NEW GOVERNMENT REGULATION ON FINANCIAL REPORTING

The Government of the Republic of Indonesia has issued Government Regulation Number 43 of 2025 regarding Financial Reporting which was enacted and took effect on 19 September 2025 ("**GR 43/2025**"). As stated in its elucidation, the regulation is intended to create a robust financial reporting ecosystem and also as one the implementing regulations of Law No. 4 of 2023 regarding Development and Strengthening of the Financial Sector.

Below are some key provisions under GR 43/2025.

Reporting Platform

The financial reports shall be submitted through a centralized financial reporting platform (*platform bersama pelaporan keuangan* – "**PBPK**") to the relevant Ministry, Institution and/or Authority.

Reporting Parties

The reporting entities which are required to prepare and submit the financial reports through PBPK are financial sector business actors (p*elaku usaha sektor keuangan* – "**PUSK**") and any party that conduct business interactions with financial sector institutions.

PUSK, as the reporting entities includes:

a. institutions operating within the banking, capital market, insurance, pension fund and financing sectors;
b. pawnshop companies, guarantee institutions, export financing agencies, secondary mortgage companies, information technology based joint funding service providers, and institutions that manage mandatory public funds and other financial service institutions under the supervision of the Financial Services Authority (*Otoritas Jasa Keuangan* – "**OJK**"); and
c. financial market infrastructure operators, payment system operators, financial sector supporting institutions and other financial sector business operators, whether operating based on conventional or sharia principles.

Further, party(ies) that conduct business interactions with financial sector institutions categorized, as the reporting entities includes:

a. legal entities or non legal entities which are required to maintain bookkeeping;
b. individuals who are required to submit financial statements whenever engaging in business interactions within the financial sector;
c. individuals who are required to engage in bookkeeping based on the applicable tax regulations;
d. any party who is a debtor of a bank;

e. any party who is a debtor of a financing company or institution;
f. an issuer in the capital market sector and/or a public company;
g. an issuer in the money market; and
h. any party engaging in other business interactions with the financial sector.

Preparation and Submission of Financial Reports

The parties that are authorized to prepare financial reports are individuals who possess the required competence and integrity and/or Financial Sector Supporting Professions, i.e., practicing accountants or public accountants. The financial reports must comply with the financial reporting standards established by a Standards Committee to ensure consistency, comparability, and transparency. At the time this regulation comes into force, the financial accounting standards previously established by the Professional Accountants Association shall remain applicable until the Financial Reporting Standards are formally issued by the Standards Committee. During this transitional period, the Professional Accountants Association may continue to establish financial accounting standards until the members of the Standards Committee are appointed.

Each financial statements report must be submitted with a statement letter printed on a separate page of the report, which must be signed by the business owner (if individual reporting entities) or the authorized person (if reporting entities are legal entity or non legal entity). In addition to annual reports, specific purpose reports may be requested by authorities, such as those needed for prospectus preparation or credit agreement compliance.

GR 43/2025 also provides further specific types of reports required to be submitted through PBPK, which depending on the scale of business activities conducted by the reporting entities, as follows:

No.	Category	Documents to be Submitted
1	reporting entity is a parent entity	- consolidated financial statement; - parent entity financial statements as supplementary information of consolidated financial statement; and - other supporting documents (if required)
2	reporting entity subject to mandatory audit requirements	- audited financial statements; - independent auditor's report on the financial statements; and - other supporting documents (if required)
3	parent entity subject to mandatory audit requirements	- audited consolidated financial statements; - parent entity financial statements; - independent auditor's report on the consolidated financial statements; and - other supporting documents (if required)

Commencement of Report

The submission of financial report through the PBPK shall be implemented in stages. For reporting entities which are publicly listed companies and issuers in the capital market sector, the obligation shall be applied at latest in 2027. While for other types of reporting entities shall follow the implementation schedule as determined by the Minister of Finance of the Republic of Indonesia ("**MOF**") after coordinating with the relevant Ministries, Institutions and/or Authorities.

Sanction

In the event that a reporting entity fails to fulfill its obligations to prepare financial statements in accordance with the applicable financial reporting standards and does not submit the financial statements through the PBPK, the reporting entity may be subject to administrative sanctions imposed by the relevant Ministries, Institutions, and/or Authorities.

Going Forward

We still need to see further measures taken by the government as further implementing regulations are to be issued by the MOF.

This Client Alert is intended to provide a brief overview only on several provisions and may not cover all provisions under the GR 43/2025, thus, cannot be deemed as a legal advice. Please do not hesitate to contact us if you need a more detailed discussion, advice, and/or have specific questions.

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