

Appendix 1

Group of Thirty Compliance

The Group of Thirty recommendations were originally conceived as the group's Standards on Securities Settlement Systems in 1989, detailing in a first-of-its-kind report nine recommendations for efficient and effective securities markets covering legal, structural and settlement process areas. The recommendations were subsequently reviewed and updated in 2001, under the leadership of the Bank for International Settlements, and through the efforts of a joint task force of the Committee on Payment and Settlement Systems and the Technical Committee of the International Organization of Securities Commissions. Compliance with the Group of Thirty recommendations in individual markets is often an integral part in securities industry participants' and intermediaries' due diligence process.

Table A1: Group of Thirty Recommendations—Compliance for Indonesia

Recommendation		Implemented
1	Eliminate paper and automate communication, data capture, and enrichment.	Yes
2	Harmonize messaging standards and communication protocols.	No
3	Develop and implement reference data standards.	Yes
4	Synchronize timing between different clearing and settlement systems and associated payment and foreign exchange systems.	Yes
5	Automate and standardize institutional trade matching.	No
6	Expand the use of central counterparties.	Yes
7	Permit securities lending and borrowing to expedite settlement.	Yes
8	Automate and standardize asset servicing processes, including corporate actions, tax relief arrangements, and restrictions on foreign ownership.	No
9	Ensure the financial integrity of providers of clearing and settlement services.	Yes
10	Reinforce the risk management practices of users of clearing and settlement service providers.	No
11	Ensure finals, simultaneous transfer and availability of assets.	Yes

Recommendation		Implemented
12	Ensure effective business continuity and disaster recovery planning.	No
13	Address the possibility of failure of a systematically important institution.	No
14	Strengthen assessment of the enforceability of contracts.	Yes
15	Advance legal certainty over rights to securities, cash, or collateral.	Yes
16	Recognize and support improved valuation methodologies and closeout netting arrangements.	Yes
17	Ensure appointment of appropriately experienced and senior board members (of the boards of securities clearing and settlement infrastructure providers).	Yes
18	Promote fair access to securities clearing and settlement networks.	Yes
19	Ensure equitable and effective attention to stakeholder interests.	Yes
20	Encourage consistent regulation and oversight of securities clearing and settlement service providers.	Yes

Source: Group of Thirty. *Global Clearing and Settlement—A Plan of Action*.
<http://newsite.group30.org/publications/detail/123>

Appendix 2

Practical References

For easy access to further information about the market features described in the Indonesia Bond Market Guide—including information on the policy bodies, regulatory authorities, and securities market-related institutions—interested parties are encouraged to utilize the following links (most web pages available in English):

AsianBondsOnline (Asian Development Bank)
<https://asianbondsonline.adb.org/indonesia.php>

Bank Indonesia
<http://www.bi.go.id/en/Default.aspx>

Bank Indonesia—Scripless Securities Settlement System
<http://www.bi.go.id/en/sistem-pembayaran/sistem-setelmen/bi-ssss/bi-ssss/Contents/Default.aspx>

Financial Services Authority (Otoritas Jasa Keuangan)
<http://www.ojk.go.id/en/Default.aspx>

Indonesia Bond Pricing Agency (Penilai Harga Efek Indonesia)
<http://www.ibpa.co.id>

Indonesia Bond Pricing Agency—Microsite (Bond Overview)
<http://www.ibpa.co.id/IBPAMicrosite.aspx>

Indonesian Central Securities Depository (Kustodian Sentral Efek Indonesia)
<http://www.ksei.co.id/?setLocale=en-US>

Indonesia Deposit Insurance Corporation (Lembaga Penjamin Simpanan)
<http://www.lps.go.id>

Indonesian Securities Clearing House (Kliring Penjaminan Efek Indonesia)
<http://www.kpei.co.id>

Indonesia Stock Exchange (Bursa Efek Indonesia)
<http://www.idx.co.id/index-En.html>

Indonesia Stock Exchange—*IDX FactBook*
<http://www.idx.co.id/en-us/home/publication/factbook.aspx>

Appendix 3

Glossary of Technical Terms

Aqd	Islamic law term for contract
Bahasa	Typical shortening of Bahasa Indonesia, the national language
Bahasa Indonesia	The national language of Indonesia
Bapepam	Badan Pengawas Pasar Modal (Capital Market Supervisory Agency) (original name until 2005)
Bapepam-LK	Badan Pengawas Pasar Modal dan Lembaga Keuangan (Capital Market Supervisory Agency) (predecessor agency of OJK from 2005 until 2012)
Capital Market Participant	Official term for entities licensed by OJK to participate in the capital market, such as securities companies
Capital Market Supporting Institution	Official term for entities licensed by or registered with OJK to act as intermediaries in the capital market, such as custodians, security administrators, or trustees
Capital Market Supporting Profession	Official name for professional firms or individuals registered with OJK to be able to service issuers or other entities participating in the capital market, such as accountants, auditors, legal counsels, or notaries public
filing	Action of submitting documentation
infomemo	Market term for information memorandum used in private placements
Investor Area	Service provided by KSEI for its members to provide account information directly to asset owners, using their Single Investor Identification
Offering Memorandum	Synonymous with Information Memorandum; term typically used for key documentation for a private placement mainly to professional investors
over-the-counter	Organized market for the trading of debt securities, with transactions for both listed and unlisted debt securities
preliminary prospectus	Version of the key disclosure document for publicly offered debt securities in Indonesia, which is used as an offer document in a book building exercise
prospectus	Key disclosure document for publicly offered debt securities in Indonesia
registration	Refers to the registration of securities to be issued with OJK for the purpose of obtaining approval for said issuance

registration	Refers to the registration of securities with KSEI to be eligible for settlement and safekeeping in the Indonesian market
Registration Statement	Document to be submitted to OJK for the approval of securities issuance
Sharia bond	Term for <i>sukuk</i> in the Indonesian market
Single Investor Identification	Investor number allocated by KSEI for the purposes of investor convenience and regulatory supervision
sub-registry	Refers to the function of an agent of BI for the purpose of settling government securities and BI issued instruments
summary prospectus	Version of the key disclosure document for publicly offered debt securities in Indonesia, which is used specifically for the prescribed mass media publication preceding a public offer

Source: ADB consultants for SF1.