

## Indonesia: Recent developments and key insights on bank secrecy

### In brief

Following the enactment of Law No. 4 of 2023 on the Development and Strengthening of the Financial Sector (“**P2SK Law**”), the Indonesian Financial Services Authority (*Otoritas Jasa Keuangan* or “**OJK**”) has introduced a new regulation on bank secrecy – OJK Regulation No. 44 of 2024 on Bank Secrecy (“**POJK 44**”). POJK 44 updates the previous regulation issued by Bank Indonesia, i.e., Regulation No. 2/19/PBI/2000 (“**PBI 2**”). POJK 44 builds on the P2SK Law provisions by, among other things, clarifying the applicability of the bank secrecy rules, expanding the exceptions to bank secrecy requirements, adding technical measures for financial institutions to disclose bank secrets to the appropriate authorities, and imposing additional administrative sanctions on non-compliance.

### In this issue

- Scope of bank secrecy applicability
- Scope of exemptions from bank secrecy requirements
- Obligation to disclose
- Compliance
- Closing

### Scope of bank secrecy applicability

POJK 44 specifies that bank secrecy regulations apply to customers as depositors and investors. However, customers as debtors and facility borrowers are not included under this regulation. Despite this, banks are still obligated to protect the confidentiality of debtors and facility borrowers in accordance with applicable laws, including OJK’s regulation on consumer and public protection in the financial services industry, as well as personal data protection regulations.

### Scope of exemptions from bank secrecy requirements

Under the regulations in force before the P2SK Law and POJK 44 came into force, the following exceptions applied to banks’ obligations to keep customer information and deposits confidential:

- Tax purposes
- Settlement of receivables that have been handed over to the State Receivables and Auction Agency/State Receivables Affairs Committee (*Badan Urusan Piutang dan Lelang Negara/Panitia Urusan Piutang Negara*)
- Criminal court cases
- Civil court cases
- Information exchange between banks
- Written requests or approvals from depositors and requests from legitimate heirs of deceased depositors

However, by adjusting and streamlining the provisions in the P2SK Law, POJK 44 adds new exceptions to the above list, allowing banks to disclose customer information for the following purposes:

- Request from court-appointed curators in bankruptcy and liquidators in asset settlement
- Mutual legal assistance in criminal matters
- Other institutions’ requests in relation to state administration matters at the national level and for the public interest

- Monetary and payment system functions by Bank Indonesia
- Deposit insurance and resolution tasks by the Indonesian Deposit Insurance Corporation (*Lembaga Penjamin Simpanan*)
- International cooperation agreements

Under POJK 44, banks are required to have internal policies in place for disclosing bank secrets for the reasons mentioned above, and are required to record all requests for and deliveries of information pertaining to bank secrecy.

---

## Obligation to disclose

Under previous regulations, the relevant parties had to get permission from the relevant authority to disclose bank secrets for the purpose of tax, settlement of receivables to the State Receivables and Auction Agency/State Receivables Affairs Committee and criminal court cases. POJK 44 has removed the obligation to disclose bank secrets for tax purposes, and added an obligation to disclose bank secrets for the purpose of mutual legal assistance in criminal matters. OJK's permission to disclose bank secrets is still required for the settlement of receivables and criminal court cases.

Apart from the points mentioned above, bank secrets can be disclosed without permission from OJK. However, POJK 44 further regulates the governance and mechanism for disclosure of bank secrets without permission from OJK between banks and the competent relevant authorities. Specifically on the obligation to disclose bank secrets for tax purposes, POJK 44 does not explicitly regulate this disclosure anymore as the provision on disclosure for tax purposes is separately regulated under Law No. 9 of 2017 on Access to Financial Information for Tax Purposes.

---

## Compliance

### 1. Time Period

Previously, the competent authority was obliged to accept or reject a request for permission to disclose bank secrets no later than 14 days after the request letter was received in full. POJK 44 shortens this period to seven days.

### 2. Sanctions

In PBI 2, sanctions are in the form of imprisonment and fines, as provided in Law No. 10 of 1998 on Amendments to Law No. 7 of 1992 on Banking (as lastly amended by P2SK Law). POJK 44 extends the range of sanctions that can be imposed to also include administrative sanctions for non-compliance followed by downgrading the good governance factor assessment in the bank's soundness rating.

---

## Closing

The introduction of POJK 44 marks a significant development in the regulation of bank secrecy. POJK 44 seeks to improve accountability and practicality in the banking industry by broadening the range of exemptions and expediting the disclosure procedure. As the regulatory landscape evolves, staying compliant with these new requirements will be essential for fostering a secure and trustworthy banking environment.

## Contact Us



**Erwandi Hendarta**  
Senior Partner  
[erwandi.hendarta@hhplawfirm.com](mailto:erwandi.hendarta@hhplawfirm.com)



**Mahardikha K Sardjana**  
Partner  
[mahardikha.k.sardjana@hhplawfirm.com](mailto:mahardikha.k.sardjana@hhplawfirm.com)



**Eddie Dewanda**  
Partner  
[eddie.dewanda@hhplawfirm.com](mailto:eddie.dewanda@hhplawfirm.com)



**Amanda Besar**  
Associate  
[amanda.besar@hhplawfirm.com](mailto:amanda.besar@hhplawfirm.com)

© 2025 HHP Law Firm. All rights reserved. This may qualify as "Attorney Advertising" requiring notice in some jurisdictions. Prior results do not guarantee a similar outcome.

