



New Payment System Providers (PJP) Framework

Issue 9, February 2026?

In our previous Advisory, *Redrawing the Rules: Bank Indonesia's New Payment System Regime*, we discussed Bank Indonesia's overhaul of the payment system regulatory framework, including the introduction of new licensing and supervision for Payment Services Providers ("PJP") and Payment System Infrastructure Providers ("PIP").

This Advisory focuses solely on the PJP regime. It highlights the key changes, clearer distinctions, and new obligations for PJP under **Bank Indonesia Regulation No. 10 of 2025** and **Board of Governors Regulation No. 32 of 2025** (together, the "Regulations").

A. Comparison of Activities

Under the previous regime, Bank Indonesia grouped PJP licenses by type of activity. The new Regulations replace this structure with a **bundled approach**, where related activities are grouped together.

1. License Category 1 ? Bundling Activity 1

Previous Regime – License Category 1:

1. Providing sources of funds information.
2. Initiating payments and/or acquiring services.
3. Administering sources of funds.
4. Fund remittance services.

Current Regulations – Bundling Activity 1:

1. Administration of sources of funds, which includes:
 - a. administration of payment accounts; and
 - b. issuance and/or provision of access to sources of funds.
2. Forwarding payment transactions, including:
 - a. forwarding payment data and instructions (which may include facilitating receipt of payment proceeds through sub-accounts for merchants or service providers); and
 - b. forwarding fund transfer instructions, whether digitally or non-digitally.

2. License Category 2 ? Bundling Activity 2

Previous Regime – License Category 2:

1. Providing sources of funds information.
2. Initiating payments and/or acquiring services.

Current Regulations – Bundling Activity 2:

Payment forwarding activities, including:

1. forwarding payment transaction data and instructions (which may include facilitating receipt of payment proceeds); and
2. forwarding fund transfer instructions, whether digitally or non-digitally.

3. License Category 3 ? Bundling Activity 3

Previous Regime – License Category 3:

1. Fund remittance services.
2. Other activities as determined by Bank Indonesia.

Current Regulations – Bundling Activity 3:

Forwarding non-digital fund transfer instructions.

Bank Indonesia will review the activities of existing PJP to determine how their current licenses will be converted into the new bundled structure.

No later than **31 March 2027**, Bank Indonesia will:

1. Convert the activities attached to existing PJP licenses into the relevant activity bundles; and
2. Reclassify PJP under the new provider categories (primary or non-primary).

B. Updates in Capital Requirements

The Regulations maintain the same initial capital requirements for new PJPs. These requirements are now tied to activity bundles (previously license categories).

1. Initial Capital Requirements

- **Bundling Activity 1 (formerly License Category 1):**
Minimum IDR 15 billion (approx. USD 892,857).
- **Bundling Activity 2 (formerly License Category 2):**
Minimum IDR 5 billion (approx. USD 297,619).
- **Bundling Activity 3 (formerly License Category 3):**
 - If providing a system for other PJPs holding Bundling Activity 3:
Minimum IDR 1 billion (approx. USD 59,524).
 - Otherwise:
Minimum IDR 500 million (approx. USD 29,762).

2. Ongoing Capital Requirements

PJPs must also comply with ongoing capital requirements. While largely similar to the previous regime, the Regulations revise the capital surcharge mechanism.

Previous Regime:

1. Minimum capital of at least 10% of risk-weighted transactions.
2. Additional capital requirements (surcharges):
 - 2.5% of risk-weighted transactions for PJPs with systemic impact; and
 - 1.5% of risk-weighted transactions for PJPs with critical impact.

Current Regulations:

1. Minimum capital of at least 10% of risk-weighted transactions.
2. Additional capital requirements (surcharges):
 - 1.5% of risk-weighted transactions for PJPs with a transaction and interconnection assessment rating of moderate to high; and
 - 2.5% of risk-weighted transactions for PJPs with a transaction and interconnection assessment rating of high.

C. Grandfathered Conditions

The Regulations provide transitional protection for PJPs that were licensed prior to the new rules taking effect. These existing PJPs are exempt from certain ownership requirements,

provided there are no changes involving foreign parties:

1. Ownership Requirement

Existing PJPAs are not required to comply with the rule that at least 15% of shares must be owned by Indonesian individuals or Indonesian legal entities, provided there is no change in the composition of foreign ownership.

2. Control Requirement

Existing PJPAs are not required to comply with the rule that at least 51% of shares must be owned by Indonesian individuals or Indonesian legal entities, provided there is no change in foreign control.

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