



MINISTER OF FINANCE
REPUBLIC OF INDONESIA

COPY OF
REGULATION OF THE MINISTER OF FINANCE
NUMBER 34/PMK.08/2011

CONCERNING

THIRD AMENDMENT TO REGULATION OF THE MINISTER OF FINANCE
NUMBER 217/PMK.08/2008 CONCERNING THE SALE OF STATE
SECURITIES IN THE FOREIGN EXCHANGE AT THE INTERNATIONAL
PRIMARY MARKET

BY THE GRACE OF GOD ALMIGHTY

MINISTER OF FINANCE,

Considering: a. that in order to provide legal certainty in the execution of the sale of State Securities in the foreign exchange at the International Primary Market, it is necessary to amend the provisions in the Regulation of the Minister of Finance Number 217/PMK.08/2008 concerning the Sale of State Securities in the Foreign Currency at the International Primary Market as amended several times, most recently by the Regulation of the Minister of Finance Number 170/PMK.08/2009;

b. based on the consideration as referred to in a, it is necessary to stipulate Regulation of the Minister of Finance concerning the Third Amendment to Regulation of the Minister of Finance Number 217/PMK.08/2008 concerning the Sale of State Securities in the Foreign Exchange at the International Primary Market;

In View of : 1. Act Number 24 Year 2002 concerning State Securities (State Gazette of the Republic of Indonesia Year 2002 Number 110, Supplement to State Gazette of the Republic of Indonesia Number 4236);

2. Presidential Regulation Number 54 Year 2010 concerning Procurement of Goods/Services;

3. Presidential Decree Number 56/P Year 2010;

4. Regulation of the Minister of Finance Number 217/PMK.08/2008 concerning the Sale of State Securities in the Foreign Exchange at the International Primary Market as amended several times, most recently by Regulation of the Minister of Finance Number 170/PMK.08/2009;

DECIDES:



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To stipulate: REGULATION OF THE MINISTER OF FINANCE CONCERNING THE THIRD AMENDMENT TO REGULATION OF THE MINISTER OF FINANCE NUMBER 217/PMK.08/2008 ON THE SALE OF STATE SECURITIES IN THE FOREIGN EXCHANGE AT THE INTERNATIONAL PRIMARY MARKET.

Article I

Some provisions in the Regulation of the Minister of Finance Number 217/PMK.08/2008 concerning the sale of State Securities in the Foreign Exchange at the International Primary Market as amended several times, most recently by Regulation of the Minister of Finance Number 170/PMK.08/2009 have been amended as follows:

1. The provisions of Article 1 have been added with one (1) point, namely point 17 so that the Article 1 shall read as follows:

Article 1

In this Regulation of the Minister of Finance:

1. State Securities mean securities in the form of debt acknowledgement denominated in rupiah and foreign exchange of which payment for interest and principal is guaranteed by the Republic of Indonesia, in accordance with the validity period.
2. State Treasury Bills mean State Securities with a maturity of up to twelve (12) months with discounted interest payment.
3. State bonds mean State Securities with a maturity of more than twelve (12) months with a coupon and/or with discounted interest payment.
4. International Primary Market means the activities to offer and sell State Securities in foreign exchange outside the territory of Indonesia for the first time.
5. Party means individual persons of Indonesian Citizen as well as Foreign Citizen wherever they reside, either Indonesian or foreign company, joint venture, association, or organized group wherever they domicile.
6. Investment Bank means a financial institution that obtains a license from the authority in place where such financial institution conducts business activities as securities underwriter, securities broker, and or investment manager.
7. Private Placement means the sale activities of State Securities in foreign exchange at the International Primary Market to certain investors with the terms and conditions in accordance with the negotiations, whether conducted directly by the Government or through the Selling Agent.
8. Bookbuilding means the sale activities of State Securities in the



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foreign exchange at the International Primary Market through the Selling Agent, where the Selling Agent collects the Purchase Order in the offer period which has been determined.

9. Panel of Prospective Selling Agent, hereinafter referred to as Panel, means some Investment Banks passing the selection as prospective Selling Agents.
 10. Selling Agent means Investment Bank set by the Budget User Proxy of Panel to carry out the sales of State Securities in the foreign exchange at the International Primary Market.
 11. Budget User Proxy means an officer appointed by the Budget User to use the budget of the Ministries/Agencies/Work Units of Regional Officials.
 12. Fiscal Agent means an agent appointed to perform the registration of ownership (registry) and make payment for interest and principal of State Securities in the foreign exchange.
 13. Purchase Order means bidding to purchase State Securities in the foreign exchange by the investor.
 14. Information Memorandum means written information concerning the offer of State Securities in the foreign exchange to the public.
 15. Allotment means establishment for allocation of state Securities obtained by every subscriber in accordance with the sales results of State Securities in the foreign exchange.
 16. Business Day means a day of clearing in a designated clearing agency.
 17. Commitment Making Official in the framework of the sale of State Securities in the foreign exchange, hereinafter referred to as Commitment Making Official, means an official responsible for the implementation of procurement of services of the Selling Agent and/or legal consultant.
2. The provisions of Article 3 have been amended so that Article 3 shall read as follows:

Article 3

1. In case that the sales of State Securities in the foreign exchange at the International Primary Market are conducted by the Selling Agent using a Private Placement method, the Selling Agent shall be appointed from the member of the Panel making purchase offer of State Securities in the foreign exchange through the Private Placement.
2. In case that the sales of State Securities in the foreign exchange at the International Primary Market are conducted by the Selling Agent using a Bookbuilding method, the Selling Agent shall be



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appointed from member of the Panel through the Selling Agent selection.

3. Between Article 5 and Article 6 one article has been inserted, namely Article 5A which reads as follows:

Article 5A

1. The appointment of the Selling Agent as referred to in Article 3 paragraph (1) shall be conducted by the Budget User Proxy and followed up with a letter of appointment by the Commitment Making Official.
2. The appointment of the Selling Agent as referred to in paragraph (1) shall be followed up with a work agreement between the Commitment Making Official and the Selling Agent.
4. The provisions of Article 6 paragraph (1), paragraph (2), paragraph (4) and paragraph (5) have been amended so that the Article 6 shall read as follows:

Article 6

1. The appointment of the Selling Agent as referred to in Article 3 paragraph (2) for the first time in the current budget year shall be based on:
 - a. the best ranking order of Panel's members of the beauty contest result as referred to in Article 5 paragraph (1) point g; and
 - b. negotiation of fee as referred to in Article 5 paragraph (1) point g.
2. The appointment of the Selling Agent as referred to in Article 3 paragraph (2) for the second time and henceforward in the current budget year shall be conducted through selection of a Selling Agent with the following stages:
 - a. delivery of request for proposal to the Panel member, among others, including expectations regarding the tenor, volume, price and time of issuance;
 - b. receipt of proposal documents;
 - c. evaluation of proposal documents, and
 - d. designation and appointment of the Selling Agent.
3. Determination for the number of Selling Agents as referred to in paragraph (1) and paragraph (2) shall be based on the needs of the Government.
4. The Selling Agent as referred to in paragraph (1) and paragraph (2) shall be designated by the Budget User Proxy and followed up with a letter of appointment by the Commitment Making Official.
5. Appointment of the Selling Agent as referred to in paragraph (4) shall be followed up with a work agreement between the Commitment Making Official and the Selling Agent.



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5. The provisions of Article 9 paragraph (1), paragraph (4) and paragraph (5) have been amended so that Article 9 shall read as follows:

Article 9

1. Selection to become a legal consultant as referred to in Article 8 shall be conducted through the following steps:
 - a. delivery of request for proposal to the prospective legal consultants;
 - b. receipt and checking of proposal documents;
 - c. selection of prospective legal consultants to take the presentation stage (beauty contest);
 - d. implementation of the presentation (beauty contest);
 - e. ranking for result of the implementation of the presentation (beauty contest);
 - f. negotiation of fee; and
 - g. designation and appointment of a legal consultant.
2. Negotiation of fee as referred to in paragraph (1) f shall be conducted to prospective legal consultant that gets first rank in the result of the presentation (beauty contest).
3. In case that the negotiation of fee with the prospective legal consultant as referred to in paragraph (2) does not produce an agreement, then the Selection Committee shall continue negotiation of fee to the prospective legal consultant of second rank, and so forth until the reach of an agreement.
4. Legal consultant shall be designated by the Budget User Proxy and followed up with a letter of appointment by the Commitment Making Official.
5. The appointment of legal consultant as referred to in paragraph (4) shall be followed up with an agreement between the Commitment Making Official and the legal consultant.

Article II

1. Selection process of Selling Agent and legal consultant that has been implemented and based on the Regulation of the Minister of Finance prior to the enactment of this Regulation of the Minister of Finance or the selection process that has been conducted and based on this Regulation of the Minister of Finance shall be declared legitimate.
2. This regulation shall come into force on the date of its promulgation.
For public cognizance, this Regulation of the Minister of Finance shall be promulgated by placing it in State Gazette of the Republic of Indonesia.



MINISTER OF FINANCE
REPUBLIC OF INDONESIA

Stipulated in Jakarta
on February 28, 2011
MINISTER OF FINANCE,

Signed.

AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta
on February 28, 2011
MINISTER OF LAW AND HUMAN RIGHTS,

Signed.

PATRIALIS AKBAR

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2011 NUMBER 113