



FINANCE MINISTER  
OF THE REPUBLIC OF INDONESIA

COPY

REGULATION OF THE FINANCE MINISTER

NUMBER 170/PMK.08/2009

ON

THE SECOND AMENDMENT OF THE REGULATION OF THE  
FINANCE MINISTER NUMBER 217/PMK.08/2008 ON THE SALES  
OF FOREIGN CURRENCY GOVERNMENT BONDS IN THE  
INTERNATIONAL PRIMARY MARKET

BY THE GRACE OF THE ONE ALMIGHTY GOD

THE FINANCE MINISTER

Having considered : a. That to ensure the effectiveness of the sales of foreign currency government bonds in the international primary market, it is necessary to amend the provisions in the Regulation of the Finance Minister;

b. That based on the considerations as referred to in letter a, it is necessary to enact a Regulation of the Finance Minister on the Second Amendment of the Regulation of the Finance Minister Number 217/PMK.08/2008 on the Sales of Foreign Currency Government Bonds in the International Primary Market;

Having observed : 1. Law Number 24 of 2002 on Government Bonds (State Gazette of the Republic of Indonesia of 2002 Number 110, Supplement to the State Gazette of the Republic Indonesia number 4236);

2. Presidential Decree Number 84/P of 2009;

3. Regulation of the Finance Minister Number 217/PMK.08/2008 on the Sales of Foreign Currency Government Bonds in the International Primary Market;

HAS DECIDED:

To enact : THE SECOND AMENDMENT OF THE REGULATION OF THE FINANCE MINISTER NUMBER 217/PMK.08/2008 ON THE SALES OF FOREIGN CURRENCY GOVERNMENT BONDS IN THE INTERNATIONAL PRIMARY MARKET.



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Article I

Several provisions in the Regulation of the Finance Minister Number 217/PMK.8/2008 on the Sales of Foreign Currency Government Bonds in the International Primary Market as amended in the Regulation of the Finance Minister Number 32/PMK.08/2009, are amended as follows:

1. Provisions in Article 5 are amended to read as follows:

“Article 5

- (1) The selection of panel members as referred to in Article 4 shall conform to the following stages:
  - a. Submittal of the request for proposal to the Investment Bank;
  - b. Receipt and review of the proposal;
  - c. Short list the investment banks to follow the presentation stage (beauty contest);
  - d. Presentation of the candidates (beauty contest);
  - e. Ranking of the presentation in the beauty contest;
  - f. Negotiating the fee;
  - g. Ranking the panel members based on the results from the beauty contest and based on negotiation fee; and
  - h. Appointment of panel members
- (2) The negotiation fee as referred to in paragraph (1) letter f is negotiated with the Panel members based on the ranking from the beauty contest as determined by the Selection Committee.
- (3) The negotiation fee as referred to in paragraph (2) is a single fee that is applied to all Panel members and is applied to every sales transaction of the foreign currency government bond in the International Primary Market of the current year.
- (4) The members of the Panel shall be determined by the Agent of the Budget User.
- (5) The Panel as referred to in paragraph (4) shall consist of at least 5 (five) members.



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- (6) The Agent of Budget User may revoke the membership of an Investment Bank in the Panel, if the Panel member:
- a. takes an action or makes a statement that potentially disrupts the stability of the market of government bonds; or
  - b. is declared bankrupt by court of law or by any authorized institution.”

2. Provisions in Article 6 are amended to read as follows:

“Article 6

- (1) The appointment of the Sales Agent in a current budget year is initially determined based on the highest ranking among the panel members resulting from the “beauty contest” and from the negotiation fee as referred to Article 5 paragraph (1) letter g.
- (2) In the event that the sales of the foreign currency Government Bonds in the International Primary Market for the second time and subsequently in the current year applies the book-building method as referred to in Article 3 paragraph (2), then the selection of the Sales Agent shall conform to the following stages:
  - a. Submittal of the request for proposal to the Panel members that includes the expected tenor, volume, price and date of issuance;
  - b. Receipt of proposal;
  - c. Evaluation of proposal;
  - d. Appointment of Sales Agent.
- (3) The number of Sales Agent as referred to in paragraph (1) and paragraph (2) shall be determined as necessary by the government;
- (4) Appointment of the Sales Agent shall be determined by the Agent of the Budget User.
- (5) The appointment of the Sales Agent as referred to in paragraph (4) shall be followed by the signing of an agreement between the Agent of the Budget User and the Sales Agent.”



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2. Provisions in Article 9 shall be amended to read as follows:

“Article 9

- (1) The selection for the legal consultant shall conform to the following stages:
- a. Submittal of request for proposal to the candidates of the legal consultants;
  - b. Receipt and review of the proposals;
  - c. Short list the candidates to follow a beauty contest;
  - d. Presentation of the candidates (beauty contest);
  - e. Ranking the candidates based on the results from the beauty contest;
  - f. Negotiate the fee;
  - g. Appointment of the Legal Consultant.
- (2) The negotiation fee as referred to in paragraph (1) letter f is negotiated with several candidates based on the ranking from the beauty contest as determined by the Selection Committee.
- (3) In the event that the negotiation of the fee with the candidate for the legal consultant as referred to in paragraph (2) does not reach an agreement, then the selection Committee shall negotiate with the second rank candidate and so forth until an agreement is reached.”

4. Between Article 13 and Article 14, 1 (one) article shall be inserted i.e. Article 13A to read as follows:

“Article 13A

- (1) For the purpose of the sales of the foreign currency government bonds in the International Primary Market, the Finance Minister shall appoint an international financial institution that functions as the registrar to record the ownership, clearing and settlement of the bonds, act as the paying agent for the interest and the principal of the Government Bonds and/or as the trustee.



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- (2) The appointment of the international financial institution as referred to in paragraph (1) may only be executed upon receiving the power of attorney from Bank Indonesia and a recommendation from Bank Indonesia on the names of the appointed international financial institutions.

Article II

This Regulation of the Finance Minister shall be effective as of the date of enactment.

In order that this Regulation is made known to the general public, it is hereby ordered that this Regulation be promulgated in the Official Gazette of the Republic of Indonesia.

Enacted in Jakarta  
On 4 November 2009  
Finance Minister

Signed

SRI MULYANI INDRAWATI

Promulgated in Jakarta  
On 4 November 2009  
MINISTER OF JUSTICE AND HUMAN RIGHTS,

Signed

PATRIALIS AKBAR

OFFICIAL GAZETTTE OF THE REPUBLIC INDONESIA OF 2009  
NUMBER 420

This copy is in conformity with the original  
Head of General Affairs Bureau  
For  
Head of Administration of Ministry of Finance

(signed and sealed with the seal of the General Affairs Bureau)

Antonius Suharto  
NIP 060041107