

THE AMENDMENT TO REGULATION OF THE MINISTER OF FINANCE NUMBER 238/PMK.08/2014 ON THE SALES OF STATE DEBENTURES DENOMINATED IN YEN IN MAIDEN MARKET IN JAPAN

**(Regulation of the Minister of Finance Number
46/PMK.08/2016, dated March 22, 2016)**

BY GRACE OF GOD THE ALMIGHTY

THE MINISTER OF FINANCE OF
THE REPUBLIC OF INDONESIA,

Finance on the Amendment to Regulation of the
Minister of Finance Number 238/PMK.08/2014
regarding the Sales of State Debentures Denomi-
nated in Yen in Maiden Market in Japan;

Considering:

- a. that in the framework of the sales of state debentures denominated in Yen in Japan, the Minister of Finance has stipulated Regulation of the Minister of Finance Number 238/PMK.08/2014;
- b. that pursuant to result of evaluation of the implementation of Regulation of the Minister of Finance Number 238/PMK.08/2014 as meant in letter a and in the framework of ensuring the better administration of state debentures in foreign currencies on the international market, and expanding the basis of investors of state debentures, it is necessary to regulate provision on the sales of state debentures denominated in Yen in the maiden market in Japan;
- c. that having regards to letters a and b, it is necessary to stipulate a regulation of the Minister of

In view of:

1. Law Number 24 Year 2002 on State Debentures (Statute Book of the Republic of Indonesia Year 2002 Number 110, Supplement to Statute Book of the Republic of Indonesia Number 4236);
2. Presidential Regulation Number 54 Year 2010 on the Procurement of Government Goods/Service as already amended several times and the latest by Presidential Regulation Number 4 Year 2015 (Statute Book of the Republic of Indonesia Year 2015 Number 5);
3. Regulation of the Minister of Finance Number 238/PMK. 08/2014 on the Sales of State Debentures Denominated in Yen in the Maiden Market in Japan;

D E C I D E S :

To stipulate:

THE REGULATION OF THE MINISTER OF FINANCE ON THE AMENDMENT TO REGULATION OF THE MINISTER OF FINANCE NUMBER 238/PMK.08/2014 REGARDING THE SALES OF STATE DEBENTURES DENOMINATED IN YEN IN THE MAIDEN MARKET IN JAPAN.

Article I

Several provisions in Regulation of the Minister of Finance Number 238/PMK.08/2014 on the Sales of State Debenture Denominated in Yen in the Maiden Market in Japan shall be amended as follows:

1. The provision of Article 1 is amended so as to read as follows:

Article 1

Referred to in this regulation as:

1. State Debentures hereinafter abbreviated to SUN shall be securities in the form of debentures in the Rupiah or foreign currencies, having interest and principal payment guaranted by the Republic of Indonesia in accordance with the validity period thereof, consisting of State Treasury Notes and State Bonds.
2. SUN Denominated in Yen shall be SUN issued in maiden market and denominated in Yen in Japan.
3. Sales of Yen-Denominated SUN shall be an activity of the sales of SUN denominated in Yen on the basis of the provision of financial market in Japan.
4. Party shall be individual Indonesian citizen or foreign citizen wherever they live, company, collective business, association or organized group, wethere Indonesia or foreign, wherever they are domiciled.
5. Investment Bank shall be a financial institution securing license by capital market/financial institution authorities to carry out activity as undewriter of stock issuance, broker of stock trader and/or investment manager in Japan.
6. Private Placement shall be the sales of SUN denominated in Yen to specified investors through sales agent with the terms and conditions according to agreement.
7. Bookbuilding shall be a bid for the sales of SUN denominated in Yen to party by a method wherein sales agent collects purchasing bids in the stipulated bidding period.
8. Panel of Sales Agent Candidates hereinafter called Panel shall be several investment banks passing selection for the sales of SUN denominated in Yen.

9. Sales Agent shall be investment bank appointed from panel to sell SUN denominated in Yen.
10. Director General of Financing and Risk Management hereinafter called the Director General shall be leader of first-echelon unit within the Ministry of Finance in charge of financing and risk management affairs.
11. Proxy of Budget User hereinafter abbreviated to KPA shall be official appointed by budget user to use budget of ministry/institution/working unit of regional apparatus.
12. Official Making Commitment in the framework of the sales of SUN denominated in Yen, hereinafter called PPK shall be an official responsible for the procurement of sales agent and/or legal consultant.
13. Memorandum of Information shall be written information about the offering of SUN denominated in Yen to prospective investors.
14. Allotment shall be stipulation of allocation of SUN denominated in Yen, which is obtained by every investor in accordance with the selling proceeds of SUN denominated in Yen.
15. Settlement shall be the settlement of transaction of SUN denominated in Yen, consisting of the settlement of funds and settlement of ownership of SUN denominated in Yen.
16. Working Day shall be clearing day in the appointed clearing institution in Japan.

2. The provision of Article 21 is amended so as to read as follows:

Article 21

- (1) Legal consultant shall be stipulated by KPA by a letter of the appointment signed by PPK.
- (2) The appointment of the legal consultant as meant in paragraph (1) shall be followed up by working agreement between PPK and the legal consultant.
- (3) The working agreement as meant in paragraph (1) shall be valid for one year for the whole activity of the sales of SUN denominated in Yen throughout the year.

3. The provision of Article 24 is amended so as to read as follows:

Article 24

- (1) The purchase of SUN denominated in Yen through the Private Placement method shall be done by member of panel by submitting purchasing bid to the Minister of Finance.
- (2) The purchasing bid as meant in paragraph (1) shall be done with the provision as follows:
 - a. the amount of bid is minimally ¥10,000,000,000 (ten billion Japanese Yen);
 - b. bid is submitted to the Minister of Finance in this case the Director General with a copy made avail-

able to the Director of State Debentures in accordance with the format as contained in Attachment I to Regulation of the Minister of Finance Number 238/PMK.08/2014 on the Sales of State Debentures Denominated in Yen in the Maiden Market in Japan;

c. bid contains at least:

- 1) kind of SUN (State Bond and/or State Treasury Notes);
- 2) status of SUN (tradable or non tradable);
- 3) volume;
- 4) jatuh tempo;
- 5) coupon or zero coupon;
- 6) yield, spread to reference rate, or price; and
- 7) settlement date.

(3) Procedures for the sales of SUN denominated in Yen through the private placement method on the basis of initiative of member of the panel shall be set forth in the attachment constituting an integral part of this ministerial regulation.

4. Article 37 is abolished.

5. The provision of Article 38 is amended so as to read as follows:

Article 38

Documents of the sales of SUN denominated in Yen shall consist of:

- a. agreement with sales agent;
- b. agreement with legal consultant;
- c. memorandum of information; and/or
- d. other required documents in accordance with the adopted selling method of SUN denominated in yen.

6. The provision of Article 41 is amended so as to read as follows:

Article 41

Mechanism related to technical implementation of the ownership recording, clearing and settlement as well as agent paying interest and principal of SUN shall be in accordance with the effective provision in Japanese financial market.

7. The provision of Article 42 is amended so as to read as follows:

Article 42

The whole selling proceeds of SUN denominated in Yen shall be recorded in the State Budget of Revenue and Expenditure.

8. Amending Attachment II to Regulation of the Minister of Finance Number 238/PMK.08/2014 on the Sales of State Debentures Denominated in Yen in the Maiden Market in Japan so as to be as contained in the attachment constituting an integral part of this regulation.

Article II

1. With the enforcement of this regulation, the whole frase "Directorate General of Debt Management: shall be read "Directorate General of Financing and Risk Management".
2. The ministerial regulation shall come into force on the date of promulgation.

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

Stipulated in Jakarta

On March 22, 2016

THE MINISTER OF FINANCE OF
THE REPUBLIC OF INDONESIA

sgd

BAMBANG P. S. BRODJONEGORO

Promulgated in Jakarta

On March 23, 2016

THE DIRECTOR GENERAL OF LEGISLATION OF THE
MINISTRY OF LAW AND HUMAN RIGHTS OF THE
REPUBLIC OF INDONESIA

sgd.

WIDODO EKATJAHJANA

STATE GAZETTE OF THE REPUBLIC OF INDONESIA
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Editor's note:

- Due to technical reason, the attachment is not published.

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