

Bank Indonesia Issues a New Regulation on the Reporting of Foreign Exchange Flow Activities

Bank Indonesia (“**BI**”) recently issued Regulation No. 21/2/PBI/2019 on the Reporting of Foreign Exchange Flow Activities (*Kegiatan Lalu Lintas Devisa*) (“**Reg. 21/2**”) on 7 January 2019, which comes into effect on 1 March 2019.

Reg. 21/2 partially revokes BI Regulation No. 16/22/PBI/2014 on the Reporting of Foreign Exchange Flow Activities and the Reporting of the Application of the Prudential Principle in the Management of Non-Bank Entities’ Foreign Debts (“**Reg. 16/22**”), replacing all the provisions of Reg. 16/22 on the reporting of foreign exchange flow activities. Therefore, when Reg. 21/2 comes into effect in March 2019, Reg. 16/22 will only cover reporting on the application of the prudential principle (*kegiatan prinsip kehati-hatian* – KPPK).

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