

**BANK INDONESIA REGULATION  
NUMBER 19/12/PBI/2017 OF 2017  
ON  
ORGANIZATION OF FINANCIAL TECHNOLOGIES**

BY THE GRACE OF GOD ALMIGHTY

THE GOVERNOR OF BANK INDONESIA,

Considering:

- a. that development of technology and information system continue to produce various innovations, especially related to financial technologies to fulfill various needs of society including access to financial services and transaction process;
- b. that the development of financial technologies on one side has proven to provide benefit to consumers, businesses as well as national economy, however, on the other side it has potential risk which if it is not mitigated properly may disrupt financial system;
- c. that financial technologies ecosystem has to be monitored and developed in order to support monetary stability, financial system stability, as well as efficient, smooth, safe, and reliable payment system in order to support sustainable and inclusive national economic growth;
- d. that organization of financial technologies must implement consumers protection as well as risk management and precautionary principles by taking access expansion, national interest, as well as prevailing standard and international practices into considerations;
- e. that response of Bank Indonesia policies towards financial technologies development shall remain in sync, harmonious, and integrated with other Bank Indonesia policies, such as organization of payment transactions processing and national payment gateway as well as have to be coordinated with relevant authority;
- f. that based on the considerations as referred to in letter a until letter e, it has been deemed necessary to establish Bank Indonesia Regulation on Organization of Financial Technologies.

Observing:

- (1) Law Number 23 of 1999 on Bank Indonesia (State Gazette of the Republic of Indonesia of 1999 Number 66, Supplement to the State Gazette of the Republic of Indonesia Number 3843) as amended several times, most recently by Law Number 6 of 2009 on Enforcement of Government Regulation in Lieu of Law Number 2 of 2008 on Second Amendment to Law Number 23 of 1999 on Bank Indonesia into Law (State Gazette of the Republic of Indonesia of 2009 Number 7, Supplement to the State Gazette of the Republic of Indonesia Number 4962);
- (2) Law Number 11 of 2008 on Electronic Information and Transactions (State Gazette of the Republic of Indonesia of 2008 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 4843) as amended by Law Number 19 of 2016 on Amendment to Law Number 11 of 2008 on Electronic Information and Transactions (State Gazette of the Republic of Indonesia of 2016 Number 251, Supplement to the State Gazette of the Republic of Indonesia Number 5952);
- (3) Law Number 3 of 2011 on Fund Transfer (State Gazette of the Republic of Indonesia of 2011 Number 39, Supplement to the State Gazette of the Republic of Indonesia Number 5204);
- (4) Law Number 7 of 2011 on Currency (State Gazette of the Republic of Indonesia of 2011 Number 64, Supplement to the State Gazette of the Republic of Indonesia Number 5223);

HAS DECIDED:

To establish:

**BANK INDONESIA REGULATION ON THE ORGANIZATION OF FINANCIAL TECHNOLOGIES.**

## **CHAPTER I GENERAL PROVISIONS**

### **Article 1**

Under this Bank Indonesia Regulation, the following definitions are employed:

1. Financial Technologies are technologies utilization in financial system which produces products, services, technologies, and/or new business models, as well as may impact monetary stability, financial system stability, and/or efficiency, smoothness, safety, and reliability of payment system.
2. Financial Technologies Organizers are every party who organize Financial Technologies activities.
3. Payment System Organizers are the organizers of payment system as referred to in provisions of Bank Indonesia which regulate on organization of payment transactions processing.
4. Regulatory Sandbox is a limited testing space which is safe for testing Financial Technologies Organizers including products, services, technologies, and/or its business models.

## **CHAPTER II OBJECTIVE AND SCOPE**

### **Article 2**

Bank Indonesia regulates the organization of Financial Technologies in order to encourage innovation in financial sector by implementing customer protection as well as risk management and precaution principles in order to maintain monetary stability, financial system stability, and efficient, smooth, safe, and reliable payment system.

### **Article 3**

- (1) Organization of Financial Technologies is categorized into:
  - a. payment system;
  - b. market support;
  - c. investment management and risk management;
  - d. lending, financing or funding, and capital raising; and
  - e. other financial services.
- (2) Financial Technologies as referred to in paragraph (1) is satisfied the following criteria:
  - a. innovative;
  - b. may impact existing products, services, technologies, and/or financial business models;
  - c. may provide benefits for society;

- d. may be utilized widely; and
- e. other criteria which are stipulated by Bank Indonesia.

#### **Article 4**

Scope of regulation on organization of Financial Technologies includes:

- a. registration;
- b. Regulatory Sandbox;
- c. licenses and approval; and
- d. monitoring and supervision.

### **CHAPTER III REGISTRATION**

#### **Division One Mandatory Registration**

#### **Article 5**

- (1) Financial Technologies Organizers which will or have conducted activities which comply with the criteria as referred to in Article 3 paragraph (2) must register to Bank Indonesia.
- (2) Mandatory registration as referred to in paragraph (1) is exempted for:
  - a. Payment System Organizers which have obtained licenses from Bank Indonesia; and/or
  - b. Financial Technologies Organizers which are under the supervision of other authority.
- (3) Payment System Organizers as referred to in paragraph (2) letter a shall remain to submit information to Bank Indonesia on products, services, technologies, and/or new business models which comply with the criteria of Financial Technologies.
- (4) Financial Technologies Organizers which are under the supervision of other authorities as referred to in paragraph (2) letter b which organize Financial Technologies in payment system sector must register to Bank Indonesia as referred to in paragraph (1).

#### **Article 6**

- (1) Financial Technologies Organizers as referred to in Article 5 paragraph (1) shall be in a form of business entities.
- (2) For Financial Technologies Organizers in a form of institutions other than bank which comply with the category of Payment System Organizers, such Financial Technologies Organizers shall be in a form of business entities which is incorporated in Indonesian legal entities.

#### **Division Two Registration Procedures**

#### **Article 7**

- (1) Registration as referred to in Article 5 paragraph (1) is conducted by submitting written application to Bank Indonesia by authorized party representing Financial Technologies Organizers.
- (2) Application as referred to in paragraph (1) is enclosed with documents in a form of:
  - a. copy of deed of establishment of legal entities or business entities;
  - b. information of legal entities or business entities ownership;
  - c. list of management board;
  - d. overview of companies;
  - e. brief explanation on products, services, provided technologies, and/or running business models and/or to be developed which comply with the criteria of Financial Technologies as referred to in Article 3 paragraph (2); and
  - f. other data and information related to Financial Technologies activities.
- (3) Bank Indonesia shall conduct registration of Financial Technologies Organizers by taking the completeness and conformity of documents as referred to in paragraph (2) as well as laws and regulations into considerations.
- (4) Further provisions on registration procedures are regulated in Members of Board of Governors Regulation.

#### Article 8

- (1) Financial Technologies Organizers which have been registered in Bank Indonesia must:
  - a. implement consumers protection principles in accordance with products, services, technologies, and/or running business models;
  - b. protect consumers data and/or information confidentiality including transactions data and/or information;
  - c. implement risk management and precautionary principles;
  - d. utilize rupiah in every transactions which are conducted in the Unitary State of The Republic of Indonesia in accordance with laws and regulations which regulate on currency;
  - e. implement anti-money-laundering and prevention-of-terrorism-financing principles in accordance with laws and regulations which regulate on anti-money-laundering and prevention-of-terrorism-financing; and
  - f. comply with other laws and regulations.
- (2) Besides the obligations as referred to in paragraph (1), Financial Technologies Organizers are prohibited to conduct payment system activities by using virtual currency.
- (3) Financial Technologies Organizers must submit statement letter of compliance with obligations as referred to in paragraph (1) to Bank Indonesia within 3 (three) months at the latest since Financial Technologies Organizers are registered in Bank Indonesia.
- (4) Further provisions on risk management and precautionary principles are regulated in Members of Board of Governors Regulation.

#### Article 9

- (1) Bank Indonesia shall announce Financial Technologies Organizers which have been registered in Bank Indonesia as referred to in Article 7 paragraph (3) on the official page of Bank Indonesia periodically.
- (2) Further provisions on the announcement of Financial Technologies Organizers which have been

registered in Bank Indonesia are regulated in Members of Board of Governors Regulation.

#### **Article 10**

Registration as referred to in Article 7 paragraph (3) and announcement as referred to in Article 9 paragraph (1) do not eliminate the obligations and responsibilities of Financial Technologies Organizers.

### **CHAPTER IV REGULATORY SANDBOX**

#### **Article 11**

- (1) In order to provide space for Financial Technologies Organizers to ensure further that products, services, technologies, and/or its business models have complied with the criteria of Financial Technologies as referred to in Article (3) paragraph (2), Bank Indonesia shall organize Regulatory Sandbox.
- (2) Bank Indonesia shall determine Financial Technologies Organizers along with products, services, technologies, and/or its business models to be tested in Regulatory Sandbox.
- (3) Financial Technologies Organizers along with products, services, technologies, and/or its business models which may be determined to be tested in Regulatory Sandbox shall be Financial Technologies Organizers which have been registered at Bank Indonesia as referred to in Article 7 paragraph (3) or have submitted information to Bank Indonesia as referred to in Article 5 paragraph (3).

#### **Article 12**

- (1) Bank Indonesia shall determine certain period for Financial Technologies Organizers to conduct testing in Regulatory Sandbox as referred to in Article 11.
- (2) After the period as referred to in paragraph (1) has elapsed, Bank Indonesia shall determine the testing result status of Financial Technologies Organizers in a form of:
  - a. passed;
  - b. not passed; or
  - c. other status which is determined by Bank Indonesia.
- (3) In the event of the testing result is declared passed as referred to in paragraph (2) letter a and products, services, technologies, and/or its business models including Financial Technologies in the category of payment system, therefore Financial Technologies Organizers are prohibited to market the products, services, technologies, and/or business models which were tested before submitting application for licenses and/or approval in accordance with provisions of Bank Indonesia which regulate on organization of payment transactions processing.
- (4) In the event of the testing result is declared not passed as referred to in paragraph (2) letter b and products, services, technologies, and/or its business models including Financial Technologies in the category of payment system, therefore Financial Technologies Organizers are prohibited to market products and/or services as well as utilize technologies and/or business models which were tested.
- (5) In the event of products, services, technologies, and/or business models including Financial Technologies other than the category of payment system, Bank Indonesia may submit the testing result status of Financial Technologies Organizers as referred to in paragraph (2) to the authorized authority.

**Article 13**

- (1) During the testing process in Regulatory Sandbox, Bank Indonesia may determine certain policy for Financial Technologies Organizers.
- (2) Determination of certain policy as referred to in paragraph (1) is conducted by taking the characteristics of products, services, technologies, and/or business models which are tested into considerations.

**Article 14**

Further provisions on Regulatory Sandbox are regulated in Members of Board of Governors Regulation.

**CHAPTER V  
LICENSES AND APPROVAL****Article 15**

- (1) Financial Technologies Organizers which are in the category of Payment System Organizers shall obtain licenses from Bank Indonesia in accordance with provisions of Bank Indonesia which regulate on organization of payment transactions processing.
- (2) To obtain licenses as referred to in paragraph (1), for Financial Technologies Organizers which are in the category of other Payment System Organizers which are determined by Bank Indonesia as referred to in provisions of Bank Indonesia which regulate on organization of payment transactions processing, shall comply with expedience aspects.
- (3) Payment System Organizers which produce products, services, technologies, and/or new business models which are in a form of:
  - a. payment system activities development; and/or
  - b. payment system products and/or activities developments,

however do not comply with the criteria of Financial Technology as referred to in Article 3 paragraph (2), before continuing to market products and/or services as well as utilize technologies and/or its business models, shall first obtain approval from Bank Indonesia in accordance with provisions of Bank Indonesia which regulate on organization of payment transactions processing.

**CHAPTER VI  
MONITORING AND SUPERVISION****Article 16**

- (1) Bank Indonesia shall conduct monitoring of Financial Technologies Organizers which have been registered in Bank Indonesia.
- (2) Financial Technologies Organizers as referred to in paragraph (1) must submit data and/or information which are requested by Bank Indonesia.
- (3) Further provisions on monitoring and submission procedures for data and/or information are regulated in Members of Board of Governors Regulation.

**Article 17**

- (1) Bank Indonesia shall conduct supervision of Financial Technologies Organizers in a form of Payment System Organizers which have obtained licenses and/or approval from Bank Indonesia.
- (2) Supervision as referred to in paragraph (1) is conducted in accordance with provisions of Bank Indonesia which regulate on organization of payment transactions processing.

## **CHAPTER VII**

### **COOPERATION OF PAYMENT SYSTEM ORGANIZERS WITH FINANCIAL TECHNOLOGIES ORGANIZERS**

#### **Article 18**

- (1) Cooperation between Payment System Organizers and registered Financial Technologies Organizers as referred to in Article 5 paragraph (1) shall first obtain approval from Bank Indonesia in accordance with provisions of Bank Indonesia which regulate on organization of payment transactions processing.
- (2) Payment System Organizers are prohibited to cooperate with Financial Technologies Organizers which do not conduct registration and/or licenses as referred to in Article 5 paragraph (1) or paragraph (2).

## **CHAPTER VIII**

### **COORDINATION AND COOPERATION**

#### **Article 19**

- (1) In order to implement this Bank Indonesia Regulation, Bank Indonesia coordinates and/or cooperates with:
  - a. other authorities in Indonesia; and/or
  - b. other foreign authorities, international organizations, and/or international institutions.
- (2) Coordination as referred to in paragraph (1) includes:
  - a. exchange of data and information related to institutional, transactions, products, services, technologies, and/or business models;
  - b. discussion on emerging issues related to Financial Technologies; and/or
  - c. other things which are deemed necessary by Bank Indonesia and other authority.

## **CHAPTER IX**

### **SANCTIONS**

#### **Article 20**

- (1) Financial Technologies Organizers who violate the provisions as referred to in Article 5 paragraph (1) and/or Article 5 paragraph (4) are imposed on sanctions in a form of:
  - a. written warnings;
  - b. termination of business activities;
  - c. certain actions related to organization of payment system activities; and/or
  - d. recommendation to authorized authority to revoke business licenses which were given by such



authorized authority.

- (2) Financial Technologies Organizers who violate provisions as referred to in Article 8 paragraph (1), Article 8 paragraph (2), Article 8 paragraph (3), Article 12 paragraph (3), Article 12 paragraph (4), and/or Article 16 paragraph (2) are imposed on administrative sanctions in a form of:
  - a. written warning; and/or
  - b. removal from Financial Technologies Organizers list in Bank Indonesia.
- (3) Financial Technologies Organizers which violate provisions as referred to in Article 18 and/or Article 26 are imposed on administrative sanctions in a form of:
  - a. written warning;
  - b. fine;
  - c. temporary termination of part or whole payment system activity; and/or
  - d. revocation of licenses as Payment System Organizers.

#### **Article 21**

In the event of Financial Technologies Organizers as referred to in Article 20 paragraph (1) and/or Article 20 paragraph (2) are Payment System Organizers, other than being imposed on sanctions as referred to in Article 20 paragraph (1) and/or Article 20 paragraph (2) may also be imposed on sanctions in accordance with provisions of Bank Indonesia which regulate on organization of payment transactions processing.

#### **Article 22**

Payment System Organizers which violate provisions as referred to in Article 18 and/or Article 26, other than being imposed on administrative sanctions as referred to in Article 20 paragraph (3) may also be imposed on sanctions in a form of order to terminate its cooperation.

### **CHAPTER X MISCELLANEOUS**

#### **Article 23**

Bank Indonesia may submit information and/or recommendation to authorized authority in the event of Financial Technologies Organizers violate this Bank Indonesia Regulation or other laws and regulations.

#### **Article 24**

- (1) Bank Indonesia has the authority to establish policy for organization of Financial Technologies.
- (2) Establishment of policy as referred to in paragraph (1) is based on the considerations of:
  - a. development of certain innovation related to the organization of Financial Technologies; and/or
  - b. development of Financial Technologies ecosystem in order to support national economy.

#### **Article 25**

Duty implementation in Bank Indonesia related to organization of Financial Technologies is conducted by working unit which conducts function of Financial Technologies management.



## **CHAPTER XI TRANSITIONAL PROVISION**

### **Article 26**

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

- a. Payment System Organizers must conduct identification of cooperation between Financial Technologies Organizers; and
- b. in the event of there is cooperation between Financial Technologies Organizers which have not been registered, Payment System Organizers must ensure that such cooperation comply with the provisions as referred to in Article 18 within 6 (six) months starting from the enforcement of Bank Indonesia regulation.

## **CHAPTER XII CLOSING PROVISIONS**

### **Article 27**

Provisions on mandatory registration as referred to in Article 5 paragraph (1) comes into force from 1 (one) month from the promulgation of this Bank Indonesia Regulation.

### **Article 28**

This Bank Indonesia Regulation comes into force from the date of its promulgation.

For public cognizance, it is hereby ordered that this Bank Indonesia Regulation be promulgated in the State Gazette of the Republic of Indonesia.

Established in Jakarta,  
On 29 November 2017  
GOVERNOR OF BANK INDONESIA,  
Signed.  
AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta,  
On 30 November 2017  
MINISTER OF LAW AND HUMAN RIGHTS,  
Signed.  
YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2017 NUMBER 245

**ELUCIDATION BANK INDONESIA REGULATION  
NUMBER 19/12/PBI/2017 OF 2017  
ON  
ORGANIZATION OF FINANCIAL TECHNOLOGIES**

**I. GENERAL**

Technology Innovation and its penetration with financial features still continue and mark the transformation momentum in financial world. Economic digitalization era triggers internet utilization, smartphones, and big data to final-consumers-level more efficiently in times, access, or costs. In such context, economic digitalization including Financial Technologies has great potential to boost economic resources allocation more efficiently and on its turn boost productivity enhancement as well as provide more benefit for society.

On the other side, merger of technology innovation and financial features also carry its own risks. Conventional function tends to reduce its role, moreover often evicted by new function which is introduced by technology innovation which tends to be disruptive. New comers emerge due to the lack of barriers to entry in financial industry. These new comers generally reach out to society and/or business world which is on the average is not or have not been reached by formal financial sector, due to range limit capacity of formal financial sector or have not or do not comply with required default risk management criteria by formal financial sector.

In relation to the abovementioned matters, for implementing duty to establish and implement policy in monetary sector, establish and implement policy in financial system stability sector including macroprudential, as well as to establish and implement policy in payment system, Bank Indonesia has to establish regulation, supervision, and monitoring of organization of Financial Technologies. This regulation, supervision, and monitoring are necessary in order that the organization of Financial Technologies is well monitored and directed, so that the benefit of Financial Technologies may be enjoyed by society and various risk including potential and arising risk and development of shadow economy transactions may be well mitigated. Besides that, regulation and supervision are important to boost development of Financial Technologies ecosystem, so that its benefit may be enjoyed by society. Along with the increase of Financial Technologies adaptation by society, it becomes crucial for Bank Indonesia to require Financial Technologies Organizers to implement consumers protection as well as risk management and precautionary principles.

**II. ARTICLE BY ARTICLE**

**Article 1**

Self-explanatory.

**Article 2**

Self-explanatory

**Article 3**

Paragraph (1)

Letter a

Payment system includes authorization, clearing, settlement, and payment implementation.

Example of organization of Financial Technologies in the category of payment system namely,

utilization of blockchain or distributed ledger to organize fund transfer, electronic money, electronic wallet, and mobile payments.

Letter b

“market support” is Financial Technologies which utilize information and/or electronic technologies to facilitate information provision which is faster and cheaper related to products and/or financial services to society.

Example of organization of Financial Technologies in the category of market support namely, aggregators or financial services.

Letter c

Example of organization of Financial Technologies in the category of investment management and risk management is namely, online investment products and online insurance.

Letter d

Example of organization of Financial Technologies in the category of lending, financing or funding, and capital raising namely, peer-to-peer lending as well as financing or crowd-funding.

Letter e

“other financial services” are Financial Technologies other than the category of payment system, market support, investment management and risk management, as well as lending, financing or funding, and capital raising.

Paragraph (2)

Self-explanatory.

## Article 4

Self-explanatory.

## Article 5

Paragraph (1)

In conducting registration, Bank Indonesia shall take into considerations of laws and regulations related to business activities of Financial Technologies Organizers. Example of laws and regulations related to, namely provisions on peer-to-peer lending.

Registration is intended, so that the organization of Financial Technologies may be monitored by Bank Indonesia for duty implementation in monetary sector, financial system stability, and payment system.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Example of Financial Technologies Organizers which is under the supervision of other authority is namely, organizers of peer-to-peer lending.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

## Article 6

Self-explanatory.

## Article 7

### Paragraph (1)

Authorized authorities represent Financial Technologies Organizers, namely:

- a. for Financial Technologies Organizers which are in a form of limited liability companies, namely board of directors as referred to in laws and regulations which regulate on limited liability companies; and
- b. for Financial Technologies Organizers which are in a form of cooperative, namely managers as referred to in laws and regulations which regulate on cooperative.

### Paragraph (2)

#### Letter a

Including copy of deed of establishment namely, articles of association which have been authorized by authorized institutions and its amendment if any.

#### Letter b

Self-explanatory.

#### Letter c

Self-explanatory.

#### Letter d

Self-explanatory.

#### Letter e

Self-explanatory.

#### Letter f

Example of other data and information, namely copy of registration proof and/or licenses from supervisory authority, distribution area of transactions and users, business potential, transactions volume and value, market opportunities, as well as target market.

### Paragraph (3)

Self-explanatory.

### Paragraph (4)

Self-explanatory.

## Article 8

### Paragraph (1)

#### Letter a

"implement consumers protection principles" is Financial Technologies Organizers implement principles as regulated in laws and regulations which regulate on consumers protection.

#### Letter b

protect consumers data and/or information including transactions data and/or information,

namely is conducted by managing and administrating transactions and/or consumers documents in a good and orderly manner as well as not providing transactions and/or consumers data and/or information to other party unless with written consent from customers or is required by laws and regulations.

Letter c

“implement risk management principles” is Financial Technologies Organizers have conducted identification, measurement, monitoring, and control of risk which may arise in its business activities.

Letter d

Self-explanatory.

Letter e

Implementation of anti-money-laundering and prevention-of-terrorism-financing principles is conducted in accordance with the laws and regulations which regulate on anti-money-laundering and prevention-of-terrorism-financing principles including regulations which are issued by supervisory and regulatory institutions which are related to business activities and/or existence of the relevant Financial Technologies Organizers.

Letter f

Example of provisions of other laws and regulations are namely, regulations on business entities establishment as well as organization of electronic system and transactions.

Paragraph (2)

“virtual currency” is digital money which is issued by party other than monetary authority which is obtained by mining, buying, or rewarding. Prohibition to conduct payment system activities by using virtual currency is because virtual currency is not a legitimate medium of exchange in Indonesia.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

## **Article 9**

Self-explanatory.

## **Article 10**

The obligation of Financial Technologies Organizers, is namely obligation to submit application for registration, licenses, or approval to relevant authorities.

Responsibilities of Financial Technologies Organizers, namely responsibility for organization of Financial technologies including obligation to implement consumers protection, risk management, precautionary principles, and legal relationship between Financial Technologies Organization with customers and/or other party.

## **Article 11**

Paragraph (1)

Implementation of Regulatory Sandbox is one mean of Bank Indonesia to encourage Financial Technologies innovation by implementing consumers protection as well as risk management and

precautionary principles.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

## **Article 12**

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Example of other status which is determined by Bank Indonesia, namely if at the time of and/or after being tested, products, services, technologies, and/or business models do not belong to payment system category.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Submission to authorized authority is intended to be followed up in accordance with laws and regulations which regulate on products, services, technologies, and/or business models which include in Financial Technologies other than in the category of payment system.

## **Article 13**

Paragraph (1)

Certain policies namely, certain limitation, such as territorial limits, numbers of users and/or certain period, and/or facility in order to organize Financial Technologies activities during testing process in Regulatory Sandbox.

Paragraph (2)

Self-explanatory.

## **Article 14**

Self-explanatory.

## **Article 15**

Paragraph (1)

Self-explanatory.

Paragraph (2)

Scope of expedience aspects covers:

- a. legality and company profile;
- b. law;
- c. operational readiness;
- d. system safety and reliability;
- e. business expedience;
- f. risk management adequacy; and
- g. consumers protection.

Paragraph (3)

Self-explanatory.

## **Article 16**

Paragraph (1)

Monitoring is conducted to detect early the potential negative impact of Financial Technologies development which is too expansive against the implementation of monetary policy, financial system stability policy including macroprudential and payment system policy in order to maintain monetary stability, financial system stability, as well as efficient, smooth, safe, and reliable payment system.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

## **Article 17**

Self-explanatory.

## **Article 18**

Paragraph (1)

In order to obtain approval from Bank Indonesia, Financial Technologies Organizers shall inform on products, services, technologies, and/or business models of Financial Technologies Organizers to Bank Indonesia.

Paragraph (2)

Self-explanatory.

## **Article 19**

Paragraph (1)

Letter a



Self-explanatory.

Letter b

Coordination and/or cooperation with foreign authorities, international organizations, and/or international institutions is conducted by taking principles, such as national interest, reciprocity, as well as data and/or information confidentiality into considerations.

Paragraph (2)

Letter a

Data and information including data and information of Financial Technologies Organizers which have been registered and/or granted authority by other authority in Indonesia.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

## **Article 20**

Paragraph (1)

Letter a

Self-explanatory.

Letter b

Imposition on sanction in a form of business activities termination is conducted by Bank Indonesia or cooperation with authorized authority/party.

Letter c

Certain action is namely, prohibition to submit application for license as Payment System Organizers.

Letter d

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

## **Article 21**

Self-explanatory.

## **Article 22**

Self-explanatory.

## **Article 23**

Self-explanatory.

**Article 24**

## Paragraph (1)

Policy of organization of Financial Technologies is intended for Financial Technologies Organizers which are under the authority of Bank Indonesia with the scope of namely, institutional aspects and ownership of Financial Technologies Organizers as well as utilization of certain technologies innovation.

## Paragraph (2)

Self-explanatory.

**Article 25**

Self-explanatory.

**Article 26**

Self-explanatory.

**Article 27**

Self-explanatory.

**Article 28**

Self-explanatory.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 6142

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