

PRESS RELEASE

OJK ACCELERATES CAPITAL MARKET REFORM TO STRENGTHEN LIQUIDITY AND INVESTOR CONFIDENCE

Jakarta, 1 February 2026. The Financial Services Authority (Otoritas Jasa Keuangan/OJK), together with the Government and relevant stakeholders, reaffirmed its commitment to accelerating comprehensive reforms of Indonesia's capital market to strengthen liquidity, enhance transparency, and safeguard investor confidence through eight action plans.

"OJK, together with the Self-Regulatory Organizations—including the Indonesia Stock Exchange (IDX), the Indonesian Clearing and Guarantee Corporation (KPEI), and the Indonesian Central Securities Depository (KSEI)—reaffirms its commitment to undertaking bold and ambitious reforms in Indonesia's capital market, in line with best practices and in response to the expectations of Global Index Providers," said the Acting Chair of the OJK Board of Commissioners, Friderica Widayasari Dewi, during the Capital Market Dialogue held at the Main Hall of the Indonesia Stock Exchange, Jakarta, on Sunday.

Friderica explained that these action plans for accelerating integrity reforms are expected to make Indonesia's capital market increasingly credible and investable, thereby enabling it to provide optimal support for Indonesia's economic growth.

The eight action plans are grouped into four clusters. The first cluster covers the new free float policy, the second focuses on transparency, the third addresses governance and enforcement, and the fourth emphasizes synergy.

The first action plan is to increase the minimum free float requirement for listed companies to 15 percent, up from the current threshold of 7.5 percent, to be implemented gradually in stages. Newly listed companies through initial public offerings (IPOs) may be subject to the 15 percent requirement immediately, while existing listed companies will be granted a transition period.

This policy is intended to align Indonesia's free float requirements with global standards. The enhancement of the free float policy will be established in the near term. At present, there are already regulatory provisions that can serve as strategic steps for listed companies to increase their free float, including corporate actions such as rights issues, pre-emptive rights offerings (HMETD), non-pre-emptive offerings (non-HMETD), as well as Employee Stock Ownership Plans (ESOP) and Employee Management Stock Ownership Plans (EMSOP).

Furthermore, in collaboration with the Government, OJK and the Self-Regulatory Organizations will strengthen the role of domestic institutional investors and expand the investor base, both domestic and foreign. The Government has conveyed its commitment to supporting the capital market industry through adjustments to various investment limits, including in the insurance and pension fund sectors, in accordance with sound risk management and good governance practices.

The second category focuses on transparency, particularly transparency regarding ultimate beneficial ownership (UBO). OJK will continue to promote enhanced UBO transparency and disclosure of shareholder affiliations to improve market credibility and investment attractiveness, through firm regulations aligned with international best practices.

The third category concerns the strengthening of share ownership data. OJK will instruct the Self-Regulatory Organizations to enhance share ownership data to be more granular and reliable, including the classification of investor sub-types in accordance with global practices. The Indonesian Central Securities Depository (KSEI) will provide this data to the Indonesia Stock Exchange for publication on the Exchange's website.

The governance and enforcement category comprises three action plans. The fourth action plan is the demutualization of the Indonesia Stock Exchange, as mandated by law, to strengthen governance and reduce conflicts of interest. OJK will continue discussions with the Government and the Exchange in preparation for its implementation.

The fifth action plan involves the enforcement of regulations and sanctions. OJK will strengthen enforcement against various violations of capital market laws, including stock transaction manipulation and the dissemination of misleading information that harms retail investors.

The sixth action plan focuses on strengthening issuer governance, among others through mandatory continuing education for members of the boards of directors, boards of commissioners, and audit committees, as well as mandatory certification requirements for preparers of issuers' financial statements.

Under the synergy cluster, the seventh action plan is integrated market deepening through OJK's collaboration with the Ministry of Finance, Bank Indonesia, and other stakeholders, to reinforce the role of the capital market as a source of long-term financing.

The eighth action plan is the strengthening of collaboration and synergy with all stakeholders, including the Government, Self-Regulatory Organizations, and industry participants, to ensure the continued and sustainable implementation of capital market reforms.

Meanwhile, the Acting Chief Executive of Capital Market, Derivative Finance, and Carbon Exchange Supervision at OJK, Hasan Fawzi, emphasized the importance of investor confidence in enhancing the role of Indonesia's capital market.

"OJK will continue to be present, to work together with all of you, and to take concrete actions to safeguard public trust and protect investors in our capital market, while ensuring that our capital market and Indonesia's entire financial system grow in a healthy, integrity-driven, competitive, and sustainable manner," said Hasan.

Hasan also reaffirmed OJK's commitment to ensuring that Indonesia's capital market remains solid, trustworthy, and serves as a key pillar in supporting national economic growth.

On the same occasion, the Acting President Director of PT Bursa Efek Indonesia, Jeffrey Hendrik, emphasized that the Exchange is ready to enhance transparency in accelerating integrity reforms, as requested by MSCI, to further strengthen investor confidence.

“What we will do is deepen the market, particularly from the demand side, to attract more foreign investors through an increased weighting of Indonesia within index constituents. As previously conveyed, we as Self-Regulatory Organizations will enhance disclosure,” Jeffrey stressed.

At the same event, the Chief Executive Officer of Danantara, Rosan Roeslani, underscored the importance of quality, transparency, and accountability of the stock exchange as fundamental pillars of Indonesia’s capital market.

“How our exchange grows should not be measured solely by market capitalization, but also by the quality of our exchange—ensuring that it is sound and credible,” said Rosan.

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