

PRESS RELEASE

OJK ISSUES BUY NOW PAY LATER PRACTICES REGULATION

Jakarta, 24 December 2025. Indonesia Financial Services Authority (OJK) issued Indonesia Financial Services Authority Regulation (POJK) Number 32 of 2025 on Buy Now Pay Later (BNPL) Practices Regulation to mitigate the risks from the rapid development of digital payment in the financial services sector.

The regulation aims to provide legal certainties, strengthen governance and risk management, maintain financial service sector stability, and promote healthy and sustainable industry growth in align with the digital transformation of the financial services sector and national financial inclusion optimizations whilst maintaining public credibility.

The regulatory substances of POJK 32 of 2025 includes:

1. General provisions;
2. Financial services institutions with BNPL services;
3. BNPL platforms, stipulating the following:
 - a. BNPL characteristics;
 - b. Sharia-based BNPL practices;
 - c. Principles of prudence and consumer protection;
 - d. Special provisions on eligibility assessments in grating BNPL provisions;
 - e. Personal data protection;
 - f. BNPL collaborations with other parties; and
 - g. Information disclosure
4. Billing;
5. Reporting;
6. BNPL practices termination;
7. Other provisions;
8. Transitional provisions; and
9. Concluding regulations

POJK 32 of 2025 stipulates that BNPL practices are eligible for Commercial Banks and Financing Companies. Commercial Banks may implement BNPL by referring to the prevailing banking laws and regulations, while Financing Companies shall request OJK's approval prior to their BNPL services provision availability. BNPL can be implemented conventionally or sharia-based in accordance with the prevailing regulations.

The POJK also determined the characteristics of BNPL, which are usually purposed to finance cashless, non-collateral products and/or services purchases with ceilings, through the agreed layaway plans via electronic systems. In practice, Commercial Banks and Financing Companies will be required to implement the principles of prudence, consumer protection, and customers/debtors' data protection in accordance with the laws and regulations.

In this regulation, BNPL organizers are required to provide clear and comprehensible information disclosure to customers/debtors and prospective customers/debtors. Information such as financing sources, instalment amounts and frequencies, and other relevant information as stipulated by OJK. The information disclosure encourages discretion amongst consumers to make responsible financial decisions.

Billing procedures, reports to OJK, BNPL termination from the organizers or OJK are also stipulated in the regulation. OJK was authorized to set forth certain policies, such as maximum ceiling of economic benefits for

Financing companies in providing BNPL services while taking public interests, financial system stability, and healthy business competition into consideration.

POJK 32 of 2025 is effective as of its promulgation date on 15 December 2025.

OJK expects the BNPL services to provide optimum benefits for the public, support financial inclusion, and grow responsibly within the prevailing supervisory framework.

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