

BLP NEWSLETTER

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As 2025 draws to a close, this edition highlights regulatory developments that will shape Indonesia's investment and financial landscape in the year ahead. Across sectors, the focus is clear: stronger governance, smarter digitalisation, and more resilient growth.

We review integrated digital services and RKAB reforms in the mineral and coal sector, new capital and investment thresholds for foreign investment companies, and refinements to the import regime designed to support industry while preserving regulatory control.

We also cover tighter anti-money laundering expectations for financial service providers, enhanced supervisory reporting for custodian banks, and a framework to ease MSME access to financing, including recognition of intellectual property as bankable collateral.

For those celebrating, we wish you a peaceful Christmas, and to all, a healthy and prosperous New Year. May 2026 bring strong market confidence, sustainable growth, and new opportunities across Indonesia and beyond.

Digital Services for Improving Mineral and Coal Governance

by Faudzan Eka Putra

The Indonesian Government has taken another major step toward digitalising the mineral and coal sector with the issuance of Presidential Regulation No. 94 of 2025 on Integrated Digital Services for Mineral and Coal Commodities (*Layanan Digital Terpadu Minerba*). The regulation establishes a unified, technology-driven platform designed to streamline and synchronise all administrative processes across the mineral and coal value chain — from upstream exploration to downstream production, sales, and export activities.

The initiative seeks to create an integrated cross-sector system that connects the functions of multiple ministries and government agencies, including those overseeing mineral and coal mining, state finance, trade, transportation, industry, environment, forestry, and manpower. Each ministry is required to align its internal workflows, ensure interoperability across systems, and regularly monitor and evaluate performance within its jurisdiction. The Indonesia National Single Window (INSW) unit has been designated as the central operator to ensure that data integration and inter-agency coordination function effectively.

The scope of integration covers a wide range of data and business processes — including licensing, mineral and coal resource and reserve information, production and sales reporting, proof of fee and royalty payments, export approvals, surveyor reports, domestic sales manifests, shipping notifications, and compliance with domestic market obligations through coal compensation mechanisms. The interoperability of this data will enable real-time monitoring and facilitate greater transparency in governance, making data accuracy and consistency critical at every stage.

The regulation mandates that all mineral and coal commodities be integrated into the digital system, starting with five priority commodities — coal, tin, nickel, bauxite, and copper — by the end of 2025. Integration of other mineral commodities will follow thereafter, marking a gradual transition toward full digital governance across Indonesia's mining sector.



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Establishment of Updated Supervisory Reporting Standards for Custodian Banks

by Raisa Nashwa Syafiq

Indonesia's Financial Services Authority (*Otoritas Jasa Keuangan* – OJK) has issued Regulation No. 7 of 2025 ("**POJK No. 7/2025**"), introducing a more structured and technology-driven framework for commercial banks acting as custodian banks reporting. POJK No. 7/2025 replaces the framework under OJK Regulation No. 24 of 2017 ("**POJK No. 24/2017**"), signaling a shift toward digital supervision and improved data accuracy, completeness, and timeliness.

Under POJK No. 24/2017, commercial banks who also act as custodian banks were required to submit only two types of reports: a monthly activity report in printed form, accompanied by an electronic copy, and an annual operational audit report prepared by a Registered Public Accountant. POJK No. 7/2025 expands these requirements to include periodic reports—comprising monthly and annual submissions with more detailed content—and a new category of incidental reports, which must be filed in specific situations such as branch openings, changes in responsible custodian officers, or organizational adjustments.

POJK No. 7/2025 also revises the reporting timelines to provide greater flexibility while maintaining supervisory oversight. The monthly filing deadline has been extended from 12 days after month-end to the 15th of the following month, while the 90-day deadline for annual filings remains unchanged. In addition, custodian banks must now submit incidental reports within seven business days of the triggering event, a new requirement not previously found in the 2017 regulation.

A key modernization lies in the method of submission. All reports must now be submitted electronically through the OJK Reporting System, reflecting OJK's push toward digital regulatory compliance. Offline submission is permitted only under limited circumstances—such as temporary system disruptions or when newly licensed custodian banks have yet to gain access to the system.

The sanctions framework has also been refined to promote compliance and accountability. While the previous regulation allowed OJK broad discretion in imposing administrative sanctions, POJK 7/2025 introduces a defined penalty structure of IDR 100,000 per erroneous data entry, capped at IDR 10,000,000 per report. Custodian banks are required to submit corrected filings within five business days of receiving OJK's request.

Through these updates, OJK aims to strengthen data governance, enhance supervisory efficiency, and align Indonesia's financial reporting framework with international best practices—ensuring that custodian banks operate with greater transparency, discipline, and technological integration.

Bank Indonesia Tightens AML Regulations: What Companies Should Expect

by Kumalasari Retnopati



The Board of Governors of Bank Indonesia has introduced an implementing regulation that provides further guidance on the application of anti-money laundering ("**AML**") measures under Regulation of the Member of the Board of Governors Number 15 of 2025* (the "**Regulation**"), which will impact how companies manage financial transactions. The impact arises as financial service providers supervised by Bank Indonesia (the "**FSP**") are now required to strengthen their AML controls through written policies, risk-based management, and detailed customer due diligence.

In practice, the Regulation requires FSPs to verify the identity of prospective customers, existing customers, parties acting on their behalf, and/or the beneficial owner based on reliable and independent data sources. It also requires FSPs to understand the purpose of the business relationship or transaction and the source of funds to ensure legitimacy and to confirm there is no link to money laundering offences.

Given the heightened controls, companies relying on FSPs should expect more detailed requests for documents and closer checks on ownership and the flow of funds. It is also important to recognise that operational continuity is better protected when companies engage compliant FSPs that meet regulatory expectations and maintain effective AML safeguards.

*Regulation of the Member of the Board of Governors Number 15 of 2025 on the Implementation of Anti-Money Laundering, Countering the Financing of Terrorism, and Countering the Financing of the Proliferation of Weapons of Mass Destruction for Parties Regulated and Supervised by Bank Indonesia which took effect on 30 June 2025

Regulatory Update – Key Amendments to Indonesia’s Import Framework

by Annisa Ayu A.

Indonesia’s Ministry of Trade has introduced further refinements to the national import framework through Regulation No. 37 of 2025*, which amends Regulation No. 16 of 2025**. Effective as of 5 November 2025, this amendment aims to strengthen oversight of import activities while enhancing legal certainty and streamlining procedures for business actors whose Business Identification Number (*Nomor Induk Berusaha* or “**NIB**”) also serves as an Importer Identification Number (*Angka Pengenal Impor* or “**API**”).

The new regulation introduces provisions that were previously unregulated and revises several key aspects of import arrangements for investment purposes. One notable update concerns the conversion of general API (*API Umum* or “**API-U**”) to producer API (*API Produsen* or “**API-P**”), which maintains the same substantive process as before but expands the documentary requirements. Importers must now provide an additional supporting letter (*surat keterangan*) alongside existing import approvals and surveyor reports.

Regulation No. 37/2025 also closes a regulatory gap by introducing clear procedures for API revocation. An NIB functioning as an API may now be revoked electronically through the INATRADE system, integrated with the OSS platform, and only under specific circumstances such as, where an importer does not hold valid import licences, supporting letters, or surveyor reports, or where such permits exist but import activities are no longer being conducted. Following revocation, importers must submit an OSS declaration confirming the grounds for revocation, the absence of ongoing import activities, and that API-P goods will not be traded where the revocation concerns a NIB serving as an API-P.

The regulation further amends import arrangements for investment purposes by removing the broad exemptions previously provided under Annex I letter B number 3 of Regulation No. 16/2025. A limited transitional exemption remains available for certain restricted goods in new condition, provided that the goods were shipped before 5 November 2025 (as evidenced by a bill of lading or airway bill) and arrive at their destination no later than 3 February 2026, supported by the relevant BC.1.1 customs documentation.

Through these amendments, the Ministry of Trade underscores its commitment to building a more orderly, transparent, and technology-integrated import regime. The updated framework is expected to enhance regulatory certainty, improve data traceability, and support Indonesia’s broader goal of strengthening domestic production while gradually reducing reliance on imported goods.

*Regulation of the Minister of Trade of the Republic of Indonesia Number 37 of 2025 on the Amendment to Regulation of the Minister of Trade Number 16 of 2025 on Import Policies and Provisions (“**Regulation No. 37/2025**”)

Regulation of the Minister of Trade of the Republic of Indonesia Number 16 of 2025 on Import Policies and Provisions (“Regulation No. 16/2025**”)

POJK 19/2025: Regulatory Framework to Simplify MSMEs Financing

by Rizky Aprihandini



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On 28 August 2025, Indonesia’s Financial Services Authority (*Otoritas Jasa Keuangan* or “**OJK**”) issued POJK No. 19/2025* as an implementing regulation of Law No. 4 of 2023**. Effective from 2 September 2025, this regulation aims to enhance financing accessibility for Micro, Small, and Medium Enterprises (“**MSME**”) while maintaining prudential principles, positioning financial institutions and MSMEs as strategic partners in supporting national economic resilience.

POJK No. 19/2025 establishes a clear obligation for both banks and non-bank financial institutions (*Lembaga Keuangan Non-Bank* or “**LKNB**”) to expand MSME financing access. The obligation applies to commercial banks, rural banks, and a wide spectrum of LKNB — including financing companies, venture capital firms, microfinance institutions, peer-to-peer lending platforms, pawn companies, and other licensed entities, whether operating under conventional or sharia principles.

To facilitate easier access, the POJK No. 19/2025 introduces several key measures, including simplified application requirements, streamlined approval processes, and the ability for banks and LKNB to conduct write-offs or charge-offs of non-performing loans. Notably, POJK 19/2025 also allows the acceptance of intellectual property (“**IP**”) as collateral, subject to the existence of a credible IP valuation system and an established market for IP-based securities. This inclusion represents a forward-looking step toward recognising intangible assets as a viable form of security, particularly for innovation-driven MSMEs.

By formalising these measures, OJK seeks to remove long-standing procedural bottlenecks that have limited MSME access to financing. The regulation is expected to foster greater financial inclusion, promote innovation in credit assessment and collateral structures, and empower smaller businesses to contribute more effectively to Indonesia’s economic growth.

*OJK Regulation No. 19 of 2025 concerning Easy Access to Financing for Micro, Small, and Medium Enterprises

**Law No. 4 of 2023 concerning the Development and Strengthening of the Financial Sector

Indonesia Reinforces One-Year RKAB: Compliance for Mining Companies

by Mohammad Faiq Abiyyan

The Indonesian Government has issued Minister of Energy and Mineral Resources Regulation No. 17 of 2025*, effective 3 October 2025, marking a significant shift in how mineral and coal mining operations are planned and monitored. The new framework replaces the previous three-year Work Plan and Budget (*Rencana Kerja dan Anggaran Biaya* – “**RKAB**”) cycle with an annual submission requirement, introducing a faster approval process and a fully digital reporting mechanism through the MinerbaOne system. The regulation seeks to strengthen state oversight of production and sales amid declining global commodity prices while improving administrative efficiency.

Under the new regime, holders of (i) a Mining Business License (IUP**) – Exploration stage, (ii) a Special Mining Business License (IUPK***) – Exploration stage, (iii) an IUP – Production Operation stage, (iv) an IUPK – Production Operation stage, and (v) an IUPK as a Continuation of Contract/Agreement Operations — in the mineral and coal sector (collectively, the “**Mining Companies**”) — are required to submit their RKAB annually. Submissions for the following year must be made between 1 October and 15 November through the MinerbaOne system.

A key reform lies in the accelerated approval process. Once a complete RKAB is submitted, the Government has five working days to review and either grant approval or request revisions. Mining Companies are then given two working days to make corrections, with up to three rounds of revisions permitted. Following the final resubmission, a decision must be issued within eight working days. If no decision is made within this timeframe, the RKAB is automatically approved, provided the submission is complete. This marks a major improvement compared to the previous system, which allowed up to 30 working days for evaluation and approval. Should an application be rejected, companies may resubmit their RKAB once.

The regulation also reinforces compliance obligations. Failure to submit an RKAB or non-compliance with the approved plan may result in administrative sanctions, including written warnings, temporary suspension of operations, or licence revocation. In addition, Mining Companies that exceed their approved production volume will face a reduction in production quotas for the following year, proportionate to the excess output.

To ensure a smooth transition, RKABs for 2025 approved prior to the regulation’s enactment remain valid. However, RKABs for 2026 and 2027 that were approved under the previous regime must be adjusted and resubmitted through MinerbaOne to align with the new requirements.

*Regulation of the Minister of Energy and Mineral Resources Number 17 of 2025 regarding Procedures for the Preparation, Submission, and Approval of Work Plans and Budget, and Procedures for Reporting the Implementation of Mineral and Coal Mining Business Activities

**Mining Business Licenses/*Izin Usaha Pertambangan* (IUP)

***Special Mining Business Licenses/*Izin Usaha Pertambangan Khusus* (IUPK)

New Capital and Investment Thresholds for PMA Companies

by Valya Hermayrani

On 2 October 2025, Indonesia’s Investment Coordinating Board (*Badan Koordinasi Penanaman Modal* – **BKPM**) enacted Regulation No. 5 of 2025 (“**New Regulation**”), introducing key reforms to the country’s risk-based business licensing and investment facility regime through the Online Single Submission (“**OSS**”) system. The regulation represents a major step toward facilitating foreign investment, primarily through adjustments to the capital structure and minimum investment thresholds applicable to foreign investment limited liability companies (*Perusahaan Modal Asing* or “**PMA**”). These changes are designed to ease entry barriers for foreign investors while maintaining prudent regulatory oversight.

Under the previous regime, PMA companies were required to have a minimum paid-up capital of IDR10 billion. The New Regulation substantially reduces this requirement to a minimum of IDR2.5 billion in issued and paid-up capital. Meanwhile, the minimum total investment value remains at IDR10 billion, excluding land and buildings, for each 5-digit KBLI (*Klasifikasi Baku Lapangan Usaha Indonesia*) code per project location. Sector-specific exemptions from this threshold continue to apply, reflecting BKPM’s commitment to accommodate industry-specific characteristics and investment dynamics.

For PMA companies operating in property development and management, the regulation introduces a 12-month lock-up period during which paid-up capital cannot be withdrawn, except for legitimate business purposes such as asset acquisition, construction, or operational expenditures. This measure seeks to ensure capital integrity and mitigate the risk of premature capital flight in capital-intensive sectors.

To ensure a smooth transition, the regulation provides transitional arrangements for PMA companies holding verified licences under the previous regime. These entities will continue to be governed by the earlier capital and investment requirements when amending or extending their existing licences, ensuring regulatory certainty and continuity during the shift to the updated framework.

Through these adjustments, BKPM reinforces Indonesia’s position as a more accessible and competitive investment destination in the region—balancing investor convenience with accountability and capital discipline.

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