



PRESIDENT OF
THE REPUBLIC OF INDONESIA

COPY

GOVERNMENT REGULATION IN LIEU OF LAW OF THE REPUBLIC OF
INDONESIA

NUMBER 1 YEAR 2020

CONCERNING

STATE FINANCIAL POLICY AND FINANCIAL SYSTEM STABILITY TO CONTROL
CORONA VIRUS DISEASE 2019 (COVID-19) PANDEMIC AND/OR IN RESPONSE
TO DANGEROUS THREATS TO THE NATIONAL ECONOMY AND/OR THE
STABILITY OF THE FINANCIAL SYSTEM

BY THE GRACE OF THE ONE ALMIGHTY GOD

THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

- Considering:
- a. whereas the outbreak of Corona Virus Disease 2019 (COVID-19) which has been declared by the World Health Organization as a pandemic in most countries around the world, including in Indonesia, is rising over time and has caused fatalities and increasing trend of material losses, thus posing implication on social, economic and people's welfare aspects;
 - b. whereas the implications of Corona Virus Disease 2019 (COVID-19) pandemic have led to, inter alia, decelerated national economic growth, decline in state revenue and increase in state spending and financing, so that various Government measures are required in order to save national health and economy, with a focus on spending for healthcare, social safety net and economic recovery measures including for the impacted business and communities;
 - c. whereas the implications of the Corona Virus Disease 2019 (COVID-19) pandemic have also lead to the deterioration of the financial system as indicated by the decline in various domestic economic activities, so that this issue must be mitigated by the Government together with the Financial System Stability Committee (*Komite Stabilitas Sistem Keuangan* or KSSK) to take anticipation (forward looking) measures in order to maintain financial sector stability;
 - d. whereas based on the considerations as referred to in letter a, letter b and letter c, the Government and related institutions shall immediately implement policies and extraordinary measures to save the national



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economy and financial system stability through various relaxation policies related to the implementation of State Budget (APBN), specifically by increasing spending on healthcare, social safety net and economic recovery measures, as well as strengthening the authority of various institutions in financial sector;

- e. whereas the conditions as referred to in letter a, letter b, letter c and letter d, have met the parameters of a compelling crisis which gives authority to the President to stipulate Government Regulations in lieu of Law as stipulated in Article 22 paragraph (1) of the 1945 Constitution of the Republic of Indonesia;
- f. whereas based on the considerations as referred to in letter a, letter b, letter c, letter d and letter e, and in order to provide a strong legal basis for the Government and related institutions to immediately implement such policies and measures, it is necessary to stipulate a Government Regulation in lieu of Law concerning State Financial Policy and Financial System Stability to Control Corona Virus Disease 2019 (Covid-19) Pandemic and/or In Response to Dangerous Threats to the National Economy and/or the Stability of the Financial System;

Considering: Article 22 paragraph (1) of the 1945 Constitution of the Republic of Indonesia

HAS DECIDED:

To stipulate: GOVERNMENT REGULATION IN LIEU OF LAW CONCERNING STATE FINANCIAL POLICY AND FINANCIAL SYSTEM STABILITY TO CONTROL CORONA VIRUS DISEASE 2019 (COVID-19) PANDEMIC AND/OR IN RESPONSE TO DANGEROUS THREATS TO THE NATIONAL ECONOMY AND/OR THE STABILITY OF THE FINANCIAL SYSTEM



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CHAPTER 1

SCOPE

Article 1

- (1) In order to meet the needs of state administration governance, a State Budget (APBN) shall be prepared, which shall consist of state revenue budget, state spending budget and budget financing.
- (2) In order to implement the State Budget (APBN) as referred to in paragraph (1), Law Number 20 Year 2019 on 2020 State Budget has been enacted.
- (3) In order to implement the State Budget (APBN) as referred to in paragraph (1) and paragraph (2) in the context of:
 - a. controlling/tackling the Corona Virus Disease 2019 (COVIR-19) pandemic; and/or
 - b. anticipating the threats to the national economy and/or financial system stability,it is necessary to stipulate a state financial policy and financial system stability policy.
- (4) State financial policy as referred to in paragraph (3) shall encompass state revenue policies including taxation policy, state spending policies including regional financial policy, and financing policies.
- (5) The financial system stability policy as referred to in paragraph (3) shall encompass policies for tackling issues concerning financial institution which may pose threats to national economy and/or financial system stability.

CHAPTER 11

STATE FINANCIAL POLICY

Part One

Budgeting and Financing

Article 2

- (1) In the framework of implementing state financial policy as referred to in Article 1 paragraph (4), the Government shall be authorised to:
 - a. set a threshold of budget deficit, with the following conditions:
 1. exceeds 3% (three percent) of Gross Domestic Product (GDP) during the period of controlling the Corona Virus Disease 2019 (COVID-19)



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- pandemic and/or to anticipate threats to the national economy and/or financial system stability no later than the end of FY2020;
2. as of FY2023, the deficit amount shall return to a maximum of 3% (three percent) of Gross Domestic Product (GDP); and
 3. adjustment to deficit amount as referred to in point 1 to the amount as referred to in point 2 shall be carried out in a gradual manner.
- b. make adjustments to mandatory spending as stipulated under the provisions of relevant laws and regulations;
 - c. transfer the budget at the inter-organizational units, functions and/or programs;
 - d. take actions that result in expenditure on the burden of the State Budget (APBN), for which the budget to finance such expenditures is not yet available or not sufficiently available, as well as to determine the process and method of procurement of goods/services;
 - e. use budgets originating from:
 1. Budget Surplus (*Sisa Anggaran Lebih* or SAL);
 2. endowment funds and accumulated education endowment funds;
 3. funds controlled by the state with certain criteria;
 4. funds managed by the Public Service Agency; and/or
 5. funds originating from the reduction of State Equity Participation in State-Owned Enterprises (SOEs);
 - f. issue Government Debt Securities and/or Government Sharia Securities for specific purposes, especially in the context of Corona Virus Disease 2019 (COVID-19) pandemic, to be purchased by Bank Indonesia, State-Owned Enterprises (SOEs), corporate investors and/or retail investors;
 - g. determine the domestic and/or overseas sources of Budget financing;
 - h. provide loans to Indonesia Deposit Insurance Corporation (*Lembaga Penjamin Simpanan*);
 - i. prioritise the use of budget allocations for certain activities (refocusing), adjusting the allocation, and/or cutting/delaying the distribution of the budget allocation for Regional Transfers and Village Fund, with certain criteria;
 - j. provide grants to Regional Governments; and/or
 - k. simplify the mechanism and documentation in state finance sector.
- (2) Further provisions concerning state financial policy as referred to in paragraph (1), shall be stipulated by a Minister of Finance Regulation.



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Part Two
Regional Financial Policy

Article 3

- (1) In the framework of implementing regional financial policy as referred to in Article 1 paragraph (4), the Local Government shall be granted with the authority to prioritise the use of budget allocations for certain activities (refocusing), allocation changes as well as the use of Regional Government Budget.
- (2) Provisions concerning the prioritisation of budget allocations for certain activities (refocusing), allocation changes and the use of the Regional Budget as referred to in paragraph (1), shall be regulated by a Minister of Home Affairs Regulation.

Part Three
Taxation Policy

Article 4

- (1) Taxation policy as referred to in Article 1 paragraph (4) shall encompass:
 - a. adjustment to Income Tax rates for resident Corporate Taxpayers and permanent establishments;
 - b. tax treatment for E-Commerce (PMSE);
 - c. extension of time for exercising taxation rights and fulfilling taxation obligations; and
 - d. granting of authority to the Minister of Finance to provide customs facilities in the form of exemption or relief of import duties in the context of emergency conditions containment as well as recovery and strengthening of the national economy.
- (2) E-Commerce (PMSE) as referred to in paragraph (1) sub-paragraph b shall be trade activities carried out through a set of electronic devices and procedures.

Article 5

- (1) Income Tax rate adjustment for resident corporate Taxpayers and permanent establishments as referred to in Article 4 paragraph (1) sub-paragraph a in the



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form of tariff reduction of Article 17 paragraph (1) sub-paragraph b of Income Tax Law shall become:

- a. 22% (twenty two percent) for FY2020 and FY2021; and
 - b. 20% (twenty percent) which shall come into force in FY2022.
- (2) Resident Taxpayer:
- a. which constitutes a Public Company;
 - b. having a total amount of shares paid-up traded in Indonesia Stock Exchange of at least 40% (forty percent); and
 - c. who meets certain requirements,
- may be eligible for a 3% (three percent) rate lower than the rate as referred to in paragraph (1) sub-paragraph a and sub-paragraph b.
- (3) Further provisions concerning certain requirements as referred to in paragraph (2) sub-paragraph c shall be stipulated by or based on a Government Regulation.

Article 6

- (1) Taxation treatment for E-Commerce (PMSE) activities as referred to in Article 4 paragraph (1) sub-paragraph b shall be in the form of:
 - a. imposition of Value Added Tax on the utilisation of Intangible Taxable Goods and/or Taxable Services from outside the Customs Area within the Customs Area through E-Commerce (PMSE) system; and
 - b. imposition of Income Tax or electronic transaction tax on E-Commerce (PMSE) conducted by non-resident tax subjects that meet the provisions of having significant economic presence.
- (2) Imposition of Value Added Tax on utilisation of Intangible Taxable Goods and/or Taxable Services from outside the Customs Area within the Customs Area through E-Commerce (PMSE) as referred to in paragraph (1) sub-paragraph a shall be subject to provisions as referred to in Law concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods.
- (3) Value Added Tax imposed on utilisation of Intangible Taxable Goods and/or Taxable Services from outside the Customs Area within the Customs Area as referred to in paragraph (2) shall be collected, deposited and reported by foreign merchants, foreign service providers, foreign e-commerce operators and/or domestic e-commerce operators, appointed by the Minister of Finance.
- (4) E-Commerce (PMSE) operators as referred to in paragraph (3) shall be business players providing electronic communication facilities used for trade transactions.



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- (5) Foreign merchants or foreign service providers as referred to in paragraph (3) shall be individuals or entities domiciled in or outside of the Customs Area who transact with buyers of goods or recipients of services within the Customs Area through an electronic system.
- (6) Foreign merchants, foreign service providers, and/or foreign E-Commerce (PMSE) Operators that meet the provisions of having significant economic presence may be treated as a permanent establishment and shall be subject to Income Tax.
- (7) Requirements of having significant economic presence as referred to in paragraph (6) shall include:
 - a. consolidated gross turnover of the business group up to a certain threshold;
 - b. sales in Indonesia up to a certain threshold; and/or
 - c. a certain number of active users of digital media in Indonesia.
- (8) In the event that the stipulation as a permanent establishment as referred to in paragraph (6) cannot be carried out due to the implementation of agreements with the governments in other jurisdictions in the framework of double tax avoidance and tax evasion prevention, foreign merchants, foreign service providers, and/or foreign E-Commerce (PMSE) Operators that meet the provisions of having significant economic presence, shall be subject to electronic transaction tax.
- (9) Electronic transaction tax as referred to in paragraph (8) shall be imposed on the sale transactions of goods and/or services from outside of Indonesia through E-Commerce (PMSE) system to buyers or users in Indonesia carried out by non-resident tax subjects, both directly and through foreign E-Commerce (PMSE) Operators.
- (10) Income tax as referred to in paragraph (6) or electronic transaction tax as referred to in paragraph (8) shall be paid and reported by foreign merchants, foreign service providers, and/or Foreign E-Commerce (PMSE) Operators.
- (11) Foreign merchants, foreign service providers, and/or foreign E-Commerce (PMSE) Operators as referred to in paragraph (3) and paragraph (10), may appoint representatives domiciled in Indonesia to collect, deposit and report Value Added Tax payable as referred to in paragraph (3) and/or to fulfil the Income Tax obligations as referred to in paragraph (6) or electronic transaction tax as referred to in paragraph (8).
- (12) The amount of tariff, the basis of imposition and the procedure for calculating Income Tax as referred to in paragraph (6) and electronic transaction tax as referred to in paragraph (8) shall be regulated by or based on a Government Regulation.



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- (13) Further provisions concerning:
- a. procedures for the appointment, collection and deposit as well as the reporting of Value Added Tax as referred to in paragraph (3);
 - b. significant economic presence as referred to in paragraph (7), procedures for payment and reporting of income tax or electronic transaction tax as referred to in paragraph (10); and
 - c. procedures for appointment of representatives as referred to in paragraph (11),
- shall be stipulated by a Minister of Finance Regulation.

Article 7

- (1) Foreign merchants, foreign service providers, and/or foreign E-Commerce (PMSE) Operators and/or Domestic E-Commerce (PMSE) Operators that do not meet the provisions referred to in Article 6 paragraph (3) and foreign merchants, foreign service providers, and/or foreign E-Commerce (PMSE) Operators who do not meet the provisions as referred to in Article 6 paragraph (10), shall be subject to administrative sanctions in accordance with Law Number 6 Year 1983 on General Tax Provisions and Procedures as amended most recently by Law Number 16 Year 2009.
- (2) Provisions concerning determination, collection, and legal efforts related to the imposition of Value Added Tax on utilisation of Intangible Taxable Goods and/or Taxable Services from outside the Customs Area within the Customs Area through E-Commerce (PMSE) as well as imposition of Income Tax or electronic transaction tax on non-resident tax subjects who meet the provisions of having significant economic presence as referred to in Article 6, shall be carried out in accordance with Law Number 6 Year 1983 on General Tax Provisions and Procedures as amended most recently by Law Number 16 Year 2009.
- (3) Against the E-Commerce (PMSE) operators as referred to in paragraph (1), in addition to being subjected to administrative sanctions, they may also be subjected to a sanction in the form of access termination after being reprimanded.
- (4) Termination of access as referred to in paragraph (3) shall be implemented in the event that the provisions of Article 6 paragraph (3) or Article 6 paragraph (10) are not fulfilled until the deadline specified in the reprimand as referred to in paragraph (3).



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- (5) The Minister who carries out government affairs in the field of communication and information technology shall be authorised to terminate access upon the request from the Minister of Finance.
- (6) Provisions concerning the procedures for termination of access as referred to in paragraph (5) shall be implemented in accordance with the provisions of the laws and regulations in the field of information and electronic transactions.
- (7) Further provisions concerning procedures for:
 - a. giving a reprimand as referred to in paragraph (3); and
 - b. request for termination of access as referred to in paragraph (5), shall be regulated by the Minister of Finance Regulation.

Article 8

For ease of exercising taxations rights and/or fulfilment of taxation obligations due to the Corona Virus Disease 2019 (COVID-19) pandemic, an extension of period to exercise taxation rights and fulfilment of taxation obligations shall be granted as referred to in Article 4 paragraph (1) sub-paragraph c with the following conditions:

- a. on the filing of Taxpayer's objection as referred to in Article 25 paragraph (3) of Law Number 6 Year 1983 on General Tax Provisions and Procedures as amended most recently by Law Number 16 Year 2009 that is due during the force majeure period due to the Corona Virus Disease 2019 (COVID-19) pandemic, the due date for filing the objection shall be extended for a maximum of 6 (six) months;
- b. on the refund of tax overpayment as referred to in Article 11 paragraph (2) of Law Number 6 Year 1983 on General Tax Provisions and Procedures as amended most recently by Law Number 16 Year 2009 that is due during the force majeure period due to the 2019 Corona Virus Disease pandemic (COVID-19), the refund due date shall be extended for a maximum of 1 (one) month;
- c. on the implementation of Taxpayer's rights, which include:
 1. application for a tax overpayment refund as referred to in Article 17B paragraph (1) of Law Number 6 Year 1983 on General Tax Provisions and Procedures as amended most recently by Law Number 16 Year 2009;
 2. filing of objection letter as referred to in Article 26 paragraph (1) of Law Number 6 Year 1983 on General Tax Provisions and Procedures as amended most recently by Law Number 16 Year 2009;
 3. application for reduction or abolishment of administrative sanctions, reduction or cancellation of incorrect tax assessment, cancellation of tax audit results, as referred to in Article 36 paragraph (1) of Law Number 6 Year 1983



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on General Tax Provisions and Procedures as amended most recently by Law Number 16 Year 2009,

in which the deadline of issuance of tax assessment letter or decision letter ends during the force majeure period due to the Corona Virus Disease 2019 (COVID-19) pandemic, the due date of the issuance of tax assessment letter or decision letter shall be extended for a maximum of 6 (six) months.

- d. determination of force majeure period due to the Corona Virus Disease 2019 (COVID-19) pandemic as referred to in sub-paragraph a, sub-paragraph b and sub-paragraph c shall refer to the Government's stipulation through the Head of the National Disaster Management Authority.

Article 9

The Minister of Finance shall be authorised to provide customs facilities in the form of exemption or relief of import duties in the framework of:

- a. tackling/controlling the Corona Virus Disease 2019 (COVID-19); and/or
- b. anticipating threats to the national economy and/or financial system stability.

Article 10

- (1) Changes to imported goods which are exempted from import duties based on the purpose of use as referred to in Article 25 paragraph (1) of Law Number 10 Year 1995 on Customs as amended by Law Number 17 Year 2006 on Amendment to Law Number 10 Year 1995, shall be stipulated in Minister of Finance Regulation.
- (2) Changes to imported goods that may be eligible for exemption or relief of import duties based on the purpose of use as referred to in Article 26 paragraph (1) of Law Number 10 Year 1995 on Customs as amended by Law Number 17 Year 2006 on Amendment to Law Number 10 Year 1995, shall be stipulated in a Minister of Finance Regulation.



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Section Four

Implementation of National Economic Recovery Program

Article 11

- (1) In the context of supporting the state financial policy as referred to in Article 1 paragraph (4) and in order to save the national economy, the Government shall implement a national economic recovery program.
- (2) The objectives of the program as referred to in paragraph (1) are to protect, maintain and improve economic capacity of business players in real sectors as well as financial sectors in conducting their businesses.
- (3) National economic recovery program as referred to in paragraph (1) and paragraph (2) may be implemented through State Capital Participation, fund placement and/or investment by the Government, and/or guarantee activity using schemes stipulated by the Government.
- (4) State Capital Participation as referred to in paragraph (3) shall be conducted through a designated State-Owned Enterprise (SOE).
- (5) Fund placement and/or investment by the Government as referred to in paragraph (3) may be conducted directly by the Government and/or through designated financial institution, investment managers and/or other institutions.
- (6) Guarantee scheme as referred to in paragraph (3) may be conducted directly by the Government and/or through one or more designated guarantor entities.
- (7) Implementation of national economic recovery program shall be further regulated by a Government Regulation.

Section Five

Implementation of State Financial Policy

Article 12

- (1) Implementation of state financial policy and measures as referred to in Article 2 through Article 11 shall be conducted with due observance to the principles of good governance.
- (2) Change in posture and/or details in the State Budget for the purpose of implementation of state financial policy and measures as referred to in Article 2 through Article 11 shall be regulated by or based on a Presidential Regulation.



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Section Six
Reporting

Article 13

Utilisation of budget for the purpose of implementation of state financial policy and measures as referred to in Article 2 through Article 12 shall be reported by the Government in the Central Government Financial Report.

CHAPTER III
FINANCIAL SYSTEM STABILITY POLICY

Section One
Financial System Stability Policy

Article 14

In order to maintain financial system stability in the midst of the Corona Virus Disease 2019 (COVID-19) pandemic and/or in response to the threats of economic crisis and/or financial system stability, it is necessary to stipulate a policy on financial system stability as referred to in Article 2 paragraph (5).

Article 15

- (1) In order to implement the policy on financial system stability as referred to in Article 14, the Committee on Financial System Stability (*Komite Stabilitas Sistem Keuangan*), hereinafter referred to as KSSK, shall be authorised to:
 - a. hold discussions through face-to-face meetings or through the use of information technology in order to formulate and stipulate measures to tackle issues related to financial system stability; and
 - b. stipulate the schemes of Government support for tackling issues related to financial service institutions and financial system stability which may threaten the national economy.
- (2) In the event that the meetings as referred to in paragraph (1) sub-paragraph a are held through the use of information technology, the opinion of each KSSK member, decision making, and decision of KSSK shall be conveyed in the meetings verbally and will be recorded, and the decisions reached in the discussions shall



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be initialed and/or signed at a later time by KSSK members and shall be binding on all KSSK members.

- (3) Further provisions concerning schemes of support as referred to in paragraph (1) sub-paragraph b shall be regulated by a Government Regulation.

Section Two

Authority and Policy Implementation by Bank Indonesia

Article 16

- (1) In order to support the implementation of KSSK's authority in tackling issues related to financial system stability as referred to in Article 15 paragraph (1), Bank Indonesia shall be authorised to:
- a. provide short-term liquidity loan or short-term liquidity financing based on sharia principles to Systemic Banks or banks other than Systemic Banks;
 - b. provide Special Liquidity Loan to Systemic Banks having liquidity difficulties and failing to fulfil requirements on provision of short-term liquidity loan or short-term liquidity financing based on sharia principles, which is guaranteed by the Government and shall be granted based on Decision of KSSK;
 - c. purchase long-term Government Bonds and/or Sharia Government Bonds in the primary market for the purpose of handling issues of financial stability which endanger national economy, including Government Bond and/or Sharia Government Bond issued for special purposes, specifically concerning the Corona Virus Disease 2019 (COVID-19) pandemic;
 - d. purchase/repurchase government securities owned by the Indonesia Deposit Insurance Corporation for the purpose of financing the handling of solvability issues of Systemic Banks and banks other than Systemic Banks;
 - e. regulate the obligation concerning the receipt and use of foreign exchange for citizens, including provisions concerning delivery, repatriation, and conversion of foreign exchange for the purpose of maintaining macroeconomic and financial system stability; and
 - f. provide funding access to corporations/private institutions by repurchasing Government Bonds or Sharia Government Bonds held by corporations/private institutions through banks.
- (2) Provisions concerning obligations of receipt and use of foreign exchange as referred to in paragraph (1) sub-paragraph e shall be regulated by a Regulation of Bank Indonesia.



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- (3) As the Regulation of Bank Indonesia as stipulated in paragraph (2) comes into effect, all provisions in laws and regulations that contravenes the said Regulation of Bank Indonesia shall be declared as null and void based on this Government Regulation in lieu of Law.

Article 17

- (1) Pertaining to the granting of short-term liquidity loan or short-term liquidity financing based on sharia principles by Bank Indonesia as referred to in Article 16 paragraph (1) sub-paragraph a:
- a. the Financial Services Authority shall conduct assessment/evaluation on fulfilment of solvability and banking health requirements/adequacy for Systemic Banks or banks other than Systemic Banks; and
 - b. Bank Indonesia along with the Financial Services Authority shall conduct assessment on fulfilment of collateral adequacy and estimation concerning capability of Systemic Banks or banks other than Systemic Banks to settle short-term liquidity loan or short-term liquidity financing based on sharia principles.
- (2) Based on assessment as referred to in paragraph (1), Bank Indonesia shall decide on the provision of short-term liquidity loan or short-term liquidity financing based on sharia principles.

Article 18

- (1) In the event that Systemic Banks having received short-term liquidity loan as referred to in Article 17 paragraph (1) continue to experience liquidity difficulties, Systemic Banks may request a Special Liquidity Loan (*Pinjaman Likuiditas Khusus* or PLK) to Bank Indonesia.
- (2) Upon the request from Systemic Banks as referred to in paragraph (1), Bank Indonesia shall coordinate with the Financial Services Authority to ask for a KSSK discussion to be held.
- (3) In the discussion as referred to in paragraph (2), KSSK shall discuss and decide on provision of Special Liquidity Loan (PLK) by considering:
- a. Assessment by the Financial Services Authority which at least contains information concerning the latest financial condition of the relevant Systemic Bank; and



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- b. recommendation from Bank Indonesia by considering result of assessment taken by the Financial Services Authority as referred to in sub-paragraph a.
- (4) Further provisions concerning schemes and mechanisms of Special Liquidity Loan (PLK) provision shall be governed jointly by the Minister of Finance and the Governor of Bank Indonesia.

Article 19

- (1) Bank Indonesia may purchase long-term Government Bonds and/or Sharia Government Bonds as referred to in Article 16 paragraph (1) sub-paragraph c in the primary market for the purpose of funding source for the Government.
- (2) Funding source for the Government as referred to in paragraph (1) shall be utilized for the purpose of national economic recovery, including maintaining the continuity of state finance management, providing loan and additional capital to the Indonesia Deposit Insurance Corporation, and funding for banking restructurization at critical moments.
- (3) Further provisions concerning schemes and mechanisms of purchase of Government Bonds and/or Sharia Government Bonds in the primary market as referred to in paragraph (1) shall be governed jointly by the Minister of Finance and the Governor of Bank Indonesia by considering:
 - a. market conditions of Government Bonds and/or Sharia Government Bonds;
 - b. impacts to inflation; and
 - c. type of Government Bonds and/or Sharia Government Bonds.

Section Three

Authority and Policy Implementation by
the Indonesia Deposit Insurance Corporation

Article 20

- (1) To support the implementation of KSSK's authority in the context of tackling issues related to financial system stability as referred to in Article 15 paragraph (1), the Indonesia Deposit Insurance Corporation shall be authorised to:
 - a. conduct preparations for handling and increase intensity of joint preparation with the Financial Services Authority for the purpose of handling issues on banking solvability;



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- b. conduct:
 - 1. sales/repurchase of Government Securities which it holds to Bank Indonesia;
 - 2. bonds issuance;
 - 3. loans to other parties; and/or
 - 4. loans to the Government,in the event that the Indonesia Deposit Insurance Corporation is predicted to experience any liquidity difficulties in managing the failed banks;
 - c. make decision on whether or not to save banks other than Systemic Banks which have been declared as failed banks by taking into account, among others, economic conditions, complexity of the issues, time needed for solving the issues, investor availability, and/or effectiveness of handling of bank issues and not only taking into account the least cost test; and
 - d. formulate and implement deposit insurance policy for customer groups by considering funding source and/or purpose of deposit and amount of guaranteed value for the relevant customer groups as governed by a Government Regulation.
- (2) Further provisions concerning implementation of the authority of the Indonesia Deposit Insurance Corporation in executing stages of tackling issues related to financial system stability as referred to in paragraph (1) shall be regulated by a Government Regulation.

Article 21

- (1) Handling preparations and increasing intensity of joint preparation with the Financial Services Authority as referred to in Article 20 paragraph (1) subparagraph a shall include, among others, exchange of the latest data and information from the Financial Services Authority to the Indonesia Deposit Insurance Corporation and/or joint review by the Financial Services Authority and the Indonesia Deposit Insurance Corporation upon the banks concerned.
- (2) Handling preparations as referred to in paragraph (1) shall be conducted at the time a bank is declared as bank under intensive supervision and increasing intensity of preparation shall be conducted at the time a bank is declared as bank under special supervision.



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Article 22

- (1) To prevent a financial system crisis which may endanger the national economy, the Government may maintain guarantee programs other than deposit insurance programs as stipulated in Law concerning deposit insurance corporation.
- (2) Provisions concerning operating institution of guarantee program, funding, scope and amount of guarantee as referred to in paragraph (1) shall be regulated by a Government Regulation.

Section Four

Authority and Policy Implementation of the Financial Service Authority

Article 23

- (1) To support the implementation of KSSK's authority in the context of tackling issues related to financial system stability as referred to in Article 15 paragraph (1), the Financial Services Authority shall be authorised to:
 - a. issue a written order to financial services institutions to conduct merger, consolidation, takeover, integration and/or conversion;
 - b. stipulate exemptions for certain parties from the obligation to apply principles of capital market transparency for the purpose of prevention and handling of financial system crisis; and
 - c. stipulate provisions concerning use of information technology in holding Shareholders General Meeting or other meetings which is required by provisions of laws and regulations to be held by financial service industry actors.
- (2) Further provisions concerning implementation of authority of the Financial Services Authority for the purpose of implementing policy on financial system stability as referred to in paragraph (1) shall be regulated by a Regulation of the Financial Services Authority.



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Section Five

Authority and Policy Implementation by the Government

Article 24

- (1) To support the implementation of KSSK's authority for the purpose of handling issues on financial system stability as referred to in Article 15 paragraph (1), the Government shall be authorised to provide loans to the Indonesia Deposit Insurance Corporation.
- (2) Provisions concerning requirements and procedures to provide loans from the Government to the Indonesia Deposit Insurance Corporation as referred to in paragraph (1) shall be governed by a Regulation of the Minister of Finance.

Article 25

Provision of loans by the Government to the Indonesia Deposit Insurance Corporation as referred to in Article 24 shall be conducted in the event that the Indonesia Deposit Insurance Corporation experiences liquidity difficulties which may endanger the economy and financial system as an impact of the Corona Virus Disease (COVID-19) pandemic.

CHAPTER IV

PROVISIONS ON SANCTIONS

Article 26

- (1) Any individual who deliberately ignores, does not fulfil, does not implement, or impedes the implementation of the authority granted to the Financial Services Authority as referred to in Article 23 paragraph (1) sub-paragraph a shall be subject to imprisonment of at least 4 (four) years and penalty of at least IDR 10,000,000,000.00 (ten billion rupiah) or imprisonment of no more than 12 (twelve) years and penalty of no more than IDR 300,000,000,000.00 (three hundred billion rupiah).
- (2) In the event that the violation as referred to in paragraph (1) is committed by a corporation, the penalty shall be at least IDR 1,000,000,000,000.00 (one trillion rupiah).



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CHAPTER V
CLOSING PROVISIONS

Article 27

- (1) Expenses incurred by the Government and/or member institutions of KSSK for the purpose of state revenue policy implementation including taxation policy, state budget policy including regional financial policy, financing policy, financial system stability policy, and national economic recovery program, shall constitute economic expenses for the purpose of economic salvation from a crisis and shall not constitute state financial loss.
- (2) Members of KSSK, Secretary of KSSK, members of KSSK secretariat, and officials or employees of the Ministry of Finance, Bank Indonesia, the Financial Services Authority, and the Indonesia Deposit Insurance Corporation, and other officials, in connection with implementation of this Government Regulation in lieu of Law, cannot be charged by civil or criminal code to the extent that their duties are executed in good faith and in accordance with provisions in laws and regulations.
- (3) Any action including decisions taken based on this Government Regulation in lieu of Law shall not constitute object of lawsuit which can be submitted to state administration courts.

Article 28

At the time this Government Regulation in lieu of Law comes into effect:

1. provisions concerning timeline stipulated in Article 11 paragraph (2), Article 17B paragraph (1), Article 25 paragraph (3), Article 26 paragraph (1), and Article 36 paragraph (1c) of Law Number 6 Year 1983 on General Taxation Provisions and Procedures (State Gazette of the Republic of Indonesia Year 1983 Number 49, Supplement to the State Gazette of the Republic of Indonesia Number 3262) as has been amended several times, most recently by Law Number 16 Year 2009 on Stipulation of Government Regulation in lieu of Law Number 5 Year 2008 on Fourth Amendment to Law Number 6 Year 1983 on General Taxation Provisions and Procedures into Law (State Gazette of the Republic of Indonesia Year 2009 Number 62, Supplement to the State Gazette of the Republic of Indonesia Number 4999);
2. Article 55 paragraph (4) of Law Number 23 Year 1999 on Bank Indonesia (State Gazette of the Republic of Indonesia Year 1999 Number 66, Supplement to the State Gazette of the Republic of Indonesia Number 3843) as has been amended



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- several times, most recently by Law Number 6 Year 2009 on Stipulation of Government Regulation in lieu of Law Number 2 Year 2008 on Second Amendment to Law Number 23 Year 1999 on Bank Indonesia into Law (State Gazette of the Republic of Indonesia Year 2009 Number 7, Supplement to the State Gazette of the Republic of Indonesia Number 4962);
3. Article 12 paragraph (3) along with its elucidations, Article 15 paragraph (5), Article 22 paragraph (3), Article 23 paragraph (1), Article 27 paragraph (3), and Article 28 paragraph (3) of Law Number 17 Year 2003 on State Finance (State Gazette of the Republic of Indonesia Year 2003 Number 47, Supplement to the State Gazette of the Republic of Indonesia Number 4286);
 4. Article 3 paragraph (3) of Law Number 1 Year 2004 on State Treasury (State Gazette of the Republic of Indonesia Year 2004 Number 5, Supplement to the State Gazette of the Republic of Indonesia Number 4355);
 5. Article 22 paragraph (2) and paragraph (3) of Law Number 24 Year 2004 on the Indonesia Deposit Insurance Corporation (State Gazette of the Republic of Indonesia Year 2004 Number 96, Supplement to the State Gazette of the Republic of Indonesia Number 4420) as amended by Law Number 7 Year 2009 on Stipulation of Government Regulation in lieu of Law Number 3 Year 2008 on Amendment to Law Number 24 Year 2004 on the Indonesia Deposit Insurance Corporation into Law (State Gazette of the Republic of Indonesia Year 2009 Number 8, Supplement to the State Gazette of the Republic of Indonesia Number 4963);
 6. Article 27 paragraph (1) along with its elucidations, Article 36, Article 83, and Article 107 paragraph (2) of Law Number 33 Year 2004 on Financial Balancing between Central Government and Regional Government (State Gazette of the Republic of Indonesia Year 2004 Number 126, Supplement to the State Gazette of the Republic of Indonesia Number 4438);
 7. Article 171 of Law Number 36 Year 2009 on Health (State Gazette of the Republic of Indonesia Year 2009 Number 144, Supplement to the State Gazette of the Republic of Indonesia Number 5063);
 8. Article 72 paragraph (2) along with its elucidations of Law Number 6 Year 2014 on Village (State Gazette of the Republic of Indonesia Year 2014 Number 7, Supplement to the State Gazette of the Republic of Indonesia Number 5495);
 9. Article 316 and Article 317 of Law Number 23 Year 2014 on Regional Government (State Gazette of the Republic of Indonesia Year 2014 Number 244, Supplement to the State Gazette of the Republic of Indonesia Number 5587) as has been amended several times, most recently by Law Number 9 Year 2015 on Second



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Amendment to Law Number 23 Year 2014 on Regional Government (State Gazette of the Republic of Indonesia Year 2015 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 5679);

10. Article 177 letter c number 2, Article 180 paragraph (6), and Article 182 of Law Number 17 Year 2014 on People's Consultative Assembly, House of Representatives, Regional Representative Council, and Regional House of Representatives (State Gazette of the Republic of Indonesia Year 2014 Number 182, Supplement to the State Gazette of the Republic of Indonesia Number 5568) as has been amended several times, most recently by Law Number 13 Year 2019 on Third Amendment to Law Number 17 Year 2014 on People's Consultative Assembly, House of Representatives, Regional Representative Council, and Regional House of Representatives (State Gazette of the Republic of Indonesia Year 2019 Number 181, Supplement to the State Gazette of the Republic of Indonesia Number 6396);
11. Article 20 paragraph (2) and paragraph (3) of Law Number 9 Year 2016 on Prevention and Management of Financial System Crisis (State Gazette of the Republic of Indonesia Year 2016 Number 70, Supplement to the State Gazette of the Republic of Indonesia Number 5872); and
12. Article 11 paragraph (22), Article 40, Article 42, and Article 46 of Law Number 20 Year 2019 on State Budget for Financial Year 2020 (State Gazette of the Republic of Indonesia Year 2019 Number 198, Supplement to the State Gazette of the Republic of Indonesia Number 6410);

shall be declared null and void to the extent that they concern with state financial policy for the purpose of handling the spread of Corona Virus Disease 2019 (COVID-19) and/or for the purpose of handling threats endangering national economy and/or financial system stability according to this Government Regulation in lieu of Law.

Article 29

This Government Regulation in lieu of Law shall come into effect as from the date of its promulgation.

For public cognizance, hereby ordering the promulgation of this Government Regulation in lieu of Law by placing it in the State Gazette of the Republic of Indonesia.



PRESIDENT OF
THE REPUBLIC OF INDONESIA

Stipulated in Jakarta
on 31 March 2020

PRESIDENT OF THE REPUBLIC OF INDONESIA,

JOKO WIDODO

Promulgated in Jakarta
on 31 March 2020

MINISTER OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2020 NUMBER 87

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MINISTRY OF STATE SECRETARIAT
OF THE REPUBLIC OF INDONESIA
Deputy of Laws and Regulations

Lydia Silvanna Djaman



PRESIDENT OF
THE REPUBLIC OF INDONESIA

ELUCIDATION
OF
GOVERNMENT REGULATION
IN LIEU OF LAW OF THE REPUBLIC OF INDONESIA
NUMBER 1 YEAR 2020
CONCERNING
STATE FINANCIAL POLICY AND FINANCIAL SYSTEM STABILITY TO CONTROL CORONA
VIRUS DISEASE 2019 (COVID-19) PANDEMIC AND/OR IN RESPONSE TO DANGEROUS
THREATS TO THE NATIONAL ECONOMY AND/OR THE STABILITY OF THE FINANCIAL
SYSTEM

I. GENERAL

In 2020, the world suffers from a pandemic of Corona Virus Disease 2019 (COVID-19). The outbreak of Corona Virus Disease 2019 (COVID-19) has put the public health at risk and in fact has taken the lives of those infected all around the world, including Indonesia.

The Corona Virus Disease 2019 (COVID-19) pandemic has also significantly disrupted the economic activities and brought major implications for the economy of most countries around the world, including Indonesia. The global economic growth is expected to decline from 3% (three percent) to only 1.5% (one point five percent) or even lower.

The outbreak of Corona Virus Disease 2019 (COVID-19) pandemic also has the potential to disrupt the economic activities in Indonesia. One of the implications is a decline in Indonesia's economic growth that is expected to reach 4% (four percent) or lower, depending on how long and how severe the spread of Corona Virus Disease 2019 (COVID-19) pandemic impacts on or even halts the community activities and the economic activities.

The disruption of...



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The disruption of economic activities will have implications for the changes in posture of the State Budget of Fiscal Year 2020, either in terms of State Revenue, State Spending, or Financing. The potential changes in State Budget of Fiscal Year 2020 may result from the disruption of economic activities or vice versa. The disruption of economic activities will potentially disrupt the State Budget of Fiscal Year 2020 in terms of State Revenue.

The response of state financial and fiscal policy shall be required to mitigate the risk of Corona Virus Disease 2019 (COVID-19) pandemic, among others in the form of increased spending to mitigate the risk of health, protect the society and to maintain business activities. The pressure on the financial sector will affect the State Budget Fiscal of Year 2020, particularly Financing sector.

The implications of Corona Virus Disease 2019 (COVID-19) pandemic have also resulted in the threat of deteriorating financial system as indicated by the decline in domestic economic activities as the measures taken to tackle the Corona Virus Disease 2019 (COVID-19) pandemic have the risk of instability in macroeconomy and financial system which needs to be mitigated together by the Government or through policy coordination in KSSK, therefore various efforts from the Government and related institutions will be required to take anticipation (forward looking) measures in order to maintain the stability of financial sector.

The spread of Corona Virus Disease 2019 (COVID-19) pandemic which impacts on and threatens Indonesia's economic growth, among others, due to the decline in state revenue as well as global economic uncertainty, requires extraordinary policy and measures in the field of state finance including regional taxation and finance sectors, and financial sector, which must be immediately taken by the Government and related institutions in order to overcome the urgent condition for the purposes of saving the national health, economy, with the focus on health spending, social safety net, as well as recovery of the business world being affected. Therefore, an adequate legal instrument shall be required in order to provide a strong foundation for the Government and related institutions to implement the said policy and measures.

Pursuant to Constitutional Court Decree Number 138/PUU-VII/2009, the aforementioned conditions have fulfilled the parameters as a coercive urgency in the context of implementation of Government Regulation in lieu of Law among others:

- a. because there is an urgent need to promptly resolve legal issue based on the Law;
- b. required Law is not yet applicable thus results in a legal void or the inadequacy of existing Law; and



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- c. legal void condition cannot be resolved by making a Law based on regular procedures which take considerable time whilst the urgent condition requires a certainty to be resolved.

In view of the foregoing, under the coercive urgency, pursuant to Article 22 paragraph (1) of the State Constitution of the Republic of Indonesia Year 1945, the President shall be authorised to stipulate a Government Regulation in lieu of Law.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Paragraph (1)

Sub-paragraph a

In the context of tackling the Corona Virus Disease (COVID-19) pandemic which has caused:

- a. decelerated national economic growth, decline in the state revenue, and increase in the state spending and financing; and
- b. deteriorating financial system, as indicated by the decline in various domestic economic activities.

The Government must immediately formulate extraordinary policy and take measures in the sector of state finance which aim at rescuing the national health, economy, with the focus on health spending, social safety net, and recovery of the business world and society being affected, as well as to maintain the stability of financial sector.

Thus, it is necessary to make an adjustment to the amount of budget deficit which exceeds 3% (three percent) of Gross Domestic Product (GDP).

Following the period of tackling the Corona Virus Disease 2019 (COVID-19) pandemic and/or in response to the threats which endanger national economy, the amount of budget deficit gradually returns to a maximum of 3% (three percent) of Gross Domestic Product (GDP) for Fiscal Year 2023.



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The amount of loan made in the context of implementation of deficit increase shall be limited to a maximum of 60% (sixty percent) of Gross Domestic Product (GDP).

Sub-paragraph b

With the enactment of this Government Regulation in lieu of Law, the amount of mandatory spending as outlined under various laws may be adjusted by the Government, among others:

- a. Health budget at 5% (five percent) of the state budget and revenue excluding salary, as stipulated under Law Number 36 Year 2009 concerning Health;
- b. Budget for villages attributable to the State Budget at 10% (ten percent) of and excluding Regional Transfer fund, as stipulated under Law Number 6 Year 2014 concerning Villages; and
- c. Amount of General Allocation Fund to Net Domestic Revenue as stipulated under Law Number 33 Year 2004 concerning Financial Balance between the Central Government and Regional Government.

The adjustment to the amount of mandatory spending as referred to in this article shall not be made to the allocation of education budget of 20% (twenty percent) in the current year as mandated under the 1945 Constitution of the Republic of Indonesia.

For areas that have been hit or have not been hit by the Corona Virus Disease 2019 (COVID-19) pandemic may utilise partly or entirely infrastructure spending at 25% (twenty five percent) of General Transfer Fund for handling the Corona Virus Disease 2019 (COVID-19) pandemic, either for financial sector or for social safety net in the form of provision of logistics along with its distributions and/or other spending that are deemed urgent as stipulated by the Government.

Sub-paragraph c

Self-explanatory.

Sub-paragraph d



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The Government shall authorise the treasury officials and the procurement officials to take action in relation to the expense of State Budget (APBN), whose budget to finance the expenditure is not yet available or not sufficiently available, in the case of procurement of goods and services related to efforts of tackling the Corona Virus Disease 2019 (COVID-19) pandemic.

Sub-paragraph e

Number 1

Self-explanatory.

Number 2

Referred to as “accumulation of education endowment fund” shall be an accumulation of endowment fund from the previous years and does not include the portion of education endowment fund allocated in the State Budget in the current year.

Number 3

Self-explanatory.

Number 4

Self-explanatory.

Number 5

Referred to as “State Capital Participation” shall be state capital participation that is fresh money in nature.

Sub-paragraph f

Self-explanatory.

Sub-paragraph g

Self-explanatory.

Sub-paragraph h

Self-explanatory.

Sub-paragraph i

Referred to as “adjustment to allocation of Transfer to Regions and Village Fund” shall be in the form of, among others:



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1. adjustment to Revenue Sharing Fund allocation shall be made based on the development on state economy and/or revenue;
2. adjustment to General Allocation Fund per region shall be made based on certain criteria stipulated by the Minister of Finance;
3. addition/reduction of Special Transfer Fund allocation, diversion of the allocation of physical Special Allocation Fund between sectors or adjustment to the use of Special Transfer Fund due to certain conditions which require emergency fund; and/or
4. adjustment to budget ceiling of Village Fund.

Referred to as “prioritisation on the use of Village Fund” is that the fund can be used for, among others, direct cash transfer to the poor in villages as well as for activities to tackle the Corona Virus Disease 2019 (COVID-19) pandemic.

Sub-paragraph j

Grants for regional government shall be provided in the context of handling of natural disasters, non-natural disasters, humanitarian disaster, and/or fiscal stimulus policy in order to mitigate the economic impact of the said disasters.

Sub-paragraph k

Self-explanatory.

Paragraph (2)

Self-explanatory.

Article 3

Paragraph (1)

Referred to as “prioritisation on the use of fund allocation for certain activities (refocusing)” shall include the Regional Government’s authority to make changes in the allocation between programs.

Paragraph (2)

Self-explanatory.

Article 4



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Self-explanatory.

Article 5

Paragraph (1)

Sub-paragraph a

Example of the calculation of tax payable for resident corporate
Taxpayers and permanent establishments:

PT A's Taxable Income for Fiscal Year 2022 is IDR 1,000,000,000.

Income Tax payable for Fiscal Year 2020:

$$22\% \times \text{IDR } 1,000,000,000 = \text{IDR } 220,000,000.$$

Sub-paragraph b

Example of the calculation of tax payable for resident corporate
Taxpayers and permanent establishments;

PT A's Taxable Income for Fiscal Year 2022 is IDR 1,500,000,000

Income Tax payable for Fiscal Year 2022:

$$20\% \times \text{IDR } 1,500,000,000 = \text{IDR } 300,000,000.$$

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 6

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)



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Foreign merchants or service providers may perform sale transactions through their own E-Commerce (PMSE) facility, such as for online retailers. Additionally, foreign merchants or service providers may perform sale transactions either using domestic E-Commerce (PMSE) facility or through a foreign E-Commerce (PMSE) Operator.

Business model of E-Commerce (PMSE) Operator shall include marketplace or platform as a place where foreign merchants or service providers can offer their goods and/or services.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Paragraph (8)

Self-explanatory.

Paragraph (9)

Self-explanatory.

Paragraph (10)

Self-explanatory.

Paragraph (11)

Referred to as “representative” shall be a party selected by foreign merchants, foreign service providers, and/or foreign E-Commerce (PMSE) Operators, which can be in the form of entity in Indonesia.

Paragraph (12)

Self-explanatory.



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Paragraph (13)

Self-explanatory.

Article 7

Self-explanatory.

Article 8

Self-explanatory.

Article 9

Self-explanatory.

Article 10

Self-explanatory.

Article 11

Self-explanatory.

Article 12

Paragraph (1)

Self-explanatory.

Paragraph (2)

In the said Presidential Regulation, it includes:

- a. Posture of State Budget which includes detailed amount of State Revenue, State Spending, budget surplus/deficit, and Budget Financing; and
- b. Details of State Revenue, State Spending and Budget Financing.

Article 13

Self-explanatory.

Article 14

Self-explanatory.

Article 15

Paragraph (1)



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Referred to as “Financial System Stability Committee” (KSSK) shall be a committee which undertakes preventive action and tackles financial system crisis for the interest and resilience of the state in economic sector as referred to in the Law concerning prevention and handling of financial system crisis.

Coordination shall be performed upon request from one or several members of the committee and to be coordinated by the Secretariat of KSSK.

Sub-paragraph a

KSSK’s authority to hold a coordination meeting is not limited on the indication of issues concerning crisis management protocol of each member of KSSK which may affect the stability of the financial system. Procedures to resolve issues surrounding the financial system stability, which shall be determined in the said coordination meeting shall include determination of the beginning and end of the period of adverse conditions to the economy and/or financial system stability.

Sub-paragraph b

Government support provision scheme determined by KSSK constitutes the state’s role and involvement in order to tackle the issue related to financial system which endangered the national economy by allocating State Budget to support the efforts to stabilize the financial system.

Paragraph (2)

Meeting transcript shall be printed by the Secretariat of KSSK and the printed document shall be delivered to the Member of KSSK to be signed, of which the document shall possess a legal force since the decision has been made during the KSSK meeting.

Paragraph (3)

Self-explanatory.

Article 16

Paragraph (1)

Sub-paragraph a



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Referred to as “Systemic Banking” shall be Systemic Bank as referred to in the Law concerning financial system crisis prevention and handling.

Sub-paragraph b

Self-explanatory.

Sub-paragraph c

Self-explanatory.

Sub-paragraph d

Self-explanatory.

Sub-paragraph e

Self-explanatory.

Sub-paragraph f

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 17

Self-explanatory.

Article 18

Self-explanatory.

Article 19

Self-explanatory.



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Article 20

Paragraph (1)

Sub-paragraph a

Self-explanatory.

Sub-paragraph b

This provision also applicable on bank other than Systemic Bank.

Sub-paragraph c

Self-explanatory.

Sub-paragraph d

Saving customer group based on their ownership shall be individual customer, Central/Regional Government, and Entities incorporated by the Law to organize public funds.

Paragraph (2)

Self-explanatory.

Article 21

Self-explanatory.

Article 22

Self-explanatory.

Article 23

Paragraph (1)

Sub-paragraph a

Written order to financial service institution shall be applicable for financial service institution which undertakes merging, consolidation, takeover, integration and/or conversion, or financial



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service institution which was merged, consolidated, taken over, integrated, and/or converted.

Sub-paragraph b

Referred to as “certain party” shall be issuer or public company whose registration statement has become effective according to the Law concerning Capital Market.

Sub-paragraph c

Provisions which can be regulated by the Financial Service Authority including stipulation concerning the form and procedure of interaction, as well as participation of the meeting participants and types of the minutes of meeting.

Paragraph (2)

Self-explanatory.

Article 24

Self-explanatory.

Article 25

Self-explanatory.

Article 26

Self-explanatory.

Article 27

Self-explanatory.

Article 28

Self-explanatory.



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Article 29

Self-explanatory.

SUPPLEMENTARY STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 6485

