

New Financial Service Authority Regulation on Peer-to-Peer Lending

The ever-growing industry of Peer-to-Peer Lending (“P2P Lending”) has driven the Financial Services Authority (Otoritas Jasa Keuangan – “OJK”) to issue OJK Regulation No. 10/POJK.05/2022 on Technology-Based Collective Financing Services, which came into force on 4 July 2022. The regulation provides more detailed and extensive provisions to cater with the rapid development of the industry.

This advisory serves as a brief introduction to the regulation, in order to gauge the new regulatory framework for P2P Lending and how it differs from its predecessor, including the transition period for existing P2P Lending Providers to comply with the new requirements under this regulation.