



MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

COPY OF

REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA
NUMBER 135/PMK.01/2011

CONCERNING

ORGANIZATION AND WORKING PROCEDURES OF GOVERNMENT INVESTMENT
CENTER

BY THE GRACE OF GOD ALMIGHTY,

THE MINISTER OF FINANCE OF REPUBLIC OF INDONESIA,

- Considering : a. that in the framework of development and acceleration of the implementation of effective and efficient government investment to get the optimal value, it is necessary to improve the quality of risk analysis, reinforce the function of checks and balances, and business process adjustments of the Government Investment Center;
- b. that based on the considerations as referred to in letter a, it is necessary to restructure the organization and working procedures of the Government Investment Center;
- c. that based on the considerations as referred to in letters a and b, it is necessary to replace the Regulation of the Minister of Finance Number 52/PMK.01/2007 concerning Organization and Working Procedures of the Government Investment Center by stipulating a Regulation of the Minister of Finance concerning Organization and Working Procedures of the Government Investment Center;
- In View of : 1. [Act of the Republic of Indonesia Number 17 of 2003](#) concerning State Finance (State Gazette of the Republic of Indonesia of 2003 Number 47, Supplement to State Gazette of the Republic of Indonesia Number 4286);
2. [Act of the Republic of Indonesia Number 1 of 2004](#) on State Treasury (State Gazette of the Republic of Indonesia of 2004 Number 5, Supplement to State Gazette of the Republic of



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Indonesia Number 4355);

3. [Government Regulation Number 23 of 2005](#) on Financial Management of Public Service Agency (State Gazette of the Republic of Indonesia of 2005 Number 48, Supplement to State Gazette of the Republic of Indonesia Number 4502);
4. [Government Regulation Number 1 of 2008](#) concerning Government Investment (State Gazette of the Republic of Indonesia of 2008 Number 14, Supplement to State Gazette of the Republic of Indonesia Number 4812);
5. Presidential Decree Number 24 of 2010 concerning Status, Duties, and Functions of State Ministries and Organizational Structure, Duties, and Functions of Echelon I of State Ministries as amended by Presidential Decree No. 67 of 2010;
6. [Presidential Decree Number 56 / P of 2010](#);
7. Regulation of the State Minister of State Apparatus Empowerment Number PER/02/M.PAN/1/2007 concerning Guidelines for Organization of Working Unit within Government Agencies that Employs a Financial Management Pattern of Public Service Agency;
8. [Regulation of the Minister of Finance Number 184/PMK.01/2010](#) concerning Organization and Working Procedures of Ministry of Finance;

Noting : Approval of the State Minister of State Apparatus Empowerment and Bureaucratic Reform in Letter Number B/1907/M.PAN-RB/08/2011 on August 12, 2011;

DECIDES

To stipulate : REGULATION OF THE MINISTER OF FINANCE CONCERNING ORGANIZATION AND WORKING PROCEDURES OF GOVERNMENT INVESTMENT CENTER

CHAPTER I POSITION, DUTIES, AND FUNCTIONS

Article 1

(1) Government Investment Center is a non-echelon organizational



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unit in the management of government investment which is under and responsible to the Minister of Finance through the Secretary General.

- (2) Government Investment Center is a working unit within the Ministry of Finance that Employs a Financial Management Pattern of Public Service Agency (*Pola Pengelolaan Keuangan Badan Layanan Umum* – PPK-BLU) in accordance with the provisions of legislation in force.
- (3) Government Investment Center is led by a Managing Director.

Article 2

Government Investment Center is in charge of operational authority tasks in the Central Government investment management in accordance with the policies stipulated by the Minister of Finance, and based on the legislation in force.

Article 3

In carrying out the tasks as referred to in Article 2, the Government Investment Center conducts the following functions:

- a. preparation of business strategic plans, work investment plans, and annual business plan and budget (*rencana bisnis dan anggaran*– RBA) and work plans and work unit budget plans;
- b. feasibility assessment, risk management, settlement of legal issues and government investment agreements;
- c. Investment Fund Master Account management;
- d. budget preparation and execution, accounting, transaction settlement, and reporting;
- e. strategy preparation and execution of internal compliance systems;
- f. internal control and risk management implementation with the prudential principles to the implementation of the Government Investment Center duties, and
- g. implementation of public affairs, human resources, and housekeeping of the Government Investment Center.



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CHAPTER II ORGANIZATIONAL STRUCTURE

Article 4

Government Investment Center consists of:

- a. Directorate General;
- b. Directorate of Finance;
- c. Directorate of Compliance and Risk Management;
- d. Directorate of Loan Investment Portfolio;
- e. Directorate of Non-Loan Investment Portfolio;
- f. Secretariat of the Government Investment Center;
- g. Internal Inspection Unit, and
- h. Functional Position Group.

CHAPTER III DIRECTORATE GENERAL

Article 5

Directorate General shall be in charge of tasks of public affairs, human resources, housekeeping and information technology, and equipment of the Government Investment Center.

Article 6

In carrying out the tasks as referred to in Article 5, the Directorate General conducts the following functions:

- a. planning, development and management of human resources;
- b. implementation of housekeeping affairs;
- c. management and development of information systems and applications, and
- d. management of state-owned equipment and goods, and procurement of goods and services.

Article 7



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Directorate General consists of:

- a. Division of Human Resource Management;
- b. Division of Housekeeping and Information Technology, and
- c. Division of Equipment.

Article 8

- (1) Division of Human Resource Management shall be in charge of tasks of planning for procurement needs, placement and development of human resources.
- (2) Division of Housekeeping and Information Technology shall be in charge of tasks conducting housekeeping affairs and management and development of information systems and applications.
- (3) Division of Equipment shall be in charge of tasks to manage state-owned equipment / goods and procurement of goods / services.

CHAPTER IV DIRECTORATE OF FINANCE

Article 9

Directorate of Finance shall be in charge of tasks of preparation of business strategic plans, work investment plans, and annual business plan and budget (*rencana bisnis dan anggaran*– RBA) and work plans and work unit budget plans, preparation and implementation of the Investment Fund Master Account, budget management, accounting and reporting and implementation of transaction settlement.

Article 10

In carrying out the tasks as referred to in Article 9, the Directorate of Finance conducts the following functions:

- a. preparation of materials for business strategic plans, work investment plans, and annual business plan and budget



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- (*rencana bisnis dan anggaran*– RBA) and work plans and work unit budget plans, as well as plan evaluation;
- b. Investment Fund Master Account management and cash management;
 - c. budget and financial management;
 - d. preparation of systems and accounting manual, financial and performance reports, as well as accounting of each transaction, and
 - e. implementation of transaction settlement.

Article 11

Directorate of Finance consists of:

- a. Division of Planning and Budget;
- b. Division of Treasury, and
- c. Division of Accounting and Settlement.

Article 12

- (1) Division of Planning and Budget shall be in charge of tasks of coordinating the preparation of materials for business strategic plans, work investment plans, and annual business plan and budget (*rencana bisnis dan anggaran*– RBA) and work plans and work unit budget plans, as well as organization evaluation and performance and budget and finance management.
- (2) Division of Treasury shall be in charge of tasks of managing Investment Fund Master Account and cash management, short-term portfolio management and market analysis.
- (3) Division of Accounting and Settlement shall be in charge of tasks of preparation of financial and performance statements, as well as accounting for any transaction and settlement of both investment and operating costs.

CHAPTER V

DIRECTORATE OF COMPLIANCE AND RISK MANAGEMENT

Article 13



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Directorate of Compliance and Risk Management shall be in charge of tasks of carrying out internal compliance review and assessment, preparation of policy and risk management strategy, review of legal aspects and preparation of Government Investment agreements.

Article 14

In carrying out the tasks as referred to in Article 13, the Directorate of Compliance and Risk Management conducts the following functions:

- a. preparation of compliance culture building, compliance review and assessment of implementation of organizational duties, as well as giving recommendations in increasing the implementation of duties;
- b. preparation of policy and risk management strategy and risk control, and providing recommendations on potential risks inherent to any investment proposal and its impact on the overall PIP business risks, and
- c. preparation of legal studies and negotiation on Government Investment agreements and preparation of coordination of investment agreements, documentation of all legal documents, and coordination of legal aspects review of the investment implementation.

Article 15

Directorate of Compliance and Risk Management consists of:

- a. Division of Internal Compliance;
- b. Division of Risk Management, and
- c. Division of Law.

Article 16

(1) Division of Internal Compliance shall be in charge of tasks of



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preparing materials for compliance culture building, compliance review and assessment of implementation of organizational duties, as well as giving recommendations in increasing the implementation of duties.

- (2) Division of Risk Management shall be in charge of tasks of preparing materials for policy and risk management strategy and risk control, and providing recommendations on potential risks inherent to any investment proposal and its impact on the overall PIP business risks.
- (3) Division of Law shall be in charge of tasks of preparing materials for negotiation on Government Investment agreements and preparation of coordination of investment agreements, documentation of all legal documents, and coordination of legal aspects review of the investment implementation.

CHAPTER VI DIRECTORATE OF LOAN INVESTMENT PORTFOLIO Article 17

Directorate of Loan Investment Portfolio shall be in charge of tasks of managing loan investment to Local Governments, State-Owned Enterprises and / or private sectors, and others as determined under an investment direction (investment guidelines).

Article 18

In carrying out the tasks as referred to in Article 17, the Directorate of Loan Investment Portfolio conducts the following functions:

- a. preparation of materials for giving recommendation on loan investment opportunities and potentials;
- b. implementation of potential partners selection in accordance with the strategy, scope and investment direction;
- c. follow-up on investment implementation, and
- d. monitoring of investment and follow up of recommendations on investment risk control.



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Article 19

Directorate of Loan Investment Portfolio consists of:

- a. Division of Western Region Loans;
- b. Division of Central Region Loans, and
- c. Division of Eastern Region Loans

Article 20

- (1) Division of Western Region Loans shall be in charge of tasks of preparing materials for giving recommendations and preliminary analysis on potential loan investments, planning and selection of potential parties, follow-up on investment, and monitoring of investments to Local Government, State-Owned Enterprises and / or Private-Owned Enterprises in the Western Part of Indonesia, namely West Java, Special Capital District of Jakarta and all Provinces and regencies in Sumatra.
- (2) Division of Central Region Loans shall be in charge of tasks of preparing materials for giving recommendations and preliminary analysis on potential loan investments, planning and selection of potential parties, follow-up on investment, and monitoring of investments to Local Government, State-Owned Enterprises and / or Private-Owned Enterprises in the Central Part of Indonesia, namely Central Java, Special Region of Yogyakarta and all Provinces and regencies in Borneo.
- (3) Division of Eastern Region Loans shall be in charge of tasks of preparing materials for giving recommendations and preliminary analysis on potential loan investments, planning and selection of potential parties, follow-up on investment, and monitoring of investments to Local Government, State-Owned Enterprises and / or Private-Owned Enterprises in the Eastern Part of Indonesia, namely East Java, as well as all Provinces and regencies in Sulawesi, Bali, Nusa Tenggara, East Nusa Tenggara, Maluku, North Maluku, Papua and West Papua.



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CHAPTER VII
DIRECTORATE OF NON-LOAN INVESTMENT PORTFOLIO
Article 21

Directorate of Non-Loan Investment Portfolio shall be in charge of tasks of managing investments in the form of equity, securities, Public-Private Partnership (PPP), special assignments, and foreign investment cooperation.

Article 22

In carrying out the tasks as referred to in Article 21, the Directorate of Non-Loan Investment Portfolio conducts the following functions:

- a. preparing materials for provision of recommendations on opportunities and potentials of equity investments, securities, PPP and foreign investment cooperation;
- b. the implementation of potential partners selection in accordance with the strategy, scope and investment direction of equity, PPP and foreign investment cooperation;
- c. preparing coordination with parties for special assignment investment and foreign investment cooperation;
- d. follow-up on investment implementation;
- e. monitoring of investment and following up the recommendations of investment risk control.

Article 23

Directorate of Non-Loan Investment Portfolio consists of:

- a. Division of Equity and Securities;
- b. Division of Public-Private Partnership (PPP) and
- c. Division of Foreign Investment Cooperation.

Article 24

(1) Division of Equity and Securities shall be in charge of tasks of



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preparing materials for provision of recommendations and preliminary analysis on potential long term equity investments and security investments, planning and selection, follow-up and monitoring of long term equity investments and security investments.

- (2) Division of Public-Private Partnership (PPP) shall be in charge of tasks of preparing materials for provision of recommendations and analysis of PPP investment policy, coordination with stakeholders and follow-up, and monitoring of PPP investment and special assignments.
- (3) Division of Foreign Investment Cooperations shall be in charge of tasks of preparing materials for provision of recommendations and analysis of potential foreign investment cooperation, planning and selection, coordination with stakeholders and follow-up, and monitoring of foreign investment cooperation.

CHAPTER VIII

SECRETARIAT OF GOVERNMENT INVESTMENT CENTER

Article 25

- (1) Secretariat of PIP is a unit that is under and responsible to the Managing Director.
- (2) Secretariat of PIP shall be headed by a secretary.

Article 26

Secretariat of PIP shall be in charge of tasks of managing communications and information services, protocols, and harmonization of internal functions of organization.

Article 27

In carrying out the tasks as referred to in Article 26, Secretariat of PIP shall conduct the following functions:

- a. public relations management and information service provision;
- b. management of organizational activity agenda and protocol, and



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- c. harmonization of internal functions and synergy of policies, programs and activities of organization.

CHAPTER IX INTERNAL INSPECTION UNIT

Article 28

- (1) Internal Inspection Unit is a unit that is under and responsible to the Managing Director.
- (2) Internal Inspection Unit shall be headed by a head.

Article 29

Internal Inspection Unit shall be in charge of tasks of carrying out internal inspection on the implementation of the Government Investment Center tasks.

Article 30

In carrying out the tasks as referred to in Article 29, the Internal Inspection Unit conducts the following functions:

- a. preparation and implementation of tasks in accordance with the audit charter and audit program;
- b. implementation of risk-based audit especially on financing and investment activities, and
- c. review of financial statements to ensure that the content, presentation, and disclosure are in accordance with government accounting standards and financial accounting standards.

CHAPTER X FUNCTIONAL POSITION GROUP

Article 31

If deemed necessary, Managing Director may appoint a Functional Officers who are in charge of tasks of performing activities in accordance with their respective functional position based on the



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provisions of legislation.

Article 32

- (1) Functional Officers consist of a number of functional positions which are divided into different groups according to their expertise.
- (2) Each group as referred to in paragraph (1) is coordinated by a senior functional officers stipulated by the Managing Director.
- (3) The number of functional positions as referred to in paragraph (1) shall be determined based on the needs and workload.
- (4) The type and functional hierarchy shall be set in accordance with the provisions of legislation.

CHAPTER XI WORKING PROCEDURES

Article 33

In carrying out the tasks, each organizational unit leader of Government Investment Center must apply the principles of coordination, integration, and synchronization in their respective environment and among organizational units in the Government Investment Center as well as with other agencies outside the Government Investment Center in accordance with their respective tasks.

Article 34

Each organizational unit leader shall supervise the implementation of taskstheir respective subordinate and in the event of any controversy, theyshall take the necessary measures in accordance with the provisions of legislation.

Article 35

- (1) Each organizational unit leader of the Government Investment



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Center shall be responsible for directing and coordinating their respective subordinate and providing guidance and direction to their subordinates for task execution.

- (2) Each organizational unit leader must follow and comply with the instructions and be accountable to their superiors and submit a periodic report in a timely manner.

Article 36

- (1) In presenting the report to superiors, copies of the report shall be submitted to the head of a unit of other organizations that functionally have a working relationship.
- (2) Each report received by the organizational unit leader from their subordinates shall be processed and used as a material to prepare a report and provide further guidance to their subordinates.

Article 37

- (1) The Directors, Secretary of PIP, and Head of Internal Inspection Unit shall report to the Managing Director.
- (2) The Managing Director receives reports as referred to in paragraph (1) and orders the relevant officers to carry out the administration.

Article 38

Employees of the Government Investment Center from Civil Servants shall be supervised and guided by the Minister of Finance in accordance with the provisions of legislation.

CHAPTER XII TRANSITIONAL PROVISIONS

Article 39

As long as the organization and working procedures of the



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Government Investment Center established under this Regulation of the Minister of Finance cannot be implemented effectively, the existing provisions concerning the organization, administration, working procedures, finance, and human resources of the Government Investment Center shall remain effective no later than by December 31, 2011.

CHAPTER XIII OTHER PROVISIONS

Article 40

If deemed necessary, the Managing Director may appoint and dismiss the professional personnel, in accordance with the provisions of legislation.

Article 41

This Regulation of the Minister of Finance shall constitutes an integral and inseparable part of the Regulation of the Minister of Finance No. 184/PMK.01/2010 concerning Organization and Administration of the Ministry of Finance.

CHAPTER XIV

CLOSING

Article 42

Changes in organization and working procedures according to this Regulation of the Minister of Finance shall be stipulated by the Minister of Finance upon consideration of a Minister in charge of state apparatus empowerment and bureaucratic reform affairs.

Article 43

With the entry into force of this Regulation, [Regulation of the Minister of Finance No. 52/PMK.01/2007](#) On Organization and Administration of the Government Investment Center shall be



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revoked and declared null and void.

Article 44

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 August 18, 2011
MINISTER OF FINANCE ,

Signed,

AGUS D.W.
MARTOWARDOJO

Promulgated in Jakarta
On August 18, 2011
MINISTER OF LAW AND HUMAN RIGHTS,

Signed

PATRIALIS AKBAR

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2011 NUMBER 508



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APPENDIX TO

REGULATION OF THE MINISTER OF FINANCE NUMBER 135/PMK.01/2011
CONCERNING ORGANIZATION AND WORKING PROCEDURES OF GOVERNMENT
INVESTMENT CENTER

ORGANIZATIONAL CHART OF GOVERNMENT INVESTMENT CENTER

MANAGING DIRECTOR

SECRETARIAT OF PIP

DIRECTORATE GENERAL	DIRECTORATE OF FINANCE	DIRECTORATE OF COMPLIANCE AND RISK MANAGEMENT	DIRECTORATE OF LOAN INVESTMENT PORTFOLIO	DIRECTORATE OF NON-LOAN INVESTMENT PORTFOLIO
DIVISION OF HUMAN RESOURCE MANAGEMENT	DIVISION OF PLANNING AND BUDGET	DIVISION OF INTERNAL COMPLIANCE	DIVISION OF WESTERN REGION LOANS	DIVISION OF EQUITY AND SECURITIES
DIVISION OF HOUSEKEEPING AND INFORMATION TECHNOLOGY	DIVISION OF TREASURY	DIVISION OF RISK MANAGEMENT	DIVISION OF CENTRAL REGION LOANS	DIVISION OF PUBLIC- PRIVATE PARTNERSHIP (PPP)
DIVISION OF EQUIPMENT	DIVISION OF ACCOUNTING AND SETTLEMENT	DIVISION OF LAW	DIVISION OF EASTERN REGION LOANS	DIVISION OF FOREIGN INVESTMENT COOPERATION

FUNCTIONAL GROUP	POSITION
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