

# **BILYET GIRO**

## **(Regulation of Bank Indonesia Governor No. 18/41/PBI/2016, dated November 21, 2016)**

BY THE GRACE OF ALMIGHTY GOD

BANK INDONESIA GOVERNOR,

Considering :

- a. that bilyet giro is one of the script-based, non-cash payment instruments which is still needed by the the Indonesian community to make payment in the national economy;
- b. that to shore up public confidence in the use of bilyet giro, the aspects of security and protection in the use of bilyet giro need to be increased further;
- c. that to increase the aspects of security and protection for the users of bilyet giro and to mitigate the risk of abusing bilyet giro, it is necessary to affirm the obligation of related parties by strengthening the regulation;
- d. that based on the considerations as referred to in letters a, b, and c, it is necessary to stipulate Bank Indonesia Regulation concerning Bilyet Giro;

In view of :

1. Law No. 23/1999 concerning Bank Indonesia (Statute Book of the Republic of Indonesia of 1999 No. 66, Supplement to Statute Book of the Republic of Indonesia No. 3843) as already several times amended the latest by Law No. 6/2009 concerning the Passage of Government Regulation in lieu of Law No. 2/2008 concerning the Second Round of Amendment to Law No. 23/1999 concerning Bank Indonesia into Law (Statute Book of the Republic of Indonesia of 2009 No. 7, Supplement to Statute Book of the Republic of Indonesia No. 4962);
2. Law No. 3/2011 concerning Fund Transfer (Statute Book of the Republic of Indonesia of 2011 No. 39, Supplement to Statute Book of the Republic of Indonesia No. 5204);

DECIDES :

To stipulate :

# **BANK INDONESIA REGULATION CONCERNING BILYET GIRO.**

## **CHAPTER I GENERAL PROVISIONS**

### **Part One**

### **Definition**

### **Article 1**

Referred to in this Bank Indonesia Regulation as :

1. Bank is a commercial bank as referred to in the law concerning the banking industry, including the branch office of offshore bank and sharia commercial bank, including sharia business unit as referred to in the law concerning sharia compliant banking industry.
2. Giro account is a rupiah-denominated giro account whose funds can be withdrawn any time using cheques and/or bilyet giros, other payment orders, or through book transfer.
3. Bilyet giro is an order issued by a drawer to a drawee bank to transfer a sum of fund to the beneficiary's account.
4. Drawer is the owner of giro account issuing bilyet giro.
5. Beneficiary is the owner of account mentioned in the bilyet giro to receive the amount of fund.
6. Drawee bank is a bank ordered by drawer to transfer the amount of fund using bilyet giro.
7. Beneficiary bank is a bank administering the beneficiary's account.
8. Grace validity period is the validity period of bilyet giro.
9. Effective grace period is a period of time provided by the drawer to the beneficiary to ask the drawee bank to realize an order in the bilyet giro.
10. Withdrawal date is the date found in bilyet giro and constituting the date of issuing bilyet giro.
11. Effective date is the date found in bilyet giro and constituting the date on which transfer order begins to take effect.

## Part Two

## General Principles

## Article 2

The following general principles shall apply to the use of bilyet giro that it :

- a. is used as a means of transfer order;;
- b. cannot be transferred to other party;
- c. is issued in rupiah currency; and
- d. is written in the Indonesian language.

## CHAPTER II

## FORMAL TERMS AND CONDITIONS OF BILYET GIRO

## Article 3

(1) Bilyet giro shall meet the formal terms and conditions as follows:

- a. name of "bilyet giro" and no. of bilyet giro;
- b. name of the drawee bank;
- c. clear and unconditional order to transfer the amount of fund at the burden of the drawer's giro account;
- d. name and no. of the beneficiary's account;
- e. name of the beneficiary bank;
- f. the amount of fund transferred, both in numbers and letters in a complete manner;
- g. withdrawal date;
- h. effective date;
- i. full name of the drawer; and
- j. signature of the drawer.

(2) The effective date as referred to in paragraph (1) letter h shall be within the grace validity period.

(3) The drawee bank shall meet the formal terms and conditions as referred to in paragraph (1) letters a, b, and c.

(4) The drawer shall meet the formal terms and conditions as referred to in paragraph (1) letter d up to letter j.

(5) Further provisions on the procedure of meeting the formal terms and conditions are to be provided for in Bank Indonesia Circular.

**Article 4**

Bilyet Giro that does not meet the provisions as referred to in Article 3 paragraph (1) shall not be valid as bilyet giro.

**CHAPTER III****THE OBLIGATIONS OF PARTIES****IN THE USE OF BILYET GIRO****Article 5**

Parties in the use of bilyet giro cover:

- a. drawee bank;
- b. drawer;
- c. beneficiary; and
- d. beneficiary bank.

**Part One****Drawee Bank****Article 6**

(1) In the use of bilyet giro, the drawee bank shall:

- a. meet the provisions as referred to in Article 3 paragraph (3) at the time of printing bilyet giro;
- b. administer the drawer's giro account;
- c. administer bilyet giro issued to the drawer;
- d. verify bilyet giro drawn by the drawer;
- e. realize an order to transfer the amount of fund in accordance with the order in the bilyet giro;
- f. follow up the blockade of bilyet giro payments based on an application from the drawer and/or the authorized party;
- g. reject bilyet giro based on the reasons for rejection as referred to in Article 12; and
- h. administer the use of bilyet giro.

- (2) The drawee bank shall be responsible for losses arising from the unfulfillment of formal terms and conditions of bilyet giro in a complete manner as referred to in Article 3 paragraph (3).
- (3) Further provisions on the obligations of the drawee bank in the use of bilyet giro are to be provided for in Bank Indonesia Circular.

## Part Two

### Drawer

#### Article 7

- (1) In the use of bilyet giro, the drawer shall:
- a. meet the provisions as referred to in Article 3 paragraph (4) in a complete manner at the time of issuing bilyet giro;
  - b. provide adequate fund during the effective period as referred to in Article 10 paragraph (2); and
  - c. inform the drawee bank of the blocked bilyet giro.
- (2) The drawer shall be responsible for the losses arising from the unfulfillment of formal terms and conditions of bilyet giro in a complete manner as referred to in Article 3 paragraph (4).
- (3) Further provisions on the obligations of the drawer in the use of bilyet giro are to be provided for in a Bank Indonesia Circular.

## Part Three

### Beneficiary

#### Article 8

- (1) In the use of bilyet giro, the beneficiary shall :
- a. ensure the fulfillment of provisions as referred to in Article 3 paragraph (1) up to paragraph (4) with regard to bilyet giro received from the drawer;
  - b. reject bilyet giro that does not meet provisions as referred to in Article 3 paragraph (1) up to paragraph (4); and
  - c. ask the drawer to block bilyet giro received if needed.
- (2) Further provisions on the obligations for the beneficiary in the use of bilyet giro are to be provided for in a Bank Indonesia Circular.

**Part Four****Beneficiary Bank****Article 9**

- (1) In the use of bilyet giro, the beneficiary bank shall :
- a. ensure the fulfillment of provisions as referred to in Article 3 paragraph (1) up to paragraph (4) with regard to bilyet giro received from the beneficiary;
  - b. verify bilyet giro received from the beneficiary;
  - c. pass on bilyet giro fulfilling provisions as referred to in letters a and b received from the beneficiary, to the drawee bank;
  - d. reject bilyet giro which does not meet provisions as referred to in letters a and b based on the reasons for rejection as referred to in Article 12;
  - e. transfer a sum of fund received from the drawee bank to the beneficiary's account; and
  - f. inform the beneficiary if bilyet giro is rejected by the drawee bank, along with reasons for the rejection.
- (2) Further provisions on the obligations of the beneficiary bank are to be provided for in a Bank Indonesia Circular.

**CHAPTER IV****GRACE VALIDITY PERIOD AND  
EFFECTIVE PERIOD OF BILYET GIRO****Article 10**

- (1) The grace validity period of bilyet giro is 70 (seventy) days starting from the withdrawal date.
- (2) The effective period starts from the effective date to the end of the grace validity period as referred to in paragraph (1).
- (3) After the end of the grace validity period as referred to in paragraph (1):
- a. bilyet giro becomes invalid; and
  - b. the obligation of the drawer to provide fund for the withdrawal of bilyet giro becomes invalid.

## CHAPTER V

### CORRECTION OF BILYET GIRO

#### Article 11

- (1) In case of miswriting in bilyet giro, the drawer shall make a correction of it.
- (2) Each correction as referred to in paragraph (1) shall be signed by the drawer.
- (3) Further provisions on the procedure of deciding the maximum number of corrections are to be provided for in a Bank Indonesia Circular.

## CHAPTER VI

### REJECTION OF BILYET GIRO

#### Article 12

- (1) Reasons for rejecting bilyet giro include :
  - a. formal terms and conditions of bilyet giro are not met;
  - b. effective date is put outside grace validity period;
  - c. there are corrections that do not meet provisions;
  - d. bilyet giro is sighted outside the effective period;
  - e. the formal terms and conditions of bilyet giro are allegedly filed by other party than the drawee;
  - f. bilyet giro is blocked;
  - g. signature does not match the specimen kept by the drawee bank;
  - h. bilyet giro is allegedly falsified or manipulated;
  - i. the drawer's giro account has been closed; and/or
  - j. the drawer's giro account does not have adequate fund.
- (2) The rejection of bilyet giro as referred to in paragraph (1) letters a, b, d, f, and h is done without paying attention to the availability of fund in the drawer's giro account.
- (3) Further provisions on the reasons for the rejection of bilyet giro are to be provided for in a Bank Indonesia Circular.

#### Article 13

- (1) The drawee bank which rejects bilyet giro based on the reasons as referred to in Article 12 paragraph (1) letter h shall hold and postpone the payment for bilyet giro allegedly carrying an indicator of falsification.

- (2) The holding and postponement of payment for bilyet giro shall be followed up through verification no later than the following 1 (one) working day.
- (3) If the result of verification as referred to in paragraph (2) shows that the alleged falsification is not proven, bilyet giro shall be processed according to the provisions.
- (4) Further provisions on the holding and postponement of payment for bilyet giro are to be provided for in a Bank Indonesia Circular.

**CHAPTER VII**  
**CANCELLATION AND**  
**BLOCKADE OF PAYMENT FOR BILYET GIRO**

**Article 14**

- (1) The drawer cannot cancel bilyet giro during the grace validity period as referred to in Article 10 paragraph (1).
- (2) The drawer can apply for the blockade of bilyet giro for certain reasons during the grace validity period.
- (3) Further provisions on the procedure of blocking bilyet giro are to be provided for in a Bank Indonesia Circular.

**CHAPTER VIII**  
**BILYET GIRO PAPER**

**Article 15**

- (1) Bilyet giro shall meet the specifications of bilyet giro paper as referred to in Bank Indonesia rules concerning scheduled fund transfer and clearing by Bank Indonesia.
- (2) Further provisions on the specifications of bilyet giro paper are to be provided for in a Bank Indonesia Circular.

**CHAPTER IX**  
**REPORTING**

**Article 16**

- (1) The drawee bank shall report the use of bilyet giro to Bank Indonesia.



- (2) The report as referred to in paragraph (1) comes in the form of periodic report and incidental report.
- (3) The procedure of reporting the use of bilyet giro follows Bank Indonesia provisions on the national blacklist of blank cheque and/or bilyet giro drawers.

## CHAPTER X

### SUPERVISION OF COMPLIANCE

#### Article 17

- (1) Bank Indonesia shall supervise banks in complying with this Bank Indonesia Regulation.
- (2) The supervision of compliance as referred to in paragraph (1) is done directly and indirectly.
- (3) The procedure of supervising banks' compliance refers to Bank Indonesia rule concerning the national blacklist of blank cheque and/or bilyet giro drawers.

## CHAPTER XI

### SANCTIONS

#### Article 18

- (1) The drawee bank that does not meet the provisions as referred to in Article 6 paragraph (1), Article 13 paragraph (1), and/or Article 13 paragraph (2) shall be subjected to an administrative sanction in the form of written warning.
- (2) The drawer that does not meet provisions as referred to in Article 7 paragraph (1) letter b shall be subjected to an administrative sanction as blank bilyet giro drawer as referred to in Bank Indonesia rule concerning the national blacklist of blank cheque and/or bilyet giro drawers.
- (3) The beneficiary bank that does not meet provisions as referred to in Article 9 paragraph (1) shall be subjected to an administrative sanction in the form of written warning.
- (4) The drawee bank that does not meet provisions as referred to in Article 16 paragraph (1) shall be subjected to a sanction as referred to in Bank Indonesia rule concerning the national blacklist of blank cheque and/or bilyet giro drawers.

## CHAPTER XII

## OTHER PROVISIONS

## Article 19

- (1) In case of difference between the amount of fund in bilyet giro written in numbers and the amount of fund in bilyet giro written in letters as referred to in Article 3 paragraph (1) letter f, the drawee bank can :
- reject the bilyet giro; or
  - realize transfer order.
- (2) The transfer order as referred to in paragraph (1) letter b will be realized if:
- the valid amount of fund is the amount in letters; and
  - the amount of fund in letters and/or numbers is written repeatedly and there is difference so that the smaller amount will be used.

## Article 20

The transfer order in bilyet giro will remain valid if the drawer dies or is not able according to the law.

## CHAPTER XIII

## TRANSITIONAL PROVISIONS

## Article 21

When this Bank Indonesia Regulation begins to take effect:

- Bilyet giro that has been issued continues to be recognized as bilyet giro and complies with provisions in Decision of the Board of Directors of Bank Indonesia No. 28/32/KEP/DIR dated July 4, 1995 concerning Bilyet Giro and its implementation provisions; and
- Bilyet giro paper that has been printed in accordance with Bank Indonesia rule concerning the realization of scheduled fund transfer and clearing by Bank Indonesia, still can be used until December 31, 2017.

## CHAPTER XIV

## CONCLUSION

## Article 22

When this Bank Indonesia Regulation begins to take effect, Decision of the Board of Directors of Bank

Indonesia No. 28/32/KEP/DIR dated July 4, 1995 concerning Bilyet Giro shall be revoked and declared null and void.

**Article 23**

This Bank Indonesia Regulation shall come into force as from April 1, 2017.

For public cognizance, this Bank Indonesia Regulation shall be promulgated by placing it in the Statute Book of the Republic of Indonesia.

Stipulated in Jakarta

On November 21, 2016

**BANK INDONESIA GOVERNOR,**

sgd.

**AGUS D.W. MARTOWARDOJO**

Promulgated in Jakarta

On November 22, 2016

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

sgd.

**YASONNA H. LAOLY**

**STATUTE BOOK OF THE REPUBLIC OF INDONESIA  
OF 2016 NO. 248**

**ELUCIDATION  
OF  
BANK INDONESIA REGULATION  
NO. 18/41/PBI/2016  
CONCERNING  
BILYET GIRO**

**I. GENERAL**

Based on Law concerning Bank Indonesia, Bank Indonesia is authorized to decide payment instruments to support one of its duties, namely to control and keep smooth payment system. Right now, bilyet giro has been used by the public as one of script-based debit transfer instruments other than cheque. In practice, the use of bilyet giro in the public is more dominant than that of cheque. This is because bilyet giro has many advantages, particularly with regard to effective date which enables the drawer to manage liquidity more easily. In addition, payments for bilyet giro can only be made through transfer, thereby providing security to the beneficiary and bilyet giro drawer.

Before this Bank Indonesia Regulation takes effect, the use of bilyet giro was stipulated in Decision of the Board of Directors of Bank Indonesia No. 28/32/KEP/DIR dated July 4, 1995. In its developments, regulation concerning bilyet giro need to be strengthened due to the increasing risk of abusing bilyet giro, among others. The effort to strengthen the regulation is made by stepping up bilyet giro security by applying minimum standard of security and affirming the obligation of parties in the use of bilyet giro.

Main provisions on bilyet giro in this Bank Indonesia Regulation deal with the following matters :

- a. affirming bilyet giro as a non-cash, script-based payment instrument through transfer and not as securities so that it can neither be disbursed into cash nor transferred to other party;
- b. revising formal terms and conditions by adding effective date as formal requirement and obligation to fill formal terms and conditions in a complete manner by the drawer at the time of issuance;
- c. shortening the validity period of bilyet giro to only cover grace validity period, namely 70 (seventy) days since the withdrawal date, with the aim of enabling the beneficiary and drawer to manage liquidity easily;.

- d. requiring the drawee bank to hold paper and postpone payments to the following working day at the latest for bilyet giro rejected because it is allegedly falsified or manipulated; and
- e. controlling the obligation of the drawee bank to report the use of bilyet giro.

The control is intended to allow the public and the banking industry to use bilyet giro in a more orderly, secure and efficient way and to support smooth payment system which will eventually contribute to the economy, monetary stability, and financial system stability.

## II. ARTICLE BY ARTICLE

### Article 1

Sufficiently clear.

### Article 2

#### Letter a

The principle of bilyet giro as a means of transfer order is aimed at affirming that payment for bilyet giro cannot be made on a cash basis.

#### Letter b

The principle of bilyet giro as a means which cannot be transferred to other party is aimed at affirming that bilyet giro is not securities and can only be paid to the beneficiary mentioned in the bilyet giro.

#### Letter c

Sufficiently clear.

#### Letter d

If needed, bilyet giro can be written in the Indonesian language by adding its English version to it.

### Article 3

#### Paragraph (1)

**Letter a up to Letter i**

Sufficiently clear.

**Letter j**

Referred to as "signature" is the drawer's wet signature according to the specimen kept by the drawee bank.

**Paragraph (2) and Paragraph (3)**

Sufficiently clear.

**Paragraph (4)**

The full name of the drawer can be put by the drawee bank on the bilyet giro at the time of printing bilyet giro book.

**Paragraph (5)**

Sufficiently clear.

**Article 4 and Article 5**

Sufficiently clear.

**Article 6****Paragraph (1)****Letter a**

Referred to as "at the time of printing bilyet giro" is the time before bilyet giro is handed over to the drawer.

**Letter b**

Sufficiently clear.

**Letter c**

Referred to as "administering bilyet giro" is, among others, recording each bilyet giro issued and distributed to drawers.

**Letter d**

Referred to as "verifying bilyet giro" is, among others, checking whether the formal terms and conditions have been met completely and whether the signature put on the bilyet giro matches the specimen signature kept by the drawee bank.

**Letter e**

Sufficiently clear.

**Letter f**

Bilyet giro will be blocked if the bilyet giro received by the beneficiary is lost, stolen or damaged.

**Letter g**

Sufficiently clear.

**Letter h**

Referred to as "administering the use of bilyet giro" is, among others, recording each bilyet giro issued, distributed to drawer, withdrawn by drawer, and rejected by the drawee bank.

**Paragraph (2) and Paragraph (3)**

Sufficiently clear.

**Article 7****Paragraph (1)****Letter a**

Referred to as "complete" is that all formal terms and conditions must be filled without leaving any of them empty.

**Letter b**

Referred to as "providing adequate fund" is the provision of fund by the drawer in the giro account to ensure that bilyet giro issued will be paid.

**Letter c**

Referred to as "blocked bilyet giro" is bilyet giro for which payments cannot be made because it is lost, stolen or damaged.

**Paragraph (2) and Paragraph (3)**

Sufficiently clear.

**Article 8****Paragraph (1)****Letter a**

Referred to as "ensuring that provisions will be met" is that the beneficiary checks and studies to ensure that all formal terms and conditions have been put completely without leaving any of them empty.

**Letter b**

Sufficiently clear.

**Letter c**

Referred to as "if needed" is among others when the bilyet giro received by the beneficiary is lost, stolen or damaged.

**Paragraph (2)**

Sufficiently clear.

**Article 9****Paragraph (1)**



**Letter a**

Sufficiently clear.

**Letter b**

Referred to as "verifying" is among others checking whether the formal terms and conditions have been met in a complete way. .

**Letter c**

Fulfilling the provisions as referred to in letter b is intended that all terms and conditions of bilyet giro have been met at the time of conducting verification, including the obligation to include effective date during the grace validity period.

**Letter d up to Letter f**

Sufficiently clear.

**Paragraph (2)**

Sufficiently clear.

**Article 10**

Sufficiently clear.

**Article 11****Paragraph (1)**

Referred to as "correction" is the change and revision of information contained in the bilyet giro.

**Paragraph (2) and Paragraph (3)**

Sufficiently clear.

**Article 12**

Sufficiently clear.

**Article 13****Paragraph (1)**

Referred to as "an indicator of falsification" is that bilyet giro paper is allegedly falsified or bilyet giro content is allegedly manipulated.

**Paragraph (2) up to Paragraph (4)**

Sufficiently clear.

**Article 14****Paragraph (1)**

Referred to as "cannot cancel bilyet giro during grace validity period" is the order contained in the bilyet giro remains valid and must be realized by the drawee bank even though during the grace validity period there is a request from the drawer not to realize the content of order in the bilyet giro.

**Paragraph (2)**

Referred to as "certain reason" is that bilyet giro is lost, stolen or damaged, among others.

**Paragraph (3)**

Sufficiently clear.

**Article 15****Paragraph (1)**

Bilyet giro must meet the specifications of bilyet giro pape, covering bilyet giro which is used in clearing and bilyet giro which is not used in clearing.

Referred to as "the specifications of bilyet giro paper" is the technical specification and security features used in bilyet giro paper..

**Paragraph (2)**

Sufficiently clear.

**Article 16**

Sufficiently clear.

**Article 17****Paragraph (1)**

Sufficiently clear.

**Paragraph (2)**

Referred to as "direct supervision" is supervision done by conducting a spot audit at the bank office.

Referred to as "indirect supervision" is supervision done by checking the reports submitted by the bank.

**Paragraph (3)**

Sufficiently clear.

**Article 18 up to Article 23**

Sufficiently clear.

SUPPLEMENT TO STATUTE BOOK OF  
THE REPUBLIC OF INDONESIA NO. 5951

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