



MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

COPY OF

REGULATION OF THE MINISTER OF FINANCE OF REPUBLIC OF INDONESIA
NUMBER 211/PMK.08/2011

CONCERNING

PROCEDURES FOR SELECTION OF DOMESTIC LENDER CANDIDATES

BY THE GRACE OF GOD ALMIGHTY

THE MINISTER OF FINANCE OF REPUBLIC OF INDONESIA,

- Considering
- a. that to increase effectiveness and provide legal certainty in implementing the selection of domestic lender candidates, it is necessary to regulate procedures for selection of domestic lender candidates;
 - b. that in accordance with the considerations as referred to in point a and to conduct the provisions of Article 14 paragraph (1) of Regulation of Government Number 54 of 2008 on Procedures for Provision and Subsidiary Loan of Domestic Loan by the Government, it is necessary to stipulate a Regulation of Minister of Finance on Procedures for Selection of Domestic Lender Candidates;
- In View of
- : 1. [Act Number 19 of 2003](#) concerning State Owned Enterprises (State Gazette of the Republic of Indonesia of 2003 Number 70, Supplement to State Gazette of the Republic of Indonesia Number 4297);
 - 2. [Act Number 1 of 2004](#) concerning State Revenue and Expenditure Budget (State Gazette of the Republic of Indonesia of 2004 Number 5, Supplement to State Gazette of the Republic of Indonesia Number 4355);
 - 3. [Act Number 32 of 2004](#) concerning Regional Government (State Gazette of the Republic of Indonesia of 2004 Number 125, Supplement to State Gazette of the Republic of Indonesia Number 4437) as amended by [Act Number 8 of 2005](#) (State Gazette of Republic of Indonesia of 2005 Number 108, Supplement to State Gazette of Republic of Indonesia Number 4548);
 - 4. [Regulation of Government Number 54 of 2008](#) on Procedures for Provision and Subsidiary Loan of Domestic Loan by the Government (State Gazette of Republic of Indonesia of 2008 Number 115, Supplement to State Gazette of Republic of Indonesia Number 4885);



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DECIDES:

To Stipulate : REGULATION OF THE MINISTER OF FINANCE
CONCERNING PROCEDURES FOR SELECTION OF
DOMESTIC LENDER CANDIDATES

CHAPTER I
GENERAL PROVISION

Article 1

In this Regulation of Minister of Finance:

- (1) Domestic Loan or *Pinjaman Dalam Negeri*, hereinafter referred to as PDN, is loan by government that is derived from PDN lender that must be paid by particular requirement in accordance with the effective time.
- (2) Domestic Loan Provision or *Pengadaan Pinjaman Dalam Negeri*, hereinafter referred to as PDN Provision, is loan provision in rupiah currency made by the government, derived from the State Owned Enterprises, Regional Governments and Regional Companies, which is used to finance particular activities.
- (3) Domestic Lender or *Pemberi Pinjaman Dalam Negeri*, hereinafter referred to as PDN lender, is a State Owned Enterprise, a Regional Government, or a Regional Company that provides loan to the Government.
- (4) Domestic Loan Agreement Document or *Naskah Perjanjian Pinjaman Dalam Negeri*, hereinafter referred to as PDN Agreement Document, is an agreement document or other equivalent documents that contain an agreement concerning domestic loan between the Government and the PDN lender.
- (5) State Owned Enterprise, hereinafter referred to as SOE, is an enterprise whose capital entirely or partially is owned by state through direct participation from separated state property.
- (6) Regional Government may refer to Governor, Regent, or Mayor, and regional official as components of regional government administrator.
- (7) Regional Company is a company whose capital entirely or partially is separated regional property, except if it is stipulated otherwise under an act.
- (8) Selection Document is a document stipulated by the Director general of Debt Management that contains information and provision to be obeyed by parties in



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the selection process of PDN lender candidates.

- (9) Limited Selection is a selection method of PDN lender candidates with a number of candidates that is able to conduct and fulfill requirements deemed limited.
- (10) Direct assignment is a selection method of PDN lender candidates by assigning 1 (one) PDN lender candidate directly.

CHAPTER II
AUTHORITY
Article 2

Director General of Debt Management is authorized to conduct selection of PDN lender.

CHAPTER III
FORMATION OF SELECTION COMMITTEE

Article 3

In order to conduct selection of PDN lender as referred to in Article 2, the Director General of Debt Management shall form a Selection committee.

Article 4

Selection Committee is chosen from components of Civil Servant that meets the following requirement:

- a. having integrity, discipline, and responsibility in performing the duties;
- b. understanding the work to be conducted;
- c. understanding the content of the selection document;
- d. having no conflict of interest; and
- e. signing an Integrity Pact that contains a statement not to commit collusion, corruption, nepotism, and or statements required in the selection process.

Article 5

Selection Committee shall be in an odd number and consists of at least 3 (three) people.

Article 6

Working period of the Selection Committee is stipulated by the Director of General of Debt Management.



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Article 7

If required, the Selection Committee may ask favor of resource person(s).

CHAPTER IV GENERAL PRINCIPLES

Part One

Selection Method

Article 8

- (1) Selection is conducted through Limited Selection.
- (2) Bid of Limited Selection as referred to in paragraph (1) is conveyed to SOEs, Regional Governments, and Regional Companies that fulfill the requirements.
- (3) If there is only 1 (one) PDN lender candidate that fulfills the requirements, the selection can be conducted through direct assignment.

Part Two

Requirement of PDN lender Candidate

Article 9

- (1) PDN lender candidates from SOE or Regional Company shall fulfill the requirements of at least:
 - a. having net income during 3 (three) last year consecutively;
 - b. obtaining approval from the authorized party with Articles of Association and Bylaws of relevant SOE / Regional Company; and
 - c. having Subscribed and Paid-up Capital at least Rp1,000,000,000,000.00 (one trillion Rupiahs).
- (2) PDN lender candidates from Regional Government shall fulfill the following requirements:
 - a. having conducted the fulfillment of obligation in accordance with the provisions of legislation;
 - b. having no debt of interest payment, principal repayment, and other obligations related to debt to other parties;
 - c. having obtained approval from Regional House of Representatives; and
 - d. having obtained consideration from the Minister of Home Affairs.

CHAPTER V

PREPARATION OF SELECTION OF PDN LENDER CANDIDATES

Article 10



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- (1) Selection Committee shall conduct the preparation of selection that includes the following activities:
 - a. planning selection of PDN lender candidates;
 - b. arranging selection schedule of PDN lender candidates; and
 - c. preparing the Selection Document.
- (2) Selection Document as referred to as in paragraph (1) point c is stipulated by the Director of General of Debt Management.

CHAPTER VI
SELECTION PROCESS OF PDN LENDER CANDIDATES
Article 11

Selection committee conducts the selection through the following stages:

- a. delivery of invitation to PDN lender candidates;
- b. explanation (*aanwijzing*);
- c. acceptance of bid documents from PDN lender candidates;
- d. evaluation of bid documents from PDN lender candidates;
- e. shortlisting PDN lender candidates;
- f. beauty contest of PDN lender candidates; and
- g. nomination for determination of PDN lender candidate winner.

Article 12

Selection Committee invites SOE, Regional Government, and / or Regional Company that meet the requirements as referred to in Article 9 to submit PDN bid documents (Request for Proposal).

Article 13

- (1) Selection Committee conducts an explanation session (*aanwijzing*) to SOE, Regional Government, and Regional Company that propose the PDN bid documents.
- (2) Explanation (*aanwijzing*) as referred to in paragraph (1) includes:
 - a. bid procedures;
 - b. documents to be attached in bidding;
 - c. evaluation method; and/or
 - d. things that can disqualify bid.



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Article 14

- (1) PDN lender candidates shall submit the bid documents to the Selection Committee.
- (2) PDN bid documents received by the Selection Committee shall fulfill the following requirements:
 - a. signed by Board of Directors or an authorized official in relevant SOE / Regional Government / Regional Company;
 - b. clearly dated and sufficiently sealed; and
 - c. the bid validity period is not less than the period as stipulated in the Selection Document.

Article 15

- (1) Selection Committee conducts an administrative evaluation and a fund evaluation on PDN bid documents.
- (2) Administrative evaluation includes completeness and legality of PDN bid documents.
- (3) Fund evaluation includes terms and conditions of PDN bid documents.

Article 16

- (1) The bid winner is determined in accordance with the administrative evaluation and the fund evaluation.
- (2) Selection Committee shortlists candidates from the administrative evaluation and the fund evaluation.
- (3) Selection Committee reports the results of the administrative evaluation and the fund evaluation as referred to as in paragraph (2) to the Director General of Debt Management.

Article 17

- (1) Selection Committee conducts beauty contest to qualified PDN lender candidates.
- (2) Beauty Contest as referred to in paragraph (1) shall be done by confirming terms and conditions and operating readiness of PDN lender candidates or under other conditions stipulated in the Selection Document.
- (3) In case there is only 1(one) qualified PDN lender candidate, the beauty contest shall remain implemented.

CHAPTER VII
WINNER DETERMINATION AND ANNOUNCEMENT



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AND OBJECTION PERIOD OF PDN LENDER
CANDIDATE SELECTION
Article 18

In accordance with suggestions of the Selection Committee, the Director General of Debt Management shall determine a winner of PDN lender candidate selection.

Article 19

Selection Committee conveys a determination letter of winner to the participants at least of 2 (two) working days after receiving a determination letter of winner of PDN lender candidate selection.

Article 20

- (1) A PDN lender candidate that feels harmed may propose an objection letter to the Director General of Debt Management at least 5 (five) working days after receiving the winner announcement.
- (2) Director general of Debt Management shall respond at least 5 (five) working days since the receipt of such objection letter as referred to in paragraph (1), after getting suggestions from the Selection Committee.
- (3) In the case of any dissatisfaction on the response as referred in paragraph (2), the PDN lender candidate may propose an objection letter to the Minister of Finance at least 5 (five) working days since its receipt.
- (4) Minister of Finance shall respond at least 15 (fifteen) days since the receipt of such objection letter as referred to in paragraph (3).
- (5) If the objection or appeal objection is considered to be true, the selection process of PDN lender candidates shall be reevaluated or a reselection is made.
- (6) Any objection shall be followed up by an agency that receives the objection in accordance with the provisions of legislation.

Article 21

- (1) In case a winner of selection of PDN lender candidates resigns, a candidate ranks the second of selection of PDN lender candidates shall be determined as the selection winner.
- (2) PDN lender candidate that resigns as referred to in paragraph (1) may not participate in 1 (one) following



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selection of PDN lender candidates.

CHAPTER VIII
PDN CONTRACT

Article 22

PDN contract shall be signed by the Minister of Finance and President Director of SOE / Regional Company or regional Leader as winner of selection of PDN lender candidates.

CHAPTER IX
SELECTION COSTS

Article 23

Any costs incurred as a result of the selection of PDN lender candidates shall be charged to the State Budget.

CHAPTER IX
SELECTION CHARGE

Article 24

At the time this Regulation of Minister of Finance comes into force, [Regulation of Minister of Finance Number 90/PMK.08/2010](#) concerning Procedures for Selection of Domestic Lender Candidates shall be revoked and deemed null and void.

Article 25

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 December 12, 2011
MINISTER OF FINANCE
Signed
AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta
On December 12, 2011
MINISTER OF LAW AND HUMAN RIGHTS

Signed

AMIR SYAMSUDDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2011 NUMBER 821

[Appendix](#)



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