

THE AMENDMENT TO REGULATION OF BANK INDONESIA NUMBER 17/9/PBI/2015 ON THE IMPLEMENTATION OF THE TRANSFER OF FUNDS AND SCHEDULED CLEARING BY BANK INDONESIA (Regulation of the Governor of Bank Indonesia Number 18/5/PBI/2016, dated April 28, 2016)

BY GRACE OF GOD THE ALMIGHTY

THE GOVERNOR OF BANK INDONESIA,

Considering:

- a. that in the framework of realizing more efficient, smoother and securer inter-bank clearing, it is necessary to improve the settlement of funds and parties eligible to receive the transfer of funds through Bank Indonesia National Clearing System;
- b. that in the framework of enhancing the protection of customers using Bank Indonesia National Clearing System, it is necessary to adjust to provision on sanction with regards to the fulfillment of the obligation to provide funds in the implementation of inter-bank clearing;
- c. that having regards to letters a and b, it is necessary to amend Regulation of Bank Indonesia Number 17/9/PBI/2015 on the Implementation of the Transfer of Funds and Scheduled Clearing by Bank Indonesia;

In view of:

1. Law Number 23 Year 1999 on Bank Indonesia (Statute Book of the Republic of Indonesia Year 1999 Number 66, Supplement to Statute Book of the Republic of Indonesia Number 3843) as already amended several times and the latest by Law Number 6 Year 2009 on Stipulation of Government Regulation In Lieu of Law Number 2 Year 2008 regarding the Second Amendment to Law Number 23 Year 1999 on Bank Indonesia to become a law (Statute Book of the Republic of Indonesia Year 2009 Number 7, Supplement to Statute Book of the Republic of Indonesia Number 4962);
2. Law Number 3 Year 2011 on Transfer of Funds (Statute Book of the Republic of Indonesia Year 2011 Number 39, Supplement to Statute Book of the Republic of Indonesia 5204);

D E C I D E S :

To stipulate:

THE REGULATION OF BANK INDONESIA ON THE AMENDMENT TO REGULATION OF BANK INDONESIA NUMBER 17/9/PBI/2015 ON THE IMPLEMENTATION OF THE TRANSFER OF FUNDS AND SCHEDULED CLEARING BY BANK INDONESIA

Article I

Several provisions in Regulation of Bank Indonesia Number 17/9/PBI/2015 on the Transfer of Funds and Scheduled Clearing by Bank Indonesia (Statute Book of the Republic of Indonesia Year 2015 Number 122, Supplement to Statute Book of the Republic of Indonesia Number 5704) shall be amended as follows:

1. The provision of Article 1 point 16 and point 17 is amended so that Article 1 reads as follows:

Article 1

1. Transfer of Funds and Scheduled Clearing shall be an activity in the framework of processing the calculation of rights and obligations between participants of Bank Indonesia National Clearing System, which is settled in a specified time.
2. Bank Indonesia National Clearing System hereinafter abbreviated to SKNBI shall be infrastructure used by Bank Indonesia in executing the transfer of funds and scheduled clearing to process electronic financial data in funds transfer service, debit paper clearing service, regular payment service and regular collection service.
3. Participant of SKNBI hereinafter called participant shall be a party already fulfilling the requirement and already securing approval from organizer as participant.
4. Funds Transfer Service shall be service in SKNBI, which processes the transfer of a specified amount of funds between participants from one sender to one recipient.
5. Debit Paper Clearing Service shall be service in SKNBI, which processes the collection of a specified amount of funds between participants from one sender of bill to one recipient of bill, accompanied by physical debit paper.
6. Regular Payment Service shall be service in SKNBI, which processes the transfer of a specified amount of funds between participants from one sender or several senders to one recipient or several recipients.
7. Regular Collection Service shall be service in SKNBI, which processes the collection of a specified amount of funds between participants from one sender of bill to several recipients of bill.

8. Electronic Financial Data hereinafter abbreviated to DKE shall be financial data in electronic format, which are used as the calculation basis in the implementation of SKNBI.
9. Funds Transfer DKE shall be DKE which are prepared on the basis of funds-transfer order and used as the calculation basis in funds transfer service.
10. Debit Paper DKE shall be DKE prepared on the basis of debit-transfer order and used as the calculation basis in debit paper clearing service.
11. Payment DKE shall be DKE prepared on the basis of funds transfer order and used as the calculation basis in regular payment service.
12. Collection DKE shall be DKE prepared on the basis of debit transfer order and used as the calculation basis in regular collection service.
13. Debit Paper shall be non-cash payment instrument which is counted at expense of customers or bank through debit paper clearing service.
14. Organizer of SKNBI hereinafter called organizer shall be Bank Indonesia.
15. Main Direct Participant hereinafter abbreviated to PLU shall be participant sending DKE to organizer directly by using infrastructure of SKNBI and the settlement of funds is executed to funds settlement account of the said participant.
16. Affiliate Direct Participant hereinafter abbreviated to PLA shall be participant sending DKE to organizer directly by using SKNBI infrastructure of the said participant and the settlement of funds is executed to funds settlement account of the payer bank.
17. Indirect Participant hereinafter abbreviated to PTL shall be participant sending DKE to organizer indirectly through channeling bank and the settlement of funds is executed to funds settlement account of the channeling bank.
18. Settlement of Funds shall be an activity debiting and crediting funds settlement account through Bank Indonesia-Real Time Gross Settlement System, which is executed on the basis of the calculation of rights and obligations of the respective participants in the execution of SKNBI.
19. Funds Settlement Account shall be account of participant in the rupiah, which is administered at Bank Indonesia.
20. Bank Indonesia-Real Time Gross Settlement System hereinafter called BI-RTGS System shall be infrastructure used as an instrument of electronic funds transfer, which is settled in real time per transaction individually.
21. Prefund shall be fund provided by participant to fulfill the obligation in the implementation of SKNBI.

22. Credit Prefund shall be Prefund provided for funds transfer service and regular payment service.
23. Debit Prefund shall be Prefund provided for debit paper clearing service and regular collection service.
24. Bank shall be the commercial bank as meant in the banking law, including branch office of bank abroad and sharia commercial bank, including sharia business unit as meant in the sharia banking law.
25. Non-bank Funds Transfer Organizer shall be business entity in the form of non-bank Indonesian legal entity, already securing license from Bank Indonesia to organize the transfer of funds.
26. Abnormality shall be a situation or condition which occurs as a result of failure or damage in hardware, software, communications network, application and supporting facilities that influences the smooth operation of SKNBI.
27. Emergency Condition shall be a condition beyond control of organizer and/or participant that makes SKNBI unable to operate, which is attributable to, but not limited to fire, riots, sabotage, and natural disaster such as earthquake and flooding declared by the ruler or local authorized official, including Bank Indonesia.

2. Elucidation on Article 3 paragraph (4) is amended so as to be as contained in the elucidation and the provision of Article 3 is supplemented by one paragraph, namely paragraph (5) so that Article 3 reads as follows:

Article 3

- (1) The settlement of funds for each service as meant in Article 2 shall be done by organizer on the basis of result of multilateral netting calculation.
 - (2) The settlement of funds as meant in paragraph (1) shall be done on the basis of the liability mix principle by observing the sufficiency of funds belonging to participants.
 - (3) The settlement of funds as meant in paragraph (1) shall be final and cannot be nullified.
 - (4) The settlement of funds as meant in paragraph (1) shall be done on the basis of the same day settlement principle.
 - (5) The same day settlement principle as meant in paragraph (4) shall not be applicable in regular payment service.
3. Elucidation on Article 17 paragraph (5) is amended as contained in elucidation.
 4. Elucidation on Article 21 is amended as contained in elucidation.

5. The provision of Article 23 paragraph (3) is amended so that Article 23 reads as follows:

Article 23

- (1) Sender participants shall send the fund-transfer DKE as meant in Article 22 paragraph (2) on the same date as the date of the receipt of funds-transfer order from customer in accordance with the period stipulated by organizer.
- (2) The sending of funds-transfer DKE on the same date as meant in paragraph (1) shall be done by sender participants as soon as possible in no later than 2 (two) hours as from the acceptance of the funds-transfer order.
- (3) In the case of sender participants not sending the funds-transfer DKE as meant in paragraph (1), the sender participants shall be obliged to pay fee, interest or compensation to sender customers.
- (4) Further provision on the execution of funds transfer order and the amount of fee, interest or compensation to sender customers shall be regulated in a circular of Bank Indonesia.

6. Article 26 paragraph (4) is abolished so that Article 26 reads as follows:

Article 26

- (1) Sender participants shall verify the received funds-transfer DKE in accordance with the provision in force.
- (2) In the case of sender participants accepting the verification result of the received funds-transfer DKE as meant in paragraph (1), the sender participants shall be obliged to pass on the funds to recipient customers on the same date as the date when organizer executes the settlement of funds as meant in Article 25 paragraph (1).
- (3) The channeling of funds to recipient customers as meant in paragraph (2) shall be done as soon as possible or in no later than 2 (two) hours after organizer settles the funds.
- (4) Abolished.
- (5) In the case of sender participants not channeling the funds as meant in paragraph (2), the sender participants shall be obliged to pay fee, interest or compensation to recipient customers.
- (6) Further provision on the deadline of the channeling of funds to recipient customers and the amount of fee, interest and compensation for recipient customers shall be regulated in a circular of Bank Indonesia.

7. The provision of Article 64 is amended so as to read as follows:

Article 64

- (1) Participants not supplementing the credit prefund as meant in Article 18 paragraph (1) thus making the funds-transfer DKE not included into funds transfer service shall be subject to fine amounting to Rp 5,000,000 (five million rupiah) per one working day.
- (2) Participants not supplementing the credit prefund as meant in Article 18 paragraph (1) thus making the payment DKE not included into regular payment service shall be subject to fine amounting to Rp 5,000,000 (five million rupiah) per one working day.
- (3) Participants not supplementing the debit prefund as meant in Article 18 paragraph (3) thus making the debit paper DKE not included into debit paper clearing service shall be subject to fine amounting to Rp 5,000,000 (five million rupiah) per one working day.
- (4) Participants not supplementing the debit prefund as meant in Article 18 paragraph (3) thus making the collection DKE not included into regular payment service shall be subject to fine amounting to Rp 5,000,000 (five million rupiah) per one working day.

Article II

The regulation shall come into force on May 2, 2016

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

Stipulated in Jakarta

On April 28, 2016

THE GOVERNOR OF BANK INDONESIA,

sgd

AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta

On May 2, 2016

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

sgd

YASONNA H. LAOLY

STATUTE BOOK OF THE REPUBLIC OF INDONESIA

YEAR 2016 NUMBER 76

ELUCIDATION

ON

REGULATION OF BANK INDONESIA

NUMBER 18/5/PBI/2016

REGARDING

THE AMENDMENT TO REGULATION OF BANK INDONESIA NUMBER 17/9/PBI/2015
ON THE IMPLEMENTATION OF THE TRANSFER OF FUNDS AND SCHEDULED CLEARING BY
BANK INDONESIA

I. GENERAL

In the framework of realizing more efficient, smoother and securer transfer of funds and scheduled clearing, Bank Indonesia needs to improve the realization of the settlement of funds. The improvement is executed in the framework of supporting the settlement of funds and regular payment service, which may be executed on different date from the sending date of DKE by participants.

In addition, in the framework of supporting the government efforts to prevent money laundering and terrorist funding crime through funds transfer service of SKNBI, it is necessary to restrict parties which may receive funds through SKNBI.

Subsequently, in order to provide certainty in the settlement of funds and enhancing the protection of customers using service in SKNBI, Bank Indonesia improves policy on sanction against participants failing to fulfill the obligation to provide Prefund.

II. ARTICLE BY ARTICLE

Article I

Point 1

Article 1

Sufficiently clear

Point 2

Article 3

Paragraph (1)

Multilateral netting means a mechanism of the calculation of right and obligation of the whole participants in the implementation of SKNBI.

Paragraph (2)

Liability mix occurs because organizer replaces the position of participant as party having right from other participant or obligation to other participant in the implementation of SKNBI.

In this case the organizer replaces the position of participant to calculate DKE of participant supported by sufficient funds.

Paragraph (3)

The final and irrevocable funds settlement constitutes the exception from the zero hour rules principle. In relations thereto, in the case of participant having business frozen, business license revoked, being declared bankrupt and/or liquidated, the transaction already executed before the issuance of the decision on the freezing of business activity, revocation of business license, declaration of bankruptcy and/or liquidation does not become null and must be continued and/or included.

Paragraph (4)

The same day settlement principle means the bookkeeping of result of calculation of SKNBI by participant to customers is executed on the same exchange date as the settlement date of funds executed by organizer.

Paragraph (5)

Regular payment service does not apply the same day settlement principle if:

- a. account of sender customer is debited on one working day before the settlement date of funds; and
- b. account of recipient customer is credited on the same date as the exchange date of the settlement of funds,

as long as there is agreement between sender participant and sender customer.

Point 3

Article 17

Paragraph (1) up to Paragraph (4)

Sufficiently clear

Paragraph (5)

“Bank Indonesia-Scripless Securities Settlement System” means infrastructure used as instrument to administer transaction and securities electronically.

Point 4

Article 21

Customer means:

- a. sender customer having account at sender participant and not having account at sender participant; and
- b. recipient customer having account at recipient participant.

Point 5

Article 23

Sufficiently clear

Point 6

Article 26

Paragraph (1)

Sufficiently clear

Paragraph (2)

The acceptance means an activity executed by recipient participant to show approval in executing or fulfilling the received funds-transfer DKE.

Paragraph (3) up to Paragraph (6)

Sufficiently clear

Point 7

Article 64

Sufficiently clear

Article II

Sufficiently clear

SUPPLEMENT TO STATUTE BOOK OF

THE REPUBLIC OF INDONESIA NUMBER 5876

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