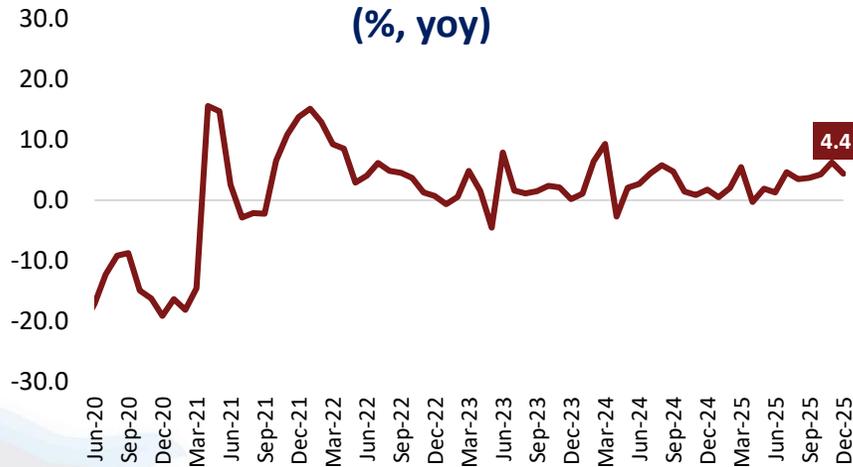
### Total Investment (IDR Tn)



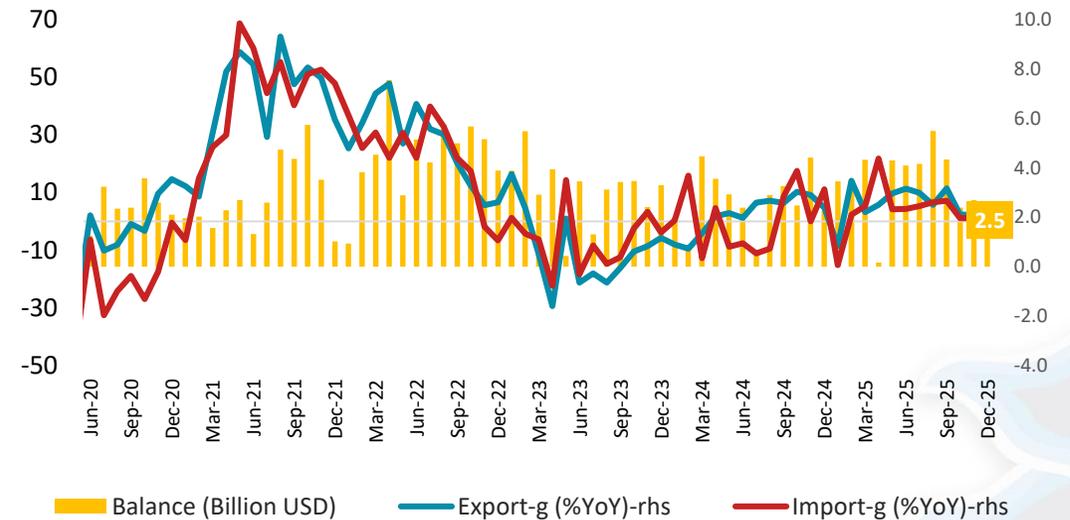
### Consumer Confidence Index



### Retail Sales (% yoy)



### Trade Balance (USD Bn)



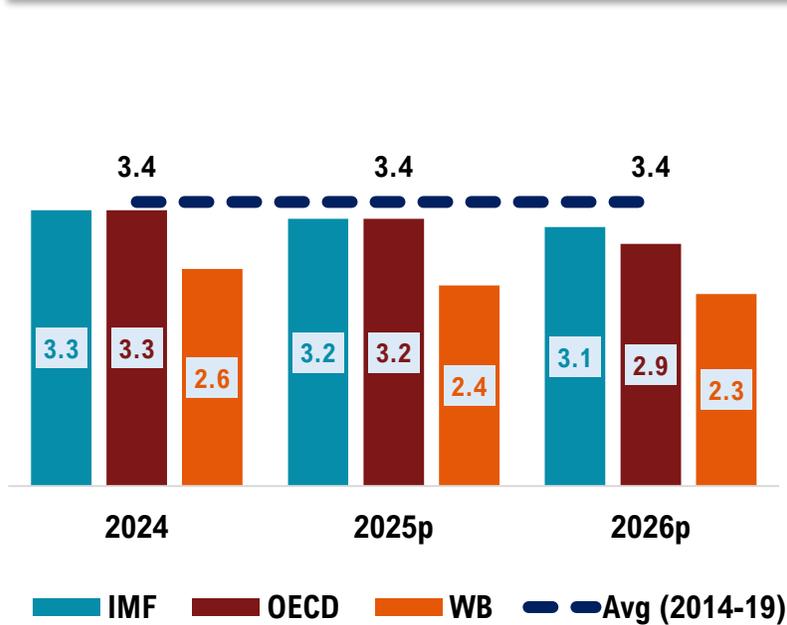
Sources: BI, BKPM, BPS, S&P

# Global Tensions Are Easing, yet Future Challenges Remain



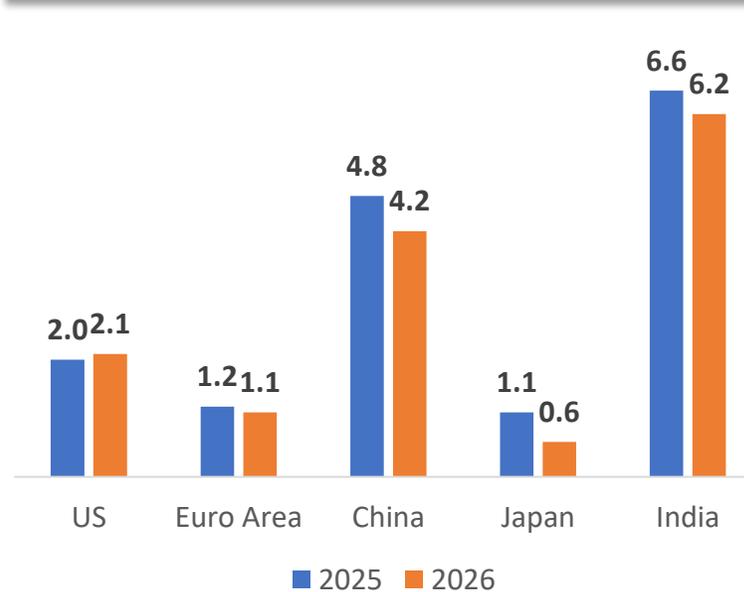
Global growth in 2025 and 2026 is projected to be stronger than earlier forecasts for 2025, supported by the easing of global tensions. However, challenges remain, particularly related to trade uncertainty, fiscal risks, and geopolitical developments. Overall, Indonesia's outlook appears relatively resilient compared with its peers.

Global GDP Growth Projection (% YoY)



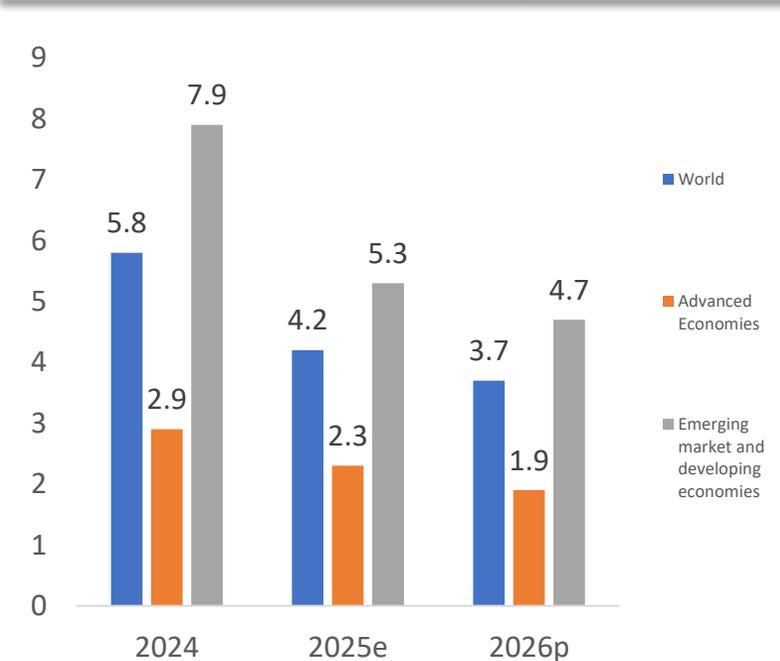
Source: EAP WB & WEO IMF Oct 2025, OECD Sept 2025

Estimated GDP Growth of Selected Country 2025-2026 (% YoY)



Source: WEO IMF Oct '25

Global Inflation Projection (Average CPI) (% YoY)



Source: WEO IMF Oct '25

## DOWNSIDE RISKS

- 1** Prolonged global Geopolitical tensions
- 2** Economic Fragmentation: divergent and rapidly shifting policy on a country + Monetary Tightening in Developed Countries
- 3** Market Volatility: financial instability and market correction
- 4** Fiscal strains - large deficits and high debt levels may trigger higher global interest rates
- 5** The rise of government protectionism policies
- 6** Increased pressure and volatility in the labour market

Source: WEO IMF Oct '25.



## 8 Programs: “8 Accelerated Programs in 2025”

1. **Government Assistance for College Graduates Internship Program:** Ministry of Manpower data: 4,894 companies, 44 institutions, and 92,583 vacancies, for up to 100,000 1-year fresh graduates.
2. **Government-borne Income Tax (PPH21) incentives for the tourism sector workers:** in the Oct-Dec 2025 Period: 552,000 workers.
3. **Food Assistance program:** Distribution progress: Rice: 6,776.2 tons (1.85%) of the ceiling of 365,541 tons. Cooking oil: 1,355.3 KL (1.85%) of the ceiling of 73,108 KL.
4. **Discount on Work Accident Insurance (JKK) and Death Insurance (JKM) Contributions:** for non-wage recipients in the transportation sector. Government Regulation (PP) draft is being prepared.
5. **Additional Service Benefits – Housing Program of BPJS Ketenagakerjaan:** Revision of the Minister of Manpower Regulation is under discussion; harmonisation is ongoing at the Ministry of Law and Human Rights.
6. **Program Padat Karya Tunai (Cash for Work):** Ministry of Transportation realization: 13,163 workers; and Ministry of Public Works realization: 197,972 workers.
7. **Deregulation Program (PP28/2025):** Acceleration of RDTR Integration into OSS. Additional digital RDTR integrated into OSS: target 100 new RDTR, with 17 RDTR realized to date.
8. **Urban Program (Jakarta Pilot Project):** Program identification is underway in each ministry/agency and SOE.

## 4 Programs: Carried Forward to 2026

1. **Adjustment of the Utilization Period and Beneficiaries of 0.5% Final Income Tax for MSME Taxpayers until 2029**
2. **Extension of Government-borne Income Tax (PPH 21) Incentives for Tourism Sector Workers and Labor-Intensive Industries (2026 budget)**
3. **Extension of the VAT DTP for the housing sector: extended until 2027**
4. **Extension and expansion of Discount on JKK and JKM Contributions for all Non-Wage Recipients (BPU)**

## 5 Programs: Employment Absorption

1. **Operasional for KDKMP (Koperasi Desa/ Kelurahan Merah Putih):** Ground-breaking has been carried out at 800 locations
2. **Value Chain Strengthening for Strategic Plantation and Agricultural Commodities, and Post-Harvest Infrastructure**
3. **Revitalisation of Northern Coast (Pantura) Shrimp Ponds, Integrated Shrimp Area in Waingapu, and Modernisation of Fishing Vessels**
4. **Kampung Nelayan Merah Putih” Program Stage-2 ABT process is ongoing in 35 locations**
5. **Fish Cultivation Development to support MBG in 500 districts/cities**

# Fiscal Incentives to Boost the Economy



The government provides fiscal incentives to create a conducive investment climate, especially for industry players in order to boost investment and strengthen domestic industrial structure

## TAX HOLIDAY & MINI TAX HOLIDAY

- ❑ Applicable to new investments, particularly in pioneer industries and core business activities.
- ❑ 18 eligible pioneer industries covering 169 KBLI classifications, strategically selected for their strong economic linkages, high added value, advanced technology adoption, and significant national economic impact.
- ❑ Corporate income tax incentives:
  - 100% corporate income tax exemption (full tax holiday) for up to 20 years, depending on the investment value.
  - Mini tax holiday: A 50% corporate income tax reduction for two years after the initial full exemption period.
  - After the tax holiday and mini tax holiday periods expire, investors remain eligible for a 50% reduction of the standard corporate income tax rate.
- ❑ Adjustment due to Global Minimum Tax (GMT) Implementation:
  - Indonesia has aligned its tax policies with the 15% Global Minimum Tax (GMT) framework set by the OECD/G20.
  - Companies benefiting from the Tax Holiday must comply with the minimum tax requirement, ensuring both regulatory stability and competitive investment incentives.

## TAX ALLOWANCE

- ❑ Aims to increase direct investment in specific business sectors or designated regions.
- ❑ Incentives include:
  - 30% net income reduction based on total investment over six years.
  - Accelerated depreciation and amortization.
  - Reduced income tax on dividends paid to foreign investors (10% or lower).
  - Compensation for losses of up to 10 years.
- ❑ Criteria include high investment value for export, significant labor absorption, or high local content.

## INVESTMENT ALLOWANCE

- ❑ Encourages investment in labor-intensive industries, supporting job creation and workforce absorption.
- ❑ Net income deduction of 60% of the investment in tangible fixed assets, including land, used for the taxpayer's main business activities.
- ❑ Deduction is spread over six years (10% annually) from the fiscal year when commercial production starts.
- ❑ Covers 45 labor-intensive industrial sectors, employing an average of 300 workers per tax year.

## SUPER DEDUCTION TAX

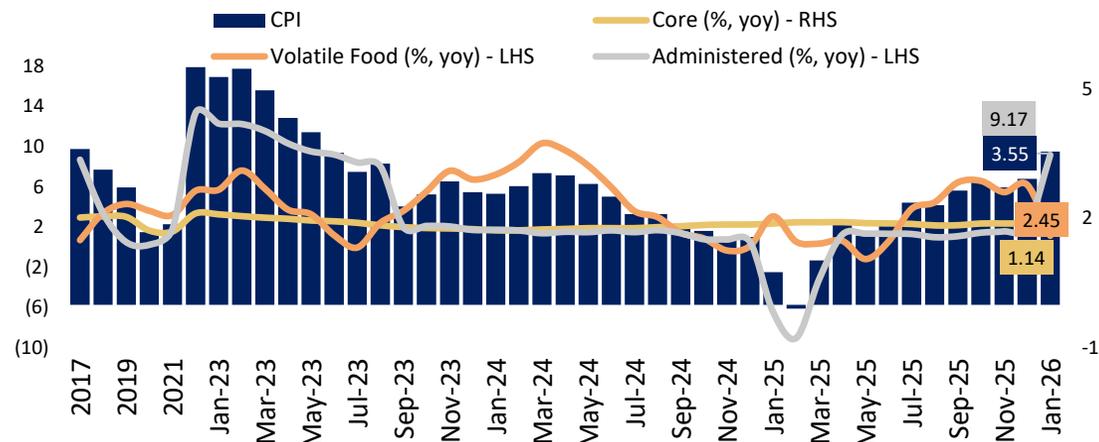
- Super Deduction for Vocational Activities
- ❑ Encourages industries to participate in vocational programs, facilitating knowledge transfer and skill development.
  - ❑ Maximum reduction of 200% in gross income for costs related to work practice, apprenticeships, and learning activities.
- R&D Super Deduction
- ❑ Supports industry-driven innovation and the adoption of the latest technology in production processes.
  - ❑ Maximum gross income deduction of 300% for eligible R&D expenditures in Indonesia.

# Inflation was Maintained



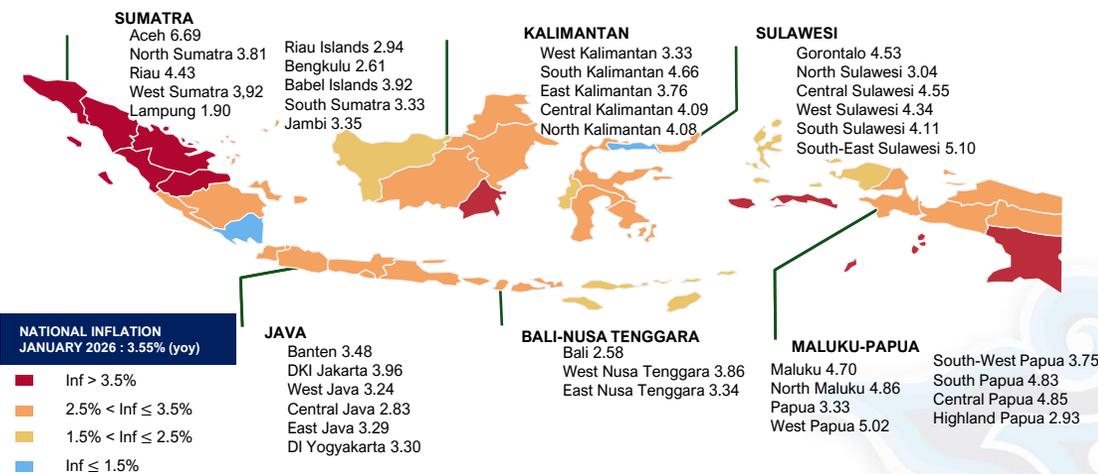
- Consumer Price Index (CPI) in January 2026 was slightly higher, recorded at 3.55% (yoy) although increased from 2.92% (yoy) in December 2025.**
  - Core inflation remained stable at 2.45% (yoy) from the previous month.
  - Volatile food (VF) fell to 1.14% (yoy) in the reporting period from 6.21% (yoy) the month earlier.
  - Administered prices (AP) inflation was recorded at 9.71% (yoy), higher than the 1.93% (yoy) posted in December 2025
- Bank Indonesia is confident that annual inflation in 2026 and 2027 will track a disinflationary trend and remain within the 2.5%±1% target corridor.** The projection is supported by monetary policy consistency and close inflation control synergy between Bank Indonesia and the (central and regional) Government within the Central and Regional Government Inflation Control Teams (TPIP and TPID), strengthening implementation of the National Food Security Program as well as the end of the base effect of low inflation recorded in January 2025 due to the discounted electricity tariffs introduced by the Government.

## CPI Inflation



Source: BPS

## Inflation Rate by Provinces



## 2026 Inflation Projection

Institutions	Inflation (% yoy)
2026 Budget	2.5
Bank Indonesia	2.5%±1%
Consensus Forecast (December 2025) – average	2.6
IMF (Oct 2025) – end of period	2.9

\*According to inflation data published by BPS-Statistics Indonesia based on the Cost-of-Living Survey (SBH) using 2022 as the new base year



## MONETARY POLICY

### Support for pro-stability and pro-growth monetary policies

- Stabilization of the Rupiah exchange rate through intervention in the foreign exchange market on spot transactions, Domestic Non-Deliverable Forward (DNDF), and Government Securities (SBN) in the secondary market;
- Monetary operations including optimization of Bank Indonesia Rupiah Securities (SRBI), Bank Indonesia Foreign Currency Securities (SVBI), and Bank Indonesia Foreign Currency Sukuk (SUVBI)



## FISCAL POLICY

### Optimization of State Budget as shock absorbers

- Energy Subsidies and Compensation
- Food Security Budget including optimization of Government Rice Reserves (SPHP distribution)
- Social Assistance Program, including food assistance
- Food distribution facilitation
- Optimization of APBD

## INFLATION CONTROL EFFORTS

K1

### Price Affordability



- Improving the implementation of cheap market operations/easy food movements and the Food Supply and Price Stabilization (SPHP) program
- Food assistance, social protection, subsidies and energy compensation

K2

### Supply Availability



- Strengthening Government Food Reserves (CPP)
- Access to KUR financing and Agricultural Machinery Credit
- Provision of subsidized fertilizers

K3

### Smooth Distribution



- Facilitating the distribution of strategic food commodities
- Optimizing the sea toll program to reach 3TP areas
- Providing assistance for logistics costs

K4

### Effective Communication



- Orchestration of TPID for regional inflation control efforts by the Ministry of Home Affairs through weekly coordination meetings
- Implementation of TPIP-TPID Coordination Meetings per region which are carried out back-to-back with GNPIP.



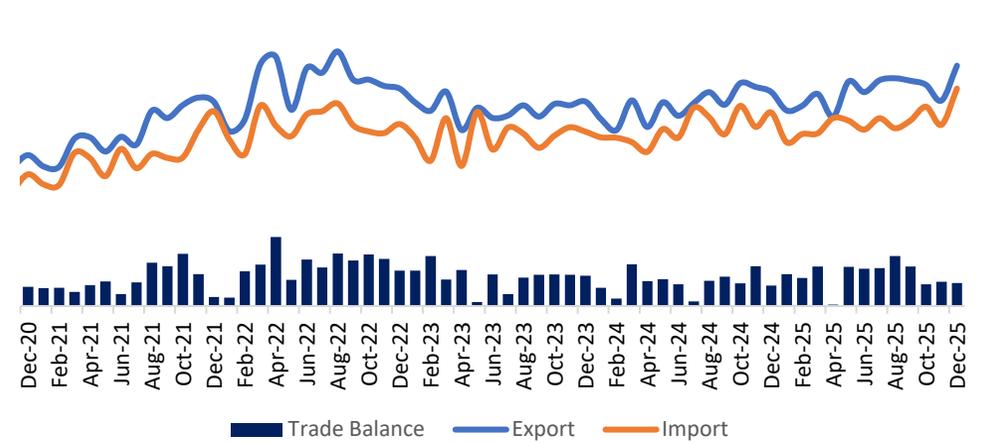
**CPI INFLATION**  
**2.5±1%**

**INFLATION 2026**  
**MAINTAIN WITHIN THE TARGET**



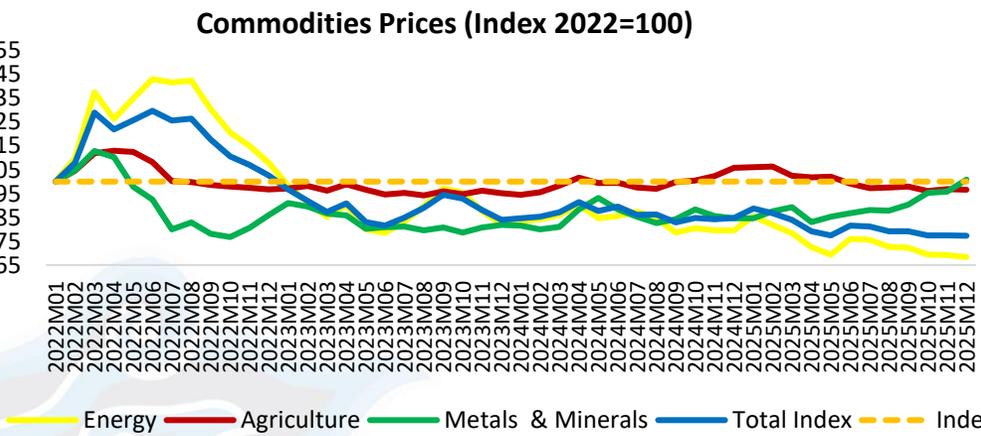
# Task Force for Increasing National Exports to Strengthen Trade Balance

**Performance of Indonesia's Export – Import (Billion USD)**



Source: BPS

**Commodities Prices Volatility**



Source: World Bank

VISION

TARGET

WORKING GROUP



**WG I**  
Increasing Productivity and Competitiveness of Export Industries

**WG II**  
Diplomacy, Promotion, and Development of Export Market

**WG III**  
Simplify, Synchronize, and Integrate of Export's Processes and Services

**WG IV**  
Export Financing

**WG V**  
Increasing MSME Exports

**WG VI**  
Regulations

**AMIDST GLOBAL UNCERTAINTY, INDONESIA STILL SUCCESSFULLY MAINTAIN A TRADE SURPLUS FOR 47 CONSECUTIVE MONTHS.**

DRIVERS

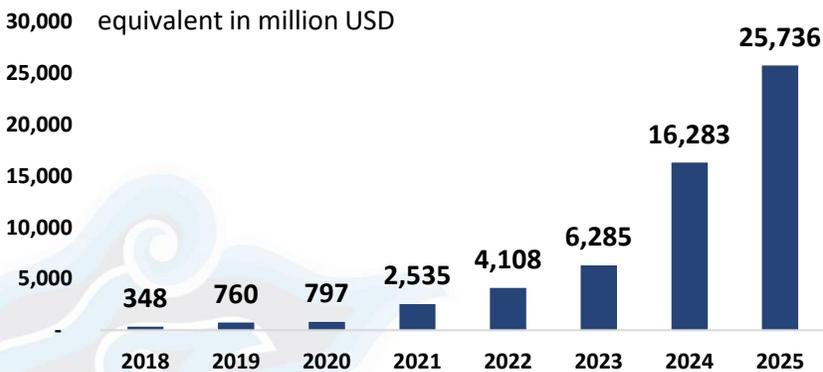
# Utilizing LCT to Maintain Indonesian Exchange Rate Stability



## 1 LCT transaction is growing...

- a) Currently, the implementation of Local Currency Transaction (LCT) cooperation between Indonesia has been established with Malaysia, Thailand, Japan, China, South Korea, and United Arab Emirates.
- b) LCT Indonesia with Singapore and India is currently in the finalization stage of the operational guidelines
- c) The total value of LCT transactions in 2025 reached the equivalent of USD 25.74 billion, representing a 1.58-fold increase compared with the total transactions recorded in 2024 (USD 16.28 billion)

## LCT transaction value (Eq. in Million USD)



Source: ACCD Banks' Report

## 2 ...by expanding line of business and participants...

Line of Business	Current Account, Capital Account, and Financial Account
Area of Cooperation	FX Market, Financial Market, and Cross-Border Payment
Expansion of Participants	a. LCT customer: Wholesale & retail b. ACCD* Banks, Payment Service Providers for Cross-Border Transaction, Portfolio Investment Company

\*Appointed Cross-Currency Dealer

## 3 ...as well as stronger strategic synergy with government agencies.

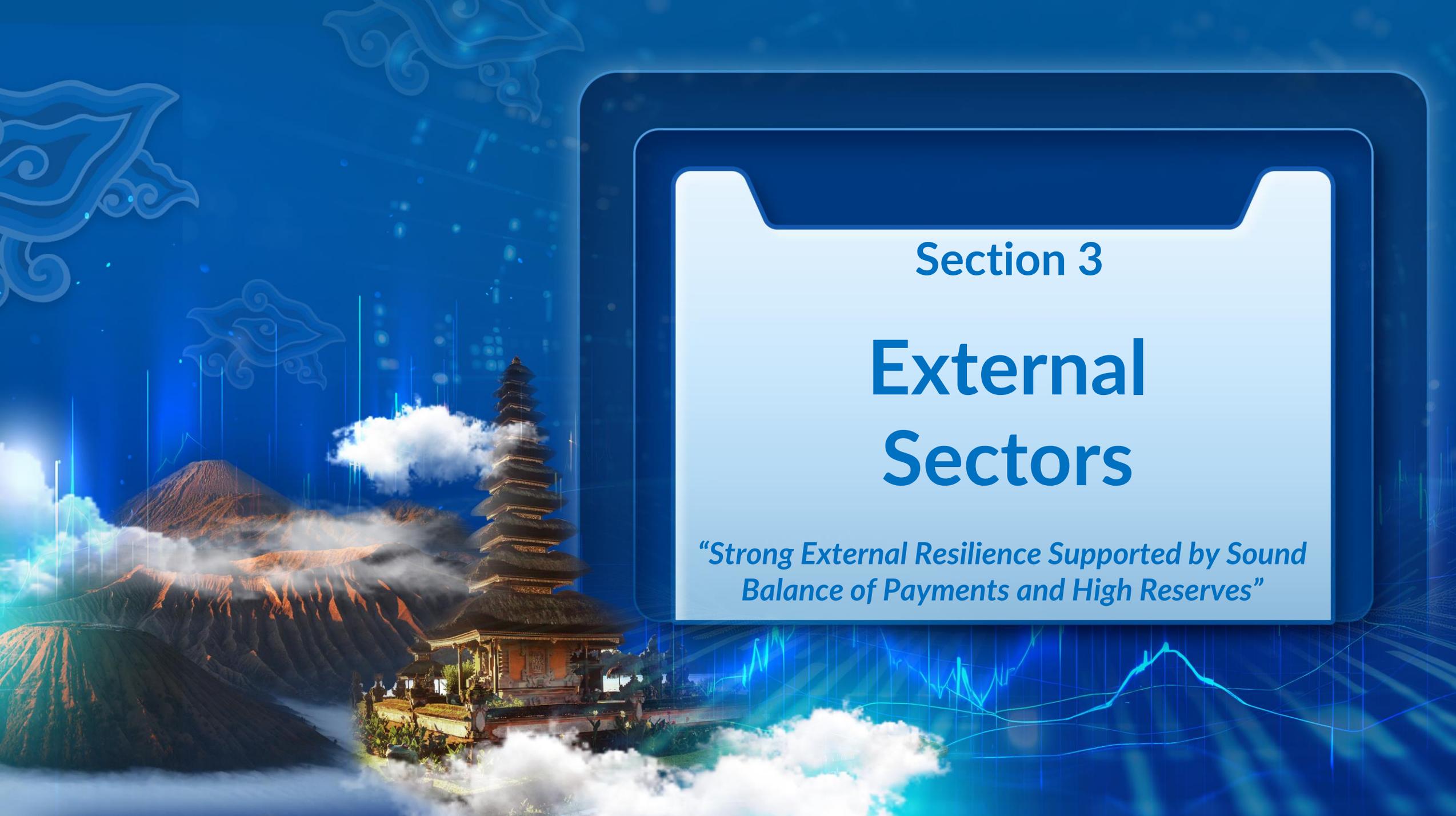


National Task Force on Local Currency Transaction



## Strategic Cooperation of National Task Force on Local Currency Transaction

- a) Trade and Direct Investment
- b) Banking and Financial Market
- c) Expansion usage of LCT and Cross-Border Payment



## Section 3

# External Sectors

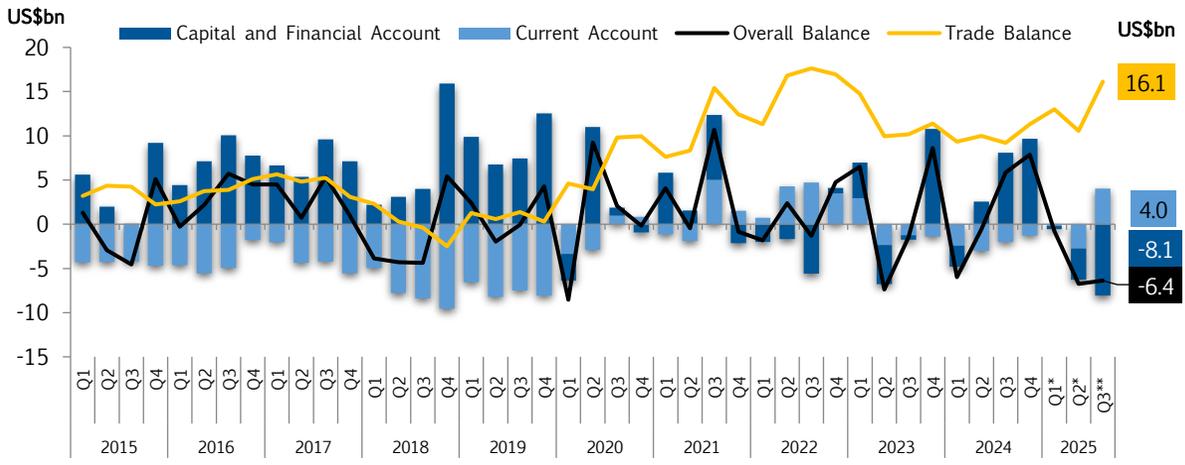
*“Strong External Resilience Supported by Sound  
Balance of Payments and High Reserves”*

# External Sector Remains Resilient

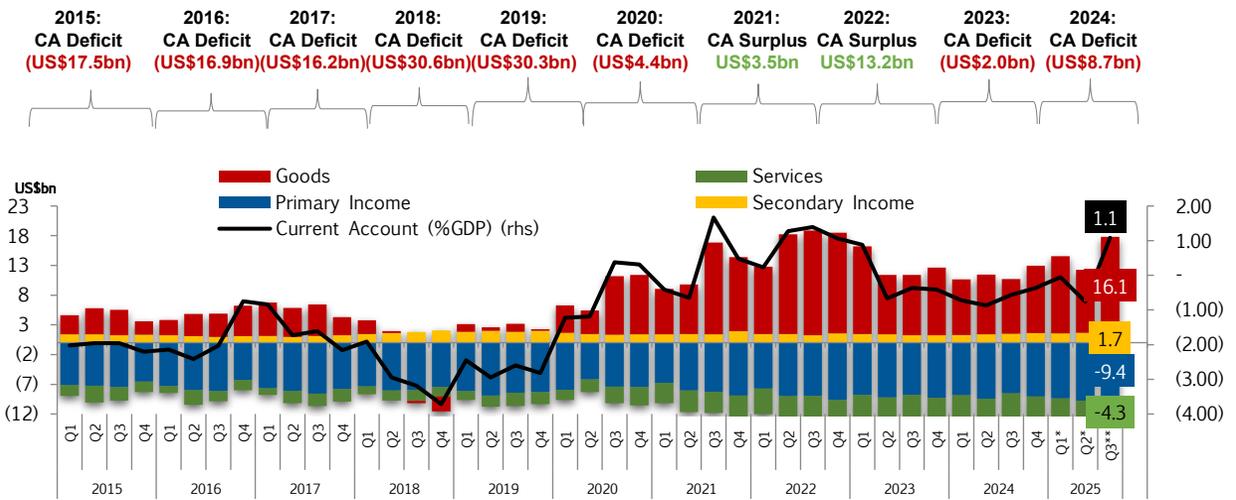
## ... Supported by Sound Balance of Payments and High Foreign Reserves



### Balance Of Payment Remains Solid

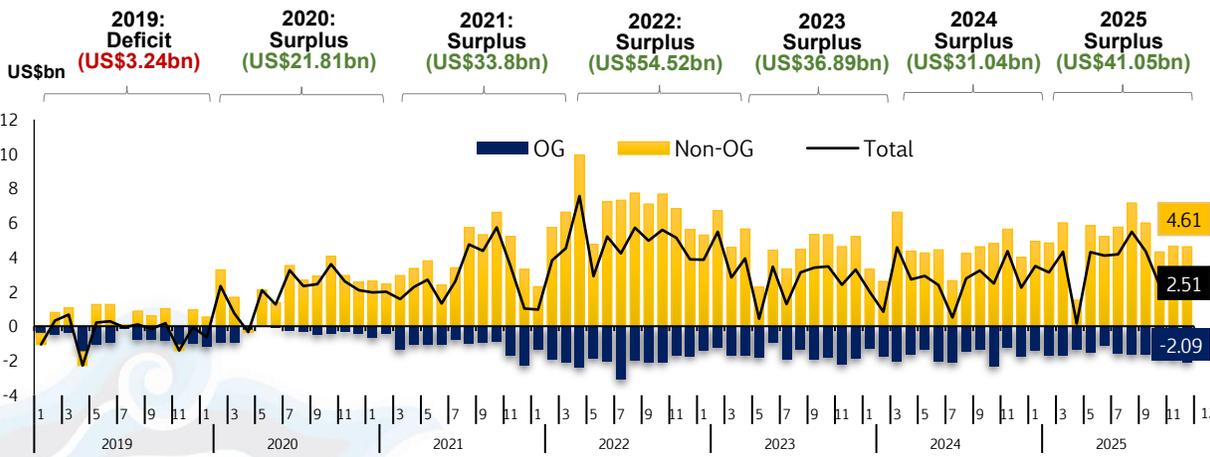


### Current Account Recorded Low Deficit

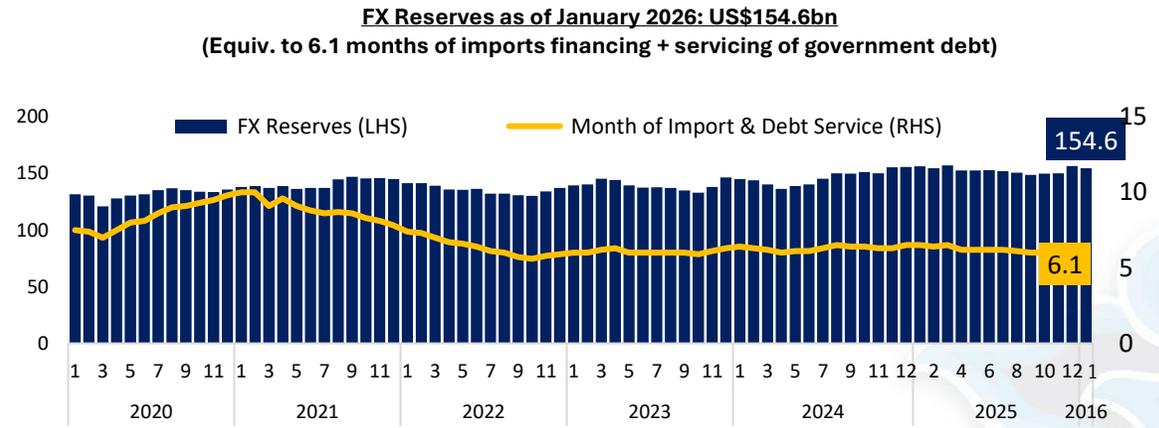


Source: Bank Indonesia

### Trade Balance Surplus Continues



### Official Reserve Assets Increased to Reinforce External Sector Resilience



Source Central Bureau of Statistics of Indonesia

\* Preliminary Figure

\*\* Very Preliminary Figure

Source: Bank Indonesia

# Ample Lines of Defense Against External Shocks

Bilateral, multilateral and regional international financial cooperation are also resulting in more ample lines of defense against external shocks



## Ample Reserves

### FX Reserve

- Ample level of FX reserves to buffer against external shock
- FX Reserves as of January 2026: **US\$154.6 bn**

## Swap Arrangement

### Bilateral

#### Japan

- Renewed a 3-year USD22.76 billion swap line with Japan in October 2024 (The facility is available in USD and JPY)

#### Singapore

- Renewed a 3-years SGD/Rp swap arrangement with the size up to SGD 9.5 bn / Rp 100 tn (equivalent) in November 2024

#### China

- Renewed a 3-year swap arrangement and increased the size of swap line up to CNY 400 bn / Rp 55 tn (equivalent) in January 2025

#### Malaysia

- Renewed a 5-year RM/Rp swap arrangement with a size up to RM 24 billion / Rp 82 trillion (equivalent) in October 2024

#### Korea

- Renewed BCSA with the Republic of Korea amounting to KRW10.7 trillion or Rp115 trillion (equiv) for 5-years in March 2026

### Regional

#### Chiang Mai Initiative Multilateralization (CMIM) Agreement

- Entitled to a maximum swap amount of US\$ 22.76 bn under the ASEAN+3 (Japan, China, and Korea) FX reserves pool created under the agreement
- Came into effect in 2010 with a pool of US\$120 bn
- Doubled to US\$240 bn effective July 2014

### Global

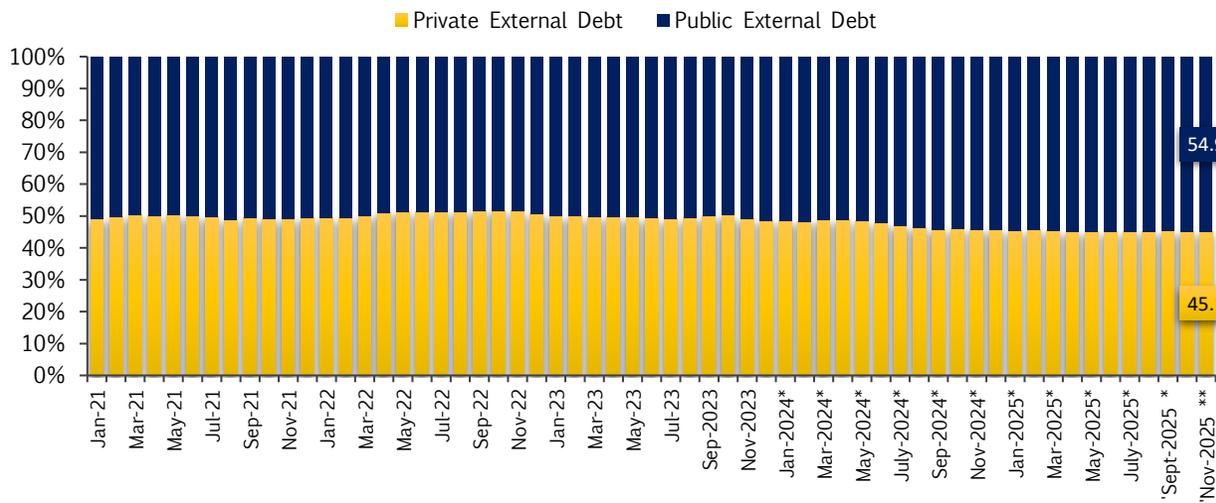
#### IMF Global Financial Safety Net - GSFN

- Indonesia is entitled to access IMF facilities for crisis prevention to address potential (actual) BOP problem
- Such facilities include Flexible Credit Line (FCL) and Precautionary and Liquidity Line (PLL)

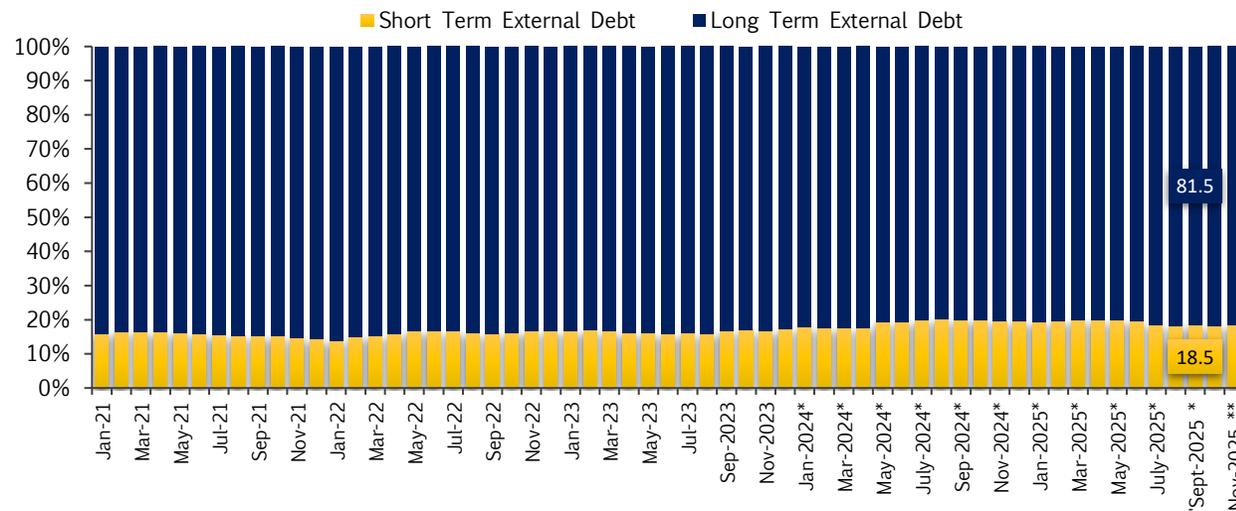
# Healthy External Debt Profile



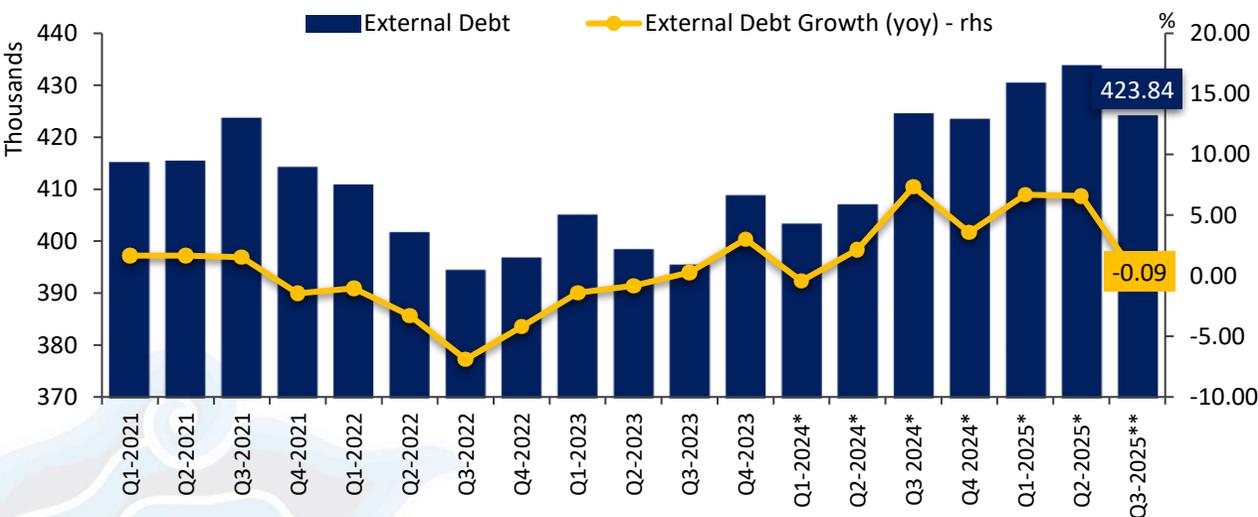
## External Debt Structure



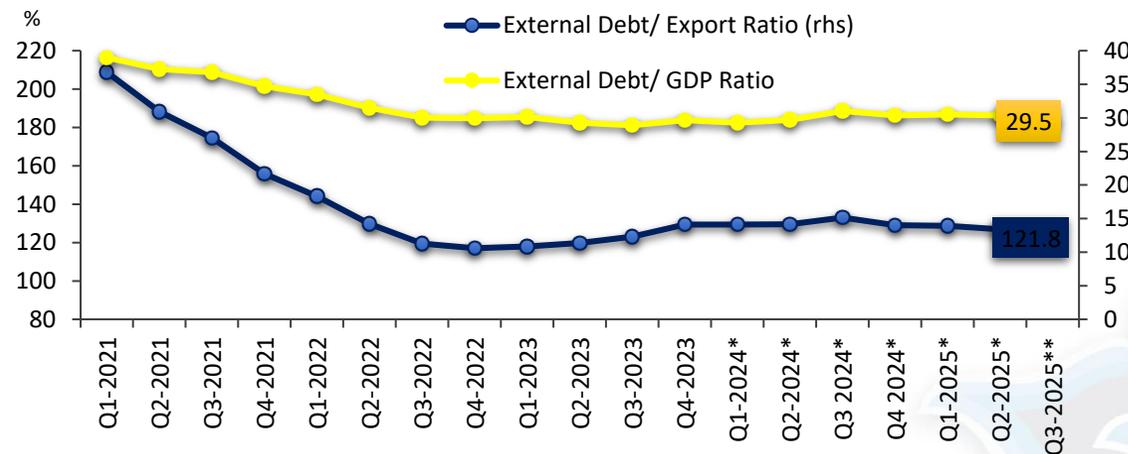
## The Structure of External Debt is Dominated by Long-Term Debt



## External Debt Remains Manageable



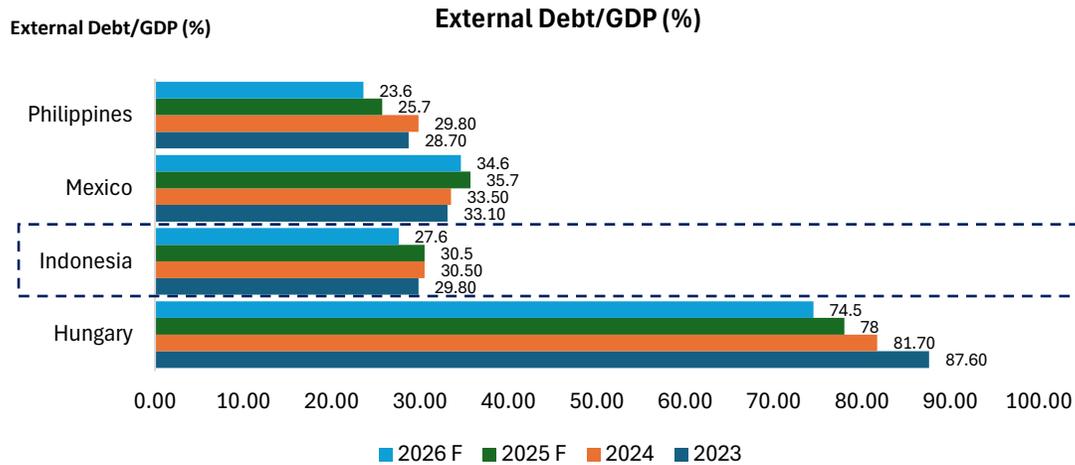
## External Debt to GDP Ratio & Debt to Export Ratio



# Strengthened Private External Debt Risk Management



## Lower Debt Burden Indicator (External Debt/GDP) Compared to Peers Rating



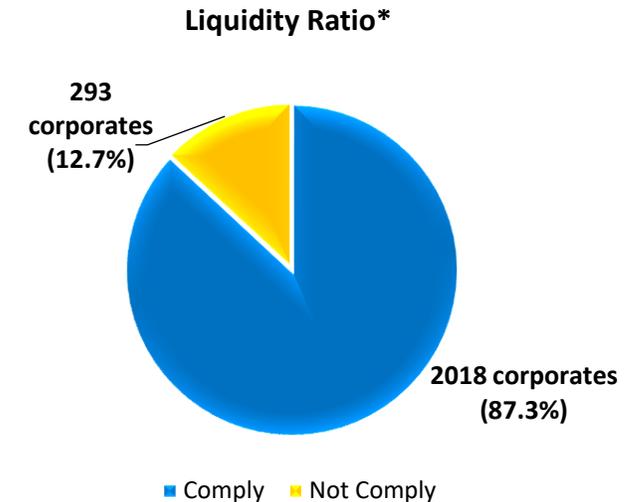
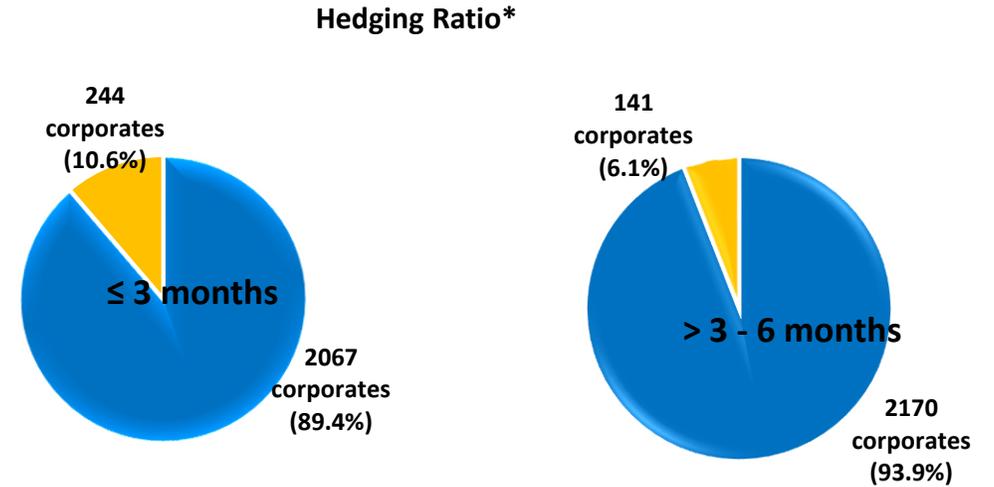
Source: Moody's Credit View Fundamental Data, Nov 2025

## Regulation on Prudential Principle in Managing External Debt

Regulation Key Points	1 Jan 17 & beyond
Object of Regulation	Governs all foreign currency Debt
Hedging Ratio	
≤ 3 months	25%
> 3 – 6 months	25%
Liquidity Ratio (≤ 3 months)	70%
Credit Rating	Minimum rating of BB- (State-owned Enterprises)
Hedging transaction to meet hedge ratio	Must be done with a bank in Indonesia
Sanction	Applied

Source: Bank Indonesia

## Encouraging Corporates Compliance on Hedging Ratio & Liquidity Ratio



\*Data as of Q2-2025, with total population 2,311 corporates  
Source: Bank Indonesia



## Section 4

# Fiscal

*“Solid Budget Performance with  
Strong Commitment to Maintain  
Fiscal Discipline”*

# The 2025 Budget

## Deficit Outlook at 2.78%



### Macroeconomic Assumption for the Budget

Indicator	Assumptions		
	2024 Budget	2024 Realization	2025 Budget
<b>Economic Growth</b> (%)	5.2	5.0	5.2
<b>Inflation</b> (%, yoy)	2.8	1.6	2.5
<b>10Y T-Bonds Rate</b> (%, average)	6.7	6.8	7.0
<b>Exchange rate</b> (Rp/US\$, average)	15,000	15,847	16,000
<b>Oil Price/ICP</b> (USD/barrel, average)	82	78.1	82
<b>Oil Lifting</b> (tbpd)	635	571.1	605
<b>Lifting Gas</b> (tboepd)	1,033	973	1,005

### The 2025 Budget Posture

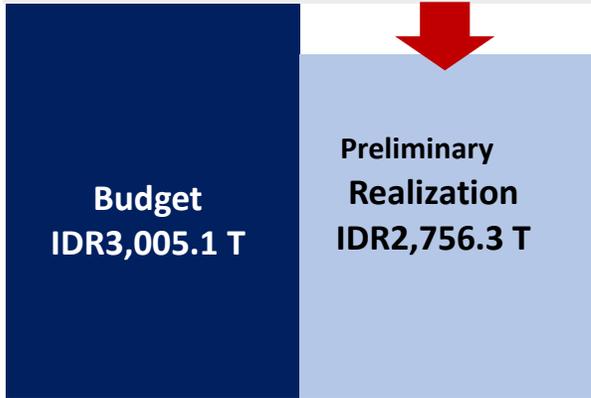
	Budget	Outlook
<b>A. Revenue</b>	<b>3,005.1</b>	<b>2,865.5</b>
I. Tax Revenue	2,490.9	2,387.3
1. Tax	2,189.3	2,076.9
2. Custom and Excise	301.6	310.4
II. Non-Tax Revenue	513.6	477.2
III. Grant	0.6	1.00
<b>B. Expenditure</b>	<b>3,621.3</b>	<b>3,527.5</b>
I. Central Government Expenditure	2,701.4	2,663.4
1. Line Ministries Expenditure	1,160.1	1,275.6
2. Non-Line-Ministries Expenditure	1,541.4	1,387.8
II. Transfer to Region	919.9	864.1
<b>C. Primary Balance</b>	<b>(63.3)</b>	<b>(109.8)</b>
<b>D. Surplus/(Deficit)</b>	<b>(616.2)</b>	<b>(662.0)</b>
<b>E. Financing</b>	<b>616.2</b>	<b>662.0</b>

# 2025 Expansionary Budget Supports The Economy And Safeguards Purchasing Power

Serving As A Shock Absorber And An Agent Of Development—while Maintaining Fiscal Sustainability



## State Revenue Remains Quite Challenging



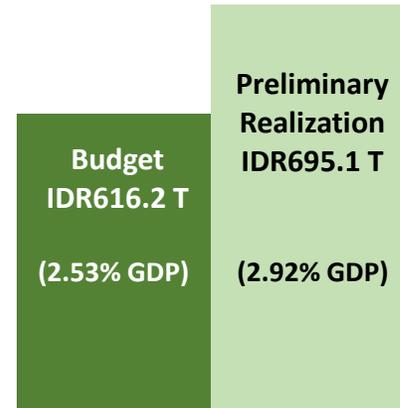
### Challenging Situation:

- Global trade and investment pressures
- Declining commodity prices

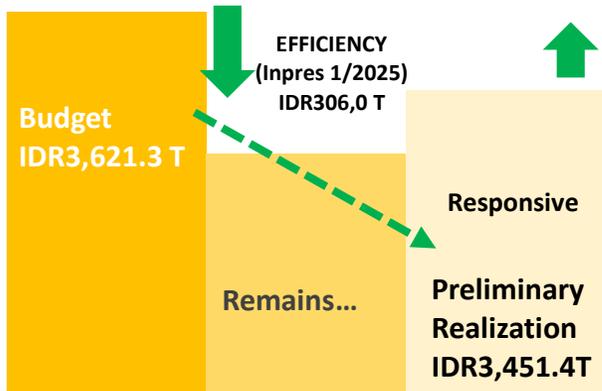
### Still Supporting the Domestic Economy:

- 12% VAT on luxury goods
- Refunds to support business liquidity
- State-owned enterprise (SOE) dividends (non-tax state revenue) redirected to Danantara

## DEFICIT “Expansionary & Measured”



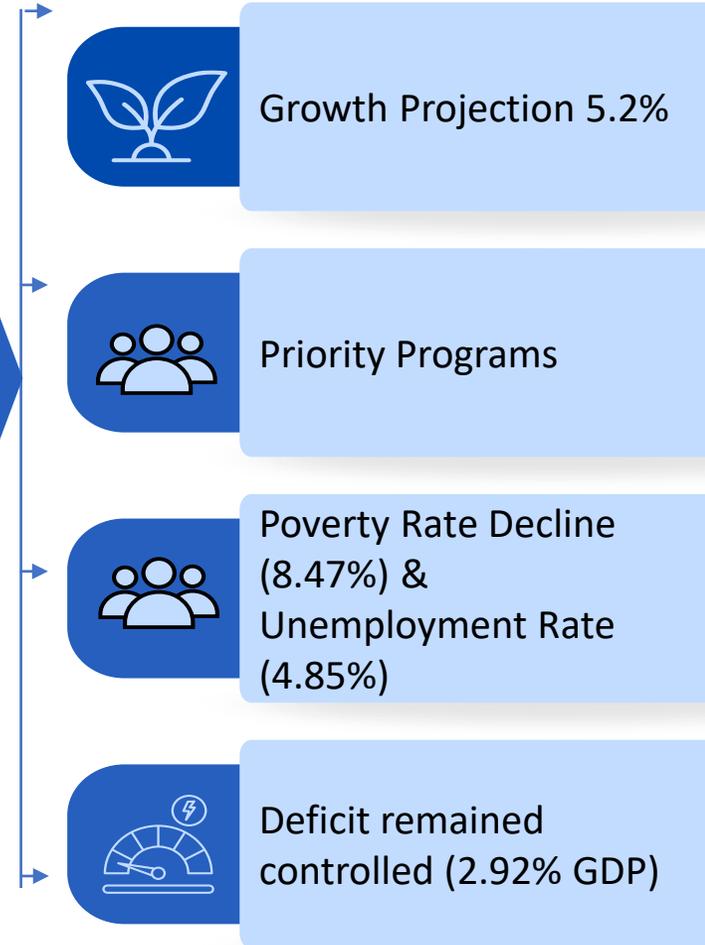
## State Expenditure: Responsive & Anticipatory



### Efficient, Continually Supporting the Economy & Welfare

- **Economic stimulus** for businesses
- **Social protection** for communities
- **Priority programs for structural improvements** (MBG, Community Schools, Free Health Checks)

## State Budget for the Economy and Welfare



# The Government Maintains Commitment to the 3% Deficit Ceiling For The State Budget



(in IDR tn)	2025			2026
	Budget	Preliminary Realization (31 Dec)	% Budget	Budget
<b>A. Revenue</b>	<b>3,005.1</b>	<b>2,756.3</b>	<b>91.7</b>	<b>3,153.6</b>
1. Taxation Revenue	2,490.9	2,217.9	89.0	2,693.7
1. Taxes	2,189.3	1,917.6	87.6	2,357.7
2. Custom and Excise	301.6	300.3	99.6	336.0
II. Non-Tax Revenue	513.6	534.1	104.0	459.2
<b>B. Expenditure</b>	<b>3,621.3</b>	<b>3451.4</b>	<b>95.3</b>	<b>3,842.7</b>
I. Central Government Expenditure	2,701.4	2,602.3	96.3	3,149.7
1. Line Ministries Expenditure	1,160.1	1,500.4	129.3	1,510.5
2. Non-Line-Ministries Expenditure	1,541.4	1,102.0	71.5	1,639.2
II. Transfer to Region	919.9	849.0	92.3	693,0
<b>C. Primary Balance</b>	<b>(63.3)</b>	<b>(180.7)</b>	<b>285.3</b>	<b>(89,7)</b>
<b>D. Surplus/ (Deficit)</b>	<b>(616.2)</b>	<b>-695,1</b>	<b>112.8</b>	<b>(689,1)</b>
<b>% Surplus/(Deficit) to GDP</b>	<b>(2.53)</b>	<b>(2.92)</b>		<b>(2,68)</b>
<b>E. Financing</b>	<b>616.2</b>	<b>744.0</b>	<b>120.7</b>	<b>689,1</b>



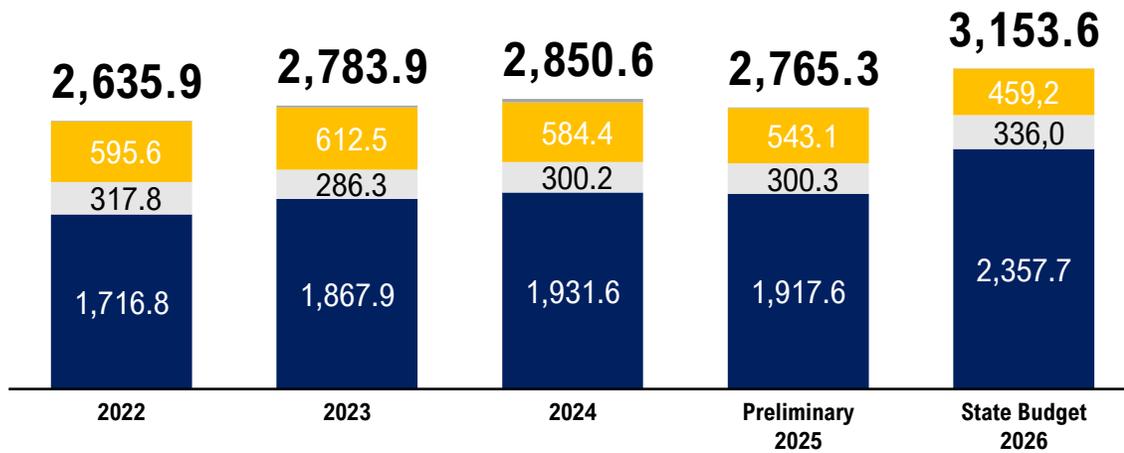
	INDICATORS	TARGET
	<b>Economic Growth</b> (% , yoy)	5.4
	<b>Inflation</b> (% , yoy)	2.5
	<b>Exchange Rate</b> (Rp/US\$)	16,500
	<b>10-Year Government Bond Yield</b> (%)	6.9
	<b>Indonesian Crude Oil Price</b> (USD/barrel)	70
	<b>Oil Lifting</b> (thousand barrels/day)	610
	<b>Gas Lifting</b> (thousand BOE/day)	984

	INDICATORS	TARGET
	<b>Open Unemployment Rate</b> (%)	4.44 – 4.96
	<b>Poverty Rate</b> (%)	6.5 – 7.5
	<b>Extreme Poverty Rate</b> (%)	0 – 0.5
	<b>Gini Ratio</b> (indeks)	0.377 – 0.380
	<b>Human Capital Index</b> (index)	0.57
	<b>Farmer Welfare Index</b> (Index)	0.7731
	<b>Proportion of Formal Job Creation</b> (%)	37.95
	<b>GNI per Capita</b> (USD)	5,520
	<b>Greenhouse Gas Emission Intensity</b> (%)	37.14
	<b>Environmental Quality Index</b> (Index)	76.67



## State Revenue

IDR Trillion



### Tax

1. Utilization of CORETAX and synergy in data exchange with Ministries/Agencies
2. Collection system for domestic and cross-border digital transactions
3. Joint programs in data analytics, supervision, audit, intelligence, and tax compliance
4. Providing incentives to support purchasing power, investment, and downstreaming

### Customs

1. Excise Policy on Tobacco Products and Excise Base Expansion
2. Intensification of Import Duties on International Trade
3. Export Duty Policy to Support Product Downstreaming
4. Law Enforcement to Combat the Circulation of Illegal Excise Goods and Smuggling

### Non-Tax Revenue

1. Optimization, governance improvement, innovation, supervision, and law enforcement in natural resources management
2. Strengthening synergy among Ministries/Agencies and the Mineral and Coal Information System (SIMBARA)

Ratio (% GDP)	2022	2023	2024	Preliminary 2025	State Budget 2026
Revenue Ratio	13.46	13.33	12.88	11.58	12.24
Taxation Ratio	10.39	10.31	10.08	9.31	10.47

# 2026 Central Government Expenditure for Priority Programs Rp1,360.2T

Strengthen economic fundamentals through improving the quality of human resources, strengthening purchasing power, and community business activities



## Education

- ✓ Salary, Non-Civil Servant TPG/TPD Rp64.9 T (Kemendikdasmen, Kemdiktisaintek, Kemenag).
- ✓ PIP/KIP Lectures/other scholarships IDR 66.5 T (Kemenag, Kemenkeu, Kemendiktisaintek, Kemendikdasmen).
- ✓ School Renovation/Revitalization Rp27,6 T (Kemen PU, Kemendikdasmen, dan Kemenag)
- ✓ People's School and Garuda Superior School Rp27,9 T (Kemen PU, Kemensos dan Kemendikdasmen)

## Cooperatives and MSMEs

- ✓ Merah Putih village/sub-district cooperative (Kemenkop)

## Health

- ✓ Family Hope Program (PKH) Rp28,7 T (Kemensos).
- ✓ Health Insurance Contribution Assistance Rp69,0 T (Kemenkes)
- ✓ Free Health Checks & TB, Hospital Revitalization Rp5,5 T (Kemenkes)
- ✓ Free Nutritious Meals Rp335,0 T (BGN)

## Food Security

- ✓ Food Barn Rp23,7 T (Kementan dan Kemen PU).
- ✓ Bulog and food reserves Rp33,0 T (Bapanas).
- ✓ National fishing and salt villages Rp6,7 T (Kemen KP).

## Infrastructure

- ✓ Road and Bridge Preservation Rp19,5 T (Kemen PU).
- ✓ Housing Rp49,0 T (Kemen PKP dan Kemenkeu)
- ✓ Dams & Irrigation Rp12 T (Kemen PU)

## Social Protection

- ✓ Non-Energy Subsidy, a.l. KUR and fertilizer subsidies Rp108,8 T (Kementan, Kemenhub, Kemenkeu dan Kemen UMKM).
- ✓ Energy Subsidy + Compensation Rp356,8 T (Kemen ESDM).
- ✓ Basic Food Card (BPNT) Rp43,8 T (Kemensos)

Source: Ministry of Finance, State Budget 2026



## TKD Policy Direction for FY 2026



TKD is allocated to support **essential personnel expenditures** and **operational functions** of regional governments.



TKD allocations take into account Special Autonomy arrangements for Aceh and Papua, the Special Region of Yogyakarta (DIY), as well as Revenue Sharing mechanisms.



Village Funds support the **establishment of “Merah Putih” Village Cooperative Program**



Revenue Sharing Funds (DBH) are **aligned with national spending priorities** and support the implementation of government priority programs.



Promoting **creative and innovative** financing mechanisms to support regional development.



Special Allocation Funds (DAK) support the development and delivery of **essential public services**

All Ministries and Agencies implementing priority programs are required to ensure alignment and effective synergy with regional governments.

## Central Government Spending (BPP) and TKD as an Integrated Framework to Strengthen Regional Development

**TKD 2026** **Rp693 T**

2025 TKD Inpres: Rp 869,28 T

### Breakdown:

- Rev Sharing (DBH): **Rp58,52 T**
- General Allocation (DAU): **Rp400,02 T**
- Specific Allocation (DAK): **Rp157,09 T**
- Special Autonomy (Dana Otsus&DTI): **Rp14,0 T**
- Special Region of Yogyakarta (Dais DIY): **Rp1,0 T**
- Villages Fund (Dana Desa): **Rp60,57 T**
- Fiscal Incentive (Insentif Fiskal): **Rp1,8 T**

### Fulfillment of Core Regional Government Expenditures



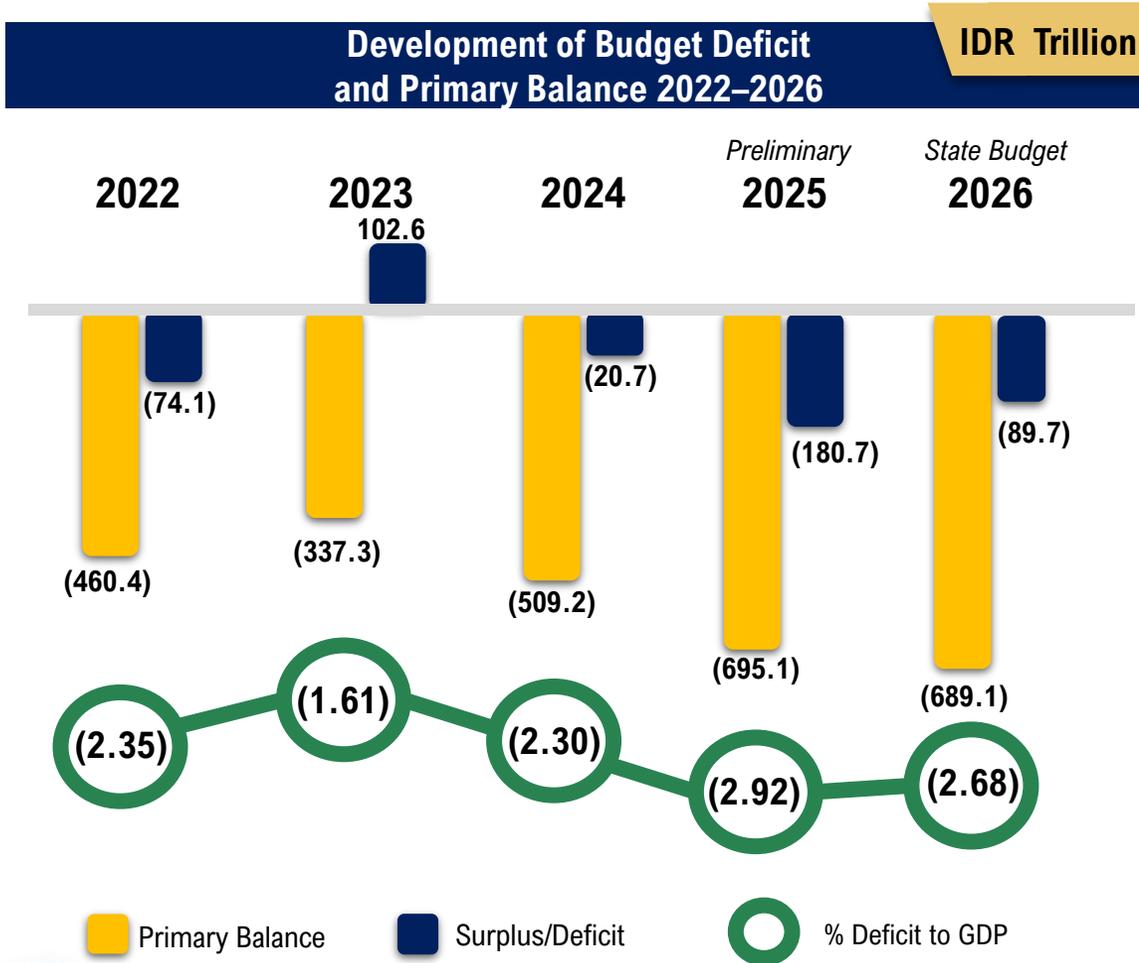
Salaries and Allowances for Regional Civil Servants



Operational Expenditures of Regional Government



Delivery of essential public services  
– Schools  
– Public Health Centers (Puskesmas)



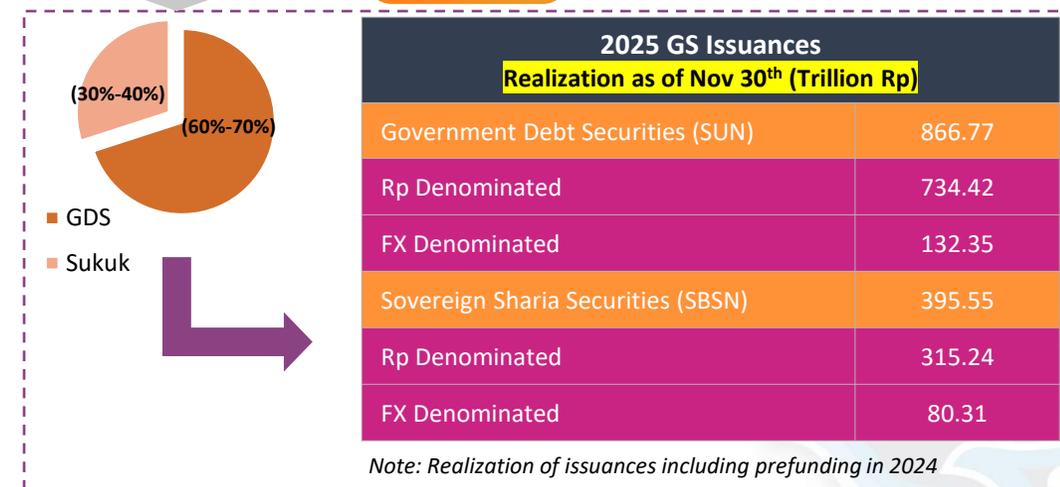
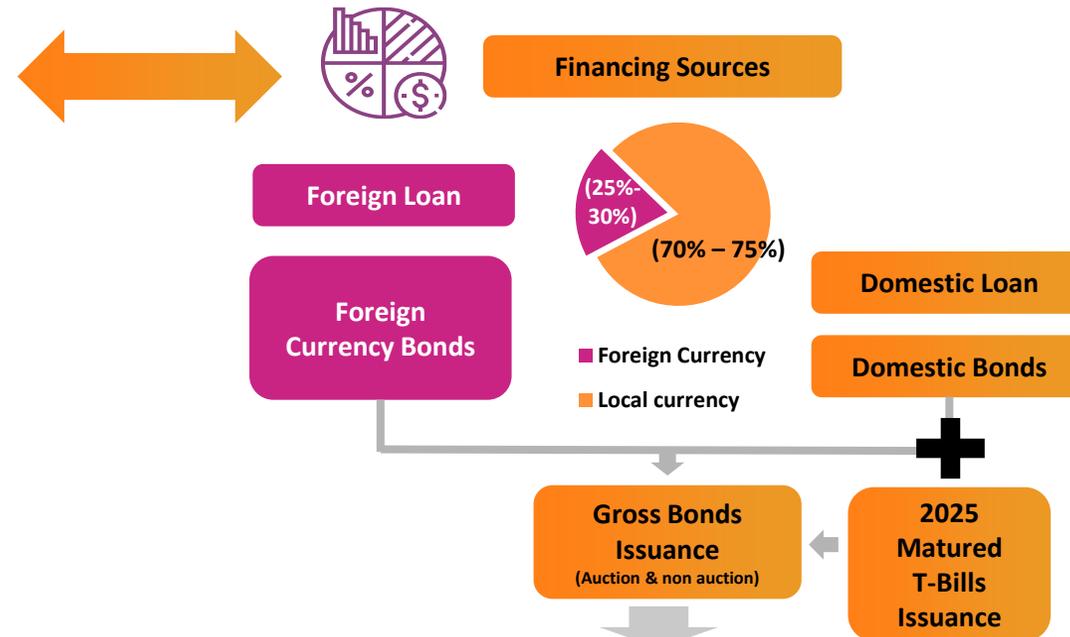
Budget Financing in the State Budget (APBN) FY 2026 amounts to IDR 689,1 trillion



## Budget Financing Policy 2026

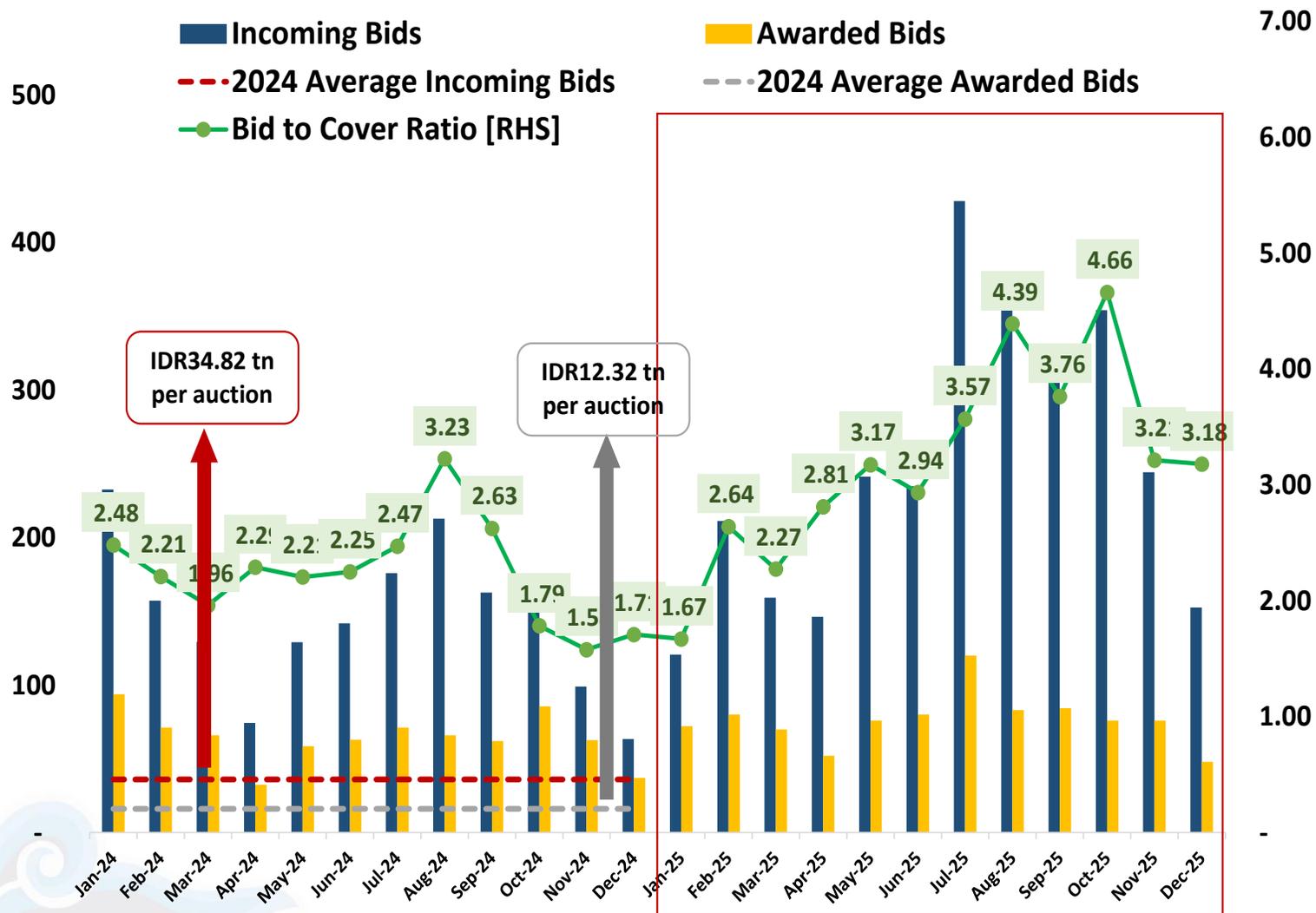
- **Maintaining debt-to-GDP ratio at safe limit and manageable.**
  - Prioritizing domestic debt sources
  - Developing innovative financing
  - Actively managing debt portfolio
- **Optimizing and synergizing** Public Service Agencies (BLU), Special Mission Vehicles (SMVs), Indonesian Investment Authority (INA), and Danantara Investment Management Agency (BPI)
- **Utilizing SAL** (Budget Surplus) as a fiscal buffer
- **Enhancing access to investment financing**
- **Deepening the domestic financial market**
- **Promoting innovative financing**, including Public-Private Partnerships (PPP)

# 2025 Financing Needs & Sources



# Primary Market Performance 2024 - 2025

## Government Securities (GS)



**In 2025 :**

- Average incoming bid is **IDR63.30 tn/auction**
- Average awarded bid is

# Ownership of Tradable Domestic GS



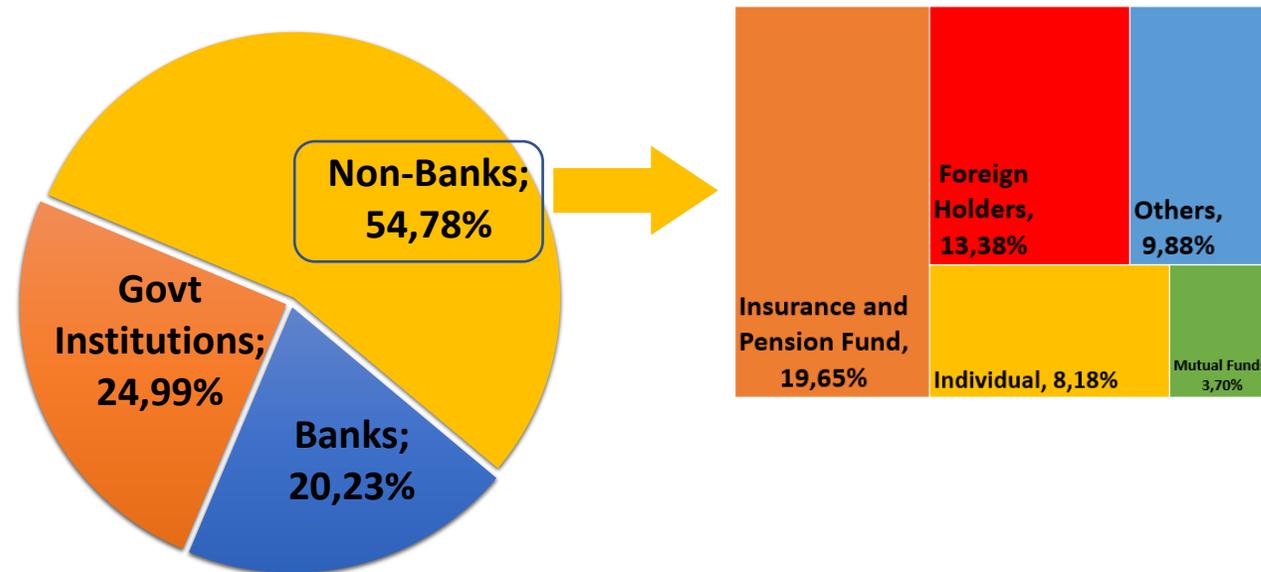
Description	Dec-20		Dec-21		Dec-22		Dec-23		Dec-24		Dec-25	
<b>Banks*</b>	1.375,57	35,54%	1.591,12	34,01%	1.697,43	31,97%	1.495,39	26,52%	1.051,40	17,41%	1.641,66	20,23%
<b>Govt Institutions (Bank Indonesia**)</b>	454,36	11,74%	801,46	17,13%	1.020,02	19,21%	1.095,51	19,43%	1.618,01	26,79%	1.641,66	24,99%
Bank Indonesia (gross)	874,88	22,60%	1.220,73	26,09%	1.453,58	27,38%	1.363,90	24,19%	1.486,85	24,62%	1.640,58	24,98%
GS used for Monetary Operation	420,51	10,86%	419,27	8,96%	433,57	8,17%	268,39	4,76%	(131,16)	-2,17%	(1,08)	-0,02%
<b>Non-Banks</b>	2.040,83	52,72%	2.286,40	48,87%	2.591,98	48,82%	3.048,51	54,06%	3.370,11	55,80%	3.598,51	54,78%
Mutual Funds	161,32	4,17%	157,93	3,38%	145,82	2,75%	177,80	3,15%	186,99	3,10%	242,96	3,70%
Insurance Company and Pension Fund	542,82	14,02%	655,24	14,00%	873,03	16,44%	1.041,40	18,47%	1.145,27	18,96%	1.290,67	19,65%
<b>Foreign Holders</b>	973,91	25,16%	891,34	19,05%	762,19	14,36%	842,05	14,93%	876,64	14,52%	878,65	13,38%
Foreign Govt's & Central Banks	178,31	4,61%	233,45	4,99%	203,11	3,83%	229,16	4,06%	257,36	4,26%	236,80	3,60%
Individual	131,21	3,39%	221,41	4,73%	344,30	6,48%	435,28	7,72%	542,50	8,98%	537,33	8,18%
Others	231,57	5,98%	360,47	7,70%	466,65	8,79%	551,98	9,79%	618,71	10,24%	648,90	9,88%
<b>Total</b>	<b>3.870,76</b>	<b>100%</b>	<b>4.678,98</b>	<b>100%</b>	<b>5.309,43</b>	<b>100%</b>	<b>5.639,41</b>	<b>100%</b>	<b>6.039,52</b>	<b>100%</b>	<b>6.568,81</b>	<b>100%</b>

**61.36%** Portion of foreign ownership in the mid & long term sector (≥ 5 years)

**IDR1,092.02** on January 24, 2020, foreign holders reach a record high in nominal terms

1) Non Resident consists of Private Bank, Fund/Asset Manager, Securities Company, Insurance Company, and Pension Fund.  
 2) Others such as Securities Company, Corporation, and Foundation.  
 \*) Including the Government Securities used in monetary operation with Bank Indonesia.  
 \*\*) net, excluding Government Securities used in monetary operation with Banks.

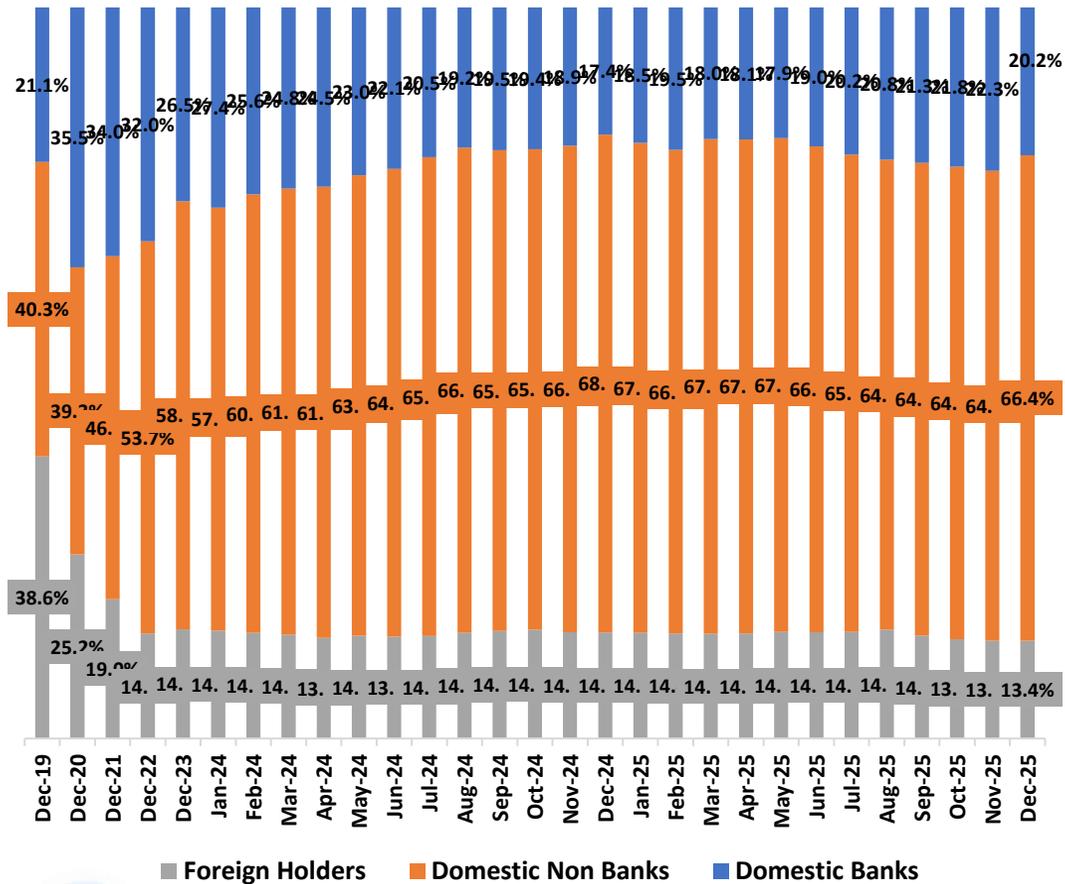
Source : SI-BISSSS



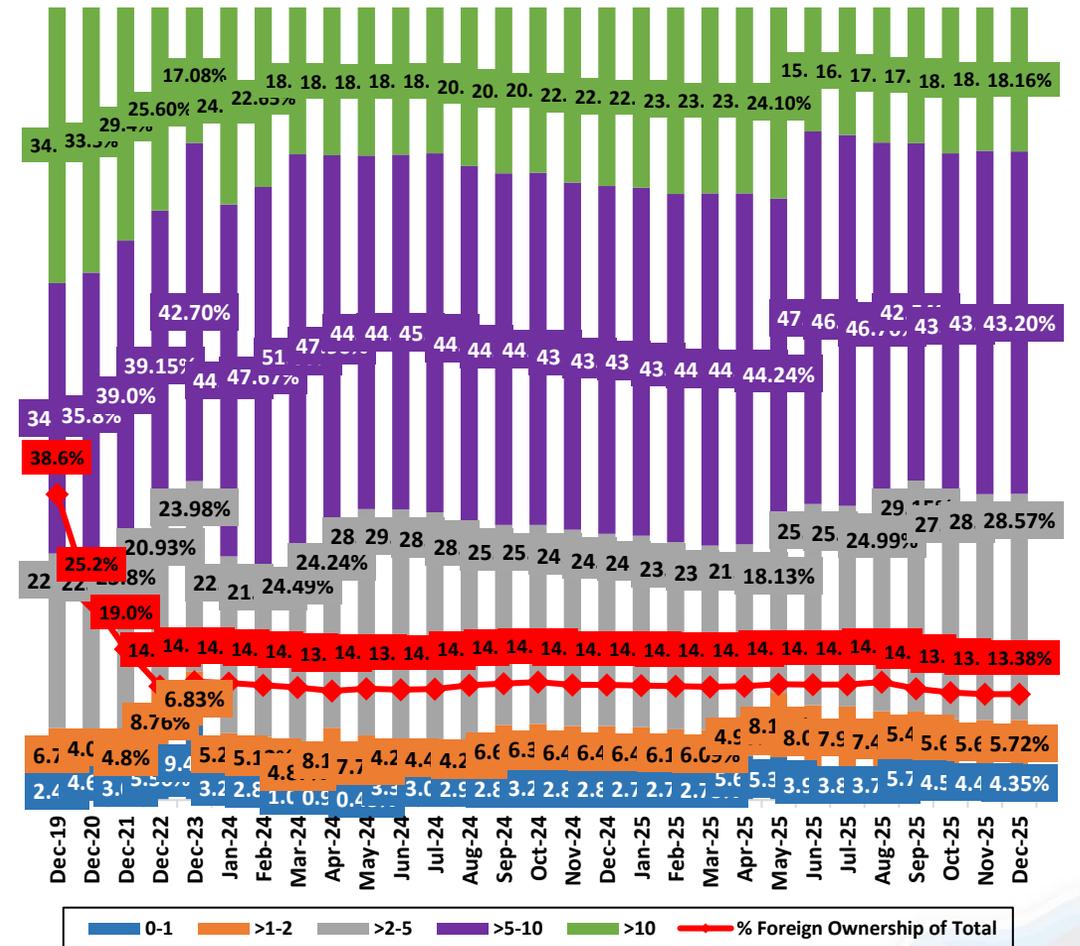
# Holders of Tradable Government Securities More Balance Ownership In Terms of Holders and Tenors



Holders of Tradable Gov't Domestic Debt Securities



Foreign Ownership of Gov't Domestic Debt Securities by Tenor



# Government Guarantee For Infrastructure Development

Reflects strong commitment to national infrastructure development



## Government Guarantee Program

<b>Credit Guarantee</b>	<ul style="list-style-type: none"> <li>• <b>Power (Electricity)</b> – Full credit guarantee for PT PLN’s debt payment obligations under FTP 1 10.000MW and 35GW programs*</li> <li>• <b>Clean water</b> – Guarantee for 70% of PDAM’s debt principal payment obligations</li> <li>• <b>Toll road</b> – Full credit guarantee for PT Hutama Karya’s debt payment obligations for the development of Sumatra Toll Roads</li> <li>• <b>Infrastructure</b> - Full credit guarantee on SOE’s borrowing from international financial institution &amp; financing guarantee for PT SMI’s local infrastructure</li> <li>• <b>Public Transportation (Light Rail Transit)</b> – Full credit guarantee for PT Kereta Api Indonesia’s debt payment obligations for the development of LRT Jabodebek</li> <li>• <b>Jakarta-Bandung High Speed Train</b> – Full credit guarantee in order to fulfill obligation of sharing amount of capital into joint corporation or to financing the cost overrun of KCJB project.</li> </ul>
<b>Business Viability Guarantee (BVG)</b>	<p><b>Power (Electricity)</b> – Guarantee for PT PLN’s obligations under Power Purchase Agreements with IPPs (off-take and political risk) under FTP-2 10.000MW and 35GW programs*</p>
<b>PPP Guarantee</b>	<p><b>Infrastructure</b> – Guarantee for Government-related entities obligations (line ministries, local governments, SOEs, local SOEs) under PPP contracts/agreements</p>
<b>Political Risk Guarantee</b>	<p><b>Infrastructure</b> – Guarantee for infrastructure risk of National Strategic Projects (Presidential Decree No.3/2016 and its changes) which are not covered by other type of guarantees</p>

## Contingent Liabilities from Government Guarantee as of Q2 2025\*\*

No	Central Government Guarantee for Infrastructure Programs	Exposure/ Outstanding (USD billion)
1	Coal Power Plant 10,000MW Fast Track Program (FTP 1)	0.02
2	Renewable energy, Coal and Gas Power Plant 10,000 MW (FTP 2)	3.99
3	Electricity Infrastructure Fast Track Program (35 GW)	5.63
4	Direct Lending from International Financial Institution to SOEs	3.28
5	Public –Private Partnerships (PPP)	6.78
6	Sumatera Toll Road	1.62
7	Light Rail Transit Jabodebek	1.40
8	Jakarta-Bandung High Speed Train	0.54
9	Clean Water Supply Program	0.01
10	Regional Infrastructure Financing	0.03
	<b>Total</b>	<b>23.29</b>

- Maximum new guarantee issuance for the period 2025-2029 is set at 0.6% of GDP per year.
- Starting from 2008 the Government has allocated a contingent budget with respect to these guarantees. The allocated fund is then transferred to a guarantee reserve fund. This reserve fund can be used to serve any claims that may arise from the guarantees.

\*) MOF provides both credit guarantees and BVGs for 35GW program

\*\*) Currency conversion of Rp16,233.00/USD1, Rp19,000.85/EUR1 and Rp 112.68/JPY1 (30 June 2025)

# 2025 Global Sukuk Transaction Summary

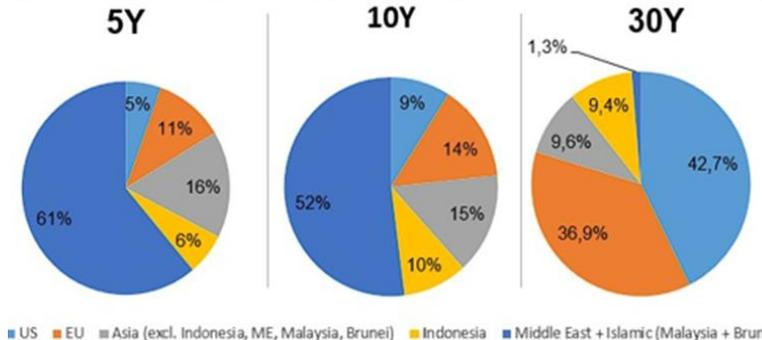
## (Prefunding)



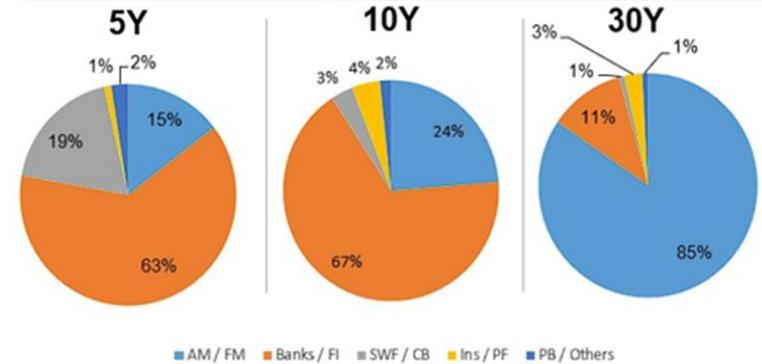
- The Republic of Indonesia (the "Republic") approached the markets for its second Sukuk issuance in 2024 and successfully priced a US\$ 2.75 billion Sukuk offering comprising of US\$ 1,100 million 5.5-year, US\$ 900 million 10-year, and a 30-year US\$ 750 million tranche.
- The transaction received positive response from investors since the start of bookbuilding, generating a combined final order book exceeding US\$ 5.5 billion reflecting an oversubscription of 2.0x. The transaction is priced at 5.0% for 5.5-year, 5.25% for 10-year, and 5.65% for 30-year tranche.
- Several notable achievements of this transaction include:
  - This marks the fourth time the Republic has accessed the USD debt capital markets, making it the sole Asian sovereign to successfully access the USD market four times throughout 2024 indicating sustained investor's interest in the Republic's issuance.
  - The final price represents the tightest ever print on a spread basis compared to U.S. Treasuries across the 10-year and 30-year tenors from the Republic for both its Conventional and Sukuk issuances historically.
  - The final order size is the largest USD issuance in ASEAN this year and helped the Republic raise a total of \$5.1 billion USD Sukuk Issuance, this marks the largest amount that the Republic has managed to raise in a single year via Sukuks historically.
  - Higher allocation to investors from Middle East, Malaysia, and Brunei on the 5.5-year and 10-year tranche.

ORDERBOOK DISTRIBUTION		
5-Year USD	10-Year USD	30-Year USD
<b>US\$ 2.09bn+</b> From 108 accounts	<b>US\$ 2.05bn+</b> From 94 accounts	<b>US\$ 1.41bn+</b> From 78 accounts

### INVESTORS BY GEOGRAPHY (ALLOCATION)



### INVESTORS BY TYPE (ALLOCATION)



Issue Format	144A / Reg S / 3 (c) (7), Senior, Unsecured, Wakala US\$ Trust Certificate ("Sukuk") issued under a US\$45 billion Trust Certificate Issuance Programme		
Issuer Ratings	Baa2 stable (Moody's) / BBB stable (S&P) / BBB stable (Fitch)		
Issue Ratings	Baa2 (Moody's) / BBB (S&P) / BBB (Fitch)		
Pricing Date	18 November 2024		
Issue Date	25 November 2024		
Tenor	5.5Y Sukuk	USD 10Y Sukuk	USD 30Y Sukuk
Maturity Date	25 May 2030	25 Nov 2034	25 Nov 2054
Tranche Size	USD 1.1 billion	USD 900 million	USD 750 million
Profit Rate	5.00% Fixed, Semi-annual, 30/360	5.25% Fixed, Semi-annual, 30/360	5.65% Fixed, Semi-annual 30/360
Re-Offer Price	100.00%	100.00%	100.00%
Reoffer Spread	UST + 72 bps	UST + 83.4 bps	UST + 103.8 bps
Reg S ISIN	USY68613AD30	USY68613AE13	USY68613AF87
144A ISIN	US71567TAD46	US71567TAE29	US71567TAF93
Use of Proceeds	The Obligor will use the net proceeds it receives from the issue of Certificates to meet part of its general financing requirements		
Other Details	USD200k/1k denoms., English / Indonesian Law		
Listing	Singapore Exchange Securities Trading Limited and Nasdaq Dubai		
Joint Bookrunners	Deutsche Bank, Dubai Islamic Bank, J.P. Morgan, KFH Capital, Standard Chartered Bank (B&D)		
Co-Managers	PT BRI Danareksa Sekuritas and PT Trimegah Sekuritas Indonesia Tbk		

Confidential

# SEC16 - Global Bond Transaction Summary

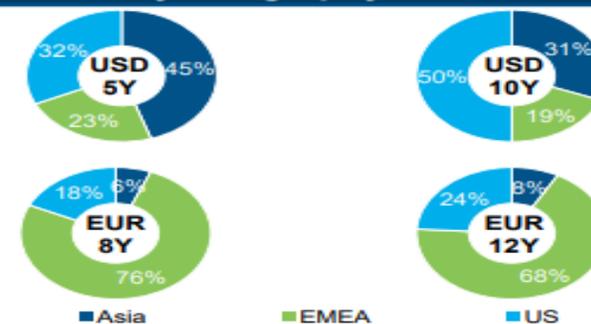


- **Landmark return to the USD and EUR Capital Markets** – The transaction marked the Republic’s return to the G3 primary markets in just less than two months, demonstrating the Republic’s strong access to the international capital markets and a testament to the high credit quality. This represented the Republic’s largest deal printed in the international markets since 2021, surpassing the initial target size and meeting the Republic’s price objectives.
- **First-mover advantage to capitalize on deep investor liquidity in the full opening week of 2025** – The Republic is the first sovereign issuer to open the Asia ex-Japan G3 bond market this year, on the back of generally positive risk sentiment and global macro backdrop.
- **High-quality robust orderbook laid foundations for a sharp pricing outcome** – Initial Price Guidance (IPG) was announced for the USD tranches at Asia open, followed by IPG for EUR tranches at London open within the same day.

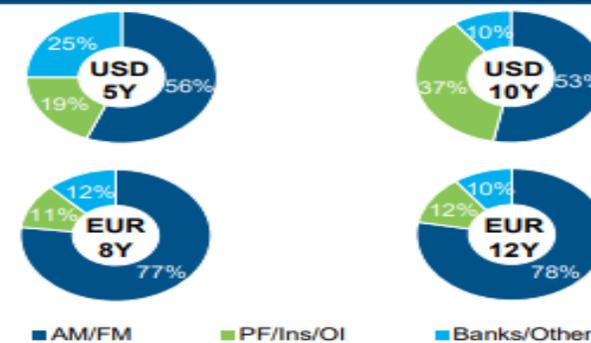
Transaction Summary				
Issuer	Republic of Indonesia (the "Republic")			
Issue Format	SEC Registered, Senior Unsecured, Fixed Rate Notes off SEC Shelf			
Issuer Ratings	Baa2 (Stable) / BBB (Stable) / BBB (Stable) (Moody's / S&P / Fitch)			
Issue Ratings	Baa2 / BBB / BBB (Moody's / S&P / Fitch)			
Pricing Date	January 8, 2025			
Settlement Date	January 15, 2025 (T+5)			
Tenor	5Y USD	10Y USD	8Y EUR	12Y EUR
Maturity Date	January 15, 2030	January 15, 2035	January 15, 2033	January 15, 2037
Issue Size	USD 900 million	USD 1.1 billion	EUR 700 million	EUR 700 million
Coupon	5.25% S/A, 30/360	5.60% S/A, 30/360	3.875% Ann Act/Act (ICMA)	4.125% Ann Act/Act (ICMA)
Re-Offer Price / Yield	99.783 / 5.30%	99.622 / 5.65%	99.716 / 3.917%	98.835 / 4.251%
Reoffer Spread	CT5+83.3bps	CT10+96.3bps	MS+145bps	MS+170bps
Par Call	1-month	3-months	6-months	6-months
Other Details	USD200k/1k denominations (USD), EUR100k/1k denominations (EUR), New York Law			
Listing	SGX-ST and Frankfurt Stock Exchange			
Use of Proceeds	The Republic intends to use the net proceeds from the sale of the Bonds for the general purposes of the Republic			
Joint Lead Managers	ANZ, BofA Securities (B&D), HSBC, J.P. Morgan and Standard Chartered Bank			
Co-Managers	PT BRI Danareksa Sekuritas and PT Trimegah Sekuritas Indonesia Tbk			

Orderbook Distribution			
USD 5Y	USD 10Y	EUR 8Y	EUR 12Y
Books > \$2.05bn (incl. \$2.45mm add'l "prop" per HKSFC code) from 105 accounts)	Books > \$2.20bn (incl. \$3.4mm add'l "prop" per HKSFC code) from 114 accounts)	Books > €1.2bn from 63 accounts	Books > €1.2bn from 57 accounts

## Investors by Geography



## Investors by Type

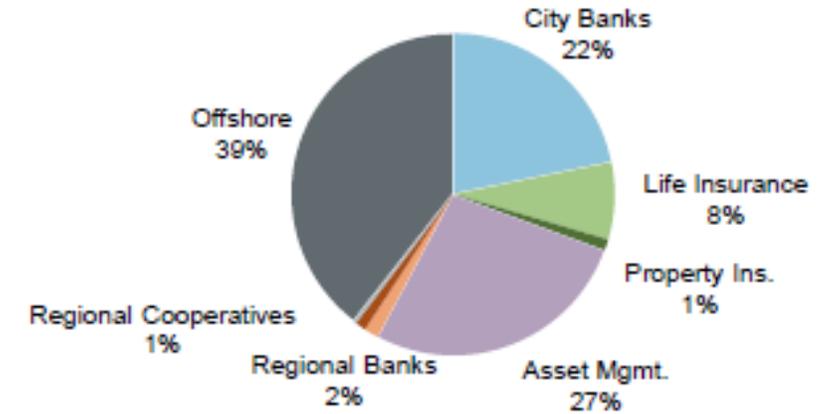


# 2025 Samurai Bond Transaction Summary

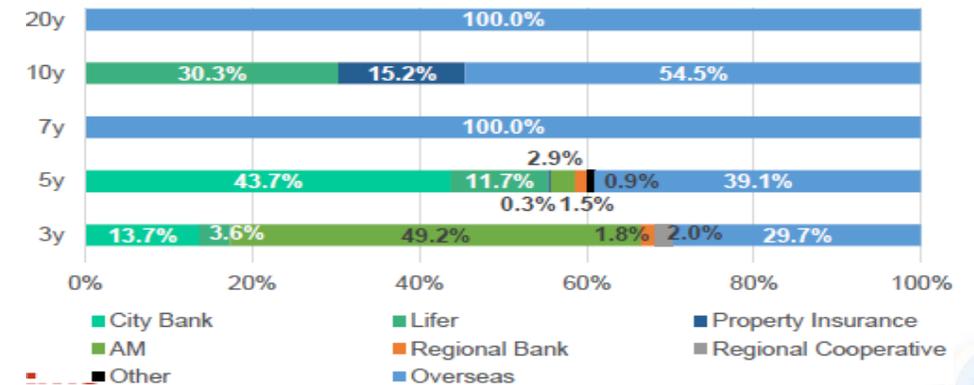


- The Republic of Indonesia (“RoI”) successfully priced a JPY 103.2 billion multi-tranche Samurai Bonds transaction, marking RoI’s eleventh consecutive year accessing the Samurai market. Notably, for the third consecutive year, the 20-year tranche was labeled as a Blue Bond under RoI’s renewed Sustainable Government Securities Framework, underscoring the nation’s continued commitment to sustainable development. With this transaction, RoI became the first sovereign issuer in the Samurai market in 2025.
- Despite the substantial impact of the Bank of Japan’s rate hikes on the Japanese bond market since last year—along with heightened market volatility and pronounced global uncertainty following “Liberation Day” in early April 2025—RoI’s robust creditworthiness and strong presence in global capital markets elicited solid demand from both domestic and international investors.
- Reflecting the volatile market environment, investor demand skewed toward the shorter tenors, consistent with other recent cross-border JPY transactions, with more than 80% of orders placed in the 3- and 5-year tranches across a wide range of investors. The longer-dated tranches (7-, 10-, and 20-year) were well supported by offshore investors, while 45% of demand for the 10-year tranche came from domestic investors (mainly life insurers).

## Investor Breakdown



Republic of Indonesia					
Issuer	Republic of Indonesia				
Pricing Date	May 23 <sup>rd</sup> 2025				
Issue Date	June 2 <sup>nd</sup> 2025				
Format	Samurai				
Total Size	JPY 103.2bn				
Ranking	Senior, Unsecured				
Bond Rating	Baa2(Moody's) / BBB(S&P) / BBB(Fitch)				
Tenor	3 year	5 year	7 year	10 year	20 year
ESG Label	-	-	-	-	BLUE
Size (JPY bn)	JPY 54.9bn	JPY 34.3bn	JPY 3.7bn	JPY 6.6bn	JPY 3.7bn
Maturity Date	3 <sup>rd</sup> July 2028	2 <sup>nd</sup> July 2030	2 <sup>nd</sup> June 2032	1 <sup>st</sup> June 2035	2 <sup>nd</sup> June 2045
Re-offer Spread (YMS, TONA based)	75bp	93bp	98bp	105bp	125bp
Coupon	1.56%	1.87%	2.05%	2.35%	3.26%
Issue Price	100%				



# Transaction Summary - Global Sukuk Issuance (July 2025)



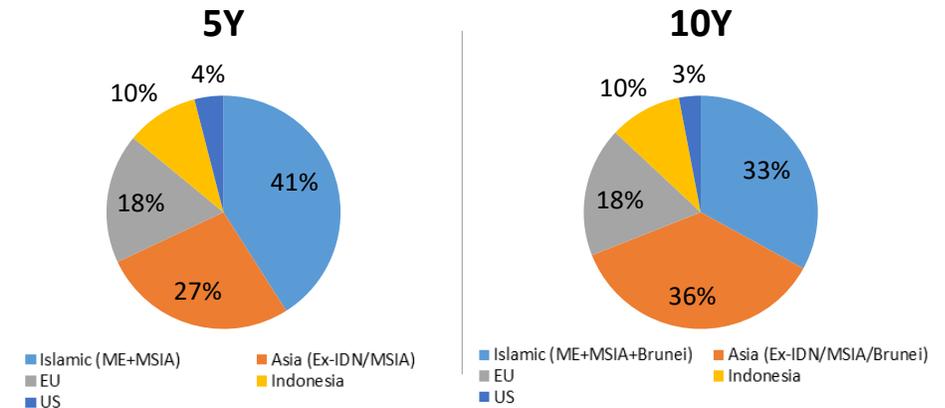
- ❖ The Republic of Indonesia (the “Republic”) approached the markets for its first Sukuk issuance in 2025 and successfully priced a US\$ 2.2 billion Sukuk offering comprising of US\$ 1.1 billion 5-year, and a US\$ 1.1 billion 10-year **Green**
- ❖ The offering drew strong investor interest from the outset, with orderbooks covered within the first hour. Final orderbooks exceeded US\$2.9bn and US\$3.1bn for the 5-year and 10-year, reflecting an oversubscription of 2.6x and 2.8x respectively. The transaction was priced at 4.55% for the 5-year, and 5.20% for the 10-year tranche

Issuer	<b>Perusahaan Penerbit SBSN Indonesia III</b>	
Issue Format	144A / Reg S / 3 (c) (7), Senior, Unsecured, Wakala US\$ Trust Certificate (“Sukuk”) issued under a US\$45 billion Trust Certificate Issuance Programme	
Issuer Ratings	Baa2 stable (Moody’s) / BBB stable (S&P) / BBB stable (Fitch)	
Issue Ratings	Baa2 (Moody’s) / BBB (S&P) / BBB (Fitch)	
Pricing Date	16 July 2025	
Issue Date	23 July 2025	
Tenor	<b>USD 5Y Sukuk</b>	<b>USD 10Y Sukuk <b>Green</b></b>
Maturity Date	23 July 2030	23 July 2035
Tranche Size	USD 1.1 billion	USD 1.1 billion
Profit Rate	4.550% Fixed, Semi-annual, 30/360	5.200% Fixed, Semi-annual,30/360
Re-Offer Price	100.00%	100.00%
Reoffer Spread	UST + 57 bps	UST + 74.7 bps
Reg S ISIN	US71567RBD70	US71567RBE53
144A ISIN	US71567WAA36	US71567WAB19
Use of Proceeds	The Obligor will use the net proceeds it receives from the issue of Certificates to meet part of its general financing requirements, provided for the 10-year Green Sukuk, the Obligor will apply an amount equal to the net proceeds from the issue of the Sukuk exclusively to finance or re-finance Eligible Green Expenditures as defined in the Obligor’s Sustainable government Securities Framework	
Other Details	USD200k/1k denoms., English / Indonesian Law	
Listing	Singapore Exchange Securities Trading Limited and Nasdaq Dubai	
Joint Bookrunners	BofA Securities, Deutsche Bank (B&D), Dubai Islamic Bank, HSBC, Mandiri Securities	
Co-Managers	PT BRI Danareksa Sekuritas and PT Trimegah Sekuritas Indonesia Tbk	

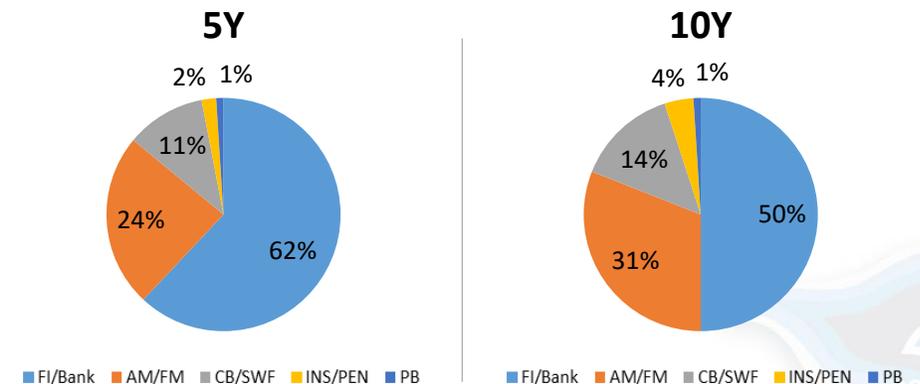
## ORDERBOOK DISTRIBUTION

<b>USD 5-Year</b>	<b>USD 10-Year <b>Green</b></b>
<b>US\$ 2.9bn+</b> From <b>103</b> accounts	<b>US\$ 3.1bn+</b> From <b>150</b> accounts

## INVESTORS BY GEOGRAPHY (ALLOCATION)



## INVESTORS BY TYPE (ALLOCATION)



# 2025 Debut Issuance Kangaroo Bonds



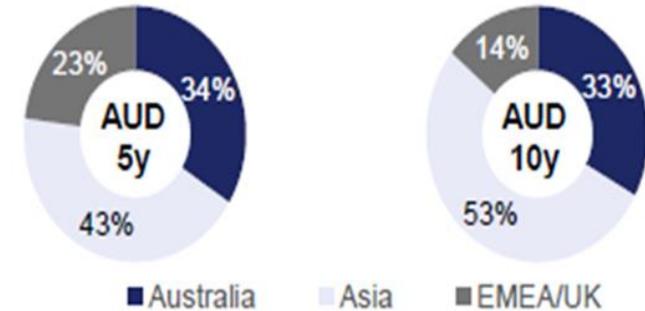
This transaction marks the first AUD sovereign bond offering rated in the BBB category, yet it generated strong investor interest, as the Republic's credit quality offered valuable investment diversification.

Series	RIAUD0830	RIAUD0835
Rating	Baa2 / BBB / BBB (Moody's / S&P / Fitch)	
Tenor	5Y	10Y
Mty Date	Aug 14, 2030	Aug 14, 2035
Pricing Date	August 7, 2025	
Settlement/ Issuance Date	August 14, 2025 (T+5)	
Size	AUD500 mio	AUD300 mio
Coupon	4,400% p.a. (semi-annual)	5,300% p.a. (semi-annual)
Yield	4,427% (SQ ASW +90bps)	5,380% (SQ ASW +135bps)

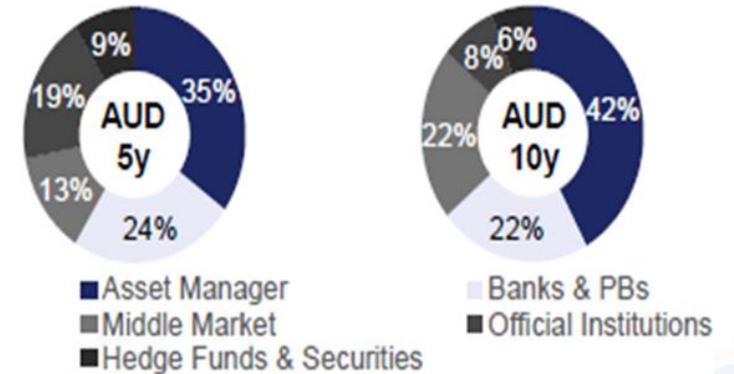
## Highlights :

- **Strong orderbook.** Total order reached AUD8,02 bio (5Y: AUD3,76 bio ; 10Y: AUD4,26 bio) with *bid-to-cover ratio* 5Y: 7,52x dan 10Y: 14,2x.
- **Impeccable Timing.** Managed to price *inside the USD curve*\*:
  - Yield AUD 5Y: 4,427% equiv. USD yield 4,294 (vs 4,342 % if issued in USD)
  - Yield AUD 10Y: 5,380% equiv. USD yield 4,998% (vs 5,030% if issued in USD)
- **Spread tightening across all tranches:**
  - 5Y tenor, tightened by 25 bps (IPG 115 bps -> LY 90 bps)
  - 10Y tenor, tightened by 30 bps (IPG 165 bps -> LY 135 bps)
- **Enhancing Engagement with Australian Investors.** ~1/3 of the allocation was given to Australian investors as a form of domestic support, paving the way for Indonesian corporations and other emerging market issuers.

## Investors by Geography



## Investors by Type



# Recent ROI's US\$1.85 bn and €600 mm Multi-Tranche SEC Registered Offering



## Key Terms & Conditions

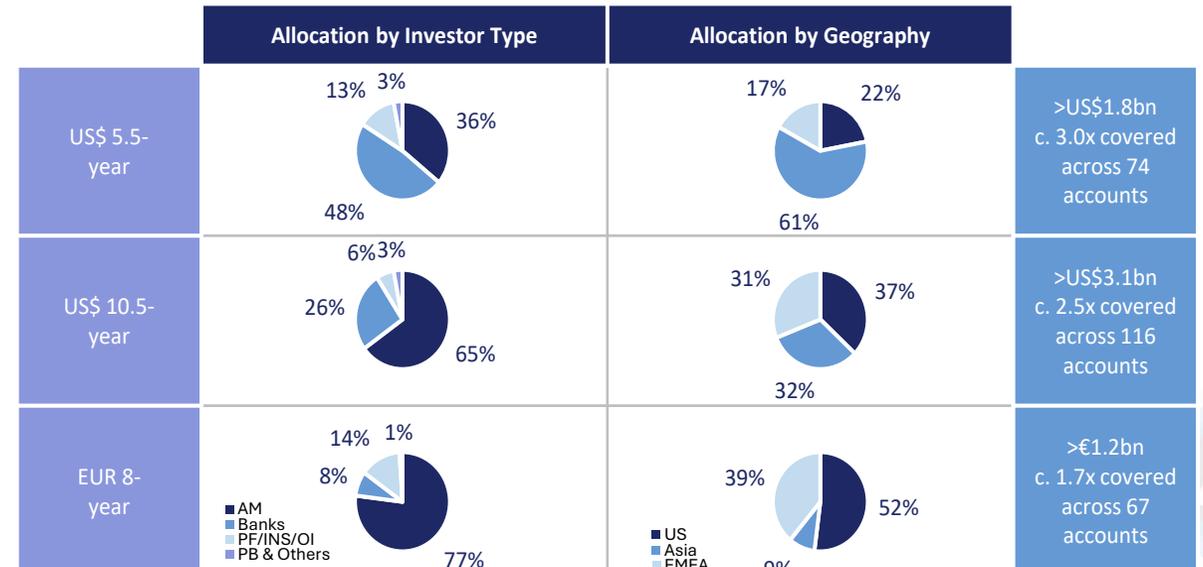


**Baa2 Stable (Moody's) / BBB Stable (S&P) / BBB Stable (Fitch)**  
 US\$600mm 4.300% due 2031, US\$1.25bn 4.900% due 2036, €600mm 3.750% due 2033

<b>Format:</b>	SEC Registered		
<b>Issue Ratings:</b>	Baa2 (Moody's) / BBB (S&P) / BBB (Fitch)		
<b>Tranche:</b>	<b>US\$ 5.5 Year</b>	<b>US\$ 10.5 Year</b>	<b>EUR 8 Year SDG</b>
<b>Issue Size:</b>	US\$600mm	US\$1.25bn	€600mm
<b>Settlement Date:</b>	16-Oct-25	16-Oct-25	16-Oct-25
<b>Maturity Date:</b>	16-Apr-31	16-Apr-36	16-Oct-33
<b>Initial Price Guidance:</b>	4.600% area	5.200% area	MS+145 bps area
<b>Final Price Guidance:</b>	4.350% (#)	4.950% (#)	MS+120 bps (#)
<b>Pricing:</b>	<b>4.35%</b>	<b>4.95%</b>	<b>MS+120 bps</b>
<b>Reoffer Price:</b>	99.758	99.594	99.986
<b>Reoffer Yield:</b>	4.35%	4.95%	3.75%
<b>Coupon:</b>	4.30%	4.90%	3.75%
<b>Denominations:</b>	US\$200,000 / 1,000		EUR100,000 / 1,000
<b>Use of Proceeds:</b>	US\$ 5.5Y & 10.5Y: General Purpose EUR 8Y: The Republic of Indonesia's ("the Republic") intends to invest an amount equal to the net proceeds in projects that may qualify as eligible expenditures under the Republic's sustainable government securities framework		
<b>Listing:</b>	SGX-ST and Frankfurt Stock Exchange		
<b>Governing Law:</b>	New York Law		

## Key Transaction Highlights

- The 10.5 Year Tranche marked the largest G2 currency tranche issued by Asia- ex-Japan sovereign issuers in 2025YTD, and the 5.5 Year Tranche achieved the lowest coupon for the Republic's 5 / 5.5 Year USD bond in the past 3 years
- The third Sustainable Development Goals ("SDG") Bond in EUR issued by the Republic, following the last EUR SDG offering in September 2024, showcasing the Republic's continuous commitment in supporting sustainable financing to achieve SDG targets by 2030
- On the back of a constructive market backdrop, the Republic decisively captured a clear issuance window with no competing supply and became the first issuer to tap the Asian bond markets following the Golden Week holidays
- The orderbook was well supported by global high-quality and real-money accounts, with the final orderbook size reaching over US\$4.9 billion for the USD tranches in aggregate and over €1.2 billion for the EUR SDG tranche
- The strong momentum of the orderbook allowed final pricing to tighten by 25bps from IPG for all tranches



# Indonesia's Inaugural Dim Sum Bonds Issuance



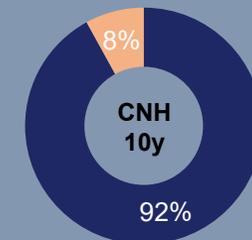
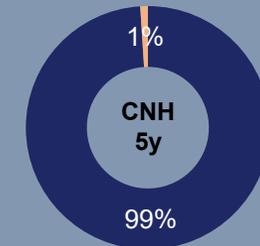
Leveraging the positive momentum in the offshore Renminbi (CNH)-denominated bond market, Indonesia's first ever Dim Sum Bonds issuance **successfully achieved a solid orderbook.**

Series	RICNH1030	RICNH1035
Rating	Baa2 / BBB / BBB (Moody's / S&P / Fitch)	
Tenor	5-year	10-year
Maturity Date	October 31, 2030	October 31, 2035
Pricing Date	October 23, 2025	
Settlement/ Issuance Date	October 31, 2025 (T+5)	
Coupon	2,50% p.a. (semi-annual)	2,90% p.a. (semi-annual)
Issue Size	CNH3,5 billion	CNH2,5 billion
Yield/Price	2,50%/100,00	2,90%/100,00

## Highlights :

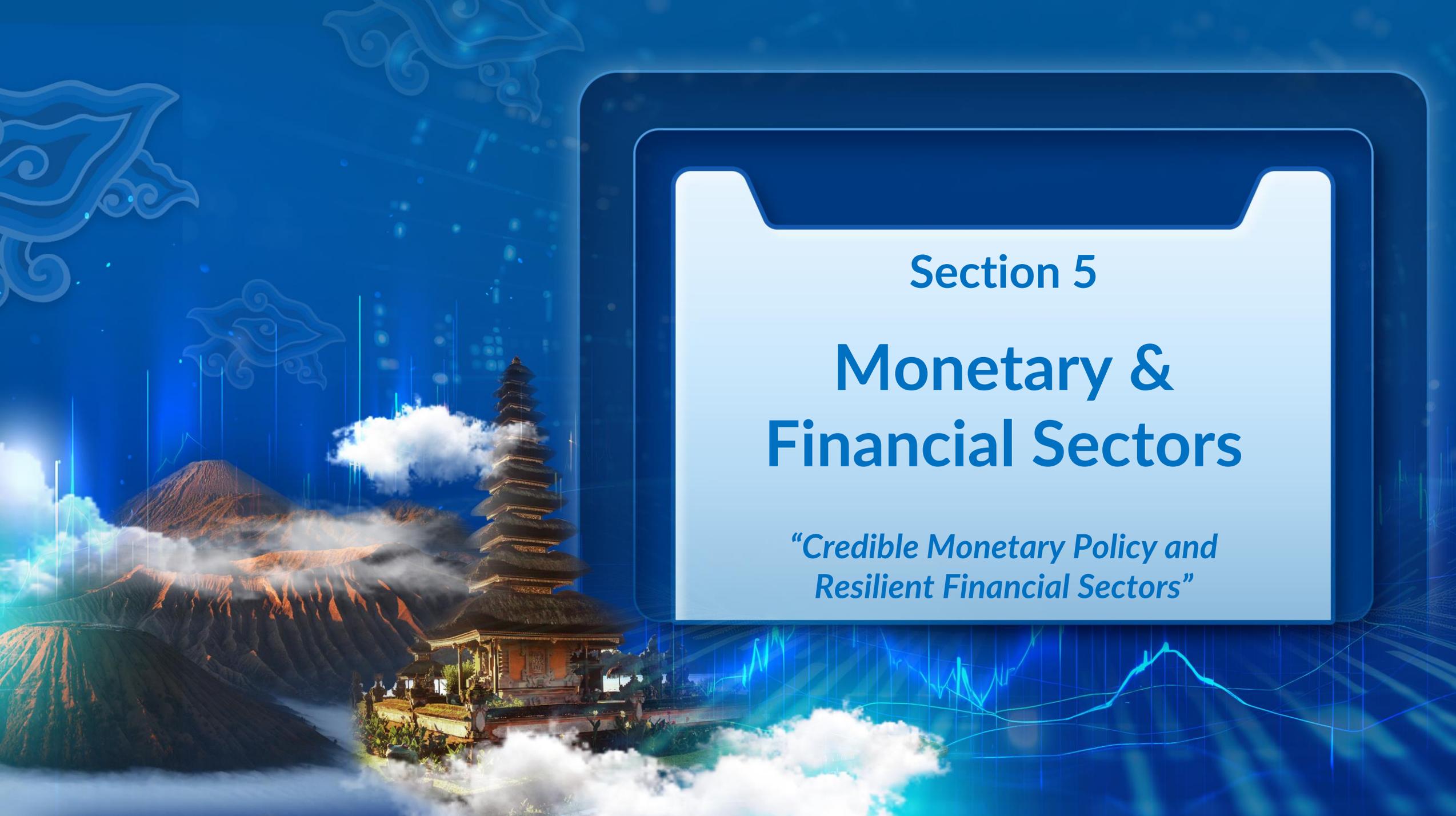
- **Strong orderbook.** Peak total orders reached CNH 22.4 billion (5Y: CNH 12.5 billion; 10Y: CNH 9.9 billion), with a final orderbook of approx. CNH 18.2 billion (bid-to-cover ratio 5Y: 2.87x; 10Y: 3.31x).
- **Yield tightening across all tranches:**
  - 5-year tenor tightened by 45 bps (IPG 2.95% → final yield 2.50%)
  - 10-year tenor tightened by 40 bps (IPG 3.30% → final yield 2.90%)
- **Onshore Mainland China Investor Participation.** Allocation was given to onshore Mainland Chinese investors (5Y: 22%; 10Y: 12%) as a form of support for domestic investors, while also establishing a benchmark for Indonesian and other emerging market corporate issuers.

## Investor by Geography



■ APAC  
■ EMEA/US

Being the first Dim Sum Bond issuer among SEA Sovereign, the issuance recorded total oversubscription of more than 3x, reflecting robust investor trust.

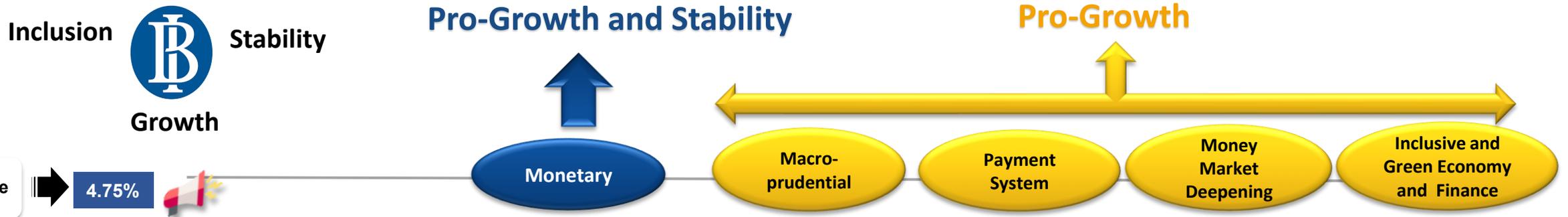


## Section 5

# Monetary & Financial Sectors

*“Credible Monetary Policy and  
Resilient Financial Sectors”*

# Bank Indonesia Policy Mix is Directed to Strengthening Economic Growth and Maintaining Stability



The Bank Indonesia Board of Governors decided on 20<sup>th</sup>-21<sup>st</sup> January 2026 to hold the BI-Rate at 4.75%, while also maintaining the Deposit Facility (DF) rate at 3.75% and the Lending Facility (LF) rate at 5.50%. The decision is consistent with the current policy focus on efforts to maintain Rupiah exchange rate stability against a backdrop of increasing global uncertainty to achieve the inflation target in 2026-2027 and foster economic growth.

Strengthening the Rupiah exchange rate stabilisation strategy through intervention, both in offshore non-deliverable forward (NDF) transactions and in domestic markets through spot and domestic non-deliverable forward (DNDF) transactions. This strategy is complemented by the purchase of government securities (SBN) in the secondary market.

Strengthening the pro-market monetary operations strategy to bolster the Rupiah exchange rate stabilisation strategy and strengthen effective monetary policy transmission to maintain stability and stimulate economic growth by:

- i. managing the interest rate structure of monetary instruments,
- ii. optimising issuances of Bank Indonesia Rupiah Securities (SRBI), and
- iii. strengthening the attractiveness of government securities (SBN) yields through measured secondary market transactions.

Strengthening the effectiveness of accommodative macroprudential policies in encouraging lending/financing and reducing interest rates in the banking industry, underpinned by strengthening the assessment of prime lending rate (PLR) transparency with a focus on interest rates based on priority sectors in accordance with the scope of KLM policy, including the PLR response to changes in the policy rate

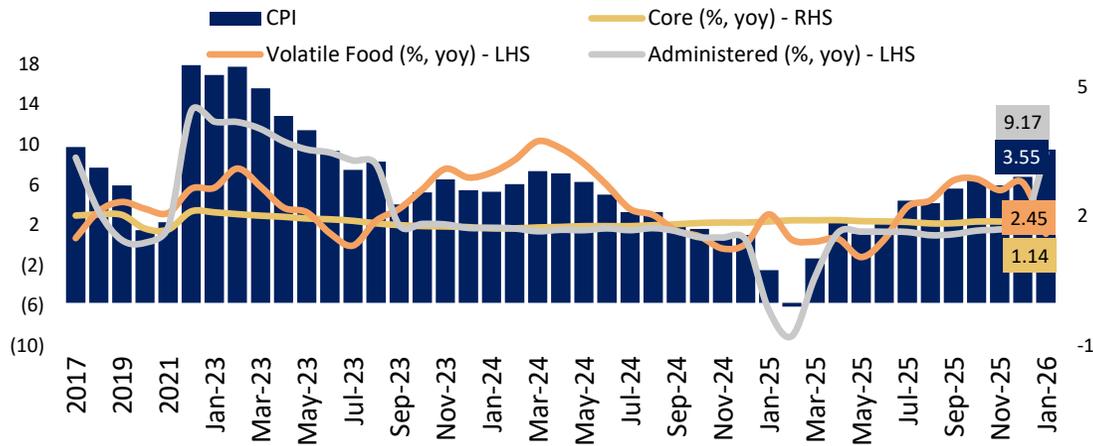
Strengthening the digital acceptance strategy through Indonesia-China QRIS Cross-Border and Indonesia-South Korea QRIS Cross-Border cooperation in the first quarter of 2026.

Strengthening and expanding international cooperation among central banks, including payment system connectivity and Local Currency Transactions (LCT), while promoting trade and investment in priority sectors in synergy with relevant institutions.

# Manageable Monetary Environment Amid Persistently High Global Uncertainty



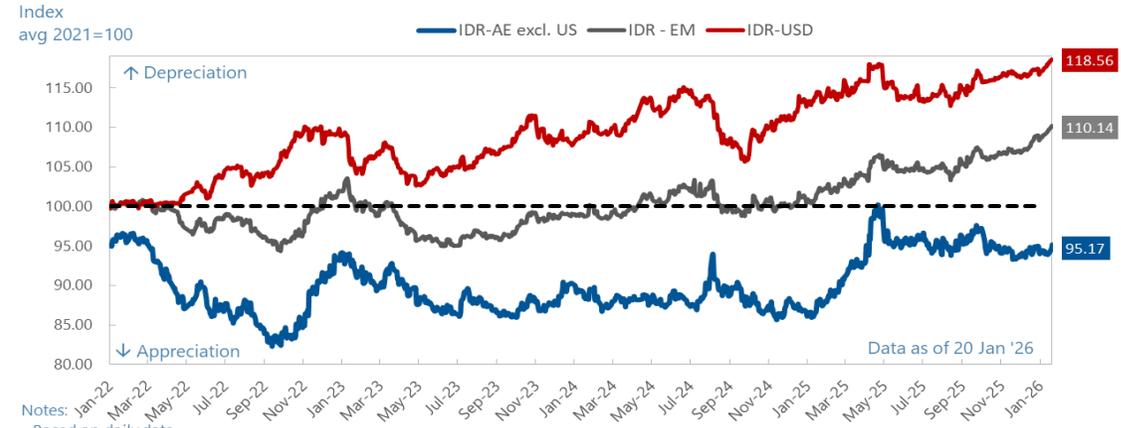
## Well Maintained Inflation Ensured Price Stability



Source: BPS

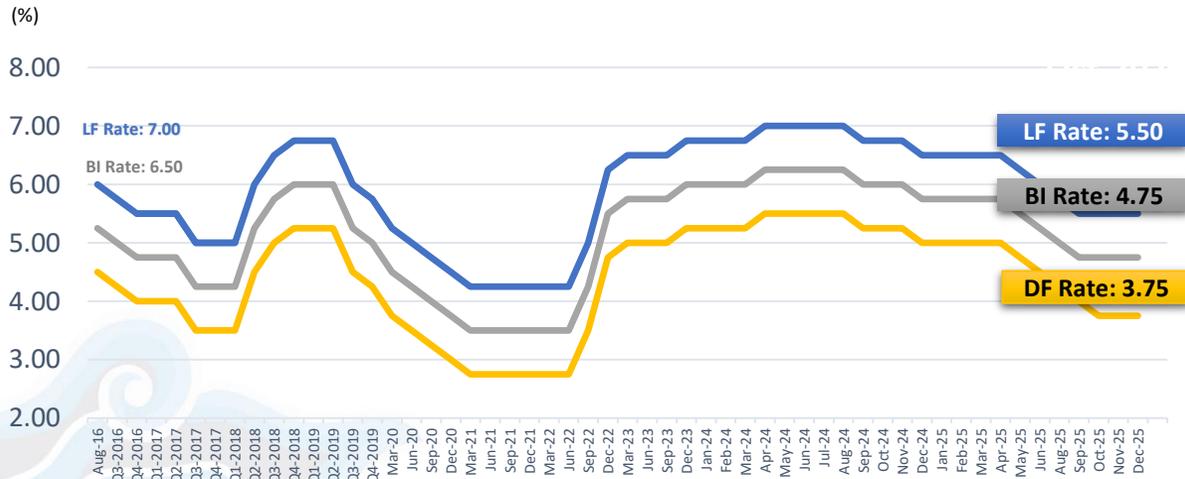
## Stable Rupiah Exchange Rate

### IDR Indexes Against USD, AE excl. US, and EM



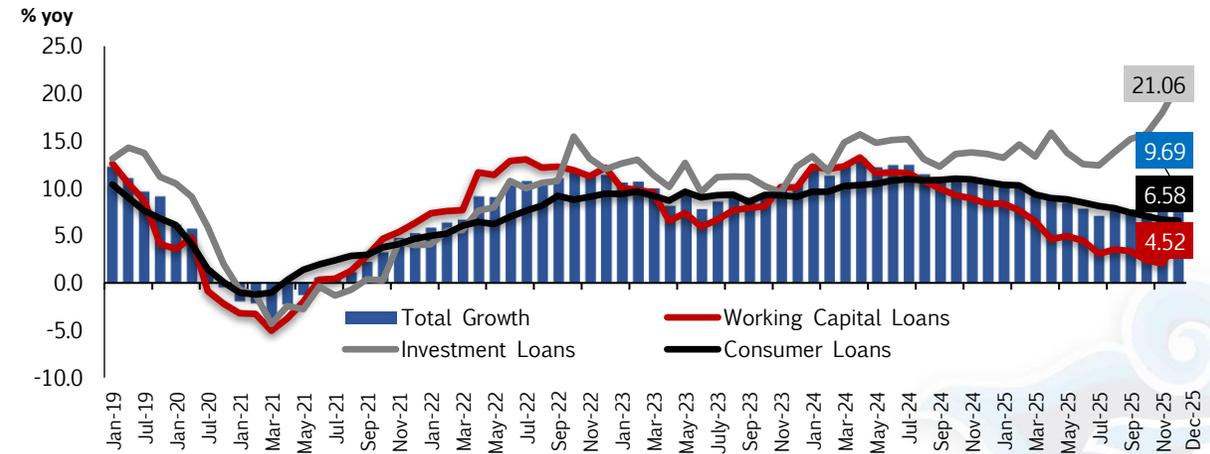
Notes: Jan-22, Mar-22, May-22, Jul-22, Sep-22, Nov-22, Jan-23, Mar-23, May-23, Jul-23, Sep-23, Nov-23, Jan-24, Mar-24, May-24, Jul-24, Sep-24, Nov-24, Jan-25, Mar-25, May-25, Jul-25, Sep-25, Nov-25, Jan-26  
 - Based on daily data  
 - Composite indexes on trade weights: SGD (13%), CNY (52%), INR (11%), KRW (9%), THB (7%), MYR (9%)

## Strengthened Monetary Policy Framework



Source: Bank Indonesia

## Credit Growth Profile



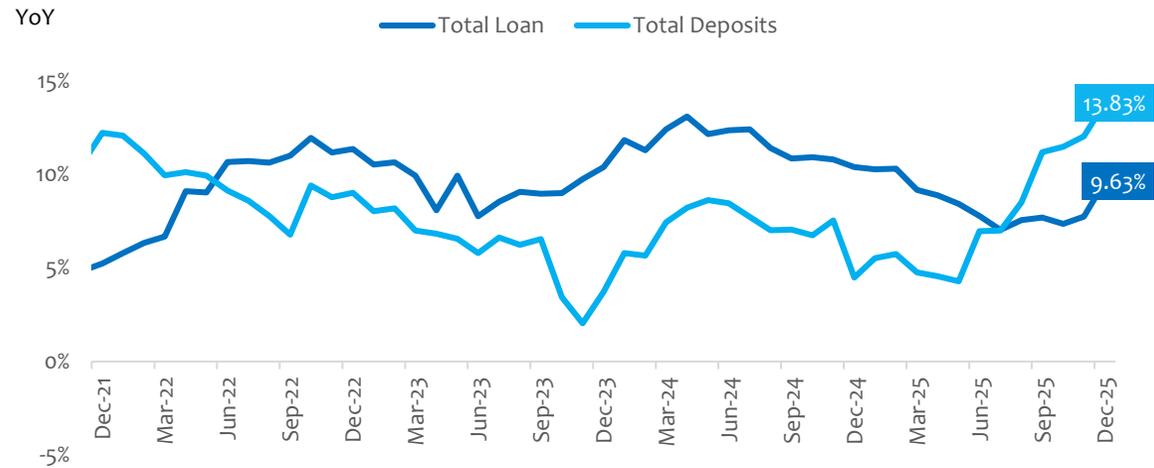
Source: OJK, Bank Indonesia

# Banking Intermediation

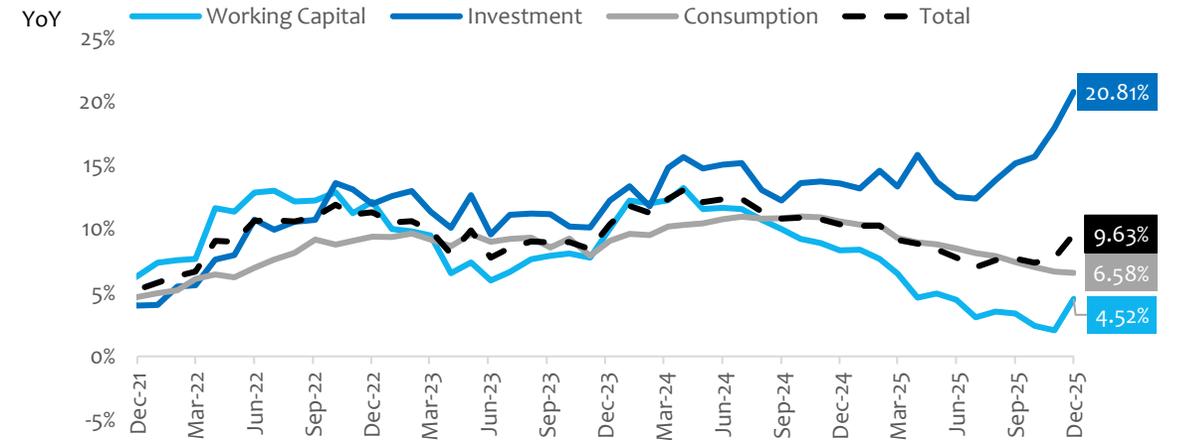


Despite a cautious global environment, Indonesia's banking sector continues to serve as a pillar of growth, supported by resilient credit expansion and robust capital.

As of **December 2025**, banking loan grew by **9.63% (yoy)**, consistent with the target range, while total deposits continued to record double-digit growth of **13.83% (yoy)**.



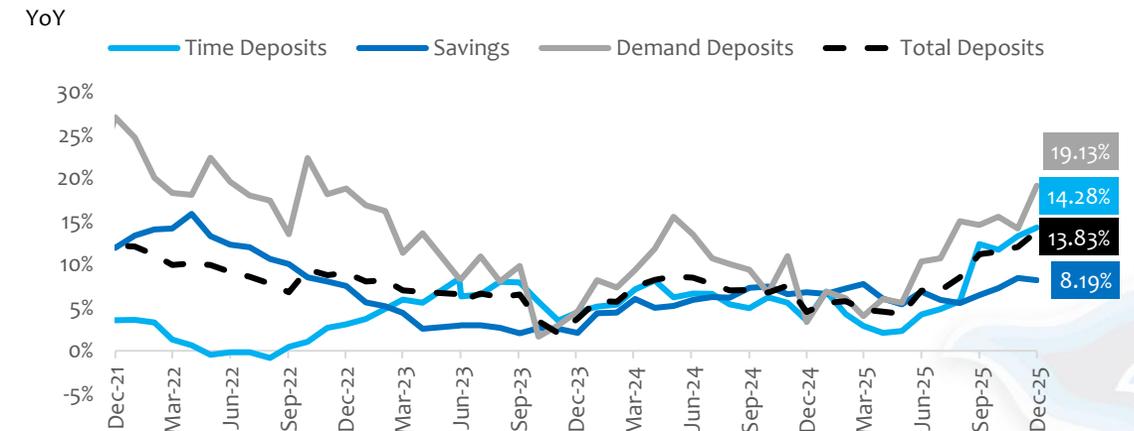
In December 2025, **investment loans** recorded strong growth of **20.81% (yoy)**, while **consumer** and **working capital loans** increased by **6.58%** and **4.52% (yoy)**, respectively.



On a sectoral basis, loan growth was supported by **improved** credit disbursement in the **construction and agriculture sectors**, which expanded by **27.85%**, and **14.20% (yoy)**, respectively.



**Total deposits** maintained its double digits growth in **December 2025**, led by a **19.13% (yoy)** increase in **demand deposits**.



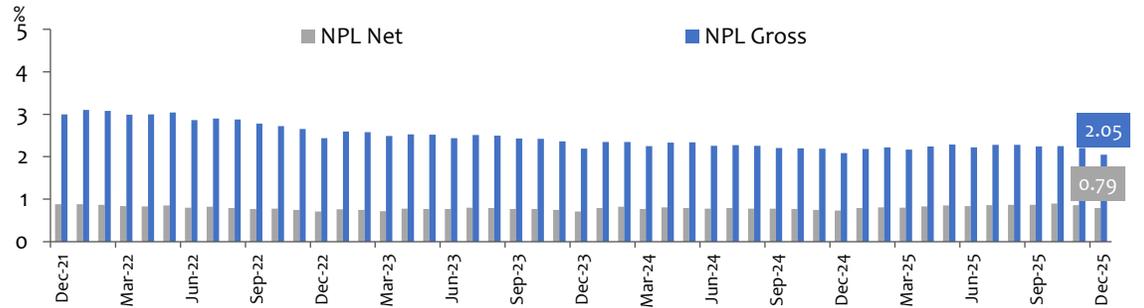
# Banking Risk Profile and Profitability



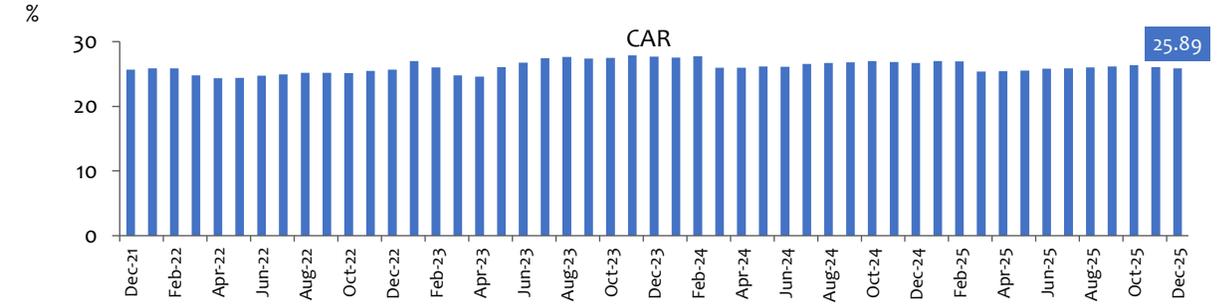
Banking performance is well maintained supported by sustained and relatively low credit risk, adequate liquidity, and strong capital.



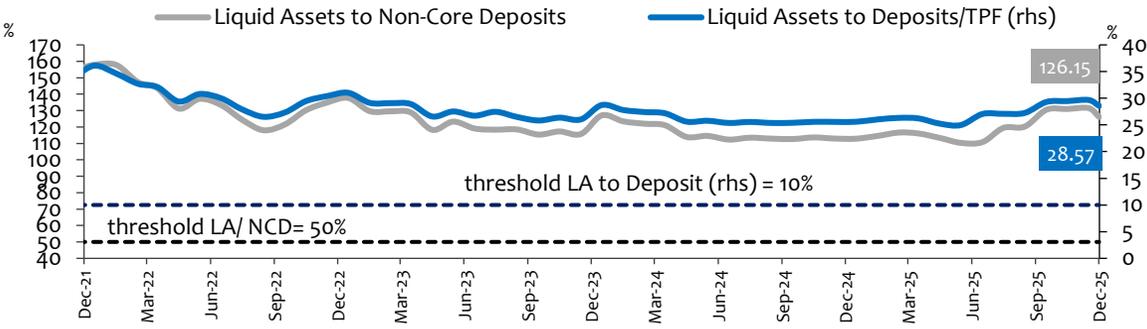
As of **December 2025**, banking NPL ratios improved to **2.05% (gross)** and **0.79% (net)**.



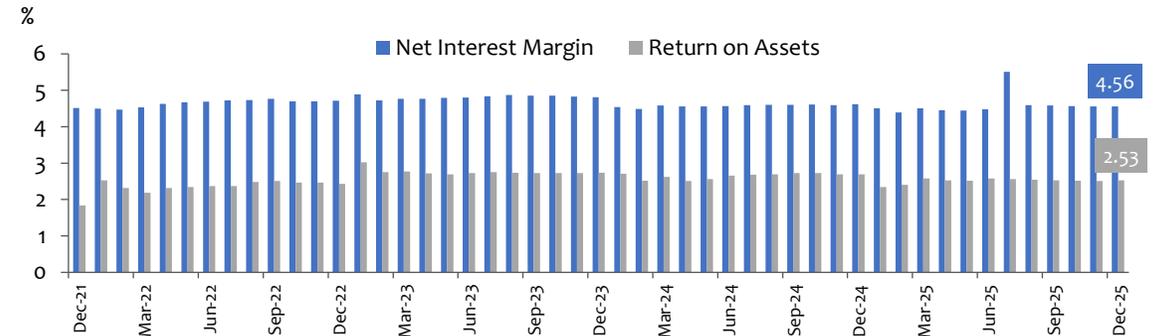
The banking sector's **Capital Adequacy Ratio (CAR)** remained strong at **25.89%** as of **December 2025**.



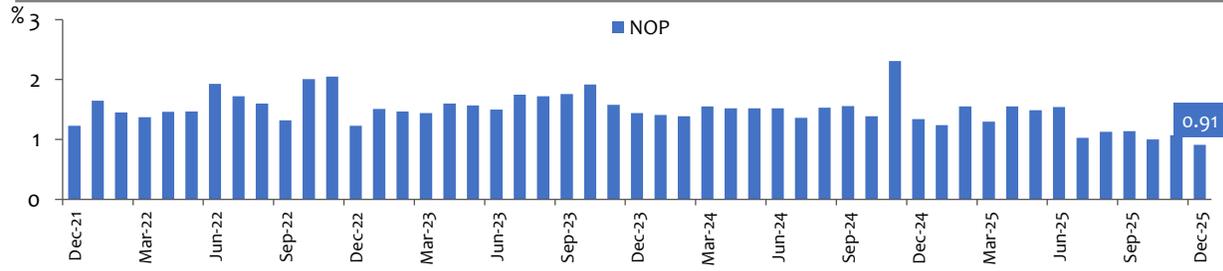
Banking system liquidity remained adequate, as key liquidity ratios exceeded the required thresholds.



The banking industry's profitability remained **relatively stable as of December 2025**, with the **Net Interest Margin (NIM)** and **Return on Assets (ROA)** recorded at **4.56%** and **2.53%**, respectively.



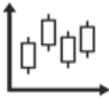
**Net Open Position (NOP)** remained well below the 20% limit, at **0.91%** in **December 2025**.



# Domestic Capital Market Performance

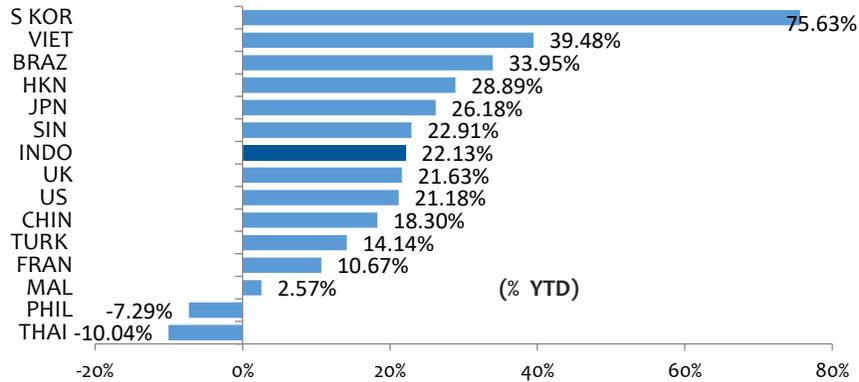


Indonesia's capital market continues to perform well in December 2025, demonstrating resilience despite global uncertainties.

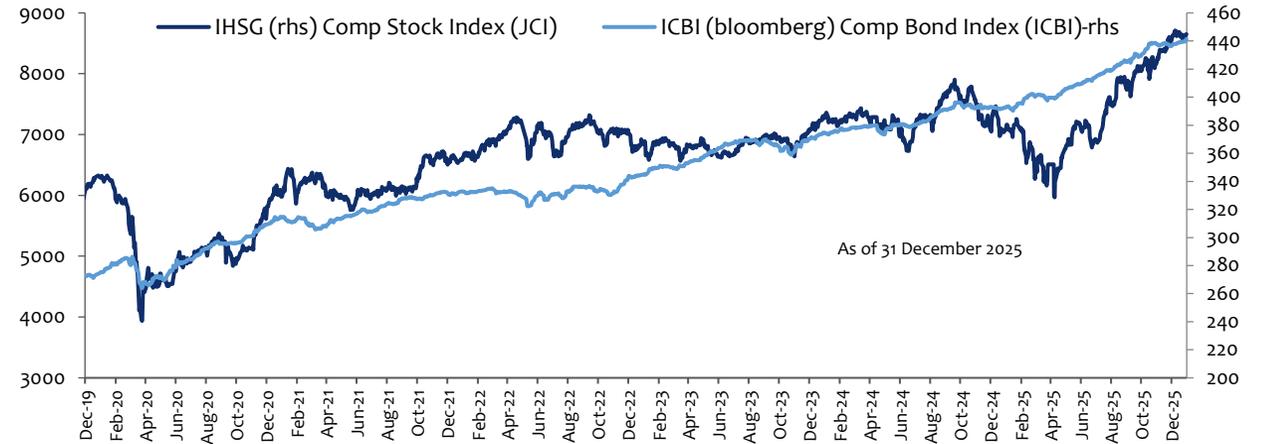


By the end of 2025, Jakarta Composite Index (JCI) closed at 8,646.94, marking a 22.13% yoy gain and reflecting sustained investor confidence amid a stable macro-financial environment.

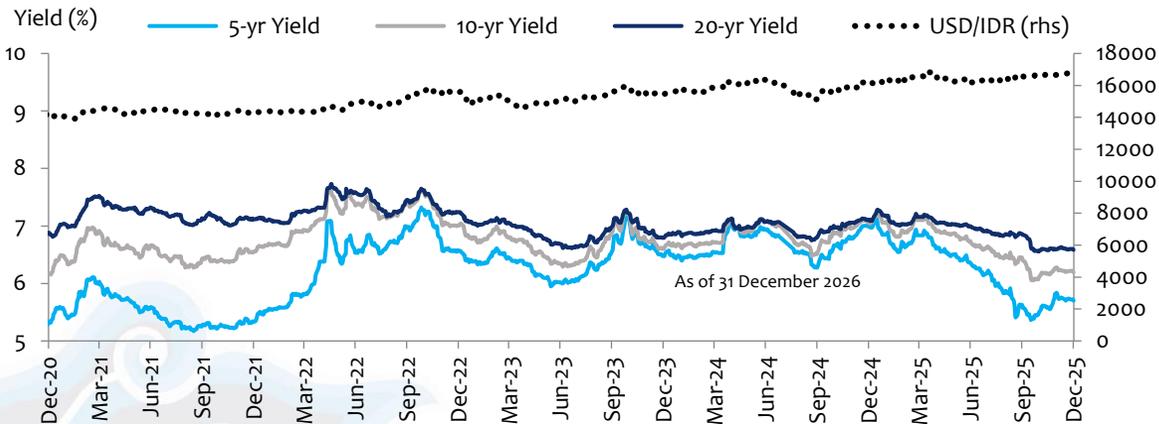
Stock Index Performance as of 31 Dec 2025 (compared to 31 Dec'24)



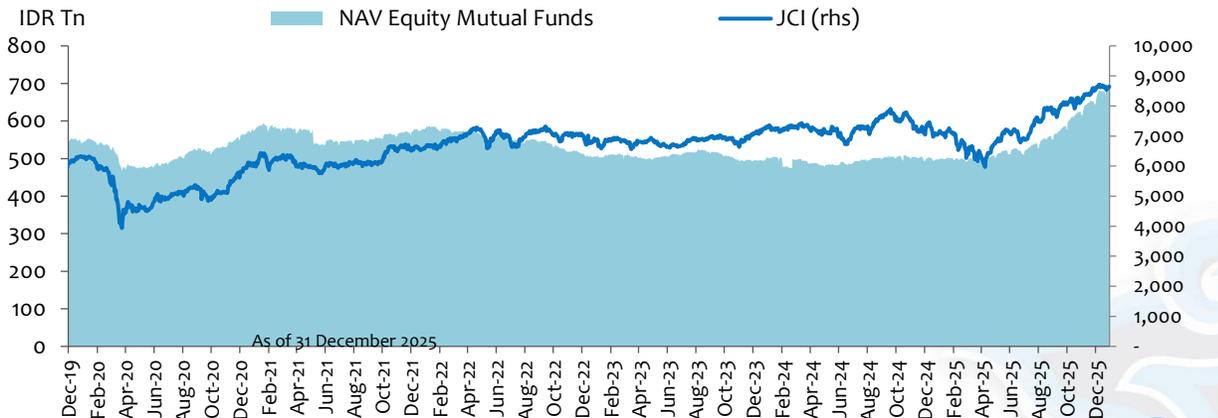
As of 31 Dec 2025, the Jakarta Composite Index (JCI) and the Composite Bond Index (ICBI) remained stable.



As of December 2025, Indonesian government bond yields remained relatively steady at attractive levels.



The Net Asset Value (NAV) of equity mutual funds remained stable.



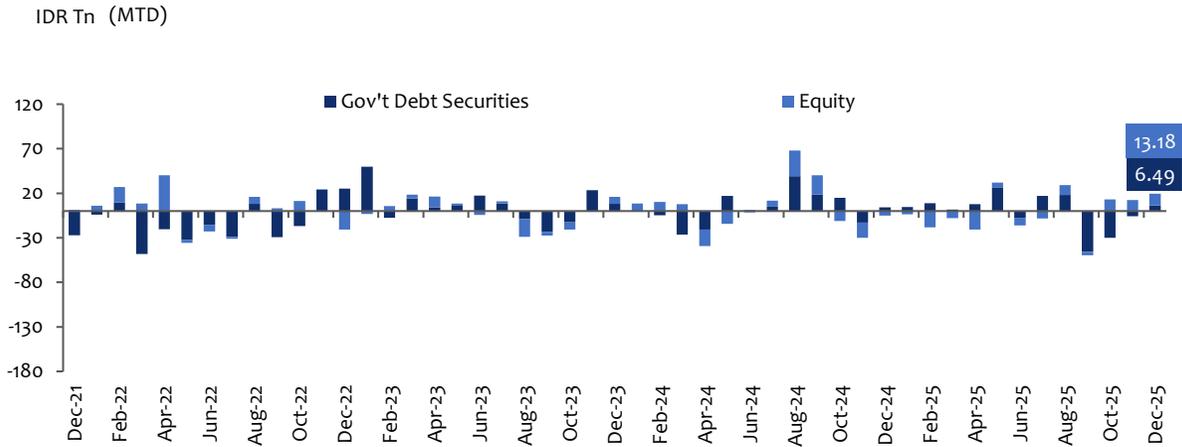
# Domestic Capital Market Performance (continued)



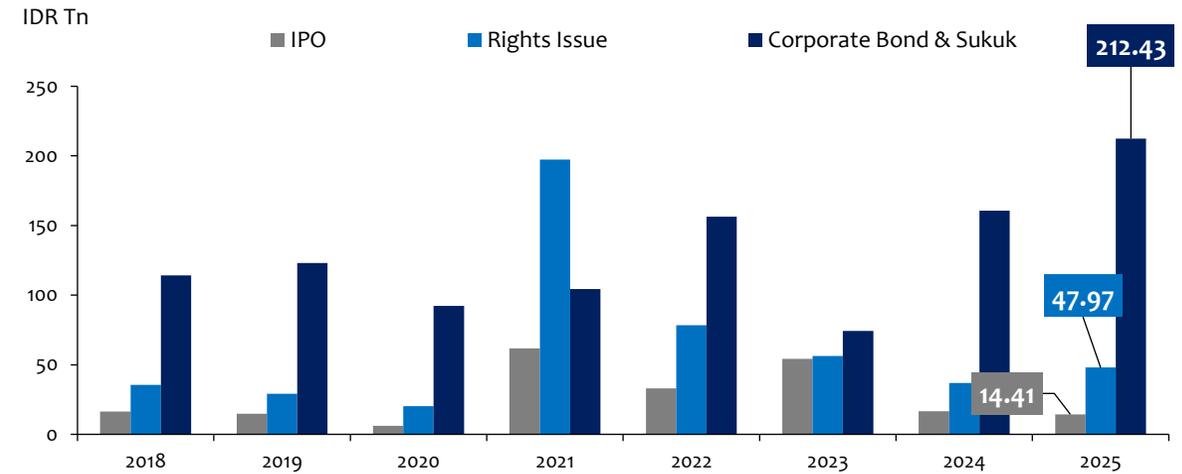
Capital market performance entered 2026 supported by a resilient domestic economy and positive momentum built throughout 2025



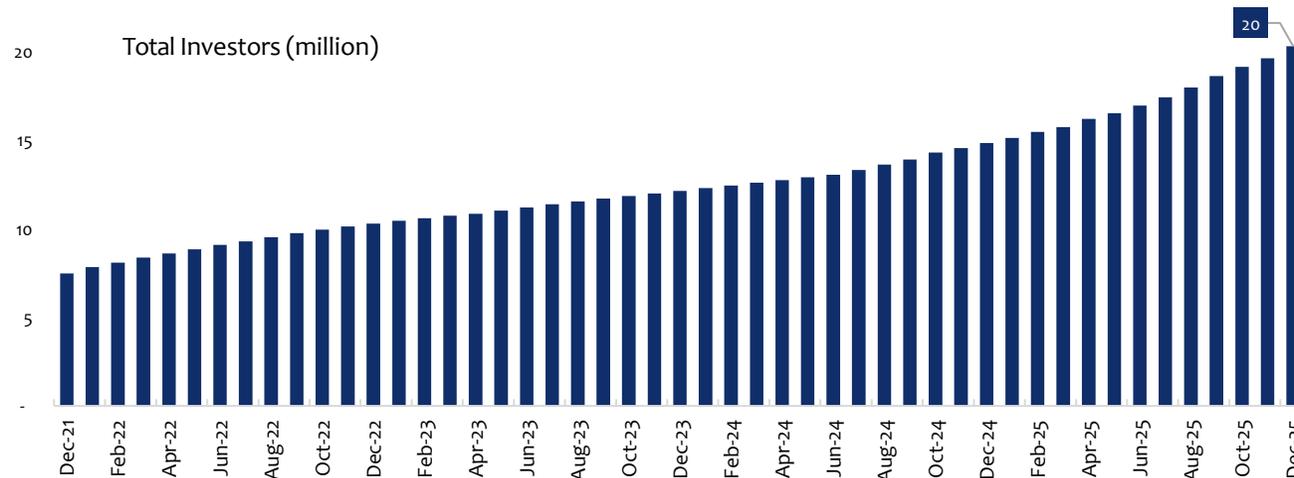
As of December 2025, non-residents recorded a **net buy of IDR13.38 trillion (mtd)** in equities, while posting a **net buy of IDR6.49 trillion (mtd)** in government bonds.



Total securities issuance reached **IDR274.80 Tn (YTD)** in 2025.



Capital market participation continued to expand, with the **number of investors** reaching **20.36 million** by the end of **2025**.

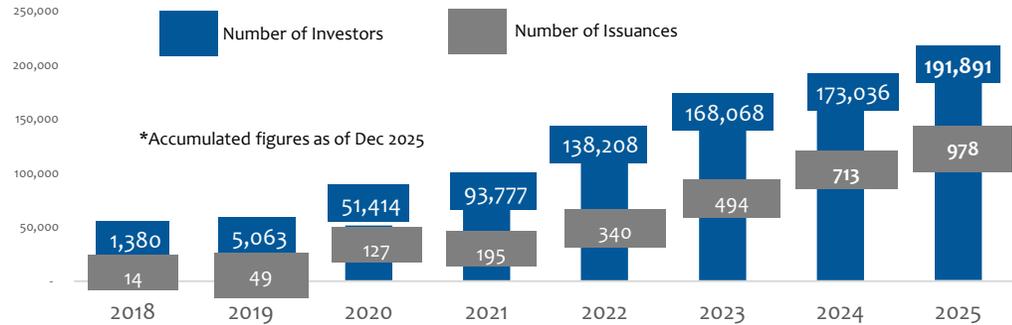


# Securities Crowd Funding and Carbon Exchange

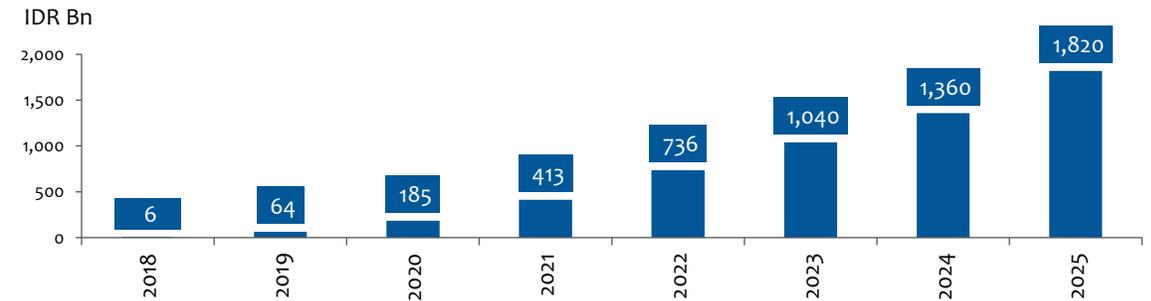
Securities Crowdfunding (SCF) and the Carbon Exchange continued to record steady growth.



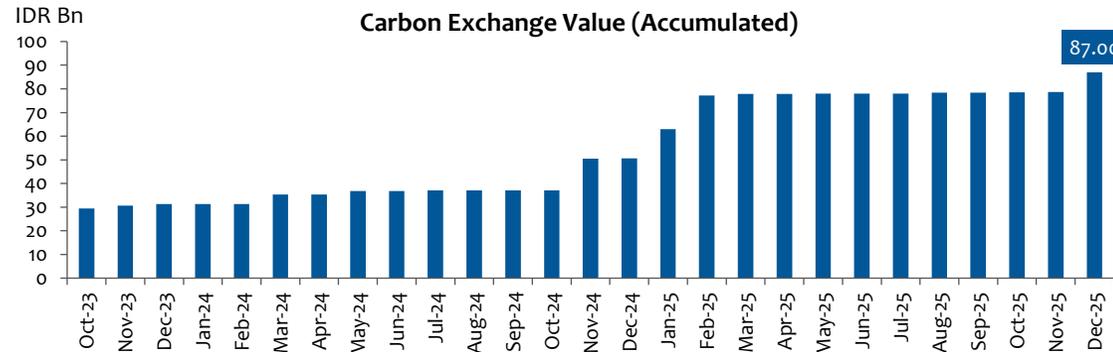
As of December 2025, **Securities Crowdfunding (SCF)** continued to expand, with **191,891 investors** and **978 issuances** recorded.



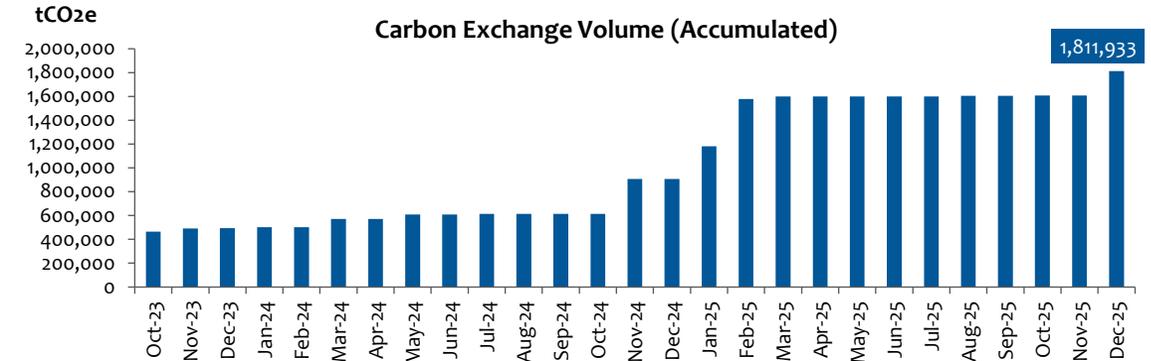
This positive trend was further reflected in **cumulative fundraising**, which reached **IDR1.82 Tn.**



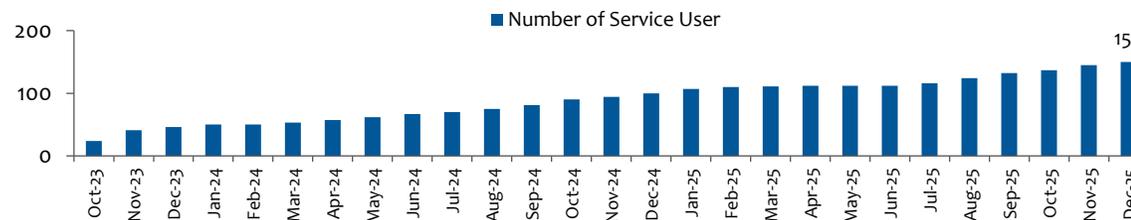
Since its launch in September 2023, the **Carbon Exchange** has reached an accumulated value of **IDR87 Billion** by December 2025.



As of **December 2025**, total traded volume on the **Carbon Exchange** reached **1,811,933 tCO<sub>2</sub>e.**



The number of **service users** in Indonesia's Carbon Exchange increased from 24 in October 2023 to **150** by the end of 2025.



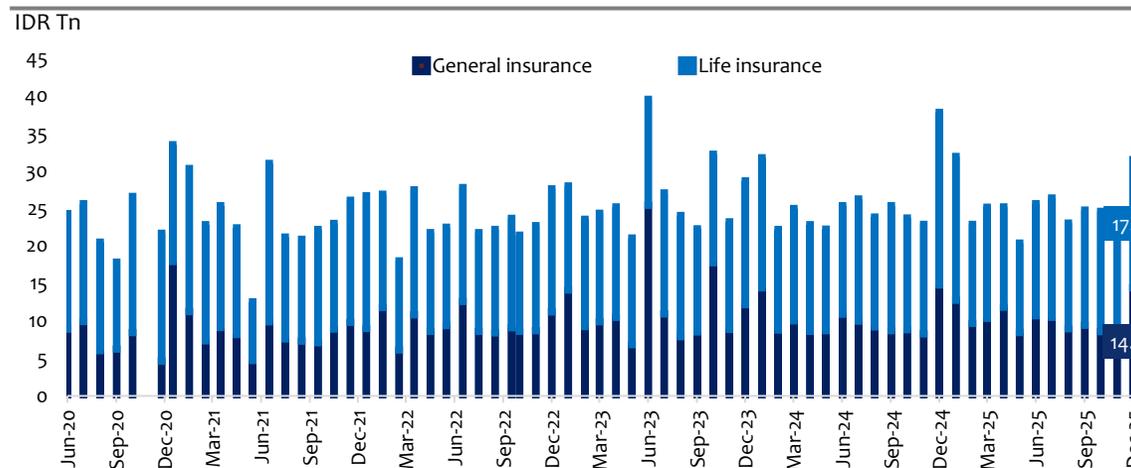
# Insurance Sector



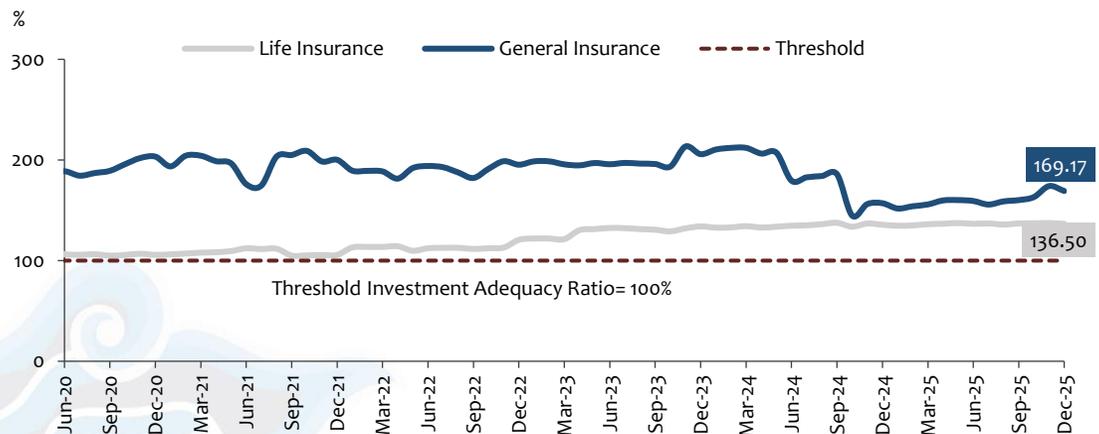
The Insurance sector remains stable, with manageable risks and strong solvency.



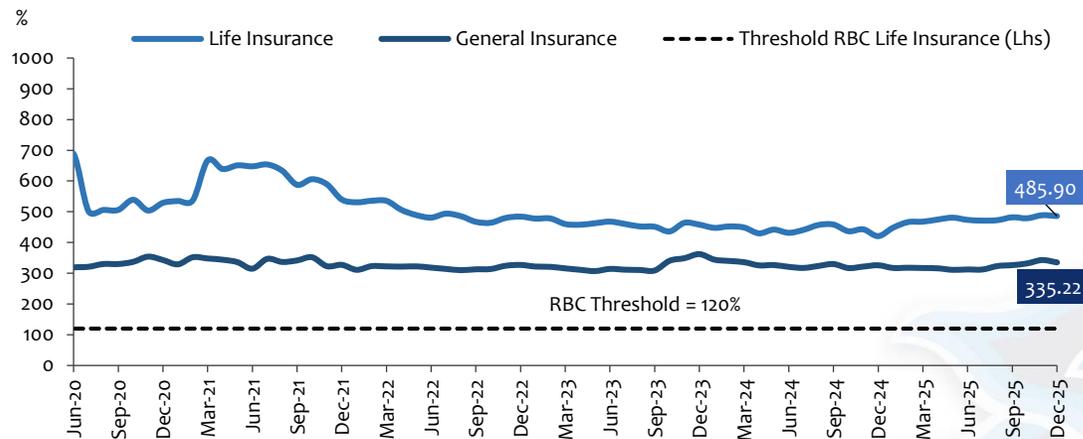
In **December 2025**, General and Life insurance premiums increased by **IDR14.42 Tn** and **IDR17.10 Tn**, respectively.



As of **December 2025**, the **Investment Adequacy Ratio** for **Life Insurance** was relatively stable at **136.50%**, while that for **General Insurance and Reinsurance** increased to **169.17%**.



**Life insurance**, as well as **General insurance and Reinsurance**, reported **Risk-Based Capital (RBC)** ratios of **485.90%** and **335.22%**, respectively, well above the regulatory threshold of **120%**.

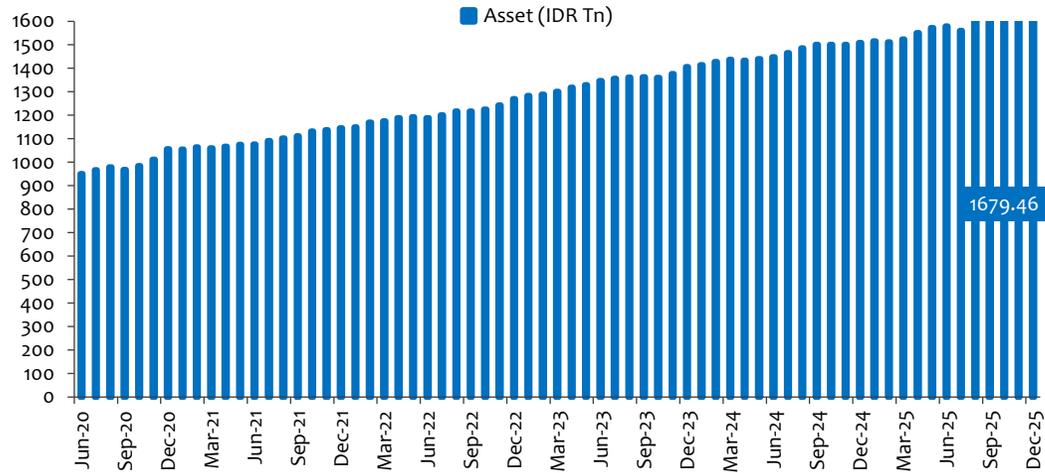


# Pension Funds and Guarantee Institutions Performance

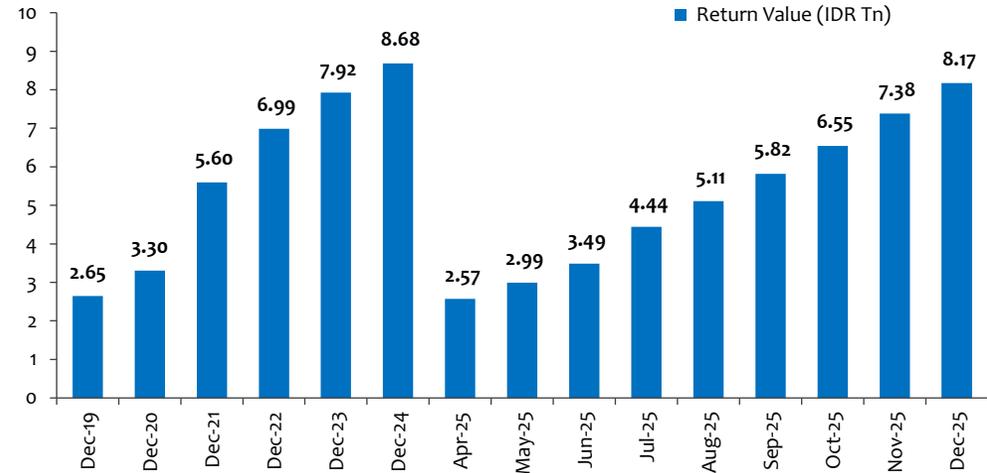
Pension funds and Guarantee Institutions demonstrate adequate performance and manageable risks.



 In the **Pension Fund** industry, **total assets** as of December 2025 grew **11.35% (yoy)** to **IDR1,679.46 trillion**.



 In **December 2025**, the **Accumulated Return Value** of Guarantee Institutions amounted to **IDR8.17 trillion**.



 In **December 2025**, **Guarantee Asset Value** reached **IDR47.51 trillion**, an increase of **2.43% (yoy)**.

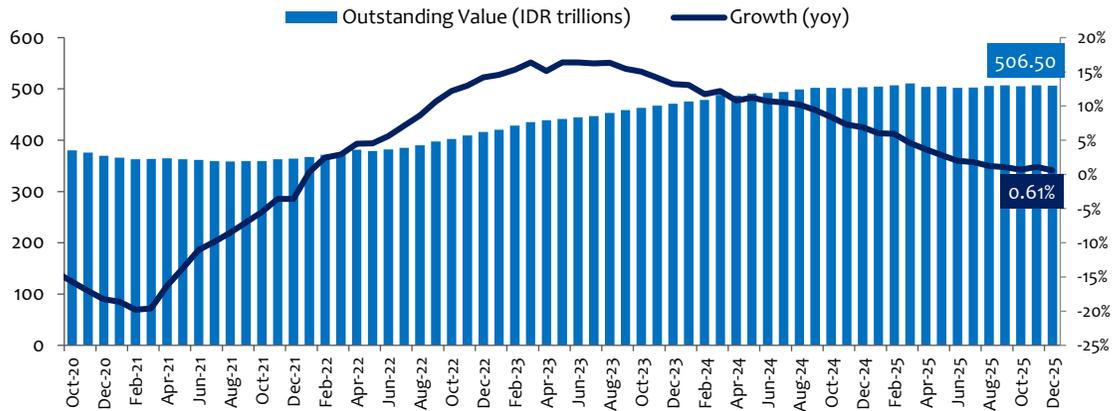
Guarantee Institutions	Dec-21	Dec-22	Dec-23	Dec-24	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Assets Value (IDR Tn)	36.90	39.12	46.41	46.39	48.83	48.24	48.02	47.63	47.51
Growth YoY	46.66%	6.00%	18.64%	-0.05%	1.94%	1.37%	3.17%	2.03	2.43

# Financing, P2P Lending, Venture Capital, Microfinance Institutions

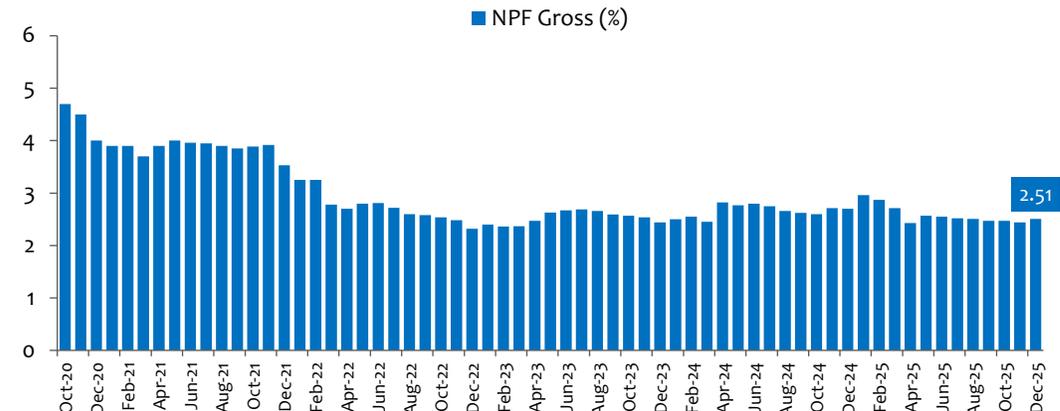


Financing companies remain resilient, supported by manageable risk profile and a strong gearing position, while peer-to-peer (P2P) lending fintech continues to expand,

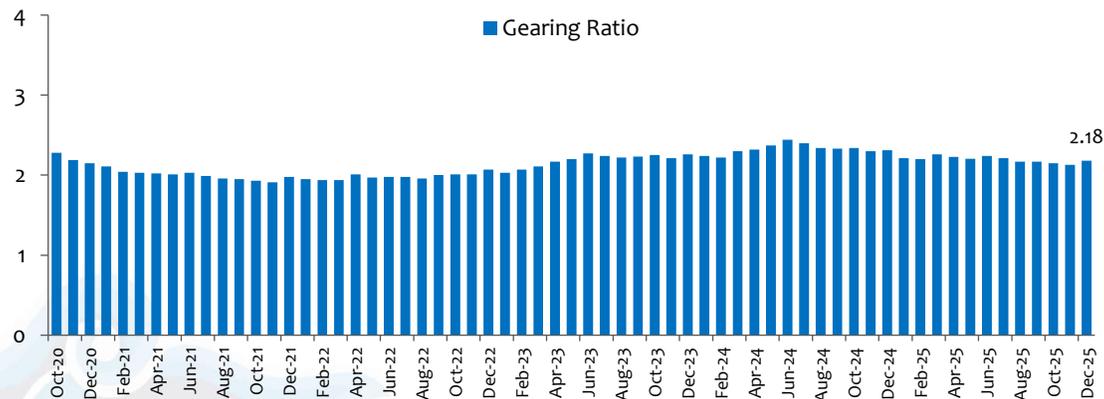
As of **December 2025**, outstanding value in **Financing Companies** grew by **0.61% (yoy)**, reaching **IDR506.50 trillion**.



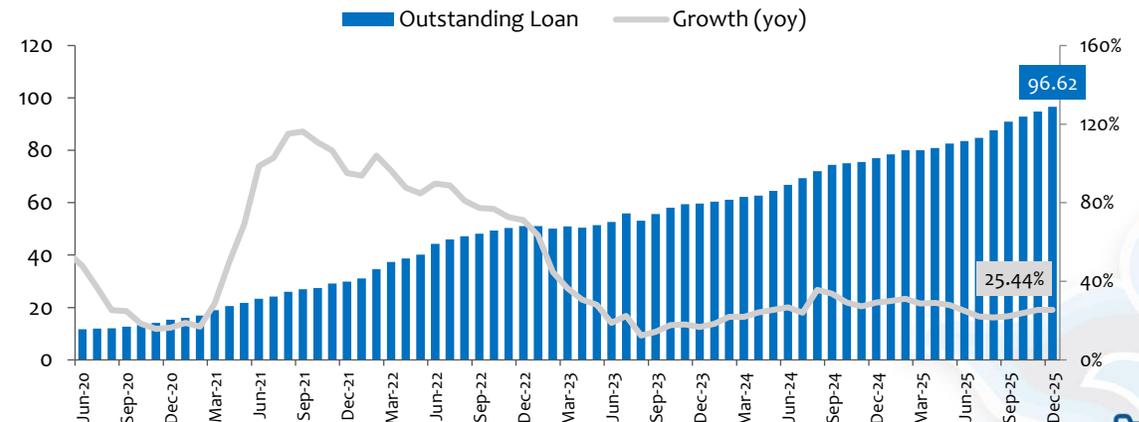
In **December 2025**, Financing Companies' **risk profile** remains well-maintained, with the gross **Non-Performing Financing (NPF)** slightly increased to **2.51%**.



In **December 2025**, the **gearing ratio** for Financing Companies was **2.18 times**, well below the threshold (10 times).



In the **P2P Lending (Fintech)** industry, outstanding financing in **December 2025** grew by **25.44% (yoy)** to **IDR96.62 trillion**.





Based on OJK Regulation No. 3/2024, the OJK established the Regulatory Sandbox as a structured framework to evaluate, oversee, and support innovation in the financial services sector. As of December 2025, the number of sandbox applications reached **27** (YTD), with **four** accepted participants in **December 2025**.

Regulatory Sandbox	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25
Number of Sandbox Applications Request	114	71	87	52	14	27
Number of Sandbox Participants	28	14	20	18	5	4

Type of Registered FSTI Providers	Oct-24	Nov-24	Dec-24	Oct-25	Nov-25	Dec-25
Innovative Credit Scoring	2	4	5	10	10	10
Aggregators	4	6	9	20	20	20
<b>Total</b>	<b>6</b>	<b>10</b>	<b>14</b>	<b>30</b>	<b>30</b>	<b>30</b>



In **December 2025**, the crypto-assets market recorded a total transaction value of **IDR32.68 Tn** with cumulative transactions for 2025 reaching **IDR482.23 Tn** (YTD).

Crypto-assets	Dec-23	Oct-24	Nov-24	Dec-24	Oct-25	Nov-25	Dec-25
Transactions (IDR Tn)	27.25	48.44	81.41	94.08	49.28	37.23	32.68

# Financial Literacy, Consumer Protection and Illegal Financial Activities



OJK conducted **6,548** financial education activities, reaching **9,936,199** participants nationwide as of **December 2025** (YTD).

Financial Education	6,548 Activities	Team for Acceleration of Regional Financial Access (TPAKD)	552 District/Municipalities
	9,936,199 Participants		100% District/Municipalities
Sikapi Uangmu	340 Contents	National Movement of Financial Inclusion (GENCARKAN)	58,637 Programs
	3,471,622 Viewers		37,203 Financial Education Activities
Financial Education Learning Management System (LMSKU) OJK	30,395 Access		21,434 Digital Content
	18,249 Certificates		



In **December 2025**, OJK as a part of The Illegal Financial Activities Eradication Task Force (Satgas Pasti), has closed down **2,617** illegal financial entities (YTD).



From **January to December 2025**, OJK had received **536,267** service requests through the Consumer Protection Portal Application (APPK).

Number of Illegal Investments	354
Number of Illegal Online Lending	2,263
<b>Total Number of Illegal Financial Entities</b>	<b>2,617</b>

Number of Service Requests	536,267
Number of Service Requests on Consumer Protection Portal Application (APPK)	56,620
Banking	20,972
Fintech	21,886
Financing Institutions	11,309
Insurance	1,619
Capital Market and other NBFIs	834
<b>Service Requests Completed</b>	<b>96,50%</b>

# Sharia Financial Services Sector



In Q4 2025, sharia capital market indicators strengthened, reflected in the continued rise of the Indonesia Sharia Stock Index (ISSI) and the expansion of sharia mutual fund assets. In addition, sharia financing institutions maintained positive growth, while venture capital and microfinance segments also continued to expand at a moderate pace.

## SHARIA CAPITAL MARKET

SHARIA STOCKS	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Indonesia Sharia Stock Index	215.65	201.42	226.85	264.83	308.61
Growth (YTD %)	1.41	-6.60	5.19	22.80	43.11
Market Capitalization (IDR Tn)	6,825.31	6,403.94	7,578.21	8,856.95	8,971.68
Market Share (%)	55.33	57.63	62.33	62.55	56.72
SHARIA BOND (SUKUK)	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Government Sukuk (IDR Tn)	1,627.68	1,655.59	1,695.28	1,685.69	1,649.54
Corporation Sukuk (IDR Tn)	55.27	62.53	79.38	80.08	88.21
Market Share (%)	11.63	12.65	15.60	15.30	16.44
SHARIA MUTUAL FUND	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Asset Under Management (IDR Tn)	50.55	53.26	55.83	66.53	83.44
Market Share (%)	10.12	10.78	10.94	12.09	12.36
SHARIA SCF	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Fundraising (IDR Bn)	715.47	802.48	894.29	961.01	1,041.64
Market Share (%)	52.50	54.01	55.87	56.83	57.43

## SHARIA FINANCING INSTITUTIONS, VENTURE CAPITAL, FINTECH P2P LENDING AND MICROFINANCE (PVML) UPDATE

SHARIA PVML	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Sharia Financing Institution Assets (IDR Tn)	33.88	36.51	36.52	36.85	36.55
Sharia Venture Capital Assets (IDR Tn)	3.74	4.16	3.83	3.76	3.98
Sharia Microfinance Assets (IDR Tn)	0.65	0.65	0.64	0.57	0.66

# Sharia Financial Services Sector (cont'd)



Sharia banking intermediation remained steady, with capital buffers and liquidity positions reflecting a sound financial footing and credit-risk metrics remaining stable. This overall resilience has supported consistent growth in financing and deposits. Meanwhile, Sharia insurance, guarantee, and pension fund assets have continued to expand, demonstrating strong uptake in Sharia-based protection and retirement solutions.

## SHARIA BANKING SECTOR

Intermediation	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
<b>Assets (IDR Tn)</b>	980.30	960.82	967.33	1,006.18	1,067.73
Market Share (%)	7.72	7.42	7.41	7.49	7.69
<b>Financing (IDR Tn)</b>	643.55	652.36	666.04	675.86	705.22
Growth (YoY %)	9.92	9.2	8.38	7.78	9.58
<b>Deposits (IDR Tn)</b>	753.60	730.37	738.84	794.31	829.99
Growth (YoY %)	10.09	5.68	6.98	11.19	10.14
Capital and Liquidity	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
CAR	25.4	25.1	25	24.62	25.07
LA/Deposits	32.09	29.05	27.95	29.52	30.01
LA/NCD	154.52	138.55	133.33	143.28	142.13
Credit Risk	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Gross NPF	2.12	2.22	2.24	2.26	2.16
Net NPF	0.79	0.86	0.89	0.92	0.83

## SHARIA INSURANCE, GUARANTEE, PENSION FUND (PPDP) UPDATE

SHARIA PPDP	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Sharia Life Insurance Assets (IDR Tn)	34.20	33.77	34.89	36.14	38.20
Sharia General Insurance Assets (IDR Tn)	9.46	9.55	9.73	9.99	10.41
Sharia Voluntary Pension Fund Assets (IDR Tn)	4.53	4.63	4.77	4.88	5.06
Sharia Guarantee Institution Assets (IDR Tn)	6.28	6.54	6.68	6.85	6.93



## Section 6

# Structural Reforms

*“Structural Reforms and Infrastructure Development to Strengthen Long-Term Growth”*



1

## Asta Cita: The 8 Quick Impact Programs

### 8 National Priorities 2025-2029

1. Strengthening the Foundation of Pancasila Ideology, Democracy, and Human Rights
2. Consolidating the National Defense and Security System and Fostering National Self-Reliance through Self-Sufficiency in Food, Energy, Water, Islamic Economy, Digital Economy, Green Economy, and Blue Economy
3. Continuing Infrastructure Development and Improving Quality Employment Opportunities Promoting Entrepreneurship, Expanding the Creative Industry, and Developing Agro-Maritime Industries in Production Centers through Active Cooperative Involvement
4. Enhancing Human Resource Development, Science, Technology, Education, Health, Sports Achievements, Gender Equality, and Empowering the Roles of Women, Youth (Millennials and Generation Z), and Persons with Disabilities
5. Continuing Downstream Processing and Developing Natural Resource-based Industries to Increase Domestic Value-added
6. Building from the Village and Grassroots for Economic Growth, Economic Equity, and Poverty Eradication
7. Intensifying Political, Legal, and Bureaucratic Reform, and Strengthening the Prevention and Eradication of Corruption, Drugs, Gambling, and Smuggling
8. Enhancing Alignment with A Harmonious Life in the Environment, Nature, and Culture, and Increase Religious Tolerance to Achieve A Just and Prosperous Society

# Indonesia Gold Vision 2045 : Become a Sovereign, Advanced and Sustainable Country



1. Income per capita equivalents to developed countries
2. Poverty declines and inequality decreases
3. Leadership positions and international influence increase
4. HR competitiveness increases
5. GHG emission intensity towards NZE

## Development Phase

First Phase (2025-2029)	Strengthening the foundation of transformation
Second Phase (2030-2034)	With the establishment of a strong foundation, Indonesia is set to accelerate its economy
Third Phase (2035-2039)	Indonesia starts steps to expand globally
Fourth Phase (2040-2045)	Indonesia succeeds in realizing Indonesia Gold 2045 vision

## TRANSFORMATION

1. **Social Transformation:** Focusing on the development of outstanding Indonesian individuals;
2. **Economic Transformation:** Aiming for the nation to become high-income;
3. **Governance Transformation:** Emphasizing adaptive and principled regulations, as well as governance that is characterized by integrity, agility, and collaboration.

## FOUNDATION OF TRANSFORMATION

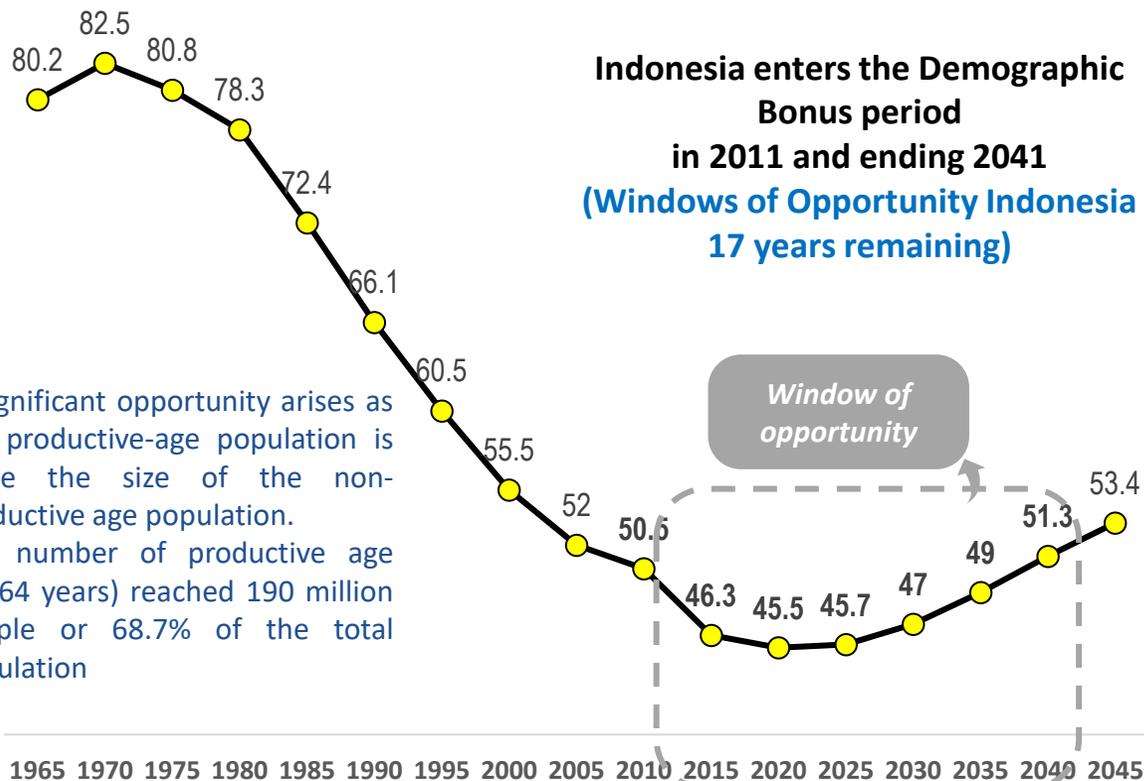
4. Legal Supremacy, Stability, & Diplomatic Strength
5. Socio-Cultural and Ecological Resilience

## TRANSFORMATION IMPLEMENTATION FRAMEWORK

6. Equal and Quality Territorial Development
7. Quality and Environmentally Friendly Facilities and Infrastructure
8. Development Sustainability



## THE PEAK OF INDONESIA'S DEMOGRAPHIC BONUS



- A significant opportunity arises as the productive-age population is twice the size of the non-productive age population.
- The number of productive age (15-64 years) reached 190 million people or 68.7% of the total population

*Dependency Ratio is a comparison between the number of people aged 0-14 years plus the number of people aged 65 years and over (non-productive age population) compared to the number of people aged 15-64 years (productive age).*

Source: BPS Preparation of Indonesian Population Projections SUPAS Results 2015-2045

## SOCIAL CULTURAL CAPITAL

Harmonious and tolerant – Community Collaboration (Gotong Royong) – Deliberation to reach a consensus – Family – Social solidarity – Independent spirit – Cultural diversity

## MARITIME WEALTH



16% of the world's coral reefs



25,000 species of flowering plants (10% of the world)



Capture fisheries potential 12 million tons



The largest mangrove forest 3.36 million hectares

**Geographical Location Advantages**



## NATURAL WEALTH



125.57 million hectares of forest areas



Nickel with ore reserves 5.24 billion tons



Coal reserves 36.30 billion tons



Renewable energy potential 3,716 GW

Source: Bappenas

# Main Government Policies to Promote Strong, Socially Inclusive, and Environmental-Friendly Economic Growth



This policy framework aims to ensure strong, inclusive, and sustainable economic growth by balancing conventional economic revitalization, fostering new economic engines, and enhancing human resource productivity.

## **NEW PATH OF GROWTH: HIGH GROWTH, INCLUSIVE, & SUSTAINABLE**

**1st ENGINE**  
Revitalizing the  
Conventional Economic  
Mechanism



**2nd ENGINE**  
Building a New Economic Engine



**3rd ENGINE AS THE  
FOUNDATION**  
Enhancing Productivity &  
Competitiveness of Human  
Resources

## **ENABLER FOR ECONOMIC GROWTH**



Macroeconomic  
Stability



Maintaining  
People's  
Purchasing Power



Efficiency &  
Investment Climate  
Support



Strengthening &  
Deepening the  
Financial Sector



Enhancing Social  
Security & Social Safety  
Nets

# Implementation of OSS with Risk-based Business Licensing



Indonesia has implemented OSS with Risk-Based Business Licensing since November 2025. The Government Regulation No. 28 of 2025 (PP 28/2025), which replaces PP No. 5 of 2021, strengthens the Risk-Based Business Licensing framework by providing businesses with clearer procedures, greater legal certainty, and a more transparent regulatory environment

3 major changes in PP No 28/2025



Implementation of service time (SLA/Service Level Agreement) in the process of issuing business permits



Implementation of Fictitious-Positive policies



The licensing process is carried out electronically through the OSS RBA system

## Single Preference Principle

PP 28/2025 is a single reference; there are no additional requirements or permits issued by ministries, institutions, regional governments, or area managers that are not regulated in PP 28/2025

## Regulation in PP 28/2025

Consists of 14 chapters:

- Two new chapters added (Basic Requirements and PBUMKU)
- Basic requirement reform
- Simplification of NSPK chapters and adjustment of sector names according to UUCK (Job Creation Law)
- Improvement and completion of norms

Improvement of Annexes I – IV:

- Provide clarity
- Substantial improvements to Annexes I and II
- Details of the requirements and obligations of PB and PB UMKU

## Risk-Based Business Licensing Development

June 2025  
Issuance of Government Regulation No. 28 of 2025



November 2025  
OSS with Risk-Based Business Licensing (PP 28/2025) has been implemented since November 2025, with minor adjustments still ongoing

Government law updates

- 17 has been enacted
- 5 finished harmonisation process
- 3 is in harmonisation process



## Towards a Competitive and Global-Ready Investment Ecosystem

### THE URGENCY OF REVISION

- To reflect current economic dynamics
- To create a more conducive investment climate
- To increase efficiency, support industrial transformation, and strengthen national competitiveness

### THE OBJECTIVE OF REVISION

#### MORE OPEN, LESS RESTRICTIVE

- Easing of restrictions
- Strategic sectors are now more open to investment: health, trade, tourism, public works, and education.

#### MORE OPEN INVESTMENT OPPORTUNITIES IN SPECIAL ECONOMIC ZONES (SEZ)

- No minimum investment limit
- Simplified business processes with various convenient facilities
- Fiscal and non-fiscal incentives to support investment
- Various strategic SEZ zone options, including: tourism, production and processing, logistics & distribution, research & technology, and energy

### THE STRATEGY

#### FISCAL INCETIVE

- Tax Holiday, Tax Allowance, Investment Allowance
- Super Tax Deduction
- Customs Incentives

#### NON-FISCAL INCETIVE

- Ease of Licensing & Infrastructure
- Support for Energy, Raw Materials, Immigration, and Employment

#### NEW PRIORITIES

- Green industry
- Digital industry



Following the President's instructions on deregulation policies aimed at facilitating trade for businesses, enhancing Indonesia's competitiveness, creating jobs, and accelerating investment in labor-intensive sectors to drive economic growth, new regulations on Import Policies and Regulations have been established.

## Deregulated Import Commodity Groups (482 HS)

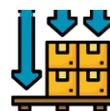
## Import Deregulation Policy Output

Ministry of Trade (MoT) Regulation No. 36 of 2023 in conjunction with Ministry of Trade Regulation No. 8 of 2024 will be revoked, and the following will be issued:



### Industrial Raw Materials/Auxiliary Materials (29 HS)

- Pupuk Bersubsidi
- Bahan Bakar Lain
- Bahan Baku Plastik
- Saccharin, cyclamate, alcohol-containing fragrances
- Certain chemicals
- Pearls



### MoT Regulation No 16 of 2025 on Import Policies and Regulations for **General Import Provisions**



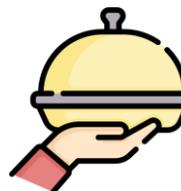
### Competitive Industrial Products (10 HS)

- Footwear
- Two-wheeled and Three-wheeled Bicycles



### **Commodities Clustered Based MoT**, as detailed :

1. MoT Regulation No 17 of 2025 on Import Policy and Regulation for **Textile and Textile Production**;
2. MoT Regulation No 18 of 2025 on Import Policy and Regulation for **Agriculture and Farming Goods**;
3. MoT Regulation No 19 of 2025 on Import Policy and Regulation for **Salt and Fish Commodity**;
4. MoT Regulation No 20 of 2025 on Import Policy and Regulation for **Chemicals, Hazardous Materials, and Mining Materials**;
5. MoT Regulation No 21 of 2025 on Import Policy and Regulation for **Electricity Goods and Telematics**;
6. MoT Regulation No 22 of 2025 on Import Policy and Regulation for **Certain Industrial Goods**;
7. MoT Regulation No 23 of 2025 on Import Policy and Regulation for **Consumption Goods**; and
8. MoT Regulation No 24 of 2025 on Import Policy and Regulation for **Used Goods and Non-Hazardous and Non-Toxic Waste**.



### National Program Support Products (2 HS)

- Food Tray



### Forestry Product (441 HS)



Indonesia's accession to the OECD is a strategic measure to **ESCAPE THE "MIDDLE INCOME TRAP"** and **ACHIEVE "GOLDEN INDONESIA 2045" VISION**.

## Structural Reform through OECD Membership (Domestic Reform Catalyst)

### Strengthening competitiveness and economic resilience

Enhance sound and equitable **business competitiveness**, accelerate the **transformation of an inclusive digital economy**, and achieve a sustainable and equitable economy.

### Improved policy quality and institutional governance

Strengthen **public policies and improve institutional governance** according to **international standards**. This is expected to improve public services and accelerate Indonesia's transition to a developed country.

### Reform Credibility

Demonstrates Indonesia's **commitment to implementing best practices and following international standards**. This strengthens the reputation and credibility of Indonesia's economic reforms and ensures domestic policies remain relevant in the face of global dynamics.

### Signaling Indonesia's readiness as a global player

Accession and membership of the OECD shows Indonesia's **readiness to stand alongside other global players** and commitment to the principles of democracy, rule of law, and market openness and transparency.

- Stronger **anti-corruption policy** instruments with the ratification of **OECD Anti-Bribery Convention**.
- **Transparency of the Tax Sector**. Increased funding for development. Tax optimization of multinational companies operating in Indonesia.
- **Public sector procurement becomes more transparent** so the state budget is more efficient.
- **Better corporate governance and SOEs** so that SOEs can contribute more to the national economy.



- Indonesia's **ACCESSION ROADMAPS'S** handover at the OECD MCM in **MAY 2024** made **INDONESIA AS THE FIRST OECD MEMBER CANDIDATE IN ASEAN**.
- Indonesia is optimistic about **COMPLETING ITS OECD ACCESSION** within the **NEXT 3–4 YEARS**, following the submission on **3 June 2025** of its **32-chapter INITIAL MEMORANDUM (IM)** outlining self-assessments of policies, regulations, and alignment with **240 OECD LEGAL INSTRUMENTS**.
- Based on the self-assessment, **MOST OF INDONESIA'S REGULATIONS ARE INLINE** (fully/partially aligned) with OECD legal instruments.
- **ON PROGRESS:** The OECD has initiated the **TECHNICAL REVIEW** stage of Indonesia's accession process in Q3 2025, involving information gathering through questionnaires, independent studies, and fact-finding missions, with the questionnaire distribution targeted for completion in early 2026



## IEU-CEPA TIMELINE



## BENEFITS OF IEU-CEPA

### a. Market access:

- a. EU: Eliminates 98.61% of tariff lines, covering 100% of import value from Indonesia
  - b. Indonesia: Eliminates 97.75% of tariff lines, covering 98.14% of import value from the European Union
- b. The European Union will **open greater market access for Indonesia's key products** such as palm oil, footwear, textiles, and fish. Through the Palm Oil Protocol, the EU and Indonesia will advance sustainable palm oil trade by enhancing regulatory alignment, strengthening ISPO, and supporting smallholders and MSMEs..
- c. "The implementation of **IEU-CEPA is expected to generate substantial economic benefits for Indonesia**, similar to those already happened in Vietnam and Singapore."
- d. The implementation of **Schengen Visa Cascade Policy** that allows Indonesian to gain multiple-entry access to EU for 5 years.



# Policy Support in the Field of Manpower



Amid escalating trade tensions and weakening global demand that particularly affect labor-intensive industries, the government continues to strengthen worker protection and business resilience. Key measures include a reduction in Jaminan Kecelakaan Kerja (JKK) contributions and enhanced benefits under the Jaminan Kehilangan Pekerjaan (JKP) program to support workers impacted by layoffs

## Government Policies

### Enhancement Benefits of the JKP Program

- Cash benefits increased to 60% of flat wages for 6 months
- Job training benefits increased to Rp 2.4 million
- Ease of participation requirements and benefit claims
- Benefits of access to job market information and job guidance
- Protection for workers affected by layoffs due to company closure/bankruptcy
- JKP contributions are partly covered by the Central Government

### Fifty Percent (50%) reduction in JKK contributions

- JKK contribution relaxation policy in the form of a 50% discount has been reinstated for period from August 2025 to January 2026
- The discount is given to certain labor-intensive industrial companies with a minimum workforce of 50 people, including:
  - food, beverage, and tobacco industry;
  - textile and apparel industry;
  - leather and leather goods industry;
  - footwear industry;
  - children's toy industry; and
  - furniture industry.
- The reduction in contributions does not reduce the JKK benefits received

This employment policy effective as of February 2025 based on: (i) Government Regulation No. 6 of 2025 on Amendments to Government Regulation No. 37 of 2021 concerning the Implementation of the Jaminan Kehilangan Pekerjaan (JKP)/Job Loss Insurance Program, and (ii) Government Regulation No.36 of 2025 on Amendments to Government Regulation No. 7 of 2025 on Adjustment of Jaminan Kecelakaan Kerja (JKK)/Work Accident Guarantee Contributions for Certain Labor-Intensive Industrial Companies.



## DOMESTIC

### White Paper On The National's Digital Economy Development Strategy

- Coordinating Ministry for Economic Affairs has launched the White Paper on the National's Digital Economy Development Strategy on December 6, 2023.
- The white paper aims to serve as guide for related stakeholders in developing the digital economy with a timeline until 2030 and is intended to be a living document.
- It outlines six main pillars for the development of the digital economy, which are: (1) Infrastructure; (2) Human Resources; (3) Business Climate and Cybersecurity; (4) Research, Innovation, and Business Development; (5) Funding and Investment; and (6) Policies and Regulations



**60+** INITIATIVES WITH MILESTONES, JOINTLY LED BY GOVERNMENT AND BUSINESS

30 new gov't-led initiatives across ministries

8 new business-led initiatives

24 current gov't-led initiatives across ministries

6 current business-led initiatives

Source : White Paper on The National's Digital Economy Development Strategy

- Government recognizes emerging technologies as new engines of growth, so Indonesia is preparing regulatory frameworks (such as Roadmap For Developing Semiconductor Ecosystem and Emerging Technologies) to support their sustainable development.

## REGIONAL

### 1. Asean Digital Economy Framework Agreement

ASEAN DEFA is one of commitment among ASEAN countries to encouraging and optimizing the potential of digital economy in the ASEAN region.

#### 9 Core Defa Provisions

<b>Digital Trade</b> Paperless trade, interoperable single windows, electronic transferrable records, electronic invoice	<b>Cooperation on emerging topics</b> Regulating emerging technology (e.g., AI, blockchain)
<b>Cross-border E commerce</b> Fair treatment of digital goods and services, facilitation for cross-border small shipments	<b>Competition policy</b> Cooperation on competition policy to ensure fair playing field
<b>Payments</b> Interoperable payment systems, comparable regulatory requirements & barriers	<b>Cross-border data flows and data protections</b> Personal data protections, common data classifications, source code, cross-border data flows
<b>Digital ID and authentication</b> Technical interoperability, mutual recognition & legal standing	<b>Online safety and cybersecurity</b> Online consumer protection, fraud protection, online dispute resolution, alignment on cybersecurity standards and protections, cross-border cooperation
<b>Talent mobility and cooperation</b> Labor mobility for digital talent & entrepreneurs, accreditations, cooperation on technical skills	

### 2. Indo-Pacific Economic Framework (IPEF- Digital Economy Cluster)

#### 4 Pilar IPEF



- The United States initiative launched by President Biden on May 23, 2022
- There are 14 participating countries: US Australia, Brunei Darussalam, Fiji, Philippines, India, Indonesia, Japan, South Korea, Malaysia, New Zealand, Singapore, Thailand, and Vietnam.



## Timeline

### Initiation and Planning Stages

15 March 2021

The Initiation of Bullion Bank System

### Regulation Provision

12 January 2023

The establishment of Law No. 4/2023 as the legal basis of Bullion Business Activity

18 October 2024

The issuance of OJK Regulation (POJK) No. 17/2024 as the technical rule of Bullion Business

### Business Licensing

23 December 2024

PT Pegadaian Indonesia

12 February 2025

Syariah Bank of Indonesia (BSI)

### The Launch of Bullion

26 February 2026

The launch of Bullion Business Activity in Indonesia by the President



### The Idea of Bullion Bank

- The Bullion system **aims to** increasing the economic benefit from the downstream industry natural resources (gold), accelerating financial inclusion, and strengthening the Indonesia's position in the gold's global value chain.
- Currently the Bullion Bank in Indonesia is run by PT Pegadaian and Syariah Bank of Indonesia (BSI), managing a combined total of 148.77 tons of gold assets (as of October 2025)



### The Business of Bullion

- **Gold Saving**  
(monetization of customer's gold saving)
- **Gold Financing**  
(Financing in the form of gold)
- **Gold Transaction**  
(Gold bar trading)
- **Gold Deposit**  
(gold bar deposit non-monetization)



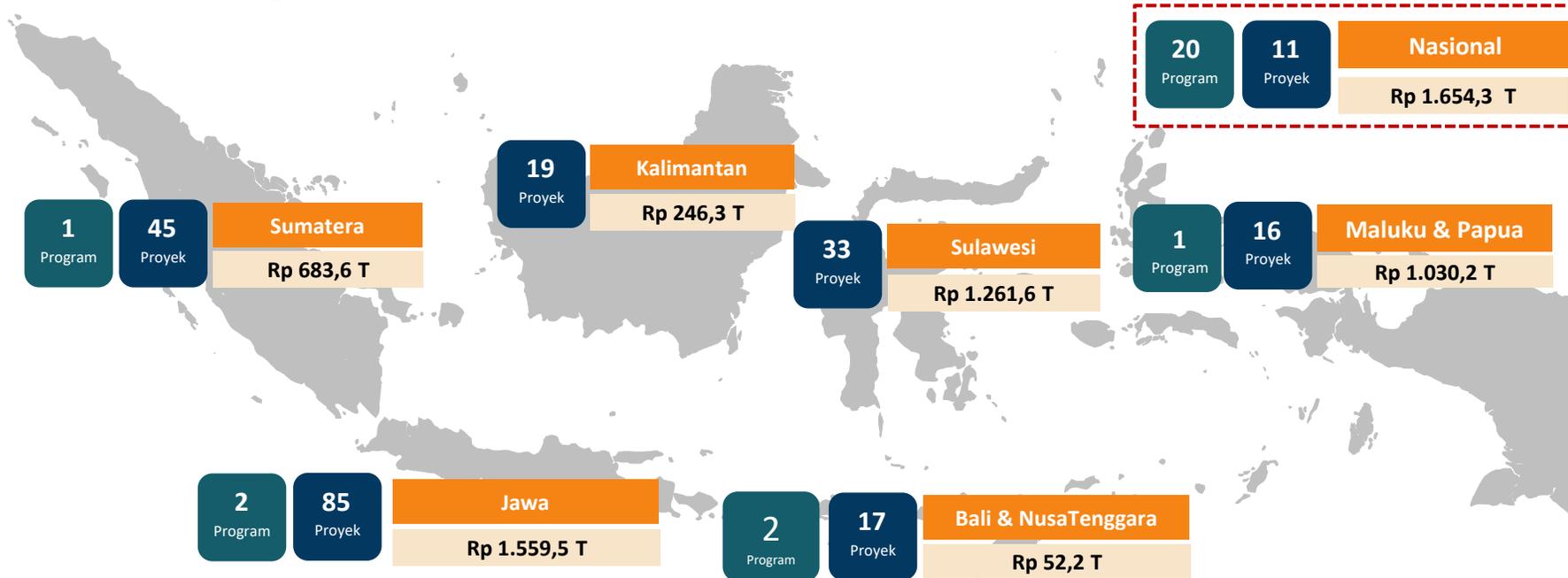
### Bullion Ecosystem Development

1. Intensive coordination between central government with the business sector
2. Accelerating the implementation and development of bullion products referring to the Law of P2SK
3. The establishment of Bullion Business Activity Roadmap 2025 – 2030 by OJK
4. Increasing the market capacity and international agreement to support bullion ecosystem
5. Dissemination to improve the society's literacy about the Bullion Business Activity

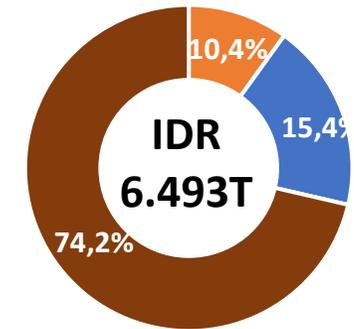
# The National Strategic Project (PSN)



Based on Coordinating Minister Regulation Number 16/2025 dan Number 19/2025 , there are 226 Projects and 26 Programs as PSN with an estimated total investment value (CapEx) of IDR 6.493 trillion



Portion of the Investment Plan Scheme Funding



■ State Budget ■ SOE Budget ■ Private

## 14 Sector of PSN



## 26 Programs of PSN



Source: KPPIP (2026)



Enacted on March 7, 2025

Enacted on September 24, 2025

Enacted on December 12, 2025

Enacted on December 12, 2025

## Coordinating Minister for Economic Affairs Regulation No. 2 of 2025

Seventh Amendment to Coordinating Minister for Economic Affairs Regulation No. 7 of 2021



### Addition of Article 2A, as follows:

1. PJKP (Project Owner) must complete PSN on time in accordance with the planning documents at the time of PSN proposal.
2. PJKP (Project Owner) shall report the implementation and proposed revisions to the completion plan to the Coordinating Minister for Economic Affairs in the event of a delay.

## Coordinating Minister for Economic Affairs Regulation No. 16 of 2025

Eighth Amendment to Coordinating Minister for Economic Affairs Regulation No. 7 of 2021



### Changes to the National Strategic Projects (PSN) list are as follows:

The list of Projects has been changed from 228 to 226 Projects, and the list of Programs has been changed from 24 to 26 Programs.

## Coordinating Minister for Economic Affairs Regulation No. 19 of 2025

Addition to the PSN List



### Additions to the National Strategic Projects (PSN) list include:

1. National Food, Energy, and Water Self-Sufficiency Program from Forest Area Control
2. National Salt Industry Center Area Program.

## Coordinating Minister for Economic Affairs Regulation No. 20 of 2025

Procedures for Submission, Verification, Evaluation, Determination, Monitoring, and Reporting of PSN



### Additions to the Provisions on the Determination of PSN Business Entities in the Food Sector are as follows:

1. The Coordinating Minister for Food may determine PSN business entities in the Food, Energy, and Water sectors in accordance with the provisions of Presidential Decree No. 19 of 2025.
2. Furthermore, the determination of these business entities shall be submitted to the Coordinating Minister for Economic Affairs.

# 2025 PSN Completion and Investment Status

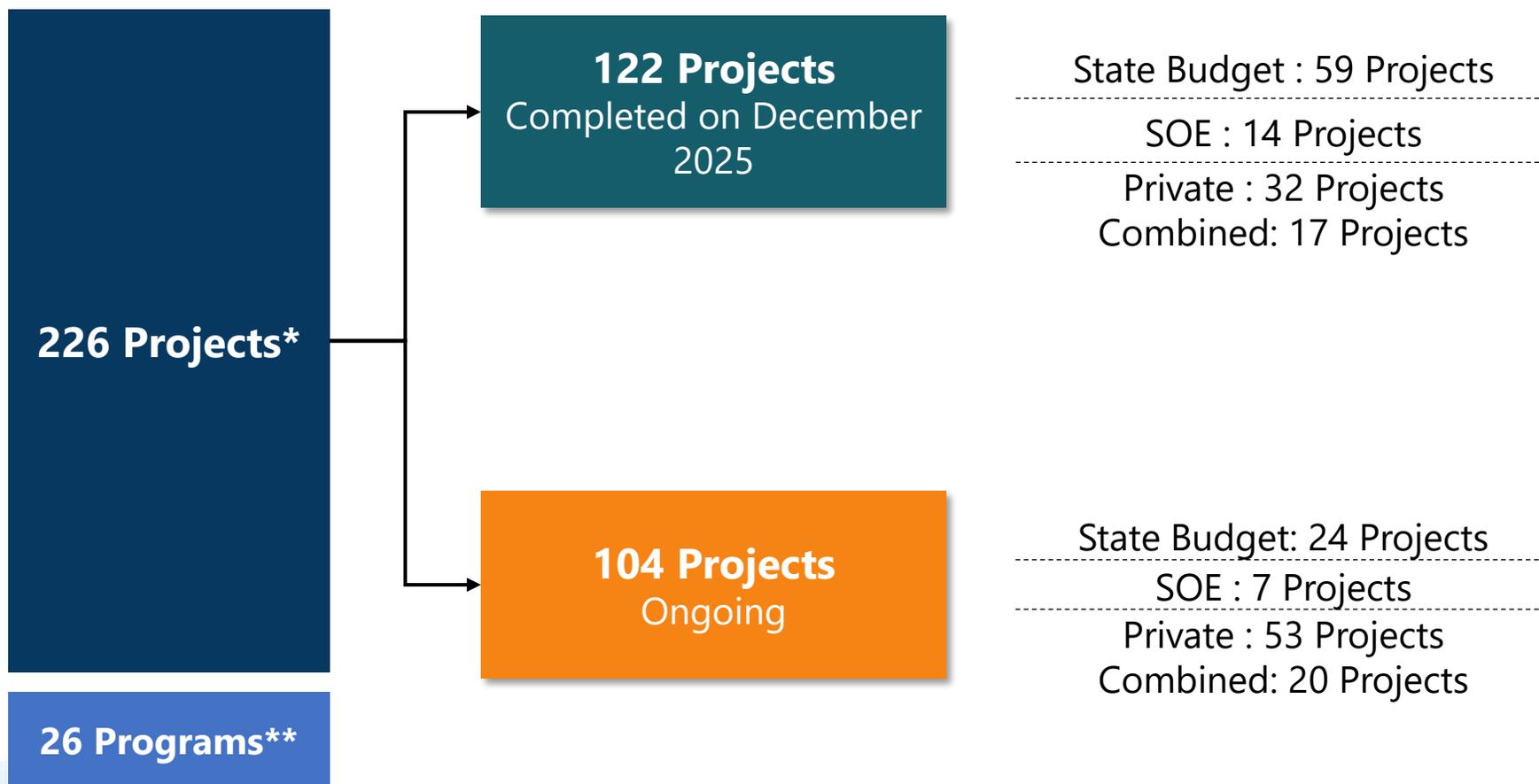


The total 226 PSNs, 122 projects have been completed with an investment of Rp1,849.6 trillion, while 104 projects are still ongoing with a value of +/- Rp3,052.4 trillion, with the private sector accounting for 91% or +/- Rp2,770.58 trillion.

## Total Projects

## Completion Status

## Financing Scheme



226 Projects\*

26 Programs\*\*

122 Projects  
Completed on December  
2025

104 Projects  
Ongoing

State Budget : 59 Projects

SOE : 14 Projects

Private : 32 Projects

Combined: 17 Projects

State Budget: 24 Projects

SOE : 7 Projects

Private : 53 Projects

Combined: 20 Projects

\*Includes projects listed in the appendix to Ministerial Regulation No. 16/2025.

\*\* In accordance with the list of programs in Ministerial Regulation No. 16/2025.

# List of PSNs with Completion Targets in 2026



In 2026, based on KPPIP curation, it is estimated that there will be 10 PSN Projects and 2 PSN Sub-Programs. The construction of the smelter “can be completed” with an estimated investment value of IDR 136.7 trillion



**List of National Strategic Programs with Target Completion Date of 2026**

No	List of PSN	Sector	Location	Investment
1	Pembangunan Fasilitas Pengolahan dan Pemurnian Bauksit oleh PT Borneo Alumina Indonesia di Mempawah, Provinsi Kalimantan Barat Fase I	Energy	West Kalimantan	15.28 T
2	Pembangunan Fasilitas Pengolahan dan Pemurnian Komoditas Tembaga oleh PT Amman Mineral Industri di Sumbawa Barat, Nusa Tenggara Barat	Energy	East Nusa Tenggara	20.6T

**List of National Strategic Programs with Target Completion Date of 2026**

No	List of PSN	Sector	Location	Investment
1	Jalan Tol Sigli – Banda Aceh	Road	Aceh & North Sumatera	IDR 16.5T
2	Jalan Tol Kayu Agung - Palembang - Betung	Road	South Sumatera	IDR 17.3 T
3	Jalan Tol Serang - Panimbang	Road	Banten	IDR 9.9 T
4	Konstruksi Tangki Penyimpanan LPG (lokasi di Kupang)	Energy	East Indonesia	IDR 0,32 T
5	Pembangunan Pipa Transmisi Gas Bumi Ruas Cirebon - Semarang (Tahap II Ruas Batang - Indramayu)	Energy	West & Central Java	IDR 2,79 T
6	Kawasan Industri Tanah Kuning (PT ISI)	Industrial Estate	North Kalimantan	IDR 55 T
7	Bendungan Jragung	Dam	Central Java	IDR 2,8 T
8	Sistem Penyediaan Air Minum (SPAM) Regional Benteng - Kobema (Bengkulu Tengah, Kota Bengkulu, dan Seluma)	Water & sanitation	Bengkulu	IDR 0,9 T
9	Kawasan Industri Kuala Tanjung	Industrial Estate	North Sumatera	IDR 28,8 T
10	Kawasan Industri Wiraraja Green Renewable Energy & Smart-Eco Industrial Park (GESEIP)	Industrial Estate	Riau Island	IDR 343.79 T

# Overview of PSN with a Target Completion Date of 2026

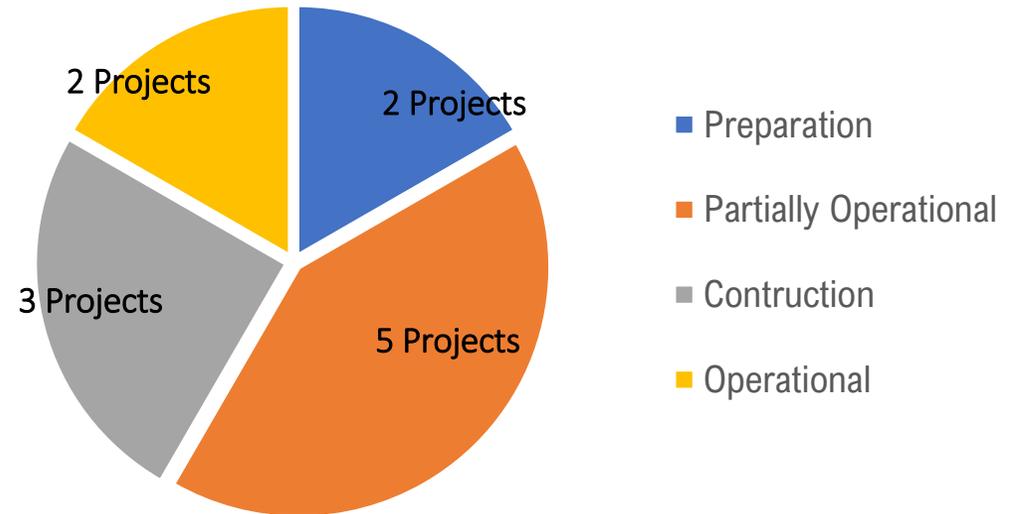


Total of 12 PSNs are targeted for completion by 2026 with an estimated investment of Rp136.7 trillion

	<b>Water and Sanitation</b> 1 Project	IDR 0,9 Trillion
	<b>Dams and Irrigation</b> 1 Project	IDR 2.8 Trillion
	<b>Road</b> 3 Project	IDR 38.5 Trillion
	<b>Energy</b> 4 Project	IDR 39 Trillion
	<b>Industrial Estate</b> 3 Project	IDR 55.5 Trillion

**Total Investment** IDR 136.7 Trillion

Current Project Status (As of December 2025)



<b>Preparation</b> 2 Industrial Estate	<b>Finish/Operational</b> 2 Energy
<b>Partially Operational</b> 2 Road 2 Energy 1 Industrial Estate	<b>Construction</b> 1 Road 1 Dam 1 Water and Sanitation



## 7 SEZs in Java and 18 SEZs outside Java (13 Industrial SEZs, 12 Service SEZs)

Investment realization (cumulative) amounted to Rp.294.4 trillion

Employment absorption of 187 thousand worker

Cumulative achievements of the SEZ until June 30, 2025  
**Rp294,4T**

Business Operator Realization  
**Rp31,6T (10,8%)**

Business Entity (tenant) Realization  
**Rp262,7T (89,2%)**

Export realization data from SEZs continues to increase, reaching Rp82.04 trillion in Q2-2025.

**Largest exports:** Galang Batang SEZ (alumina), Kendal SEZ (anodes), Gresik SEZ (copper)

### Development of SEZs



#### Increasing Exports and Import Substitution

Export-competitive industries and halal industries



#### Industrial Downstreaming

To increase added value by processing raw materials into high value-added goods



#### Acceleration of Industry 4.0 Implementation

Automation-based manufacturing industry



#### Accelerating the Development of the Service Sector

Digital industry, information technology, finance, education, and health services



#### Equitable Development (Inclusive)

Development of industrial centers in the regions to spur economic growth



#### Promoting Trade Surplus

Import substitution industries, such as chemicals, machinery, and electronics, including the development of the service sector, have been causing foreign exchange outflows.



#### Resilience and Sustainability

Green Economy, Blue Economy, and Circular Economy Development



## 1 Background



A National Energy Transition Task Force is needed, encompassing initiatives such as **AZEC, JETP, and other policies related to energy transition and the green economy**, to ensure stronger synergy among various financing schemes, investments, and sustainable energy transition policies. This will support Indonesia's decarbonization targets and the development of a green economy.

**Airlangga Hartarto**  
Coordinating Minister for Economic Affairs

## 2 Main Objective

To support the realization of a green economic transformation, as outlined in the 2025–2029 National Medium-Term Development Plan (RPJMN)

## 3 Roles and Responsibilities

### THE ENERGY TRANSITION AND GREEN ECONOMY TASK FORCE

- **Develop a roadmap and policies** for the energy transition and green economy, including decarbonization.
- **Harmonize, adapt, and formulate regulations** that support the energy transition and green economy.
- **Ensure the effective implementation** of policies and regulations related to the energy transition and green economy.
- **Identify and coordinate financing mechanisms** from domestic and international sources to support the energy transition and green economy.
- **Promote investment and technology transfer** in the sustainable energy sector through collaboration with national and international strategic partners.
- **Manage the social, economic, and environmental impacts** of the energy transition and green economy, including those affecting the workforce in impacted sectors.
- **Develop human resource and research capacity** to support the energy transition and green economy.



# JETP Indonesia Stands as The Largest Individual Energy Transition Financing Effort



On 16 November 2022, the Government of Indonesia (GoI) and the International Partners Group (IPG) launched the Just Energy Transition Partnership for Indonesia (JETP Indonesia).



X



&

**GFANZ**  
Glasgow Financial Alliance for Net Zero  
Bank of America, Citi, Deutsche Bank, HSBC, Macquarie, MUFG, and Standard Chartered

## Comprehensive Investment and Policy Plan (CIPP) 2023 as a Strategic Recommendation for Indonesia's Energy Transition

### Main Result

#### Technical

- An ambitious yet achievable on-grid power sector roadmap.
- A list of priority projects in 5 investment areas, compiled from the Government and PLN.

#### Financing

- Funding needs to meet the electricity sector roadmap and priority projects.
- Clarification of general terms and conditions of IPG funding provisions.

#### Policy

- Policy reform recommendations for 7 key topics.

#### Just Transition

- A just transition framework for managing social, economic and environmental impacts.
- Opportunities for government stakeholders to advance just transition principles.

### Targets in JETP Scenario

Target in 2030: CO2 emissions 250 MT (on-grid) 44% share of renewable energy

USD 97.3 billion needed for just transition by 2030

400+ priority projects (USD 66.9 billion investment required) to be initiated by 2030

Positive socio-economic impacts during the energy transition process

### Key assumptions for achieving JETP targets



Policies supporting the energy transition are in place and implemented (refer to policy recommendations in CIPP 2023 Chapter 8)



#### Accessible financing available

- Concessional financing for low return projects is easily accessible
- Commercial financing for commercially viable projects
- Grants/TA to support studies, including feasibility studies that will lead to project implementation



There are no obstacles in implementing the project such as land acquisition and licensing.



Procurement is carried out periodically for renewable energy and transmission projects by PLN with bankable PPAs & fair risk sharing between PLN and IPPs.

# Energy Transition And Green Economy Taskforce (Satgas Teh) Plays A Key Role In Advancing Indonesia's Energy Transition And Jetc Implementation



Based on Coordinating Minister for Economic Affairs Decree No. 141/2025

## Steering Committee

## Supervisory Team

### Chair

Coordinating Minister of Economic Affairs (CMEA)

### Vice-Chairman

Coordinating Minister for Infrastructure & Regional Development (CMIRD)

### Secretary

Secretary of CMEA

### Member

Minister of State Secretariat  
Minister of Home Affairs  
Minister of Foreign Affairs  
Minister of Finance  
Minister of Higher Education, Science, and Technology  
Minister of Manpower  
Minister of Industry  
Minister of Trade

Minister of Energy and Mineral Resources  
Minister of Public Works  
Minister of Transportation  
Minister of Forestry  
Minister of Environment / Head of the Environmental Control Agency  
Minister of Marine Affairs and Fisheries  
Minister of Agrarian Affairs and Spatial Planning / Head of the National Land Agency  
Minister of National Development Planning / Head of the National Development Planning Agency  
Minister of State-Owned Enterprises  
Minister of Investment and Downstream / Head of the Investment Coordinating Board

### Vice

Chairman of the Financial and Development Supervisory Agency (BPKP)

Vice Chairman  
Inspector, CMEA

## Implementation Team

### Chairman

Deputy for Energy and Mineral Resources Coordination, CMEA

### Vice Chairman I

Deputy for Basic Infrastructure Coordination, CMIRD

### Vice Chairman II

Secretary General of MEMR

### Secretary

Asst. Deputy for the Acceleration of Energy Transition, CMEA

## Working Groups

### Green Energy & Upstream Decarbonization

#### Chair

Director General of EBTKE, MEMR

#### Vice-Chairman

Act. Dir. General of Electricity, MEMR



### Green Industry and Downstream Decarbonization

#### Chair

Secretary General of Mol

#### Vice-Chairman

Director General of Oil & Gas, MEMR



### Partnership, Finance and Green Investments

#### Chair

Director General of Risk Management and Financing, Ministry of Finance

#### Vice-Chairman

Secretary General of SOE Ministry\*



### Social, Economy, Environment, and Human Resource Capacity Development

#### Chair

Exec. Director for Policy Synchronization of Economic Priority Programs, National Economic Council

#### Vice-Chairman

Deputy for Climate Change Control & Governance of Carbon Economic Value, Min. of Environment



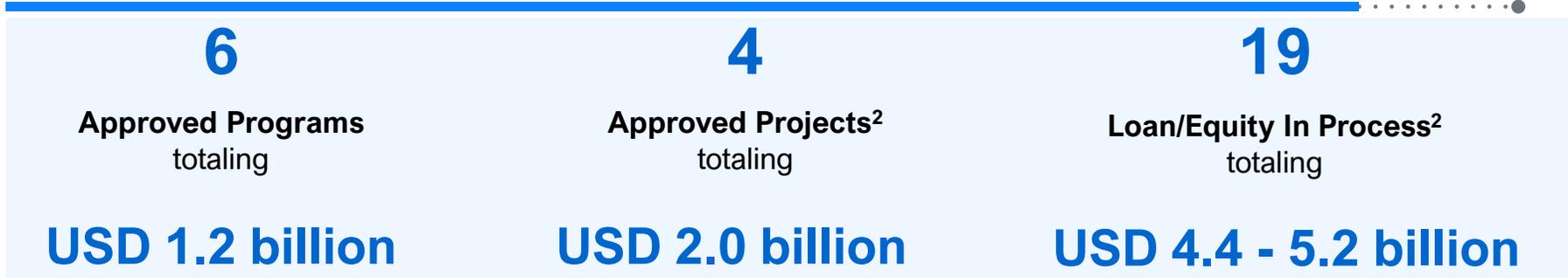
As we move continue to go deeper into implementation stage, SATGAS will engage multiple programs such as JETP, AZEC, ICCSC, and others.

\* Ministry of SoE no longer exists, no official statement yet on the position (IBC)

# Jetp Indonesia Mobilized ~USD 3.4 Billion Out of USD 21.4 Pledge In Loan/Equity/Grant Funding Out Per December 2025



## Loan/Equity<sup>1</sup>



<sup>1</sup>Programs are defined as non-project specific investment, such as Result Based Lending, Policy Based Loan, and equity investment

<sup>2</sup>Project costs estimated by FWG from published Indonesia generation cost data.

## Grant/TA programs



## MDB Guarantees<sup>3</sup>



<sup>3</sup>The Lol for the MDB Guarantee has been signed between the UK Government, the Government of Indonesia, and the IBRD, which means that this \$1 billion guarantee can now be accessed through the IBRD.

## Implemented by



### \*\*Notes:

1. Certain grant programs are still in the process of confirming amounts
2. **FX conversion** from respective currencies to USD (Source: WSJ) are as of **31 December 2025** and variety of FX depending on the signing or approval of the grants.
3. The nominal differences from the previous publications are mostly due to FX fluctuations
4. Nominal are rounded to the nearest one decimal

Source: JETP Secretariat

# Highlights JETP Achievements to Date: Total of ~ USD 3.4 Billion Across Projects, Programs, and Grants as of December 2025



## PROJECTS



Saguling 60 MW Floating Solar PV:  
**USD 60 Million**



Muara Laboh 83 MW Geothermal:  
**USD 138 Million**



MRT Jakarta North-South Line and East-West Line:  
**USD 1,791.5 Million**

## PROGRAMS

No	Funding Type	Description	Value
1	PBL / Concessional loan	Policy Based Lending (PBL) Affordable & Sustainable Energy Transition (ASET):	USD 377.5 Million (EUR 350 Million)
2	RBL / Concessional loan	Indonesia Sustainable Least-cost Electrification -1 (ISLE-1) Program	USD 47.5 Million (CAD 64.3 Million)
3	Equity	Xurya Solar Rooftop	USD 30 Million
4	RBL / Concessional loan	Results Based Loan (RBL) Sustainable Reliable Energy Access Program (SREAP)	USD 69 Million (EUR 63.9 Million)
5	RBL / Concessional loan	Results-Based Loan (RBL) Accelerating Indonesia's Clean Energy Transition (AICET)	USD 327 Million (EUR 300 Million+ USD 20 Million)
6	Concessional loan	Green Energy Corridor Sulawesi (GECS)*	USD 353.2 Million (EUR 300 Million)
7	Grants and Technical Assistance	45 Grants and Technical Assistance*	USD 215.7 Million

Note:

\*JETP reach further milestone as of December 2025 which are ready for Joint Announcement:

- EUR 300 Million** for GECS Loan Agreement between KfW and PT PLN (Persero)
- EUR 7.82 Million** for GBDF Grant Agreement between KfW and PT SMI (Persero)

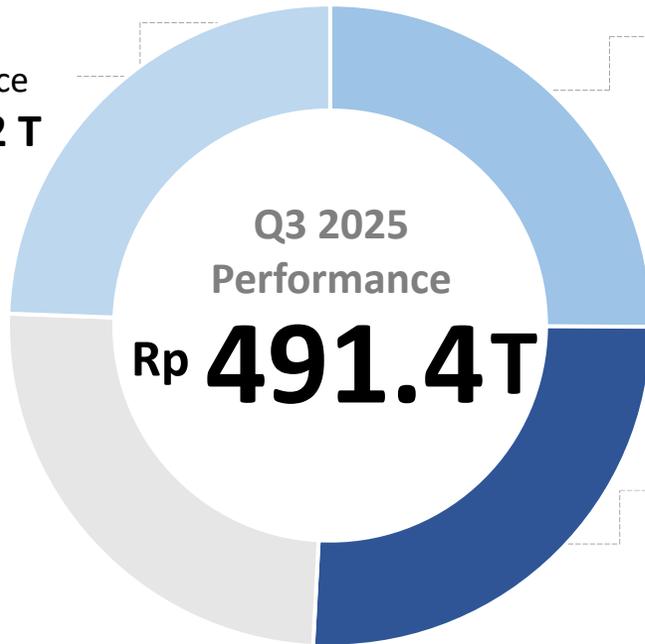
# Investment Realization Performance Third Quarter 2025



## Investment Realization Q3 2025

Q1 2025  
Performance  
**Rp 465.2 T**

Q2 2025  
Performance  
**Rp 477.7 T**

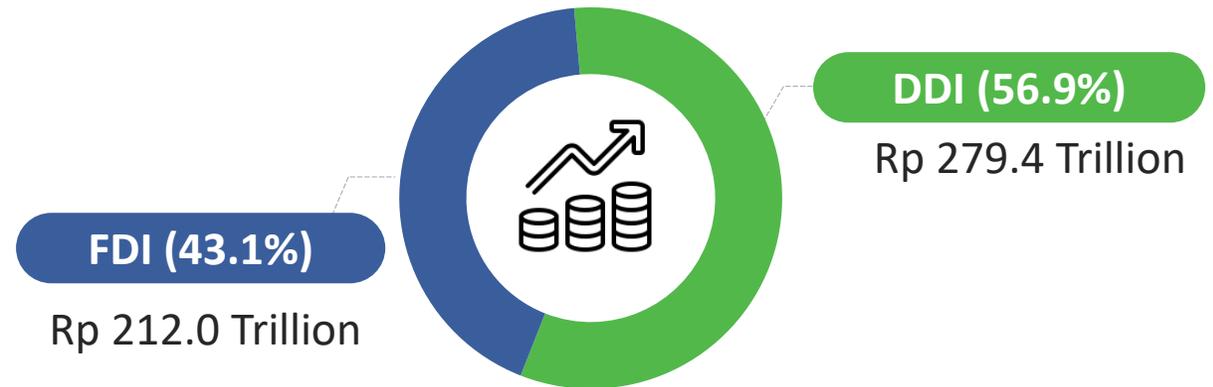


## Indonesian Labor Absorption

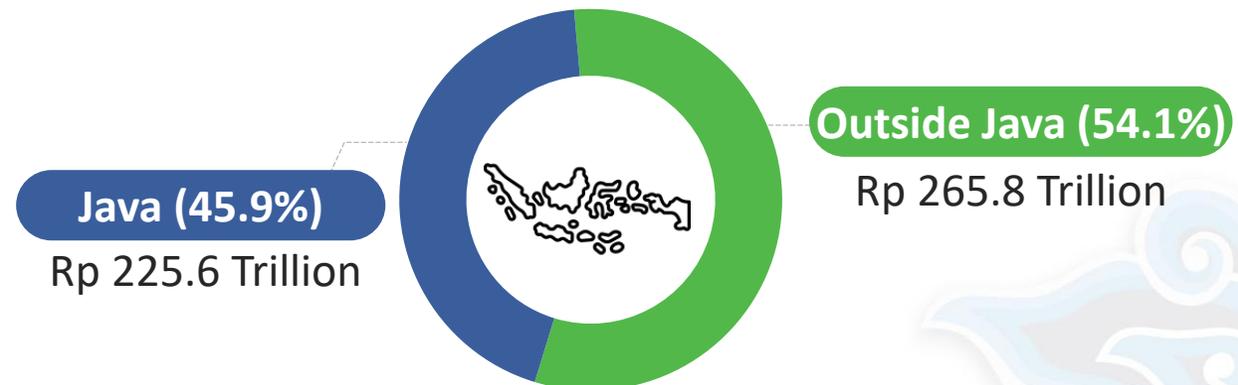


**696,478** people

## Contribution of FDI & DDI Q3 2025



## Contribution of Java & Outside Java Q3 2025



**Note:** Based on the State Budget Currency Rate, USD 1 = Rp 16,000.00; T= Trillion; Excluding the Upstream Oil and Gas Sector and Financial Services

Source: Ministry of Investment and Downstream Industry

# Top 5 FDI Countries Third Quarter 2025



**Basic Metal, Metal Goods, Except Machineries and Equipment Industry**  
**Rp 62.0 Trillion** (12.6%)



**Mining**  
**Rp 55.9 Trillion** (11.4%)



**Transportation, Warehouse, and Telecommunication**  
**Rp 52.6 Trillion** (10.7%)



**Other Services**  
**Rp 44.3 Trillion** (9.0%)



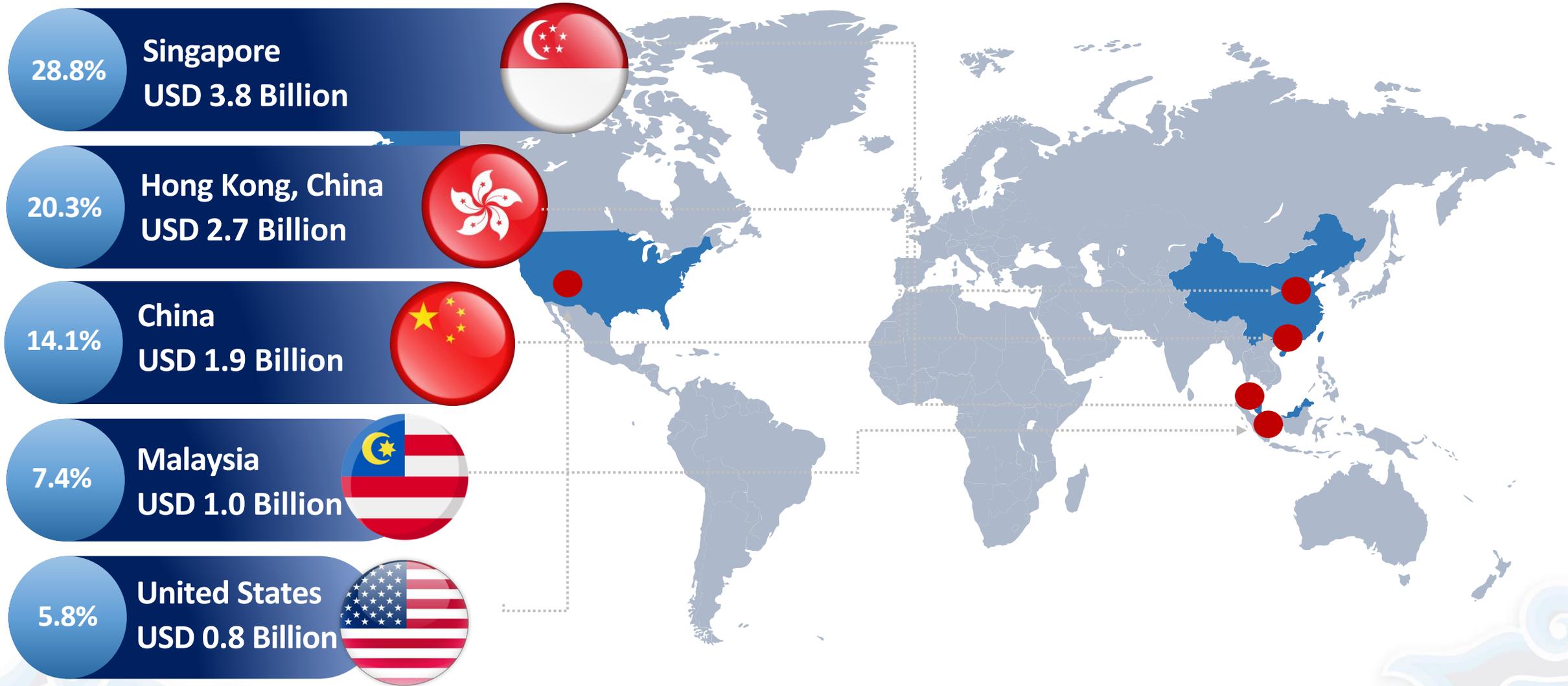
**Trade and Reparation**  
**Rp 34.5 Trillion** (7.0%)



**Note:** Based on the State Budget Currency Rate, USD 1 = Rp 16,000.00; T= Trillion; Excluding the Upstream Oil and Gas Sector and Financial Services

Source: Ministry of Investment and Downstream Industry

# Top 5 FDI Countries Third Quarter 2025



**Note:** Based on the State Budget Currency Rate, USD 1 = Rp 16,000.00; T= Trillion; Excluding the Upstream Oil and Gas Sector and Financial Services

# Investment Realization of Downstream Industry Third Quarter 2025



## Minerals (Total Rp 97.8 T)

Nickel	Rp 42.0 T	Iron & Steel	Rp 9.5 T
Copper	Rp 21.2 T	Tin	Rp 1.5 T
Bauxite	Rp 15.6 T	Others	Rp 8.0 T*

\*) Other commodities include Silica Sand, Gold, Silver, Cobalt, Manganese, Coal, Buton Asphalt, Rare Earth Elements.



## Plantations & Forestry (Total Rp 35.9 T)

Palm Oil	Rp 21.0 T	Rubber	Rp 1.6 T
Log Wood	Rp 11.7 T	Others	Rp 1.6 T**

\*\*\*) Other commodities include Nutmeg, Coconut, Cocoa, and Biofuel



## Oil & Natural Gas (Total Rp 15.4 T)

Crude Oil	Rp 10.4 T
Natural Gas	Rp 5.0 T



## Marine and Fisheries (Total Rp 1.5 T)

The commodities include salt, TCT fish (tuna, skipjack, and mackerel tuna), shrimp, seaweed, blue swimming crab, and tilapia.

## Total Investment Realization of Downstream Industry

**Rp 150.6 T (30.6%\*)** ▲ 64.6% (YoY)

\*) of Total Investment Realization in Third Quarter 2025

**Note:** Based on the State Budget Currency Rate of USD 1 = Rp 16,000.00; T = Trillion

Source: Ministry of Investment and Downstream Industry

THANK YOU

