






# Otoritas Jasa Keuangan (OJK)

**INDONESIA FINANCIAL SERVICES AUTHORITY**

*Gonthor R. Aziz*  
Senior Advisor,  
Indonesia Capital Market and Financial  
Institutions Supervisory Agency  
Ministry of Finance of Republic of Indonesia

## Entity Scope and Powers

OJK is an independent Institution with authority to regulate, supervise, examine, and investigate Financial Services sector in Indonesia

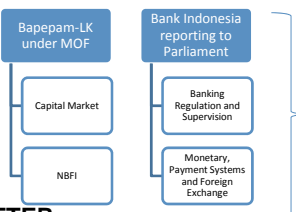
- OJK is funded from the State Budget and/or fees (levy) from parties who conduct their businesses in the financial services sector.

With the objective to promote and organize a system of regulations and supervisions that is integrated into the overall activities in the financial services sector

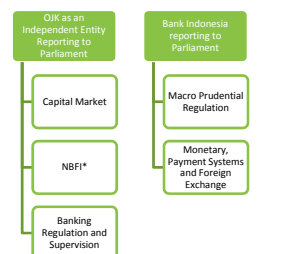
The Function of OJK are;

- To ensure that the overall activities within the financial services sector are implemented in an organized, fair, transparent and accountable manner
- Promotes a financial system that grows in a sustainable and stable manner; and
- Protect the interest of Consumer in the Financial Market

**BEFORE**



**AFTER**



**Massive Gaps in Cross Sectoral**

\* NBFi includes Pension, Insurance, Finance Companies, Venture Capital, Guarantee Companies

## Authority and Mandate

### Regulatory Mandate

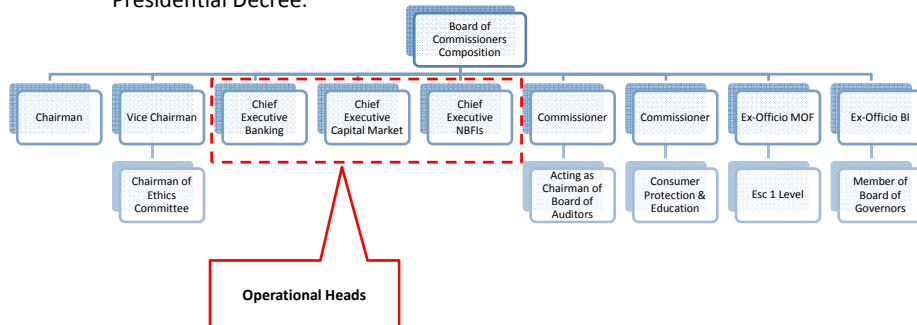
- Implement OJK Law and harmonize 3 sub sector laws
- Establish rules and regulation
  - Supervision
  - Institutional
  - Enforcement and Sanctions

### Supervisory Mandate

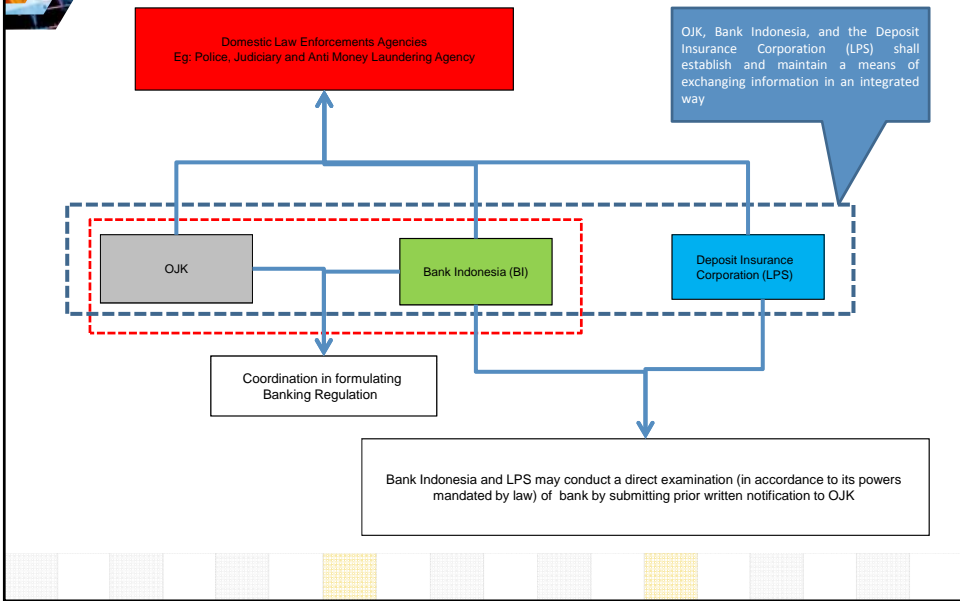
- Institutional and Market Oversight Policy and Supervisory Activities
- Governance and Oversight of CEO's from Banking, Capital Market and NBFIs (refer OJK Commissioners Function)
- Conduct supervision, inspection, investigation, Consumer protection, and other actions
- Impose administrative sanctions on any party violating the laws and regulations in the financial services sector
- To issue and / or revoke business licenses; individual licenses; effective registration statement; registered-license statement; approval of business activities; and validation.

## Institutional Governance

- OJK is led by the Board of Commissioners.
- Board of Commissioners is collective and collegial.
- Board of Commissioners consists of 9 (nine) members and appointed by Presidential Decree.



# Institutional Coordination

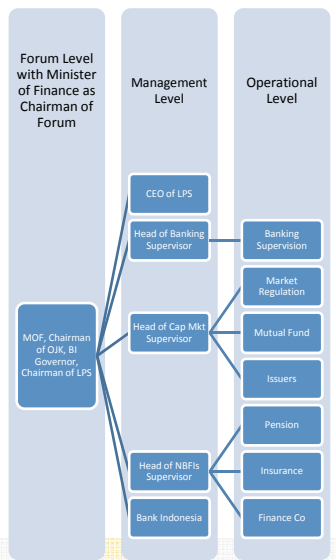


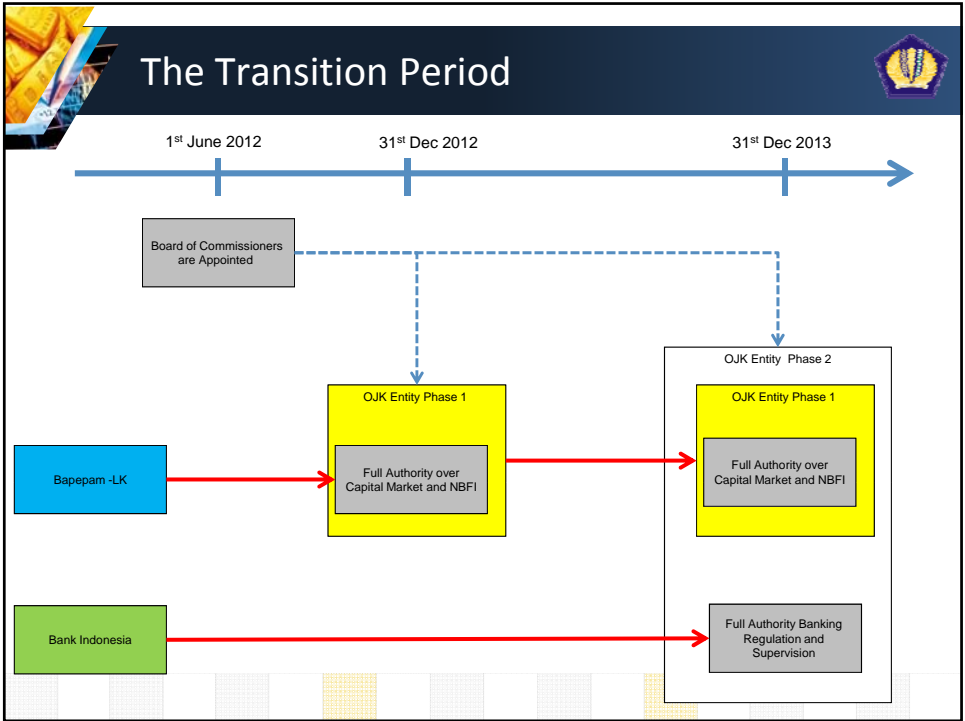
# Enhancing Communication and Monitoring Efforts -FKSSK

Establishing the needed coordination across many agencies could potentially create delays during a time when quick action is needed. Moreover, different regulatory philosophies. These potential impediments to a timely response suggest that regulators need to be discussing the possibilities associated with financial crisis on an ongoing basis and long before an actual event. These discussions should encompass the possible actions that might be needed and the information that should be on hand to shape those actions in the public interest. This is one of the major goals of our Coordinating Forum for Financial System Stability

OJK shall undertake the necessary coordination and building the consolidated informational infrastructure to support its function. OJK will also work hand in hand with the Central Bank, MOF and the Deposit Insurance Corporation via the Coordinating Forum on Financial System Stability (FKSSK) to undertake the consolidated Systemic Risk Monitoring and Crisis Prevention and Management Protocol on a market wide basis.

The Forum shall be Chaired by the Minister of Finance, together with the Chairman of OJK, the Central Bank Governor and the Chairman of the Board of Commissioners of the Deposit Insurance Corporation





***End of Presentation***

**THANK YOU**