



DUPLICATE OF
REGULATION OF FINANCIAL SERVICES AUTHORITY
OF THE REPUBLIC OF INDONESIA
NUMBER 1 OF 2025
CONCERNING
FINANCIAL DERIVATIVE WITH UNDERLYING ASSETS IN THE FORM OF
SECURITIES

BY THE GRACE OF GOD ALMIGHTY

BOARD OF COMMISSIONERS OF FINANCIAL SERVICES AUTHORITY,

- Considering :
- a. that to carry out the authority to regulate and supervise financial services activities in capital market, derivative finance, and carbon exchange sectors, the Financial Services Authority is authorized to regulate and supervise commodities including financial instruments that are the subject of futures contracts, sharia derivative contracts, and/or other derivative contracts related to underlying assets in the form of securities;
 - b. that the transfer of regulatory and supervisory duties on commodities, including financial instruments that are the subject of futures contracts, sharia derivative contracts, and/or other derivative contracts from commodity futures trading regulatory agency to financial sector authority shall be completed in full at the latest of 24 (twenty-four) months;
 - c. that for the implementation of the authority as referred to in letters a and b, a legal basis is required for the Financial Services Authority to regulate and supervise products, parties, and organizers of financial derivative market infrastructure that have obtained approval for license from relevant authorities or the Financial Services Authority;
 - d. based on the considerations as referred to in letter a, letter b, and letter c, it is necessary to enact the Regulation of Financial Services Authority

concerning Financial Derivative with Underlying Assets in the Form of Securities;

- In the view of : 1. Law Number 8 of 1995 concerning Capital Market (State Gazette of the Republic of Indonesia of 1995 Number 64, Supplement to State Gazette of the Republic of Indonesia Number 3608) as amended by Law Number 4 of 2023 concerning Developing and Strengthening of the Financial Sector (State Gazette of the Republic of Indonesia of 2023 Number 4, Supplement to State Gazette of the Republic of Indonesia Number 6845);
2. Law Number 21 of 2011 concerning Financial Services Authority (State Gazette of the Republic of Indonesia of 2011 Number 111, Supplement to State Gazette of the Republic of Indonesia Number 5253) as amended by Law Number 4 of 2023 on Developing and Strengthening of the Financial Sector (State Gazette of the Republic of Indonesia of 2023 Number 4, Supplement to State Gazette of the Republic of Indonesia Number 6845);
3. Law Number 4 of 2023 concerning Developing and Strengthening of the Financial Sector (State Gazette of the Republic of Indonesia of 2023 Number 4, Supplement to State Gazette of the Republic of Indonesia Number 6845);

HAS DECIDED:

To enact : REGULATION OF FINANCIAL SERVICES AUTHORITY CONCERNING FINANCIAL DERIVATIVE WITH UNDERLYING ASSETS IN THE FORM OF SECURITIES.

CHAPTER 1 GENERAL PROVISIONS

Article 1

In this Financial Services Authority Regulation, the following terms shall be defined as follows:

1. Securities are a security or investment contract both in conventional and digital form or other forms in accordance with the technological developments that gives the owner the right to directly or indirectly obtain economic benefits from issuer or from certain parties based on an agreement and any derivative of

Securities, which can be transferred and/or traded on the capital market.

2. Derivative is an instrument whose value is derived from its underlying asset. Derivative is an instrument whose value is derived from the underlying asset.
3. Financial Derivative is an instrument whose value is derived from the underlying financial asset.
4. Securities Exchange is a market organizer in capital market for exchange transactions.
5. Clearing and Guarantee Institution is a party that organizes clearing and/or guarantee services for the settlement of Securities transactions carried out through market organizers in capital market, as well as other services that can be applied to support inter-market activities.
6. Depository and Settlement Institution is a party that:
 - a. organizes central custodian activities for custodian banks, securities companies, and other parties; and
 - b. provides other services that can be applied to support inter-market activities.
7. Alternative Market Operator, hereinafter abbreviated to as PPA (*Penyelenggara Pasar Alternatif*), is a party that organizes and provides or utilizes an electronic system to facilitate continuous transactions in debt securities and/or sukuk among service users outside Securities Exchange.
8. Alternative Trading System, hereinafter abbreviated as SPA (*Sistem Perdagangan Alternatif*), as regulated under the Law on Commodity Futures Trading.
9. Underlying Asset is a financial asset used as the basis for Financial Derivative contract transactions.
10. Clearing Member is a member of the organizer of clearing, guarantee, and settlement facilities for Financial Derivative transactions or other parties that meet the requirements to obtain clearing and guarantee services for the settlement of Financial Derivative transactions based on the regulation of the organizer of clearing, guarantee, and settlement facilities for Financial Derivative transactions.
11. Collateral is funds, Securities, and/or other financial instruments belonging to the Clearing Member as collateral that can be used by the organizer of clearing, guarantee, and settlement facilities for Financial Derivative transactions to settle Financial Derivative transactions and/or to settle the obligations of the Clearing Member to the

- organizer of clearing, guarantee, and settlement facilities for Financial Derivative transactions.
12. Open Position is the position of Financial Derivative contracts, both sell and buy, which have not been settled.
 13. Contract Liquidation is the closing of a Clearing Member's open position by the organizer of the clearing, guarantee, and settlement facility for Financial Derivative transactions.
 14. Offsetting Transaction is a transaction conducted by a Clearing Member to settle a Financial Derivative contract with an opposite position, whether it is a sale or purchase of the same Financial Derivative contract.
 15. Securities Company is the party conducting activities as a securities underwriter and/or broker dealer or investment manager.
 16. Securities Broker-Dealer is the party conducting business activities of buying and selling Securities for its own interest or the interest of other parties.
 17. Financial Derivative Broker-Dealer is the Securities Broker-Dealer conducting business activities of buying and selling Financial Derivative for its own interest and/or that of other parties.
 18. Party is an individual, legal person, company, joint venture, association, or organized group.

Article 2

- (1) The Financial Services Authority is authorized to carry out the duties of regulating and supervising financial services activities in the capital market, financial derivative, and carbon exchange sectors.
- (2) The implementation of the duties as referred to in paragraph (1) includes the regulation and supervision for commodities that are included as financial instruments that are the subject of futures contracts, sharia derivative contracts, and/or other derivative contracts related to Financial Derivative with underlying assets in the form of Securities.

Article 3

The scope of regulation and supervision of Financial Derivative includes:

- a. Financial derivative products;
- b. Financial Derivative participants; and

- c. Financial Derivative market infrastructure organization,
with underlying assets in the form of Securities.

CHAPTER II FINANCIAL DERIVATIVE PRODUCTS

Section One Types of Financial Derivative Products

Article 4

- (1) Financial Derivative products, as referred to in Article 3 letter a, include:
 - a. Futures contracts, sharia derivative contracts, and/or other derivative contracts with the Underlying Asset in the forms of:
 - 1. stock index on Securities Exchange;
 - 2. Securities or a group of Securities traded on Securities Exchange or PPA;
 - 3. government securities or a pool of government securities;
 - 4. foreign stock index; and/or
 - 5. foreign single stock.
 - b. option contract on Securities; and
 - c. other Financial Derivative contracts stipulated by the Financial Services Authority.
- (2) The Financial Services Authority is authorized to stipulate Financial Derivative products with Underlying Asset in the form of Securities other than Financial Derivative products as referred to in paragraph (1).

Section Two Procedure for Approval of Financial Derivative Products

Paragraph 1 Approval of Financial Derivative Products

Article 5

Every Financial Derivative product, as referred to in Article 4 clause (1), that is traded is obligated to obtain approval from the Financial Services Authority.

Paragraph 2
Financial Derivative Product Requirements

Article 6

- (1) Every Financial Derivative product traded as referred to in Article 5 must be complemented with:
 - a. an analysis of the Financial Derivative product and the Underlying Asset of the Financial Derivative contract;
 - b. the availability of trading infrastructure, supervision, clearing and depository, and/or settlement guarantee for the Financial Derivative product;
 - c. the support of the member organizing the infrastructure of transaction or trading of Financial Derivative;
 - d. the support of Securities price valuation institution, in the event that the Underlying Asset of a Financial Derivative product is in the form of debt securities and/or sukuk;
 - e. the availability of arrangement in Financial Derivative market infrastructure organizer; and
 - f. an approval for the Underlying Asset from the index provider or securities exchange where the shares are traded as the owner of the Underlying Asset.
- (2) In the event that the Underlying Asset of a Financial Derivative product is in the form of debt Securities and/or sukuk, the organizer of Financial Derivative transaction or trading infrastructure must use the fair market price of Securities and/or Securities index issued by a Securities price valuation institution.
- (3) In the event that the Underlying Asset of a Financial Derivative product is in the form of a stock index or a foreign single stock, the fulfillment of requirements as referred to in clause (1) letter f must be complemented with:
 - a. an agreement with the index provider or the exchange where the shares are traded; or
 - b. the requirements that refer to the provisions of the index provider or exchange where the shares are traded.

Paragraph 3
Procedure for Requesting Approval for Financial
Derivative Products by the Organizer of Financial
Derivative Transactions or Trading Facilities

Article 7

- (1) The request for Financial Derivative product approval as referred to in Article 5 must be submitted to Financial Services Authority jointly by:
 - a. Securities Exchange or PPA with Clearing and Guarantee Institution; or
 - b. the organizer of Financial Derivative transactions or trading facilities and the organizer of clearing and/or guarantee facilities for other Financial Derivative contract transactions in accordance with the provisions of legislations regarding commodity futures trading.
- (2) The request for approval as referred to in clause (1) shall be submitted together with Depository and Settlement Institution, in the event of the settlement of Financial Derivative contract transactions is carried out with the delivery of the Underlying Asset.

Article 8

The request for Financial Derivative product approval as referred to in Article 7 must be complemented by documents at least:

1. an analysis, which at least contains:
 - a. the background and purpose of Financial Derivative contract;
 - b. the basis for the selection of the Underlying Asset;
 - c. the specification of Financial Derivative contract, which at least contains:
 - 1) the type and period of Financial Derivative contract;
 - 2) the collateral required;
 - 3) the determination of the calculation of the value of Financial Derivative contract and the multiplier; and
 - 4) the determination of settlement price calculation;
 - d. the trading, clearing, guarantee, settlement, supervision, and risk management systems for Financial Derivative contracts; and
 - e. the application of similar products in other countries;

2. an evidence stating the readiness of infrastructure for the trading, supervision, clearing, guarantee, and settlement of Financial Derivative contracts;
3. an evidence of support from the members of the organizer of the transaction or trading facilities for Financial Derivative;
4. an evidence of support from a Securities price valuation institution, in the event of the Underlying Asset of a Financial Derivative contract is in the form of debt securities or sukuk;
5. the arrangement on the Financial Derivative contract; and
6. an evidence of agreement with the index provider or stock exchange where the shares are traded or approval on the Underlying Asset from the index provider or stock exchange where the shares are traded as the owner of the Underlying Asset.

Article 9

- (1) In processing the request for Financial Derivative product approval as referred to in Article 7, the Financial Services Authority reviews the completeness of the application documents.
- (2) The Financial Services Authority shall provide approval or rejection of the request for approval of Financial Derivative contract as referred to in Article 7 by at the latest of 30 (thirty) working days since the application is fully received by the Financial Services Authority.
- (3) Within the period as referred to in clause (2), the Financial Services Authority may request:
 - a. material changes;
 - b. additional information; and/or
 - c. additional documents,related to the Financial Derivative contract as referred to in Article 8.
- (4) If the amendment and/or additional information as referred to in paragraph (3) has been submitted to the Financial Services Authority, the time period for reviewing the request for Financial Derivative product approval as referred to in paragraph (2) shall be calculated since the date on which the Financial Services Authority receives the amendment or additional information.

Paragraph 4

Procedure for Requesting In-Principle Approval for Financial Derivative Products to Financial Services Authority

Article 10

- (1) Financial Derivative Products that have obtained approval from the commodity futures trading authority based on the provisions of laws and regulations in the commodity futures trading sector must be submitted for in-principle approval to Financial Services Authority.
- (2) The request for in-principle approval as referred to in paragraph (1) must be submitted to Financial Services Authority by:
 1. the organizer of the Financial Derivative transaction or trading; or
 2. futures traders and/or brokers who obtain a business license from the authority that regulates and supervises commodity futures trading,by using the form of request for in-principle approval for Financial Derivative Participants and Products listed in the Attachment in Format 1 which is an integral part of this Financial Services Authority Regulation.
- (3) The request for in-principle approval as referred to in paragraph (2) must be complemented by documents at least:
 - a. the results of the review of Financial Derivative contract;
 - b. the specification of Financial Derivative contract; and
 - c. a photocopy of approval from commodity futures trading authority.

Section Three Administrative Sanctions

Article 11

- (1) Any Party that violates the provisions as referred to in Article 5 is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party that causes the violation as referred to in paragraph (1).

- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the forms of:
 - a. written admonition;
 - b. fines, namely obligation to pay a specified amount of money;
 - c. restriction of business activities;
 - d. suspension of business activities;
 - e. revocation of business license; and/or
 - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, and letter f, may be imposed with or without being preceded by the imposition of administrative sanctions in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanctions in the form of fines as referred to in paragraph (4) letter b may be imposed independently or jointly with the imposition of administrative sanction as referred to in paragraph (4) letter c.
- (7) The procedure for the imposition of sanctions as referred to in paragraph (3) are implemented in accordance with the provisions of laws and regulations in the capital market sector.

CHAPTER III FINANCIAL DERIVATIVE PARTICIPANTS

Section One Types of Financial Derivative Participants

Article 12

The Financial Derivative participants as referred to in Article 3 letter b include:

- a. Financial Derivative Securities Broker-Dealer, which is:
 - 1. Securities Company conducting business activities as Securities Broker-Dealer which has complied with the provisions of laws and regulations in the capital market sector, including the representative of Securities Broker-Dealer which has obtained license from the Financial Services Authority; and/or

2. futures traders and/or futures brokers including the representative of futures brokers who have obtained:
 - a. a business license from commodity futures trading authority; and
 - b. an in-principle approval as a Financial Derivative Securities Broker-Dealer at the Financial Services Authority;
- b. investment advisor, which are:
 1. an investment advisor who has obtained a license from the Financial Services Authority; and/or
 2. a futures advisor who has obtained a license from commodity futures trading authority and has obtained in-principle approval as an investment advisor from the Financial Services Authority;
- c. other Parties that have obtained a business license or approval from the Financial Services Authority; and
- d. investor.

Section Two

Procedure for Request for In-Principle Approval as a Financial Derivative Securities Broker-Dealer

Article 13

- (1) Futures traders and/or futures broker-dealer, including the representative of futures broker-dealer who have obtained a business license from the commodity futures trading authority as referred to in Article 12, letter a, number 2, may only carry out activities as Financial Derivative Securities Broker-Dealer, and must fulfill the following provisions:
 - a. submit a request for in-principle approval as an investment advisor in advance to the Financial Services Authority by using the form of Request for In-Principle Approval for Financial Derivative Participants and Products set forth in the Attachment in Format 1, which is an integral part of this Financial Services Authority Regulation; and
 - b. submit supporting documents in the forms of:
 1. a photocopy of business license decision from the authority that regulates and supervises commodity futures trading;

2. document that indicates the identity of the company, which shall at least contain:
 - a) name;
 - b) the head office address;
 - c) the operational office address; and
 - d) company logo (if any);
3. a photocopy of the company's deed of incorporation that has been approved by the authorized agency, along with the latest amendment to the articles of association containing information related to the composition of the board of directors, the board of commissioners, shareholders and capital that have obtained approval from the minister who organizes government affairs in the field of law or a letter of acceptance of notification of amendments to the articles of association from the agency that organizes government affairs in the field of law has been issued;
4. the composition of shareholders along with information on the percentage of ownership of each shareholder;
5. the capital structure including:
 - a) total authorized capital;
 - b) issued capital; and
 - c) paid-up capital;
6. curriculum vitae of members of the board of directors and members of the board of commissioners which at least contains following information:
 - a) personal identity;
 - b) designation;
 - c) employment history complemented by information on years of work, reasons for leaving or resigning (if any); and
 - d) a brief description of the duties and responsibilities of the position;
7. a photocopy of identity card or passport of members of the board of directors and members of the board of commissioners;
8. a photocopy of the company's tax identification number;
9. a photocopy of the identity card or passport of the individual representative license holder;

10. a photocopy of the individual representative license decision from the authority that regulates and supervises commodity futures trading; and
 11. a signed curriculum vitae of the individual representative license holder.
- (2) The Party who conducts activities as Financial Derivative Broker-Dealer, as referred to in clause (1), may only conduct activities over Financial Derivative products in accordance with the license which has been granted by the authority that regulates and supervises commodity futures trading.

Section Three
Procedure for Requests for In-Principle Approval as an
Investment Advisor

Article 14

- (1) A futures advisor who has obtained a business license from commodity futures trading authority, as referred to in Article 12, letter b, number 2, may only carry out activities as an investment advisor, must fulfill the following provisions:
- a. submit a request for in-principle approval as an investment advisor in advance to the Financial Services Authority using the form of Request for In-Principle Approval for Financial Derivative Participants and Products listed in the Attachment in Format 1, which is an integral part of this Financial Services Authority Regulation;
 - b. submit supporting documents in the forms of:
 1. a photocopy of business license decision from the authority that regulates and supervises commodity futures trading;
 2. document that indicates the identity of the company, which shall at least contain:
 - a) name;
 - b) the head office address;
 - c) the operational office address; and
 - d) company logo (if any);
 3. a photocopy of the company's deed of incorporation that has been legalized by the authorized agency, along with the latest amendment to the articles of association containing information related

- to the composition of the board of directors, the board of commissioners, shareholders and capital that have obtained approval from the minister who organizes government affairs in the field of law or have been issued a letter of acceptance of notification of amendments to the articles of association from the agency that organizes government affairs in the field of law;
4. the composition of shareholders, along with information on the percentage of ownership of each shareholder;
 5. the capital structure including:
 - a) total authorized capital;
 - b) issued capital; and
 - c) paid-up capital;
 6. curriculum vitae of members of the board of directors and members of the board of commissioners, which at least contains following information:
 - a) personal identity;
 - b) designation;
 - c) employment history complemented by information on years of work, reasons for leaving or resigning (if any); and
 - d) a brief description of the duties and responsibilities of the position;
 7. a photocopy of identity card or passport of members of the board of directors and members of the board of commissioners; and
 8. a photocopy of the company's taxpayer identification number.
- (2) The Party who conducts activities as investment advisor as referred to in clause (1) may only conduct activities on Financial Derivative products in accordance with the license granted by the authority that regulates and supervises commodity futures trading.

Section Four Obligations and Prohibitions for Financial Derivative Broker-Dealer

Article 15

- (1) In providing Financial Derivative services, Financial Derivative Broker-Dealer is obligated to:

- a. have and implement the marketing and trading, risk management, information technology infrastructure, and operational functions;
- b. have an organizational structure which shows the line of responsibility from each function to the person in charge or member of the board of directors in charge of the activities of Financial Derivative Broker-Dealer along with the job description;
- c. apply the principle of knowing your customer towards prospective customers in accordance with the provisions of legislations in capital market sector;
- d. conduct education and dissemination on each product of Financial Derivative contract;
- e. obtain a written statement from the customer stating that the customer has understood each risk of Financial Derivative contract;
- f. open a derivatives account and make a single investor identification number of Indonesian capital market for each customer, in the event that the customer does not have a single investor identification number of Indonesian capital market;
- g. submit each customer order through the trading system provided by the Financial Derivative trading market infrastructure organizer;
- h. provide a special account for the trading of Financial Derivative contracts;
- i. have standard operating procedure and code of ethics;
- j. deliver notification to its customers if there is a customer's Financial Derivative contract that is authorized to the Financial Derivative Broker-Dealer that may conduct Financial Derivative contract transactions, has suffered a loss of at least 50% (fifty percent) of the total wealth of the authorized customer;
- k. carry out Offsetting Transaction if there is a Financial Derivative contract of the customer authorized to the Financial Derivative Broker-Dealer, which may carry out Financial Derivative contract transaction, has suffered a loss of at least 75% (seventy-five percent) of the total assets of the authorized customer.

- (2) In providing services related to Financial Derivative, the Financial Derivative Broker-Dealer is prohibited from:
 - a. providing financing for the settlement of Financial Derivative contract transactions for the customers;
 - b. giving false explanations and exaggerated expression related to Financial Derivative products; and
 - c. providing a guarantee of the profit or loss of Financial Derivative transaction.
- (3) In addition to fulfilment of the provisions as referred to in clause (1) and clause (2), futures traders and/or futures broker-dealers who have obtained business license from commodity futures trading authority and have obtained in-principle approval as Financial Derivative Broker-Dealer at the Financial Services Authority, are obligated to comply with the provisions of laws and regulations in the field of commodity futures trading to the extent that they do not conflict with the Financial Services Authority Regulation.

Article 16

- (1) Every Financial Derivative Securities Broker-Dealer that violates the provisions as referred to in Article 15 is subject to administrative sanctions.
- (2) The sanctions as referred to in paragraph (1) are also imposed on any Party that causes the violation as referred to in paragraph (1).
- (3) The sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) The sanctions as referred to in paragraph (1) may be in the forms of:
 - a. written admonition;
 - b. fines, namely obligation to pay a certain sum of money;
 - c. restriction of business activities;
 - d. suspension of business activities;
 - e. revocation of business license; and/or
 - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanctions in the form of a written admonition as referred to in paragraph (4) letter a.

- (6) Administrative sanctions in the form of fines as referred to in paragraph (4) letter b may be imposed independently or jointly with the imposition of administrative sanctions as referred to in paragraph (4) letter c.
- (7) Procedures for the imposition of sanctions as referred to in paragraph (3) are carried out in accordance with the provisions of laws and regulations in capital market sector.

CHAPTER IV ORGANIZING FINANCIAL DERIVATIVE MARKET INFRASTRUCTURE

Section One Types of Financial Derivative Market Infrastructure Providers

Article 17

The Financial Derivative market infrastructure organizers, as referred to in Article 3 letter c, include:

- a. The organizers of transaction or trading facilities for Financial Derivative;
- b. The organizers of clearing, guarantee, and settlement facilities for Financial Derivative transactions;
- c. The organizers of depository and administration facilities for Financial Derivative; and
- d. The provider of Financial Derivative transaction reporting facilities.

Section Two Organizer of Financial Derivative Transaction or Trading Facilities

Article 18

The Parties organizing transactions or trading activities on Financial Derivative products, as referred to in Article 17 letter a, are obligated be:

- a. A Securities Exchange or PPA, which has obtained a business license from the Financial Services Authority;
- b. The organizer of other transaction or trading facilities that have been approved by Financial Services Authority; or
- c. The organizer of other Financial Derivative transaction facilities which have obtained a

business license from commodity futures trading authority, which has obtained in-principle approval as the organizer of Financial Derivative transaction or trading facilities at Financial the Services Authority.

Article 19

The organizers of other Financial Derivative transaction facilities that have obtained a business license from commodity futures trading authority, as referred to in Article 18 letter c, may only conduct trading activities of Financial Derivative products if they have fulfilled the following requirements:

- a. submit an application for in-principle approval as an organizer of transaction or trading facilities to the Financial Services Authority using the Application for In-Principle Approval Form for Financial Derivative Market Infrastructure Organizers as set out in Format 2 of the Appendix, which forms an integral part of this Financial Services Authority Regulation; and
- b. submit supporting documents in the form of:
 1. a copy of the business license issued by the authority that regulates and supervises commodity futures trading;
 2. a document that indicates the company's identity, which at least contains:
 - a) name;
 - b) address of the the head office;
 - c) address of the operational office; and
 - d) company logo (if any);
 3. a copy of the company's deed of incorporation authorized by the relevant authority, along with the latest amendment to the articles of association containing information on the composition of the board of directors, board of commissioners, shareholders and capital, which has obtained approval from the minister administering governmental affairs in the field of law, or for which a letter of acknowledgment of receipt of notification of amendment to the articles of association has been issued by the authority administering governmental affairs in the field of law;
 4. the composition of shareholders, including information on the ownership percentage of each shareholder;
 5. the capital structure, including:

- a) total authorized capital;
 - b) issued capital; and
 - c) paid-up capital;
6. curriculum vitae of members of the board of directors and members of the board of commissioners, which at least contains following information:
- a) personal identity;
 - b) position title;
 - c) employment history including years of service, reasons for leaving or resignation (if any); and
 - d) brief description of duties and responsibilities of the position;
7. a copy of the identity card or passport of each member of the board of directors and member of the board of commissioners; and
8. a copy of the company's taxpayer identification number.

Section Three

Organizers of Clearing, Guarantee, and Settlement Facilities for Financial Derivative Transactions

Article 20

Parties organizing clearing, guarantee, and settlement infrastructure for Financial Derivative transactions, as referred to in Article 17 letter b are obligated to be:

- a. a Clearing and Guarantee Institution that has obtained a business license from the Financial Services Authority; or
- b. a clearing, guarantee, and settlement infrastructure organizer for Financial Derivative transactions that has obtained a business license from Commodity Futures Trading Authority.

Article 21

The organizer of the clearing, guarantee, and settlement infrastructure for Financial Derivative transactions that has obtained a business license from the commodity futures trading authority as referred to in Article 20 letter b may only conduct clearing, guarantee, and settlement of Financial Derivative transaction trading activities, if it has fulfilled the following requirements:

- a. submit an application for in-principle approval as the organizer of the clearing, guarantee, and settlement infrastructure for Financial Derivative transactions to the Financial Services Authority using the Application for In-Principle Approval Form for the Organizer of Financial Derivative Market Infrastructure as set out in Format 2 of the Appendix, which forms an integral part of this Financial Services Authority Regulation; and
- b. submit supporting documents in the form of:
 - 1. a copy of the business license issued by the authority that regulates and supervises commodity futures trading;
 - 2. a document that indicates the company's identity, which at least contains:
 - a) name;
 - b) address of the head office;
 - c) address of the operational office; and
 - d) company logo (if any);
 - 3. a copy of the company's deed of incorporation that has been authorized by the relevant authority, along with the latest amendment to the articles of association containing information on the composition of the board of directors, board of commissioners, shareholders and capital, which has obtained approval from the minister administering governmental affairs in the field of law, or for which a letter of acknowledgement of receipt of notification of amendment to the articles of association has been issued by the authority administering governmental affairs in the field of law;
 - 4. the composition of shareholders, including information on the percentage of ownership of each shareholder;
 - 5. the capital structure, including:
 - a) total authorized capital;
 - b) issued capital; and
 - c) paid-up capital;
 - 6. the curriculum vitae of members of the board of directors and members of the board of commissioners, which at least contains following information:
 - a) personal identity;
 - b) position title;
 - c) employment history, including years of work, reasons for leaving or resignation (if any); and

- d) brief description of duties and responsibilities of the position;
- 7. a copy of the identity card or passport of each member of the board of directors and member of the board of commissioners; and
- 8. a copy of the company's taxpayer identification number.

Article 22

- (1) The implementation of clearing, guarantee, and settlement of Financial Derivative transactions at the Securities Exchange is to be conducted in accordance with the provisions of the Regulation of Financial Services Authority on the guarantee of exchange transaction settlement.
- (2) The implementation of clearing, guarantee, and settlement of Financial Derivative transactions organized by PPA is to be conducted in accordance with the Regulation of Financial Services Authority on the guarantee of Securities transaction settlement.
- (3) The implementation of clearing, guarantee, and settlement of Financial Derivative transaction conducted by the organizer of clearing, guarantee, and settlement infrastructure for Financial Derivative transactions as referred to in Article 20 letter b is to be carried out in accordance with the Regulation of Financial Services Authority on the guarantee of Securities transaction settlement to the extent that it is not contradictory to this Financial Services Authority Regulation.

Article 23

In the event of the settlement of Financial Derivative transactions is conducted with the delivery of the Underlying Asset, then:

- a. the transaction settlement is obligated to be conducted by Depository and Settlement Institution that has obtained a license from the Financial Services Authority;
- b. the transaction settlement procedure is subject to the regulations of the Clearing and Guarantee Institution, the regulations of the clearing infrastructure organizer, and the regulations of the Depository and Settlement Institution applicable to the settlement of transactions on Financial Derivative Underlying Asset; and

- c. the total amount of financial assets in the Financial Derivative contract transacted is at most equal to the amount of the Underlying.

Article 24

- (1) In the event of the settlement of Financial Derivative transactions is conducted with the delivery of the Underlying Asset, the organizers of Financial Derivative market infrastructure, as referred to in Article 17 letter a, letter b, and letter c are obligated to set certain parameters.
- (2) The organizers of Financial Derivative market infrastructure are obligated to conduct a re-feasibility study on each Underlying Asset in accordance with the parameters stipulated as referred to in paragraph (1) at least once in 12 (twelve) months.
- (3) The re-feasibility study on each Underlying Asset as referred to in paragraph (2) is obligated to be reported to the Financial Services Authority no later than 1 (one) month thereafter.

Section Three

Organizer of Depository and Administration Facilities for Financial Derivative

Article 25

Parties organizing the depository and administration infrastructure for Financial Derivative as referred to in Article 17 letter c, are obligated to be:

- a. a Depository and Settlement Institution that has obtained a business license from the Financial Services Authority; or
- b. a funds depository organizer that has obtained a business license from the commodity futures trading authority.

Article 26

A depository organizer that has obtained a business license from the commodity futures trading authority, as referred to in Article 25 letter b may only conduct depository activities related to Financial Derivative, if it has fulfilled the following requirements:

- a. submit an application for in-principle approval as a depository organizer to the Financial Services Authority using the Application for In-Principle Approval Form for a Financial Derivative Market Infrastructure Organizer as set out in Format 2 of the Appendix, which forms an integral part of this Financial Services Authority Regulation; and
- b. submit supporting documents in the form of:
 - 1. a copy of business license issued by the authority that regulates and supervises commodity futures trading;
 - 2. a document that indicates the company's identity, which at least contains:
 - a) name;
 - b) address of the head office;
 - c) address of the operational office; and
 - d) company logo (if any);
 - 3. a copy of the company's deed of incorporation authorized by the relevant authority, along with the latest amendment to the articles of association containing information on the composition of the board of directors, board of commissioners, shareholders and capital, which has obtained approval from the minister administering governmental affairs in the field of law, or for which a letter of acknowledgement of receipt of notification of amendments to the articles of association has been issued by the authority administering governmental affairs in the field of law;
 - 4. the composition of shareholders, including information on the percentage of ownership of each shareholder;
 - 5. the capital structure including:
 - a) total authorized capital;
 - b) issued capital; and
 - c) paid-up capital;
 - 6. the curriculum vitae of members of the board of directors and members of the board of commissioners, which at least contains following information:
 - a) personal identity;
 - b) position title;
 - c) employment history, including years of service, reasons for leaving or resignation (if any); and
 - d) a brief description of the duties and responsibilities of the position;

7. a copy of the identity card or passport of each member of the board of directors and member of the board of commissioners; and
8. a copy of the company's taxpayer identification number.

Section Four
Financial Derivative Transaction Reporting Facility
Provider

Article 27

The Financial Derivative transaction reporting facility organizer, as referred to in Article 17 letter d, is obligated to be a Party that provides systems and/or facilities and receives transaction reports, appointed by the Financial Services Authority to provide the systems and/or facilities and receive transaction reports.

Article 28

- (1) The submission of an application for in-principle approval as referred to in Article 10, Article 13, Article 14, Article 19, Article 21, and Article 26 to the Financial Services Authority must be conducted electronically through the licensing system of the Financial Services Authority.
- (2) In the event of the electronic system for the submission of an application for in-principle approval as referred to in paragraph (1) is not yet available, the submission of an application for in-principle approval is to be submitted directly to the Financial Services Authority or by electronic mail to the Financial Services Authority.

Section Five

Regulations by Financial Derivative Market
Infrastructure Operator

Article 29

The organizer of Financial Derivative transaction or trading facilities, as referred to in Article 17 letter a, is obligated to regulate at least on:

- a. requirements for Financial Derivative Broker-Dealer that may conduct Financial Derivative contract transactions;
- b. the mechanism of Financial Derivative contract transactions;

- c. the general provisions of clearing, guarantee, and settlement of Financial Derivative contracts;
- d. supervision of the trading of Financial Derivative contracts is conducted by following the information on the Underlying Asset;
- e. actions to be taken on the trading of Financial Derivative contracts if the trading of the Underlying Asset is suspended;
- f. actions to be taken on Open Position in the event of an event that causes the Financial Derivative market infrastructure organizer to be unable to perform its functions properly;
- g. sanctions imposed on Financial Derivative Broker-Dealers that may conduct Financial Derivative Contract transactions; and
- h. requirements for becoming a Liquidity Provider for Financial Derivative Broker-Dealer that may conduct Financial Derivative contract transactions.

Article 30

The organizer of clearing, guarantee, and settlement infrastructure for Financial Derivative transactions as referred to in Article 17 letter b is obligated to regulate at least regarding:

- a. the mechanism of clearing, guarantee, and settlement of Financial Derivative contract transactions;
- b. the Collateral and guarantee funds required;
- c. the provisions stipulating that each Collateral submitted by the Clearing Member shall be controlled by the Party that organizes the infrastructure of clearing, guarantee, and settlement of Financial Derivative transactions;
- d. mechanisms for risk calculation and the use of Collateral of Clearing Member to conduct Financial Derivative contract transactions;
- e. the obligation of the Party organizing the infrastructure for clearing, guaranteeing, and settlement of Financial Derivative transactions to notify the Clearing Member and the Party organizing trading activities of Financial Derivative products if a Financial Derivative contract at the Clearing Member has incurred losses reaching:
 - 1. 50% (fifty percent) of the total amount of Collateral of the Clearing Member controlled by the organizer of clearing, guarantee, and settlement infrastructure for Financial Derivative transactions; or

2. a certain percentage determined based on the guarantee risk analysis;
- f. the obligation of the Party that organizes the infrastructure for clearing, guaranteeing, and settlement of Financial Derivative transactions to liquidate the Clearing Member's contract if the Clearing Member suffers losses that have reached:
 1. 75% (fifty percent) of the total amount of Collateral of the Clearing Member controlled by the organizer of the clearing, guarantee, and settlement infrastructure for Financial Derivative transactions; or
 2. a certain percentage determined based on guarantee risk analysis; and
- g. the obligation of a Clearing Member that may conduct Financial Derivative contract transactions but is unable or deemed unable to perform its functions within a certain period of time to conduct a Offsetting Transaction or transfer all Open Positions to another Clearing Member that may conduct Financial Derivative contract transactions on the same trading day.

Article 31

For organizers of other Financial Derivative transaction facilities as referred to in Article 18 letter c and organizers of clearing, guarantee and settlement facilities for Financial Derivative transactions as referred to in Article 20 letter b that have obtained a business license from the authority that regulates and supervises commodity futures trading and obtained in-principle approval from the Financial Services Authority, the obligation to regulate the trading mechanism as well as the clearing, guarantee and settlement mechanism as referred to in Article 29 and Article 30 is to be conducted in accordance with the provisions of laws and regulations in the field of commodity futures trading to the extent that they are not contradictory to this Financial Services Authority Regulation.

Article 32

- (1) Every Financial Derivative market infrastructure organizer that violates the provisions as referred to in Article 18, Article 20, Article 23, Article 24, Article 25, Article 27, Article 29, and Article 30 is subject to administrative sanctions.

- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party that causes the violation of the provisions as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the forms of:
 - a. written admonition;
 - b. fines, namely obligation to pay a certain sum of money;
 - c. restriction of business activities;
 - d. suspension of business activities;
 - e. revocation of business license; and/or
 - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4), letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanctions in the form of fines as referred to in paragraph (4) letter b may be imposed independently or jointly with the imposition of administrative sanctions as referred to in paragraph (4) letter c.
- (7) The procedures for the imposition of sanctions as referred to in paragraph (3) are carried out in accordance with the provisions of laws and regulations in the capital market sector.

CHAPTER V ANNOUNCEMENT

Article 33

- (1) The organizer of transaction or trading facility of Financial Derivative as referred to in Article 17 letter a is obligated to publish written information on the type of Financial Derivative contract and announce it, at least in Indonesian language, through electronic media and on the website of the organizer of trading activities over Financial Derivative product no later than 10 (ten) working days before the Securities Derivative contract transaction commences.

- (2) The written information as referred to in paragraph (1) is obligated to contain at least:
 - a. the specifications of a Financial Derivative contract to be traded;
 - b. a general description of the Underlying Asset;
 - c. the risks and benefits of Financial Derivative contract;
 - d. the transaction mechanism for investors; and
 - e. Financial Derivative Broker-Dealers that may carry out transactions of Financial Derivative contracts.
- (3) The organizer of transaction or trading facilities for Financial Derivative, as referred to in paragraph (1), which will conduct Financial Derivative contract trading is obligated to publish Financial Derivative transaction data, constituting market data, which at least contains:
 - a. the name of the contract;
 - b. transaction volume, value, and tenor; and
 - c. the Parties conducting the transaction.

Article 34

- (1) Every Financial Derivative transaction or trading facilities organizer that violates the provisions as referred to in Article 33 shall be subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party that causes the violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) may be in the forms of:
- (5) written admonition;
 - a. fines, namely obligation to pay a certain sum of money;
 - b. restriction of business activities;
 - c. suspension of business activities;
 - d. revocation of business license; and/or
 - e. cancellation of approval.
- (6) Administrative sanctions as referred to in paragraph (4), letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanctions in the form of a written admonition as referred to in paragraph (4) letter a.

- (7) Administrative sanction in the form of fines as referred to in paragraph (4) letter b may be imposed independently or jointly with the imposition of administrative sanctions as referred to in paragraph (4) letter c.
- (8) The procedures for the imposition of sanctions as referred to in paragraph (3) are carried out in accordance with the provisions of laws and regulations in the capital market sector.

CHAPTER VI SUPERVISION

Section One Supervision of Infrastructure Participants and Organizers

Article 35

The Financial Services Authority has the authority to supervise the participants and organizers of Financial Derivative infrastructure in accordance with the provisions of laws and regulations in the capital market sector.

Section Two Law Enforcement

Article 36

Provisions related to criminal offenses as stipulated in Law Number 8 of 1995 concerning Capital Market, as amended by Law Number 4 of 2023 concerning Development and Strengthening of Financial Sector, are applicable to criminal offenses related to Financial Derivative with underlying assets in the form of Securities.

Article 37

- (1) Parties that have obtained a license, approval, and/or registration for Financial Derivative products as stipulated in this Financial Services Authority Regulation are obligated to submit periodic reports and incidental reports to the Financial Services Authority.

- (2) The obligation to submit reports as referred to in paragraph (1) is to be conducted in accordance with the following provisions:
 - a. for Parties that have obtained a license, approval, and/or registration for Financial Derivative products from commodity futures trading authority that has obtained in-principle approval from the Financial Services Authority, the reporting is to be conducted in accordance with the provisions of laws and regulations on commodity futures trading; or
 - b. for Parties who have obtained a license, approval, and/or registration for Financial Derivative products from the Financial Services Authority, the reporting is to be conducted in accordance with the provisions of the Financial Services Authority Regulations governing the Parties.

Article 38

- (1) The report submission to the Financial Services Authority, as referred to in Article 37 paragraph (2), is obligated to be conducted electronically through the reporting system of the Financial Services Authority.
- (2) In the event that the electronic system for reporting as referred to in paragraph (1) is not yet available, the report is obligated to be submitted directly to Financial Services Authority or by electronic mail to the Financial Services Authority.
- (3) In the event that the electronic system as referred to in paragraph (1) is available but certain conditions occur that cause the electronic system to malfunction, the report submission is obligated to be made directly or by electronic mail to Financial Services Authority's correspondence system.

Article 39

- (1) Any Party that violates the provisions as referred to in Article 37 paragraph (1) and Article 38 paragraph (1) and paragraph (2) is subject to administrative sanctions.
- (2) The sanctions as referred to in paragraph (1) are also imposed on any Party that causes the violation as referred to in paragraph (1).

- (3) The sanctions as referred to in paragraph (1) and paragraph (2) are imposed by the Financial Services Authority.
- (4) The sanctions as referred to in paragraph (1) shall be in the forms of:
 - a. written admonition;
 - b. fines, namely obligation to pay a certain sum of money;
 - c. restriction of business activities;
 - d. suspension of business activities;
 - e. revocation of business license; and/or
 - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f, may be imposed with or without being preceded by the imposition of administrative sanction in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanction in the form of fines as referred to in paragraph (4) letter b, may be imposed independently or jointly with the imposition of administrative sanctions as referred to in paragraph letter c.
- (7) Procedures for the imposition of sanctions as referred to in paragraph (3) are implemented under the provisions of laws and regulations in the capital market sector.

CHAPTER VIII CONSUMER PROTECTION

Article 40

The principles of consumer protection as stipulated in the Regulation of Financial Services Authority Regulation on the protection of consumers and the public in the financial services sector are applicable to each Party involved in the trading of Financial Derivative.

CHAPTER IX TRANSITIONAL PROVISIONS

Article 41

Applications for in-principle approval for:

- a. Financial Derivative products that have obtained approval from the commodity futures trading authority as referred to in Article 10;
 - b. Financial Derivative participants that have obtained a business license from the commodity futures trading authority as referred to in Article 13 paragraph (1) and Article 14 paragraph (1); and
 - c. Financial Derivative market infrastructure organizers that have obtained a business license from commodity futures trading authority as referred to in Article 19, Article 21, and Article 26,
- must be submitted to the Financial Services Authority no later than 4 (four) months after this Financial Services Authority Regulation comes into force.

Article 42

After obtaining in-principle approval from the Financial Services Authority:

- a. decisions on business licenses, approvals, registrations of product, participants, and/or infrastructure organizers related to Financial Derivative that have been issued by the authority in the sector of commodity futures supervision based on laws and regulations prior to the transfer of regulatory and supervisory duties to the Financial Services Authority, remains valid; and
- b. Financial Derivative participants, as referred to in Article 12, and Financial Derivative market infrastructure organizers, as referred to in Article 17, are declared as Parties that conduct financial services activities in the capital market, financial derivative, and carbon exchange sector and are supervised by Financial Services Authority.

Article 43

- (1) In the event of the Parties as referred to in Article 13 paragraph (1), Article 14 paragraph (1), Article 19, Article 21, and Article 26 fail to submit an application for in-principle approval within a

maximum period of 4 (four) months, the business activities of the Parties are to be declared as unlicensed and subject to sanctions in accordance with the provisions of laws and regulations by Financial Services Authority.

- (2) For Parties that meet the conditions as referred to in paragraph (1), the Financial Services Authority is authorized to order the Parties to settle all of their obligations related to Financial Derivative contracts.

Article 44

- (1) The term of Financial Derivative products as referred to in Article 3 letter a, issued prior to the enactment of this Financial Services Authority Regulation, may not be extended and shall be deemed to have matured 6 (six) months after this Financial Services Authority Regulation comes into force.
- (2) As of the effective date of this Financial Services Authority Regulation, Financial Derivative market participants as referred to in Article 3 letter b shall be prohibited from entering into new Financial Derivative contracts prior to obtaining approval from the Financial Services Authority.

Article 45

- (1) Parties as referred to in Article 13 paragraph (1), Article 14 paragraph (1), Article 19, Article 21, and Article 26 that have obtained in-principle approval from the Financial Services Authority, are obligated to submit an application for a license to the Financial Services Authority no later than 2 (two) years after this Financial Services Authority Regulation comes into force.
- (2) The requirements and procedure for applying for a business license to the Financial Services Authority, as referred to in paragraph (1), are to be conducted in accordance with the Financial Services Authority Regulation.
- (3) In order to apply for a business license, Financial Derivative participants and market infrastructure organizers are obligated to have adjusted the fulfilment of requirements in accordance with the provisions of this Financial Services Authority Regulation and related provisions in other Financial Services Authority Regulations.
- (4) In the event that the Parties as referred to in Article 13 paragraph (1), Article 14 paragraph (1), Article

19, Article 21, and Article 26 fail to apply for a license to the Financial Services Authority as referred to in paragraph (1), the business activities of the Parties are to be declared as unlicensed and subject to sanctions in accordance with laws and regulations by the Financial Services Authority.

Article 46

The licensing process of the participants and/or organizers of Financial Derivative infrastructure and the application for approval of Financial Derivative products submitted after the enactment of this Financial Services Authority Regulation are to be addressed to the Financial Services Authority and conducted in accordance with this Financial Services Authority Regulation.

Article 47

Investigations of alleged violations of laws and regulations related to Financial Derivative with underlying asset in the form of Securities, which occur after the transfer of authority from the commodity futures trading authority to the Financial Services Authority, are to be conducted by the Financial Services Authority.

Article 48

Fulfillment of the obligation to create a single investor identification number of the Indonesian capital market for each customer as referred to in Article 15 paragraph (1) letter f is to be conducted no later than 6 (six) months after this Financial Services Authority Regulation comes into force and may be extended by the Financial Services Authority if deemed necessary.

CHAPTER X MISCELLANEOUS PROVISIONS

Article 49

In addition to Administrative Sanctions stipulated in this Financial Services Authority Regulation, the Financial Services Authority may take certain actions against any Party that violates the provisions of this Financial Services Authority Regulation.

Article 50

The Financial Services Authority may announce to the public the imposition of Administrative Sanctions stipulated in this Financial Services Authority Regulation and certain actions as referred to in Article 49.

CHAPTER XI CONCLUDING PROVISIONS

Article 51

Upon the entry into force of this Financial Services Authority Regulation, the Financial Services Authority Regulation Number 32/POJK.04/2020 concerning Securities Derivative Contracts (State Gazette of the Republic of Indonesia of 2020 Number 129, Supplement to State Gazette of the Republic of Indonesia Number 6513), is revoked and declared invalid.

Article 52

This Financial Services Authority Regulation shall come into force on 10 January 2025.

For public cognizance, it is ordered that this Financial Services Authority Regulation be promulgated by placing it in the State Gazette of the Republic of Indonesia.

Enacted in Jakarta
on 9 January 2025

CHAIR OF BOARD OF
COMMISSIONERS OF
THE FINANCIAL SERVICES
AUTHORITY OF THE REPUBLIC OF
INDONESIA

signed

MAHENDRA SIREGAR

Promulgated in Jakarta
on 10 January 2025

MINISTER OF LAW OF THE
REPUBLIC OF INDONESIA

Signed

SUPRATMAN ANDI AGTAS

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2025 NUMBER
2/OJK

Certified Copy.
Director of Legal Development
Department of Law

Signed

Aat Windradi

EXPLANATORY NOTES
TO
REGULATION OF FINANCIAL SERVICES AUTHORITY
OF THE REPUBLIC OF INDONESIA
NUMBER 1 OF 2025
CONCERNING
FINANCIAL DERIVATIVE WITH UNDERLYING ASSETS IN THE FORM OF
SECURITIES

I. GENERAL

Law Number 4 of 2023 concerning Development and Strengthening of Financial Sector mandates that derivative instruments, previously categorized as Commodities, which are financial instruments used as the subject of futures contracts, sharia derivative contracts, and/or other derivative contracts (Financial Derivative) in Law Number 32 of 1997 concerning Commodity Futures Trading, be transferred to in terms of regulatory and supervisory duties from the Commodity Futures Trading Supervisory Agency to the Financial Services Authority and Bank Indonesia in accordance with their respective authorities.

Pursuant to Article 312 paragraph (1) letter b of Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector, upon the entry into force of the Law, the transfer of regulatory and supervisory duties over commodities that constitute financial instruments serving as the subject of futures contracts, sharia derivative contracts, and/or other derivative contracts from the Commodity Futures Trading Supervisory Agency to the financial sector authorities must be fully completed within no later than 24 (twenty-four) months.

The transfer of regulatory and supervisory duties from the Commodity Futures Trading Supervisory Agency to the Financial Services Authority under Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector is intended to promote the implementation of the principle of same activity, same risk, same regulation. The affirmation and strengthening of the authority of financial sector regulators constitute efforts to maintain financial system stability and public confidence.

By strengthening of the duties of the financial sector authorities through the transfer of duties from the Commodity Futures Trading Regulatory Agency to the Financial Services Authority, particularly related to Financial Derivative in capital market sector, it is expected to have positive implications for the development of the financial industry.

The transfer of regulatory and supervisory duties of Financial Derivative is complemented by efforts to reinforce the principles of development, strengthening, consumer protection, and coordination between the Commodity Futures Trading Regulatory Agency and the Financial Services Authority.

To provide legal certainty for the continuity and development of products, participants, and organizers of financial derivative market infrastructure that have obtained licenses or approvals from the authority in the field of commodity futures trading, which are subsequently regulated and supervised by the Financial Services Authority within the ecosystem of the capital market, Derivative Finance, and the carbon exchange by utilizing infrastructure in the sector of commodity futures trading and infrastructure in the sector of capital markets, Derivative Finance, and carbon exchanges.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Paragraph (1)

Self-explanatory.

Paragraph (2)

What is meant by “Financial Derivative” is Financial Derivative as referred to in Law Number 4 of 2023 concerning Development and Strengthening of Financial Sector.

Article 3

Self-explanatory.

Article 4

Paragraph (1)

Letter a

Examples of Financial Derivatives in the form of futures contracts with Underlying Assets in the form of stock indices on Securities Exchange are the LQ45 futures contracts and the IDX30 futures contracts.

Examples of Financial Derivatives in the form of futures contracts with Underlying Assets in the form of government securities are government bond futures contracts.

Examples of Financial Derivatives in the form of futures contracts with Underlying Assets in the form of foreign stock indices are futures contracts with Underlying Asset of an index.

Examples of Financial Derivatives in the form of futures contracts with Underlying Assets in the form of single stocks are stock futures contracts.

Letter b

Option contracts of Securities include stock option contracts listed on Securities Exchange in Indonesia.

Letter c

Self-explanatory.

Paragraph (2)

Examples of Financial Derivative products with Underlying Assets in the form of Securities other than Financial Derivative products are carbon unit derivatives.

Article 5

Self-explanatory.

Article 6

Self-explanatory.

Article 7

Self-explanatory.

Article 8

Number 1

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Number 2

Self-explanatory.

Number 3

Evidence of support from the member organizing the transaction or trading facilities for Financial Derivative, among others, includes the readiness of Securities price assessment.

Number 4

Self-explanatory.

Number 5

Self-explanatory.

Number 6

Self-explanatory.

Article 9

Self-explanatory.

Article 10

Self-explanatory.

Article 11

Self-explanatory.

Article 12

Self-explanatory.

Article 13

Self-explanatory.

Article 14

Self-explanatory.

Article 15

Self-explanatory.

Article 16

Self-explanatory.

Article 17

Self-explanatory.

Article 18

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

The organizer of other Financial Derivative transaction facilities includes futures exchanges and futures clearing and guarantee institution.

Article 19

Self-explanatory.

Article 20

Self-explanatory.

Article 21

Self-explanatory.

Article 22

Self-explanatory.

Article 23

Self-explanatory.

Article 24

Paragraph (1)

The determination of certain parameters of Financial Derivative contracts implemented with the delivery of the Underlying Assets among other things, to be conducted with due regard to the liquidity and free float of the Underlying Assets.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 25

Self-explanatory.

Article 26

Self-explanatory.

Article 27

Self-explanatory.

Article 28

Self-explanatory.

Article 29

Self-explanatory.

Article 30

Self-explanatory.

Article 31

“Regulation of trading mechanism” known as trading rules.

Article 32

Self-explanatory.

Article 33

Self-explanatory.

Article 34

Self-explanatory.

Article 35

Self-explanatory.

Article 36

Self-explanatory.

Article 37

Self-explanatory.

Article 38

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Certain condition includes, among others, system failure.

Article 39

Self-explanatory.

Article 40

Self-explanatory.

Article 41

Self-explanatory.

Article 42

Self-explanatory.

Article 43

Self-explanatory.

Article 44

Paragraph (1)

What is meant by “term” is the period of time from the issuance of Financial Derivative product until maturity.

Simulation example 1:

Financial Derivative Product “X” has received approval from the Commodity Futures Trading Regulatory Agency (Bappebti) on December 16, 2024, with a period of 1 (one) month until maturity on January 16, 2025, and can be extended.

Financial Derivative Participants apply for principal approval to Financial Services Authority for the product on January 15, 2025, so that the product may continue to be traded and extended again up to a maximum of 6 (six) months after this Financial Services Authority Regulation comes into force. If the above simulation considers that this Financial Services Authority Regulation is effective on

January 10, 2025, Financial Derivative product will mature on July 10, 2025, and cannot be extended.

Paragraph (2)

Self-explanatory.

Article 45

Self-explanatory.

Article 46

Self-explanatory.

Article 47

Self-explanatory.

What is meant by “investigation” is an investigation of administrative violations and indications of criminal offenses.

Article 48

Self-explanatory.

Article 49

Certain actions include, among others, the postponement of granting in-principle approval.

Article 50

Announcement of the imposition of administrative sanctions and certain actions by the Financial Services Authority is, among others, to be made on the website of Financial Services Authority or in the annual report of the Financial Services Authority.

Article 51

Self-explanatory.

Article 52

Self-explanatory.

SUPPLEMENT TO STATE GAZETTE OF THE REPUBLIC OF INDONESIA
NUMBER 135/OJK