BUDIARTO
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BLP NEWSLETTER

ISSUE 110 • AUGUST 2026

This August 2026 edition brings together regulatory developments across strategic commodities, capital markets, intellectual property, MSMEs, and rural banking.

We begin with Law No. 4 of 2026, which introduces the Mineral and Strategic Commodities Exchange and brings transactions conducted through the exchange within OJK's regulatory and supervisory remit.

In the capital markets, KSEI Regulation No. XI-D formalises electronic bondholder and sukukholder meetings through eASY.KSEI, with detailed rules on attendance, voting, quorum, and meeting administration.

We also look at Indonesia's new trademark-registration framework, which introduces clearer procedural timelines and documentary requirements, offering applicants and rights holders a more structured route through the registration process.

For MSMEs, the new classification framework retains business capital and annual sales as the standard criteria while introducing additional indicators covering employment, investment, domestic content, compliance, and environmentally friendly technology.

For rural banks, POJK No. 7 of 2026 places greater emphasis on the quality as well as the amount of regulatory capital, supported by additional capital deductions, a more structured sanctions framework, and public-disclosure requirements for certain sanctions.

Taken together, these developments reflect a regulatory environment increasingly shaped by stronger institutions, more reliable data, and clearer accountability across both market infrastructure and day-to-day business operations.

As Indonesia celebrates its 81st Independence Day, we wish all our readers a joyful and meaningful celebration.

Warm regards,
The BLP Team

New Law Introduces Indonesia's Mineral and Strategic Commodities Exchange

by Rahmi Intan Jeyhan

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The Government has recently enacted Law No. 4 of 2026 on the Amendment to Law No. 4 of 2023 on Financial Sector Development and Strengthening (the "**Law**"). Among its key changes, the Law introduces a statutory framework for the establishment of the Mineral and Strategic Commodities Exchange (the "**Exchange**") and adds activities conducted through the Exchange to the regulatory and supervisory remit of the Financial Services Authority (*Otoritas Jasa Keuangan* or "**OJK**").

The Exchange is an organised and integrated market system for trading minerals and strategic commodities, including their derivatives. The system is to be supported by a financing ecosystem, digital-based financial instruments, and mechanisms governing pricing, quality, transaction settlement, and risk management. Under the Law, the Exchange is intended to strengthen economic resilience, preserve market integrity, and optimise the added value of Indonesia's natural resources and commodities. The elucidation to the Law further identifies several objectives, including establishing Indonesian benchmark prices, supporting downstream processing and industrialisation, and improving national competitiveness.

The Exchange may only be operated by a market operator holding a business licence from OJK. The Law also adds a dedicated Chief Executive for the Supervision of the Mineral and Strategic Commodities Exchange to OJK's Board of Commissioners. The Chief Executive will lead OJK's supervision of mineral and strategic commodity trading activities.

The detailed regulatory framework will be set out in an OJK regulation issued after obtaining the approval of the House of Representatives (*Dewan Perwakilan Rakyat* or "**DPR**"). The OJK regulation must address the phased implementation of activities, governance, risk management, prudential principles, and administrative sanctions. The Law itself does not enumerate the minerals and strategic commodities that will be traded through the Exchange, leaving important aspects of the Exchange's operational scope to the implementing framework.

Prior to the establishment of the Exchange, commodities of this nature were traded through direct sale and purchase transactions between producers and buyers under commercial contracts or, for certain commodities, through existing commodity futures exchanges. The latter transactions were subject to the regulation and supervision of the Commodity Futures Trading Regulatory Agency (*Badan Pengawas Perdagangan Berjangka Komoditi* or "**Bappebti**"). The Law further provides that the phased transfer from Bappebti to OJK of the regulatory and supervisory duties and powers over transactions on to the Exchange will be governed by an OJK regulation issued following consultation with the DPR. Such OJK regulation must be issued no later than three months after the promulgation of the Law.

The Exchange is required to be established and commence operations on 1 January 2027. From that date, OJK will assume the regulatory and supervisory duties and powers over transactions conducted through the Exchange. The new framework therefore marks a significant institutional shift in Indonesia's commodity-market architecture, although its practical implications for producers, traders, investors, and existing market infrastructure will depend substantially on the implementing regulations and the commodities ultimately brought within the Exchange.

POJK No. 7 of 2026: OJK Tightens Capital Quality and Enforcement for Rural Banks

by Annisa Ayu A.

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On 4 June 2026, the Financial Services Authority (*Otoritas Jasa Keuangan* or "**OJK**") issued POJK No. 7/2026*, which took effect on 30 June 2026. The regulation replaces POJK No. 5/2015**, although the implementing provisions issued under the previous regulation remain effective to the extent that they do not conflict with POJK No. 7/2026.

POJK No. 7/2026 retains the principal quantitative capital requirements applicable to rural banks (*bank perekonomian rakyat* or "**BPR**"). A BPR must maintain a minimum capital adequacy ratio (*Kewajiban Penyediaan Modal Minimum* or "**KPMM**") of 12% of risk-weighted assets (*Aset Tertimbang Menurut Risiko* or "**ATMR**"), core capital of at least 8% of ATMR, and minimum core capital of IDR6 billion. Against those thresholds, the new regulation introduces a more rigorous approach to the quality and recognition of capital, the consequences of capital shortfalls, and the treatment of BPRs that were already undercapitalised when the regulation took effect.

This article highlights selected changes introduced under the new framework and does not address every provision of POJK No. 7/2026.

1. **New Capital Deduction Factors**

   One of the principal substantive changes concerns the items deducted in calculating primary core capital (*modal inti utama*). POJK No. 7/2026 retains existing deduction items such as deferred tax calculations, goodwill, disagio, accumulated losses, current-year losses, and foreclosed collateral (*agunan yang diambil alih* or "**AYDA**") after more than one year has elapsed since its acquisition. It also introduces two additional deduction factors: (i) abandoned property (*properti terbengkalai*) after more than one year has elapsed since the property was designated as abandoned; and (ii) any shortfall between the asset quality allowance (*Penyisihan Penilaian Kualitas Aset* or "**PPKA**") and the impairment loss allowance (*Cadangan Kerugian Penurunan Nilai* or "**CKPN**") for productive assets.

   These additions may directly reduce the amount of capital recognised for regulatory purposes. BPRs should therefore review not only their headline capital figures but also the classification of abandoned property and the reconciliation between their PPKA and CKPN calculations.

2. **Recast Sanctions and Mandatory Public Disclosure**

   POJK No. 7/2026 recasts the administrative sanctions applicable to a BPR that fails to comply with the IDR6 billion minimum core capital requirement or the applicable capital-restoration obligation. The sanctions may comprise: (i) temporary suspension of certain operational activities; (ii) prohibition on business expansion; (iii) downgrading of the BPR's soundness rating; (iv) prohibition on raising new funds and extending new funds; (v) prohibition on profit distributions; and (vi) restrictions on allowances or equivalent facilities provided to members of the board of directors and board of commissioners, or on remuneration paid to executive officers.

   A BPR may be exempted from these sanctions in specified circumstances, including where the relevant review of a proposed merger, consolidation or acquisition permits the transaction to proceed, and/or where a qualifying capital injection results in the minimum core capital requirement being satisfied. The regulation also introduces a specific public-announcement obligation. This obligation does not apply to every sanction listed above. It applies where OJK imposes: (i) a temporary suspension of certain operational activities; (ii) a prohibition on business expansion; or (iii) a prohibition on raising new funds and extending new funds.

   The BPR must announce the relevant sanction in a place at its office that is readily visible to the public and on its website within five business days from the date of OJK's sanction letter. Within the same period, the BPR must submit evidence of the announcement to OJK electronically as an incidental report. This requirement adds a direct reputational and disclosure dimension to capital-related enforcement.

3. **Transitional Treatment for BPRs Below the Minimum Core Capital Requirement**

   The transitional provisions distinguish between two categories of undercapitalised BPRs. A BPR that had never met the IDR6 billion minimum core capital requirement before POJK No. 7/2026 took effect became subject to the administrative sanctions prescribed under the new framework upon the regulation's effectiveness.

   By contrast, a BPR that had previously met the IDR6 billion requirement but whose core capital had fallen below that amount before POJK No. 7/2026 took effect must restore its core capital within six months from: (i) the monthly periodic report submitted to OJK showing the shortfall; or (ii) the date of the minutes of an OJK examination showing the shortfall.

   Failure to restore the minimum core capital by the applicable deadline will result in the BPR becoming subject to the administrative sanctions under Article 17(1) of POJK No. 7/2026.

For BPRs and their shareholders, the practical significance of POJK No. 7/2026 extends beyond maintaining the prescribed headline capital amount. Capital planning must also take account of the regulatory recognition of individual capital components, the treatment of abandoned property and provisioning shortfalls, the applicable restoration timeline, and the possibility that certain sanctions may have to be publicly disclosed.

*OJK Regulation No. 7 of 2026 on the Minimum Capital Adequacy Requirement and Fulfilment of Minimum Core Capital for Rural Banks (the "**POJK No. 7/2026**")

OJK Regulation No. 5/POJK.03/2015 on the Minimum Capital Adequacy Requirement and Fulfilment of Minimum Core Capital for Rural Banks (the "POJK No. 5/2015**")

KSEI Formalizes the Procedures for Electronic RUPO and RUPSu through eASY.KSEI

by Rizky Aprihandini

On 24 June 2026, PT Kustodian Sentral Efek Indonesia ("**KSEI**") issued KSEI Regulation No. XI-D[1], which became effective on the same date. The regulation establishes procedures for conducting General Meetings of Bondholders (*Rapat Umum Pemegang Obligasi* or "**RUPO**") and General Meetings of Sukuk Holders (*Rapat Umum Pemegang Sukuk* or "**RUPSu**") electronically through teleconference, video conference, or other electronic media, with voting administered through the Electronic General Meeting System KSEI ("**eASY.KSEI**").

KSEI Regulation No. XI-D forms part of KSEI's implementation of OJK Regulation No. 14 of 2025[2], which requires electronic meeting system providers to establish operational procedures for electronic shareholder, bondholder, and sukukholder meetings.

Under the general provisions, the Issuer[3] must ensure that each electronic RUPO or RUPSu (each, an "**Electronic Meeting**"), whether convened by the Issuer or the Trustee[4], is conducted in accordance with the relevant trustee agreement, applicable laws and regulations, and KSEI regulations. KSEI assumes no responsibility for an Electronic Meeting conducted in breach of those requirements.

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Where an Electronic Meeting is convened by the Trustee through eASY.KSEI, the Issuer remains responsible for the costs of convening the meeting. Electronic Meetings involving voting through eASY.KSEI must also comply with KSEI Regulation No. XI-C[5], except to the extent specifically regulated under KSEI Regulation No. XI-D. Further implementation details will be set out in the eASY.KSEI user guidelines issued by KSEI from time to time and, where applicable, KSEI circular letters.

Bondholders and sukukholders (collectively, the "**Holders**") may attend an Electronic Meeting provided that they satisfy the requirements prescribed by KSEI as the provider of eASY.KSEI, having regard to applicable laws and regulations and KSEI regulations. In particular:

- a Holder who submits an electronic attendance declaration, together with a voting choice for at least one agenda item, through eASY.KSEI no later than one Business Day before the meeting date will be deemed validly present without being required to re-register on the meeting date;
- a Holder who has not completed that process by the deadline may still register electronically through eASY.KSEI during the re-registration period on the meeting date and may cast votes electronically or in person before voting closes for the relevant agenda item;
- a proxy appointed by a Holder through eASY.KSEI, together with a voting choice for at least one agenda item, will likewise be deemed validly present without re-registration, except where the proxy is a KSEI Participant, namely a securities company or custodian bank, which must electronically re-register before the re-registration period closes;
- Holders attending electronically or appointing proxies through eASY.KSEI remain responsible for the proper use of their access rights, including the exercise of voting rights and the appointment of proxies; and

- where a Holder or proxy has declared or registered electronic attendance but subsequently attends the meeting in person, the Issuer or Trustee must cancel the electronic attendance record in eASY.KSEI.

For each Electronic Meeting, the Issuer must use the audio, visual, audio-visual, or other services provided through eASY.KSEI to enable participants to see, hear, and participate directly in the meeting, including by submitting questions or opinions. The Issuer must also establish rules of procedure addressing the mechanism for submitting questions and opinions, and must make the agenda materials and rules of procedure available through eASY.KSEI before the meeting begins.

The Issuer is responsible for its use of those services and may determine, subject to applicable laws and regulations, that questions or opinions submitted through the services will not be included in the document used as the basis for preparing the meeting minutes. Where an Electronic Meeting is convened by the Trustee, these obligations also apply to the Trustee.

The available voting choices are to approve, reject, or abstain. Where a Holder owns more than one series of bonds or sukuk, one vote will be counted for each series held. Votes may be submitted through eASY.KSEI from the issuance of the meeting notice until voting closes for the relevant agenda item.

A Holder that has declared its electronic attendance and cast its vote before the meeting may change or revoke that vote through eASY.KSEI until the chairperson closes voting on the relevant agenda item. Different requirements apply where voting instructions have been submitted through a proxy: the proxy may change or revoke those instructions only up to one Business Day before the meeting and only pursuant to instructions from the relevant Holder.

In the decision-making process, abstentions and the votes of Holders that are present but do not exercise their voting rights are treated as votes cast in the same manner as the majority of votes other than abstentions. An agenda item is approved where the approving votes satisfy the applicable decision-making quorum under the trustee agreement and applicable laws and regulations, and is rejected where that quorum is not satisfied.

KSEI Regulation No. XI-D also restricts voting rights attached to bonds or sukuk owned by the Issuer or its affiliates. Such bonds or sukuk carry no voting rights and are excluded from the attendance quorum and vote count. These restrictions do not apply where the affiliation arises from government ownership or capital participation in accordance with applicable laws and regulations.

Where discussion of an agenda item is cancelled because the applicable attendance quorum and/or decision-making quorum has not been satisfied, votes previously submitted for that agenda item become void. In particular, where the attendance quorum is not met, the Issuer may not adopt or report a resolution on that agenda item but may continue with the remaining agenda items.

If the vote count generated through eASY.KSEI differs from the Issuer's vote count, the Issuer must follow the mechanism and procedures prescribed by KSEI. Where the Electronic Meeting is convened by the Trustee, the relevant requirements also apply to the Trustee.

With the issuance of KSEI Regulation No. XI-D, KSEI has formalized a detailed operational framework for electronic attendance and voting in RUPO and RUPSu through eASY.KSEI. Effective implementation will require close coordination among Issuers, Trustees, notaries, corporate secretaries, and relevant system administrators, supported by the eASY.KSEI user guidelines and, where applicable, further KSEI circular letters.

Regulatory references and terms:

[1]KSEI Regulation No. XI-D on the Procedures for the Implementation of General Meetings of Bondholders and/or Sukuk Holders Conducted Electronically Accompanied by Voting through the Electronic General Meeting System KSEI (eASY.KSEI) (Attachment to the Decree of the Board of Directors of KSEI No. KEP-0036/DIR/KSEI/0626 dated 24 June 2026).

[2]OJK Regulation No. 14 of 2025 on the Electronic Implementation of General Meetings of Shareholders, General Meetings of Bondholders, and General Meetings of Sukukholders.

[3]Issuer refers to a securities issuer (Penerbit Efek), i.e., a legal entity, Collective Investment Contract, or other party whose Securities are registered with KSEI in accordance with the provisions of the Laws and Regulations in the Capital Markets sector.

[4]Trustee refers to a trustee (Wali Amanat), i.e., the party representing the interests of holders of debt Securities and/or sukuk as regulated in the Financial Services Authority Regulation concerning the Implementation of General Meetings of Shareholders, General Meetings of Bondholders, and General Meetings of Sukuk Holders Conducted Electronically.

[5]KSEI Regulation No. XI-C on the Procedures for the Convening of General Meetings of Bondholders and/or Sukuk Holders Accompanied by the Granting of Proxy through the Electronic General Meeting System KSEI (eASY.KSEI) (Attachment to the Decree of the Board of Directors of KSEI No. KEP-0035/DIR/KSEI/0626 dated 24 June 2026).

New Framework for Classifying Micro, Small, and Medium Enterprises

by Faudzan Eka Putra

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The government has issued a New Regulation* governing the classification and development stages of Micro, Small and Medium Enterprises (*Usaha Mikro, Kecil, dan Menengah* or "**MSME**"), which revokes the corresponding provisions previously set out in Minister of Cooperatives and Small and Medium Enterprises Regulation No. 3 of 2021.

The New Regulation introduces a two-tier classification framework comprising standard criteria and additional criteria. The standard criteria provide the primary basis for determining whether an enterprise falls within the micro, small or medium business scale, while the additional criteria allow for a more detailed assessment of its characteristics and contribution.

This represents a shift from the previous framework, under which classification criteria were assessed by reference to the issues and/or potential of an MSME across five aspects: design, production and processing; marketing; human resources; technology; and capital.

The standard criteria consist of either business capital or annual sales. Business capital is used for the establishment or registration of a business, while annual sales are used to determine business scale and assess economic capacity.

Based on business capital, excluding land and buildings used as business premises:

a. a micro enterprise has business capital of up to IDR1 billion;
b. a small enterprise has business capital of more than IDR1 billion and up to IDR5 billion; and
c. a medium enterprise has business capital of more than IDR5 billion and up to IDR10 billion.

Based on annual sales:

a. a micro enterprise records annual sales of up to IDR2 billion;
b. a small enterprise records annual sales of more than IDR2 billion and up to IDR15 billion; and
c. a medium enterprise records annual sales of more than IDR15 billion and up to IDR50 billion.

In addition to these financial thresholds, the New Regulation introduces five additional criteria: the number of employees, investment value, Domestic Content (*Tingkat Komponen Dalam Negeri* or "**TKDN**"), incentives and disincentives, and the adoption of environmentally friendly technologies.

These additional criteria do not replace the business-capital or annual-sales thresholds. Instead, they support a further assessment of MSMEs and may be used for policy formulation, programme planning and implementation, the provision of facilitation, and the assessment of MSME contributions based on their potential and business characteristics.

More specifically, the number-of-employees criterion distinguishes between household MSMEs employing up to four people, MSMEs with moderate labour absorption employing five to 19 people, and MSMEs with high labour absorption employing 20 to 99 people.

Under the investment-value criterion, MSMEs are categorised as low-investment MSMEs where the investment value is up to IDR300 million; medium-investment MSMEs where it exceeds IDR300 million and is up to IDR1 billion; and high-investment MSMEs where it exceeds IDR1 billion and is up to IDR15 billion. Land and buildings used as business premises are excluded from these calculations.

Under the TKDN criterion, MSMEs are categorised as low where the domestic content used in the production of goods or services is below 25%, medium where it ranges from 25% to 40%, and high where it exceeds 40% and is no more than 100%. The calculation must follow the applicable TKDN principles and methodology under the relevant laws and regulations.

The incentives-and-disincentives criterion assesses administrative, fiscal and environmental compliance. MSMEs may be placed into high-incentive, medium-incentive, medium-disincentive or high-disincentive categories, depending on their degree of compliance and, in the highest disincentive category, whether administrative sanctions have previously been imposed.

The environmental-technology criterion similarly distinguishes between conventional MSMEs, green-potential MSMEs, applied-green MSMEs and fully green MSMEs, based on the extent to which environmentally sustainable technologies, production processes and management practices have been adopted.

The Ministry determines MSME criteria, categories and development stages electronically through the MSME Service Application System (*Sistem Aplikasi Pelayanan UMKM* or "**SAPA UMKM**"). The determination is based on verified and validated data and documents submitted by MSME owners or obtained through integration with the information systems of relevant ministries, institutions and regional governments.

The new framework increases the importance of maintaining complete and up-to-date financial records, employment data, investment documents, licensing information, compliance records and evidence of environmental practices. These records will support the verification and classification process and may inform the assessment of eligibility for relevant government programmes and facilitation.

Taken together, the New Regulation retains business capital and annual sales as the standard basis for classifying micro, small and medium enterprises, while adding a broader set of indicators to capture their operational characteristics and economic contribution. This article focuses on the classification framework and does not address the separate provisions governing MSME development stages.

*Minister of Micro, Small and Medium Enterprises Regulation No. 2 of 2026 on Guidelines for the Classification and Development Stages of Micro, Small and Medium Enterprises

Indonesia Updates Its Trademark Registration Framework

by Ivanya Amadea Clara Sianipar

On 13 January 2026, the Minister of Law of the Republic of Indonesia ("**MOL**") issued Minister of Law Regulation No. 5 of 2026 on Trademark Registration ("**MOL Regulation No. 5/2026**"). The regulation was promulgated and came into force on 23 February 2026, replacing Minister of Law and Human Rights Regulation No. 67 of 2016, as amended by Regulation No. 12 of 2021.

MOL Regulation No. 5/2026 consolidates and updates the procedures governing trademark registration, covering the filing of applications, publication, substantive examination, and the issuance of trademark certificates. For trademark applicants and owners, the regulation sets out defined processing timelines and documentary requirements at each stage of the registration process.

Image source: https://jdih.musirawaskab.go.id/img/img_agenda/40542512424645.jpg

1. **Clearer Timelines for the Registration Process**

   One of the common concerns in trademark registration is the uncertainty surrounding the length of the registration process. MOL Regulation No. 5/2026 addresses this issue by establishing clear timelines for each stage of the process:

   a. A trademark application may be filed either electronically through the official website of the Directorate General of Intellectual Property ("**DGIP**"); or non-electronically through the service counter at the DGIP or a regional office, where officers assist applicants in submitting the application through the DGIP's official online system.

   b. The completeness of the application documents must be examined within 15 working days from the Official Filing Date (*Tanggal Penerimaan)*.

   c. If any required documents are incomplete, the MOL must notify the applicant within 30 working days from the Official Filing Date (*Tanggal Penerimaan*). The applicant must complete the missing documents within two months from the date on which the deficiency notice is dispatched. If the required documents are not submitted within this period, the MOL will notify the applicant that the application is deemed withdrawn.

   d. The MOL will publish the application in the Official Trademark Gazette within 15 working days from the Official Filing Date (*Tanggal Penerimaan*). The publication period lasts for two months.

   e. During the publication period, any party may file a written opposition with the MOL, supported by sufficient reasons and evidence showing that the applied-for trademark should not be registered or should be refused under the applicable laws and regulations. Any opposition submitted after the publication period has expired will not be processed.

   f. In response to an opposition, the applicant has the right to submit a written counterstatement to the MOL within two months from the date on which the MOL sends the applicant a copy of the opposition.

   g. If no opposition is filed, substantive examination begins upon expiry of the publication period and must be completed within 30 working days. If an opposition is filed, substantive examination must begin within 30 working days after expiry of the period for submitting a counterstatement and must be completed within 90 working days.

   h. If the substantive examination concludes that the application is registrable, the Minister will register the trademark, notify the applicant of the registration, issue the trademark certificate electronically, and publish the registration in the Official Trademark Gazette in both electronic and non-electronic formats.

2. **Required Documents**

   A trademark application must be accompanied by a declaration of trademark ownership and a valid applicant identification document. A power of attorney must also be submitted where the application is filed through an authorised intellectual property consultant.

   Where the applicant is a legal entity, the application must additionally include the relevant documents evidencing approval of its establishment or any amendment to its legal-entity particulars.

   An applicant filing under the micro or small enterprise category must also provide one of the following:

   a. a recommendation letter confirming its micro or small enterprise status, valid for one trademark in a single application and signed by the competent authority in the same year as the application;

   b. a risk-based business licence for a micro or small enterprise registered through the Online Single Submission system;

   c. a certificate of registration for the establishment of an individual limited liability company (*Perseroan Perorangan*); or

   d. approval of the establishment of a *Koperasi Desa/Kelurahan Merah Putih* as a legal entity.

Additional documents apply to particular applications, including evidence and a sworn Indonesian translation for priority claims, and a sound recording where the application concerns a sound mark.

CONTACT US

The AXA Tower - Kuningan City, 28th Floor
Jl. Prof Dr. Satrio Kav.18, Kuningan - Setiabudi
Jakarta 12940, Indonesia
t : +6221-3048 0718
f : +6221-3048 0715
e : budiarto@blp.co.id