

BANKING, FINANCE & PROJECTS

Bank Indonesia Rewrites the Rules for Indonesia's Payment System under BI Regulation No. 10/2025



Indonesia's payment system industry is entering a major transition period. In December 2025, Bank Indonesia issued Bank Indonesia Regulation No. 10 of 2025 on Payment System Industry Regulation ("**PBI 10/2025**"), creating a single framework that brings together the country's entire payment ecosystem, including service providers, infrastructure operators, and supporting partners. This consolidation reflects Bank Indonesia's broader effort to modernise the national payment landscape as digital transactions continue to grow rapidly.

The current regulatory landscape has long been fragmented, with requirements dispersed across multiple Bank Indonesia regulations. This has created compliance challenges for industry players, such as dealing with overlapping rulesets for those that operate in more than one capacity. At the same time, it has increased regulatory complexity for Bank Indonesia. PBI 10/2025 addresses these issues by consolidating provisions that were previously scattered across three separate regulations: PBI 23/6/PBI/2021 on Payment Service Providers, PBI 23/7/PBI/2021 on Payment System Infrastructure Providers, and PBI 23/11/PBI/2021 on National Payment System Standards.

Key Changes Introduced under PBI 10/2025

Taking effect on 31 March 2026, PBI 10/2025 brings several important changes, including:

- A new assessment framework called TIKMI, which will evaluate Payment System Service Providers ("**PSPs**") based on five key factors: Transaction, Interconnection, Competence, Risk Management, and IT Infrastructure.
- A simplified PSP classification structure, grouping all PSPs into two categories:
 - (1) Payment Service Providers ("**PJPs**"); and
 - (2) Payment Infrastructure Providers ("**PIPs**").
- New activity-bundling rules for PJPs, which streamline and standardise how payment activities are organised and licensed.
- Stronger risk management and capital adequacy requirements, aimed at improving the resilience and operational stability of the payment ecosystem.

Together, these changes are designed to create a more integrated, resilient, and secure national payment system that supports Indonesia's digital economy agenda under the Bank Indonesia's Blueprint for Indonesia Payment System 2030.

New TIKMI Assessment Framework

The first significant change is the introduction of the TIKMI assessment framework as the primary tool to evaluate and classify PSPs. TIKMI examines five areas:

- (1) **Transaction** – Measuring the PSP's scale of transaction in terms of volume and value.
- (2) **Interconnection** – Measuring the extent of connectivity with other PSPs and systems.
- (3) **Competence** – Measuring human resources adequacy.

- (4) **Risk management** – Measuring the strength of risk controls and processes.
- (5) **IT infrastructure** – Measuring the security and reliability of the PSP's technology system.

While PBI 10/2025 requires PSPs to complete a TIKMI self-assessment, Bank Indonesia retains the right to determine the TIKMI results and to appoint an independent third party to carry out the same. The initial TIKMI assessment results will be determined by Bank Indonesia within one year of 31 March 2026 (being PBI 10/2025's effective date).

Simplified PSP Classification

Using the TIKMI results, Bank Indonesia will categorise PSPs under a new structure:

- (1) **Primary PSPs** (*PSP Utama*).
- (2) **Non-Primary PSPs** (*PSP selain PSP Utama*).

Primary PSPs are those whose size, interconnection level, and operational complexity is significant enough that disruption to its services could affect the broader payment or financial system. This two-tier system replaces the previous Systemic, Critical, and General categories.

New Activity Bundling System for PJPs

PBI 10/2025 replaces the previous activity-based licensing model with three predefined activity bundles:

- (1) **Bundling 1** includes source of funds administration (payment account administration and issuance/provision of access to source of funds) and payment transaction forwarding activities. Bundling 1 is further divided into Bundling 1A (available only to Primary PSPs) and Bundling 1B (available also to Non-Primary PSPs).
- (2) **Bundling 2** covers payment transaction forwarding activities including data forwarding, payment instruction forwarding with optional payment facilitation, and fund transfer instruction forwarding through digital or non-digital transfer.
- (3) **Bundling 3** covers non-digital fund transfer instruction forwarding only. Commercial Banks and Rural Banks (BPR) are excluded from Bundling 3 licensing requirements.

Strategic and Annual Business Plan Requirements

PSPs must now prepare and submit to Bank Indonesia:

- (1) A Strategic Business Plan ("**SBP**"), containing its medium-term strategic business directions; and
- (2) A Payment System Business Plan ("**RBSP**"), containing its short-term operational plans, which must be approved by Bank Indonesia.

The RBSP's approval mechanism serves as the primary channel for obtaining consent for new activities, product development, and cooperation arrangements. The first SBP and RBSP must be submitted by 30 April 2026.

Enhanced Capital Requirements

PBI 10/2025 sets out both:

- (1) Minimum paid-up capital requirement; and
- (2) Ongoing capital requirement, which is determined under Article 105 through a payment system capital adequacy ratio of at least 10% of risk-weighted transactions, plus an additional capital surcharge of:
 - 1.5% to 2.5% of risk-weighted transactions for PJPs
 - 2.5% to 5% of risk-weighted transactions for PIPs

Key Changes from PBI 23/6/PBI/2021 on PSPs

To help put these reforms in context, the table below compares the new framework under PBI 10/2025 with the previous PSP regulation. This snapshot highlights how core obligations, processes, and supervisory expectations have shifted under the new regime.

Aspect	PBI 23/6/PBI/2021 (Previous Regulation)	PBI 10/2025 (New Regulation)
PSP Classification	Three-tier: PSPS (Systemic), PSPK (Critical), PSPU (General)	Two-tier: Primary PSP and Non-Primary PSP
Assessment Framework	Based on size, interconnectedness, complexity, and substitutability	TIKMI: Transaction, Interconnection, Competence, Risk Management, IT Infrastructure
Activity Structure	Activity-based licensing (e.g., source of funds provision, payment initiation/acquiring, account issuance)	Bundled licensing system with three predefined activity packages
Business Planning	Risk-based approval for activities/products development (low, medium, high risk) with separate approval processes	Integrated approval through RBSP; all development must be included in RBSP and approved by Bank Indonesia
Capital Requirements	Classification-based capital with no ongoing capital ratio	Minimum ongoing capital ratio of 10% of risk-weighted transactions plus surcharge requirements
Supporting Service Providers	Managed through cooperation agreements with PJPs	Categorised as Critical, Important, and Standard with mandatory registration for Critical and Important categories
Regulatory Structure	Separate regulations for PJP, PIP, and National Standards	Single consolidated regulation covering the entire payment system industry

Partnership with Foreign PSPs

Foreign PSPs may continue partnering with Indonesian-licensed PSPs, but PBI 10/2025 imposes stricter framework on how these partnerships are evaluated and managed. Under the new framework, Indonesian PSPs must conduct more rigorous TIKMI assessment and enhanced due diligence before entering into agreements with foreign counterparts.

While foreign PSPs are not directly subject to Indonesia's licensing regime, they should anticipate more detailed contractual requirements, especially relating to data access, system reliability, and support for AML/CFT compliance.

Transitional Provisions

Existing license holders will continue to be recognised under PBI 10/2025. Bank Indonesia will evaluate all current PJP and PIP licenses to determine how their activities should be mapped into the new bundling structure and whether they fall under the Primary or Non-Primary PSP category. These evaluation results will be communicated to relevant PJPs and PIPs within one year of 31 March 2026.

PJPs and PIPs that do not yet meet the new licensing or TIKMI requirements will have three years to comply, with a possible two-year extension subject to Bank Indonesia's approval. Existing foreign ownership and control arrangements are grandfathered, provided no changes are made to such arrangements.

Practical Implications and Immediate Actions

PBI 10/2025 marks a significant shift in how Indonesia's payment system is regulated. While the consolidation of multiple regulations brings clarity, it also introduces new compliance responsibilities and operational adjustments for PSPs.

PSPs should begin preparing for the transition by reviewing their current operations against the new bundling framework. Below is a useful checklist for this purpose:

No.	Description	Recommended Actions
1.	TIKMI Readiness	
	PBI 10/2025 introduces enhanced requirements on TIKMI, covering five core components that must be met by PSPs.	PSPs should: <ul style="list-style-type: none"> <input type="checkbox"/> assess internal capabilities across all five TIKMI components; <input type="checkbox"/> identify gaps against the new requirements; and <input type="checkbox"/> prioritise system, governance, or process upgrades where necessary.

No.	Description	Recommended Actions
2.	Activity Bundling Alignment	
	The regulation consolidates payment system activities into a new bundling framework that determines the regulatory status of PSPs.	PSPs should: <ul style="list-style-type: none"> <input type="checkbox"/> map existing activities to the new bundling categories; <input type="checkbox"/> assess whether the organisation qualifies as a Primary PSP or Non-Primary PSP; and <input type="checkbox"/> identify any activities that may require restructuring or regulatory approval.
3.	Capital Adequacy	
	PBI 10/2025 introduces an ongoing capital ratio and surcharge requirements aligned with the PSP's activity bundle.	PSPs should: <ul style="list-style-type: none"> <input type="checkbox"/> review current capital levels against the new minimum thresholds; <input type="checkbox"/> assess exposure to additional capital surcharges; and <input type="checkbox"/> plan capital injections or balance sheet adjustments if required.
4.	Business Planning (SBP & RBSP)	
	The RBSP now serves as the primary approval channel for new activities and partnerships, replacing previous fragmented approval mechanisms.	PSPs should: <ul style="list-style-type: none"> <input type="checkbox"/> prepare or update the SBP; <input type="checkbox"/> prepare the RBSP; <input type="checkbox"/> ensure submission of required documents by 30 April 2026; and <input type="checkbox"/> align future expansion plans with the RBSP approval framework.
5.	Supporting Service Providers	
	PBI 10/2025 strengthens oversight over supporting service providers, particularly those deemed critical to the payment system.	PSPs should: <ul style="list-style-type: none"> <input type="checkbox"/> identify all supporting service providers currently engaged; <input type="checkbox"/> assess whether any providers fall under Critical or Important categories; and

No.	Description	Recommended Actions
		<input type="checkbox"/> ensure required registration and compliance obligations are fulfilled.
6.	Foreign Partnership Arrangements	
	The regulation introduces clearer expectations on cooperation with foreign parties to safeguard sovereignty and system resilience.	PSPs should: <input type="checkbox"/> review all existing partnerships with foreign parties; <input type="checkbox"/> assess compliance with new regulatory expectations; and <input type="checkbox"/> restructure or renegotiate arrangements where necessary to align with PBI 10/2025.

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