



MINISTER OF FINANCE  
OF THE REPUBLIC OF INDONESIA

COPY OF

REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF  
INDONESIA NUMBER 188/PMK.08/2011

CONCERNING

THE PROCEDURES FOR THE USE OF BUDGETARY SURPLUS BALANCE OF  
IN EFFORT TO STABILIZE DOMESTIC STATE SECURITIES MARKET

BY THE GRACE OF GOD ALMIGHTY

THE MINISTER OF FINANCE OF REPUBLIC OF INDONESIA,

- Considering : a. that in effort to anticipate the reversal of foreign fund from domestic market of State Securities significantly that endangers Budget financing and stability of domestic financial market, there is a need to arrange the provision concerning the use of Budgetary Surplus Balance to stabilize the Domestic State Securities markets;
- b. that based on Act concerning State Budget, Budgetary Surplus Balance can be used to stabilize domestic State Securities market in which the provision are set forth in Regulation of the Minister of Finance;
- c. that based on consideration as referred to in item a and item b, there is a need to stipulate Regulation of the Minister of Finance concerning the Procedures for the Use of Budgetary Surplus Balance in Effort to Stabilize Domestic State Securities Market;
- In View of : 1. Act Number 24 Year 2002 concerning Government Debt Securities (State Gazette of the Republic of Indonesia Year 2002 Number 110, Supplement to State Gazette of the Republic of Indonesia Number 4236);
2. Act Number 17 Year 2003 concerning State Finance (State Gazette of the Republic of Indonesia Year 2003 Number 47, Supplement to State Gazette of the Republic of Indonesia Number 4286);
3. Act Number 1 Year 2004 concerning State Treasury (State Gazette of the Republic of Indonesia Year 2004 Number 5, Supplement to State Gazette of the Republic of Indonesia Number 4355);
4. Act Number 19 Year 2008 concerning State Sharia Securities (State Gazette of the Republic of Indonesia



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Year 2008 Number 70, Supplement to the Republic of Indonesia Number 4852);

5. Act Number 10 Year 2010 concerning State Budget of Fiscal Year 2011 (State Gazette of the Republic of Indonesia Year 2010 Number 126, Supplement to State Gazette of the Republic of Indonesia Number 5167) as has been amended with Act Number 11 Year 2011, (State Gazette of the Republic of Indonesia Year 2011 Number 81, Supplement to the State Gazette of the Republic of Indonesia Number 5233);
6. Presidential Decree Number 56/P Year 2010;

DECIDES:

To stipulate : REGULATION OF THE MINISTER OF FINANCE CONCERNING THE PROCEDURES FOR THE USE OF THE BUDGETARY SURPLUS BALANCE IN EFFORT TO STABILIZE DOMESTIC STATE SECURITIES MARKET.

CHAPTER I

GENERAL

Part First

Definition

Article 1

In this Regulation of the Minister of Finance, the term:

1. State Budget, hereinafter referred to as APBN, is the annual financial plan of the state government approved by the House of People's Representatives.
2. Budgetary Surplus Balance, hereinafter referred to as SAL, is the accumulation of remaining surplus of budget financing for the previous fiscal year and the concerned fiscal year after closing, added/deducted with a bookkeeping correction.
3. State Securities, hereinafter referred to as SBN, is securities issued by the Government which includes state debt securities and state sharia securities.
4. Purchase of SBN in secondary market is re-purchase of SBN in secondary market by the Government prior to the due date in cash.
5. Decision of of Work Plan and Budget of State Public Treasurer hereinafter referred to as SP RKA-BUN is decision document of the allocations budget according



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to organizational and programs units and specified in work units on the part of the Budget of the State Public Treasurer.

6. Budget Implementation Checklist hereinafter called DIPA is implementing document of budget prepared by the Director General of Debt Management as budget user/authorized budget user and is authorized by the Director General of Treasury or the Chairman of Regional Office of Directorate General of Treasury on behalf of the Minister of Finance as State Public Treasurer.
7. Confirmation Letter of Checklist of Revised Budget Implementation, hereinafter referred to as Revised SP-DIPA is confirmation letter on the change in the details in DIPA as the result of revised budget details on Confirmation Letter page I, page II, page III and/or pages IV DIPA, including the improvement for administrative error.
8. Settlement is the settlement of SBN transactions consisting of fund settlement and settlement of SBN holdings.
9. State Treasury Service Office, hereinafter referred to as KPPN, is the vertical institution of Directorate General of Treasury under and responsible directly to the Chairman of Regional Office of the Directorate General of Treasury, which gained authority as Power from Authorized State Public Treasurer.

Part Two

Basic Principles of SAL Usage

Article 2

- (1) SAL usage as defined in this Ministerial Regulation is for the Purchase of SBN in secondary market in effort to stabilize the domestic SBN market.
- (2) SAL usage as referred to in paragraph (1) is implemented provided that:
  - a. The condition of Domestic SBN market is stipulated in the crisis level based on crisis management protocol in SBN market by the Director General of Debt Management on behalf of the Minister of Finance, and



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- b. The approval from the House of Representatives Budget Agency.

## CHAPTER II

### APPROVAL

#### Article 3

- (1) In effort to stabilize domestic SBN market, the Director General of Debt Management submits proposal concerning SAL usage to the Minister of Finance based on the results of coordination with relevant units, by taking into account:
  - a. Estimated ongoing crisis condition, and
  - b. Funds derived from DIPA for the purchase of SBN, as estimated not to be sufficient to stabilize domestic SBN market.
- (2) The proposed use of SAL as referred to in paragraph (1) which has been approved by the Minister of Finance is submitted to the Budgetary Board of the House of People's Representatives for approval.
- (3) The proposed use of SAL is submitted to the Budgetary Board of the House of People's Representatives referred to in paragraph (2) at least include:
  - a. The condition of domestic SBN market, and
  - b. Maximum amount of SAL that can be used to purchase SBN in Secondary market in effort to stabilize domestic SBN market after calculating the need of budget until the end of the year the current budget year and early next.

## CHAPTER III

### IMPLEMENTATION

#### Article 4

- (1) Based on the approval of the Budgetary Board of the House of People's Representatives on the proposal for the use of SAL as referred to in Article 3 paragraph (2):
  - a. The Directorate General of Debt Management implements Purchasing SBN in the Secondary market in accordance with applicable procedures and regulations, and



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- b. The Directorate General of Treasury makes book entry of SAL funds from the Account of Deposit Balance of Surplus Budget to the Account of State Public Treasury.
- (2) The purchased SBN as referred to in paragraph (1) item a is declared paid off and no longer valid.

#### Article 5

- (1) Based on the approval of the Budgetary Board of the House of People's Representatives as referred to in Article 3 paragraph (2), the Directorate General of Debt Management delivers:
  - a. The proposal of revised decision on SP-RKABUN to the Directorate General of Budget; and
  - b. The proposal of revised DIPA approval to the Directorate General of Treasury.
- (2) Revised SP-RKABUN document as referred to in paragraph (1) item a is determined by the Director General of Budget.
- (3) Revised SP-DIPA document as referred to in paragraph (1) item b is legalized by the Director General of Treasury.
- (4) Revised SP-DIPA document as referred to in paragraph (3) is delivered to the Directorate General of Debt Management and KPPN.

#### Article 6

- (1) The implementation of fund disbursement by KPPN in terms of the settlement on the Purchase of SBN in the secondary market as referred to in Article 4 paragraph (1) item a is made in accordance with Regulation of the Minister of Finance concerning the procedures of disbursements of State Budget on the Charge of Budgetary Division of the State Public Treasurer at State Treasury Service Office.
- (2) KPPN can make disbursement as referred to in paragraph (1) exceeding DIPA ceiling prior to the approval of revised DIPA.

#### Article 7

Provisions concerning the technical implementation of Settlement on the purchase of SBN in the market Secondary



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takes the regulation as set forth by Bank Indonesia.

#### CHAPTER IV

#### REPORTING AND ACCOUNTABILITY

##### Article 8

The Director General of Debt Management submits implementing report on the use of SAL for the purchase of SBN in the secondary market to the Minister of Finance as a part of the report SBN purchase result in effort to stabilize SBN market.

##### Article 9

The Director General of Debt Management reports and is responsible for the implementation of SBN purchase in effort to stabilize domestic SBN market using SAL fund in the Financial Statements of the Central Government in accordance with regulation of law.

#### CHAPTER VI

#### CLOSING PROVISIONS

##### Article 10

This Ministerial Regulation applies as long as the arrangement regarding the use of SAL in order to stabilize domestic SBN market is still set forth in APBN and/or APBN Amendment.

##### Article 11

This Regulation of the Minister of Finance 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.

Stipulated in Jakarta  
on November 23, 2011  
MINISTER OF FINANCE  
Signed,  
AGUS D.W. MARTOWARDOJO



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Promulgated in Jakarta  
On November 23, 2011  
MINISTER OF LAW AND HUMAN RIGHTS,  
Signed  
AMIR SYAMSUDDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2011 NUMBER 745