

Update on the Terms of Domestic Non-Deliverable Forward Transactions Under Indonesian Law

Bank Indonesia recently updated its regulation on domestic non-deliverable forward (DNDF) transactions. Bank Indonesia Regulation No. 24/7/PBI/2022 on Foreign Exchange Market Transactions (“BI Reg. 24/7/2022”) replaces the previous regulation on DNDF, BI Regulation No. 20/10/PBI/2018 (as amended). BI Reg. 24/7/2022 makes some noteworthy amendments on the DNDF terms and introduces new thresholds and provisions on DNDF transactions. This Advisory covers the salient key points that banks and business actors need to note in the new BI Reg. 24/7/2022.