After long years of discussions, the OJK Law was enacted in November 2011. This enactment has born a new era in the regulation and supervision of Indonesia’s financial sector. Supervisory roles on financial sector, previously conducted by Bank Indonesia and Ministry of Finance, are to be held by OJK.

**The Establishment of OJK Indonesia**

**2011**
- 21 November
- The enactment of OJK Law (Act No. 21 of 2011)

**2012**
- 31 December
- Transfer of Capital Market & NBFIs supervision from Ministry of Finance

**2013**
- 31 December
- Transfer of Banking supervision from Bank Indonesia

OJK has three objectives as stipulated in the Law:

1. Assuring that activities in the financial services sector are conducted in an organized, fair, transparent, and accountable manner
2. Creating a sustainable and stable financial services sector
3. Protecting the interests of consumers and the public

Features developing in financial sector that triggered the establishment OJK:

- Business conglomeration
- Globalization & IT development
- Problems in cross-sectoral coordination
- Cross-sectoral interconnectedness
- Mandate of Bank Indonesia Law (1999)

Need for integrated regulation & supervision

Institutional reform in regulating & supervising financial sector
OJK regulates and supervises the financial service sector:
(Act No. 21 of 2011)

- Capital Market
- Non Bank Financial Institutions (NBFI)
- Banking

Duties of OJK Indonesia
**Chief Executive**

- to lead the performance of OJK’s task on supervision of Banking / Capital Market / Non Banking Industry (i.e inspection, investigation, written instruction, statutory management, stipulates sanction, granting/revoking license.
- report to the Board of Commissioners

**Board of Commissioners**

- The highest leadership of OJK
- Collective and colegial in nature
- Each party has same and equal voting rights
- Perform regulatory duties
- To supervise the implementation of supervisory duties performed by Chief Executive

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- Each party has same and equal voting rights
- Perform regulatory duties
- To supervise the implementation of supervisory duties performed by Chief Executive
Stock Exchange (IDX)
Clearing and Guarantee Corporation (KPEI)
Central Securities Depository (KSEI)

- **Supporting Institutions**
  - Securities Administration Agency
  - Custodian Banks
  - Trustee
  - Rating Agency
  - Pricing Agency
  - Investor Protection Fund
  - Investment Advisor

- **Supporting Professions**
  - Public Accountant
  - Notary
  - Appraiser
  - Legal Consultant
  - Sharia Expert

- **Investors**
  - Domestic
  - Foreign
  - Individual Investor
  - Institutional Investor

- **Listed Companies (Issuers)**
- **Public Companies**
- **Mutual Funds**

**Capital Market Framework in Indonesia**
Listed company

Underwriter

Accountant

Notary

Legal Consultant

Appraisal

Securities Administration Agency

Custodian Bank

Trustee

Primary Market

Secondary Market

Broker/Dealer

Investment Manager

Investor

Stock Exchange

KPEI

KSEI

Supporting Institutions:
KPEI : Clearing and Guarantee Corporation
KSEI : Central Securities Depository

Supporting Professions:
Business
Process
Capital
Market
Indonesia
ICBI
Indonesia Composite Bond Index

<table>
<thead>
<tr>
<th>Date</th>
<th>Value</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 Dec 2018</td>
<td>240,901</td>
<td>▲ 13.94%</td>
</tr>
<tr>
<td>30 Dec 2019</td>
<td>274,4758</td>
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</tr>
</tbody>
</table>

IHSG

<table>
<thead>
<tr>
<th>Date</th>
<th>Value</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 Dec 2018</td>
<td>6,194.50</td>
<td>▲ 1.7%</td>
</tr>
<tr>
<td>30 Dec 2019</td>
<td>6,299.54</td>
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</tr>
</tbody>
</table>

INDONESIA CAPITAL MARKET INDICATOR (1)
<table>
<thead>
<tr>
<th>IHSG Capitalization</th>
<th>Market Capitalization</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 Dec 2018</td>
<td>7.023.50</td>
<td></td>
</tr>
<tr>
<td>30 Dec 2019</td>
<td>7.265.02</td>
<td>▲3.44%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mutual Fund (Reksadana)</th>
<th>NAV</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 Dec 2018</td>
<td>505.39</td>
<td></td>
</tr>
<tr>
<td>30 Dec 2019</td>
<td>544.95</td>
<td>▲7.83%</td>
</tr>
</tbody>
</table>

INDONESIA CAPITAL MARKET INDICATOR [2]
## Total Effective Effect Emission 2019 (30 Dec 2019)

<table>
<thead>
<tr>
<th>Total Public Offering (PO)</th>
<th>Detail</th>
<th>PO Value (IDR T)</th>
<th>Total PO Value (IDR T)</th>
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</thead>
<tbody>
<tr>
<td>179</td>
<td>59 IPO</td>
<td>14,7</td>
<td>166,85</td>
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<tr>
<td></td>
<td>21 Right Issue</td>
<td>29,17</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7 MTN</td>
<td>7,05</td>
<td></td>
</tr>
<tr>
<td></td>
<td>28 Shelf Registration MTN Stage I</td>
<td>30,28</td>
<td></td>
</tr>
<tr>
<td></td>
<td>64 Shelf Registration MTN Stage II</td>
<td>85,65</td>
<td></td>
</tr>
</tbody>
</table>

## Total New Listed Companies

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30</td>
<td>25</td>
<td>21</td>
<td>21</td>
<td>46</td>
<td>61</td>
<td>59</td>
</tr>
</tbody>
</table>

## Year SID Shares SID Mutual Fund SID Government Bonds

<table>
<thead>
<tr>
<th>Year</th>
<th>SID Shares</th>
<th>SID Mutual Fund</th>
<th>SID Government Bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 2019</td>
<td>1,103,288*</td>
<td>1,705,029</td>
<td>313,135</td>
</tr>
</tbody>
</table>

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**INDONESIA CAPITAL MARKET INDICATOR (3)**
• Governance Improvement through enhancement of auditor’s financial statement transparency to build the market confidence and standard development in market.

• Enhancement the role of capital market regarding the priority of government financing.

• Engage the middle and small enterprises in capital market through digital process

Issues
Thank you