



MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

COPY OF

REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF
INDONESIA NUMBER 193/PMK.05/2011

CONCERNING

GOVERNMENT INVESTMENT CREDIT

BY THE GRACE OF GOD ALMIGHTY

THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

- Considering : a. that to support the financing of production increase activities and/or pollution control conducted by small and micro enterprises, government investment credit fund has been allocated in the State Revenue and Expenditure Budget;
- b. that in order to allow the distribution of government investment credit to be made transparently and accountably according to the state financial management, it is necessary to regulate procedures for provision, disbursement, distribution, reporting, and accountability of the government investment credit fund.
- c. that the Minister of Finance as the State General Treasurer as referred to in Article 7 paragraph (2) letter a of Act Number 1 of 2004 on State Treasury is authorized to stipulate a policy and guidance of state budget implementation;
- d. that in accordance with the considerations as referred to in letter a, letter b, and letter c, it is necessary to stipulate a Regulation of Minister of Finance concerning Government Investment Credit;
- In View of : 1. [Act Number 17 of 2003](#) on State Finance (State Gazette of the Republic of Indonesia of 2003 Number 47, Supplement to State Gazette of the Republic of Indonesia Number 4286);
2. [Act Number 1 of 2004](#) on State Treasury (State Gazette of the Republic of Indonesia of 2004 Number 5, Supplement to State Gazette of the Republic of Indonesia Number 4355);
3. [Act Number 15 of 2004](#) on Investigation, Supervision, and Responsibility of State Finance (State Gazette of the Republic of Indonesia of 2004 Number 66, Supplement to State Gazette of the Republic of Indonesia Number 4400);
4. [Act Number 20 of 2008](#) on Micro, Small and Medium Enterprises (State Gazette of the Republic of Indonesia of 2008 Number 93, Supplement to State Gazette of the Republic of Indonesia Number 4866);
5. [Presidential Decree Number 42 of 2002](#) on Guidelines for State Revenue and Expenditure Budget Implementation (State Gazette of the Republic of Indonesia of 2002 Number 73, Supplement to State Gazette of the Republic of Indonesia Number 4212), as



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- amended several times, lastly by [Presidential Decree Number 53 of 2010](#);
6. [Presidential Decree Number 56/P of 2010](#);
 7. [Regulation of the Minister of Finance Number 91/PMK.05/2007](#) on Standard Account Chart;
 8. [Regulation of the Minister of Finance Number 171/PMK.05/2007](#) on Financial Accounting and Reporting System of the Central Government;
 9. [Regulation of the Minister of Finance Number 250/PMK.05/2010](#) on Procedures for Disbursement of the State Revenue and Expenditure Budget on Expense of Budget Section of State General Treasury in the State Treasury Service Office;

DECIDES:

To stipulate : REGULATION OF MINISTER OF FINANCE CONCERNING GOVERNMENT INVESTMENT CREDIT

CHAPTER I
GENERAL PROVISIONS
Article 1

In this Regulation of the Minister of Finance:

1. Government Investment Credit or *Kredit Investasi Pemerintah*, hereinafter referred to as KIP, is government fund derived from the State Revenue and Expenditure Budget that is used to fund the production increase activities and/or pollution control done by micro and small enterprises.
2. Implementing Financial Institution of Government Investment Credit or *Lembaga Keuangan Pelaksana Kredit Investasi Pemerintah*, hereinafter referred to as LKP-KIP, is a financial institution that distributes the KIP fund.
3. Government Investment Credit Agreement or *Perjanjian Kredit Investasi Pemerintah*, hereinafter referred to as KIP Agreement, is an agreement between the Government in this case the Ministry of Finance and the LKP-KIP to distribute and account for the KIP fund.
4. End-Users refer to micro or small enterprises that use KIP in accordance with a credit agreement with the LKP-KIP.
5. Request for Government Investment Credit Disbursement or *Permintaan Pencairan Kredit Investasi Pemerintah*, hereinafter referred to as Request for KIP Disbursement, is a request for KIP fund disbursement by the LKP-KIP to the Proxy of Budget User.
6. Determination Letter of Work Plan and Budget of the State General Treasurer or *Surat Penetapan Rencana Kerja dan Anggaran Bendahara Umum Negara*, hereinafter referred to as SP-BUN RKA, is a document



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of determination of budget allocations by organizational units and programs and elaborated into a working unit in the Budget Division of the State General Treasurer.

7. Micro Enterprise is a productive enterprise owned by an individual and/or an individual business entity that has met micro enterprise criteria.
8. Small Enterprise is an independent productive economic enterprise operated by an individual and/or a business entity that is not a subsidiary or a company branch owned, controlled, or either directly or indirectly belongs to a middle or big business that has met the small enterprise criteria.
9. KIP fund disbursement is KIP fund expenditure from the Proxy of Budget User for the LKP-KIP.
10. KIP Distribution is KIP fund expenditure from the LP-KIP to the End-Users.

CHAPTER II
PURPOSES OF KIP
Article 2

- (1) KIP is provided for increasing an access of Micro and Small Enterprises to financing of activities in the context of the production increase simultaneously and/or pollution control.
- (2) Activities of pollution control as referred to in paragraph (1) refer to activities conducted by Micro and Small Enterprises aimed at reducing the level of pollution and enhance the production efficiency.
- (3) Activities of production increase as referred to in paragraph (1) refer to activities in the entire economic sectors in order to provide additional value and enhance the income of Micro and Small Enterprises.

CHAPTER III
KIP FUND TREASURY OFFICER
Article 3

- (1) The Minister of Finance as State General Treasurer (BUN) is the Fund User of the KIP fund.
- (2) In order to implement the KIP fund budget, the Director General of Treasury is the Proxy of Budget User of the KIP fund.
- (3) The Director General of Treasury may assign Echelon II Unit Leader in the Directorate General of Treasury having duties and functions in the field of government investment to conduct the authority of the Proxy of Budget User as referred to in paragraph (2).

Article 4

In order to implement the KIP fund budget, the Proxy of Budget User shall issue a decree to stipulate:



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- a. An officer who is authorized to conduct activities that cause KIP budget expenses and issue a Payment Request, hereinafter referred to as the Commitment Making Official; and
- b. An officer who is authorized to conduct a test on the payment request and sign a Payment Order (SMP).

CHAPTER IV
KIP FUND PROVIDER
Article 5

- 1) The Director General of Treasury shall submit a proposal document of the KIP fund to the Director General of Budget as a budgeting material of the State Budget Revenue and Expenditure
- 2) The proposal document of KIP fund as referred to in paragraph (1) is used by the Director General of Budget as a basis of the KIP fund allocation.

Article 6

The KIP fund is allocated in the State Budget Revenue and Expenditure.

Article 7

- (1) Based on the allocation in the State Revenue and Expenditure Budget (APBN) and/or the Revised State Revenue and Expenditure Budget (APBN-P) as referred to in Article 6, the Proxy of Budget User proposes a proposal to the Director General of Budget to issue a Decree on the Work Plan and Budget of the State General Treasury (SP-RKA BUN).
- (2) The Decree on the Work Plan and Budget of the State General Treasury (SP-RKA BUN) as referred to in paragraph (1) shall be submitted by the Director General of Budget to the Director General of Treasury as a basis of issuing and legalizing the Budget Implementation Checklist (DIPA).
- (3) The issued and legalized Budget Implementation Checklist (DIPA) as referred to in paragraph (2) shall be a basis for KIP Fund disbursement.

CHAPTER V
KIP IMPLEMENTING FINANCIAL INSTITUTION
Section One
LKP-KIP Stipulation
Article 8

- (1) Implementing Financial Institution of Government Investment Credit (LKP-KIP) shall be stipulated by the Minister of Finance in accordance with the proposal of relevant financial institution.
- (2) In order to be stipulated as an LKP-KIP, a financial institution has to meet at least the following



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requirements:

- a. The financial institution has a status as State Owned Enterprise (BUMN) or Regional Owned Enterprise (BUMD);
- b. The financial report in the last 2 (two) years is stated to have Unqualified Opinion by an independent auditor;
- c. The report of performance evaluation in the last 2 (two) years is stated to be healthy and relatively healthy by an independent auditor;
- d. Having no problem with loan provided by the Government;
- e. Earning profits in the last 2 (two) years; and
- f. The financial institution management obtains approval to act as LP-KIP from the Board of Commissioners / Supervisory Board.

Section Two
Duties of LKIP-KIP
Article 9

LKIP-KIP have duties as follows:

- a. implementing the Distribution of KIP fund by bearing the entire credit risk;
- b. taking actions required to ensure the implementation of KIP fund Distribution in accordance with the requirements stipulated in this Regulation of Minister of Finance and the KIP Agreement, effectively and efficiently in accordance with the provisions of legislation; and
- c. opening a different account used to accommodate the KIP fund Disbursement, principal repayment, and interest revenue, and other revenues from the End Users.

Article 10

- (1) Cooperation funding between the Government and the LKP-KIP shall be stated in the KIP Agreement.
- (2) The KIP Agreement as referred to in paragraph (1) consists of at least:
 - a. parties;
 - b. purposes;
 - c. number of funding;
 - d. requirements;
 - e. rights and responsibilities; and
 - f. sanctions.

Article 11

KIP requirements from the Government to the LKP-KIP:

- a. Funding term of KIP is no later than 8 (eight) years;
- b. Interest rate of KIP is based on the average BI rate in the last 3 (three) months;
- c. KIP interest payment is counted since the date of



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- disbursement by the LKP-KIP and is paid quarterly;
- d. Return of principle payment of KIP is done semi-annually; and
 - e. LKP-KIP is free from administrative charge.

CHAPTER VI
KIP FUND DISBURTMENT
Article 12

In order to disburse the KIP fund, Director/Leader of LKP-KIP shall submit a Request for KIP Disbursement to the Proxy of Budget User in accordance with the KIP Agreement as referred to in Article 10 paragraph (2), by attaching the following documents:

- a. Statement of Absolute Responsibility (SPTJM), drawn up in accordance with a format as attached in Appendix I, which constitutes an integral and inseparable part of this Ministerial Regulation; and
- b. Fund Use Plan, drawn up in accordance with a format as attached in Appendix II, which constitutes an integral and inseparable part of this Ministerial Regulation.

Article 13

- (1) KIP fund disbursement shall be conducted in accordance with the following provisions:
 - a. The first phase is disbursed either as required or all at once, by attaching documents as referred to in Article 12.
 - b. The next phase is disbursed in accordance with the need plan, by attaching documents as referred to in Article 12 together with the report of KIP fund use of previous phase.
- (2) Report of KIP fund use as referred to in paragraph (1) letter b is shall be drawn up in accordance with a format as attached in Appendix III, which constitutes an integral and inseparable part of this Ministerial Regulation.

Article 14

- (1) In accordance with the Request for KIP Disbursement as referred to in Article 12, the Proxy of Budget User proposes a Direct Payment Order (SPM-LS) to the State Treasury Service Office (KPPN) by attaching the following documents:
 - a. Statement of Responsibility of Funding Expenses (SPTPP), drawn up in accordance with a format as attached in Appendix IV, which constitutes an integral and inseparable part of this Ministerial Regulation; and
 - b. Fund Use Plan as referred to in Article 12.
- (2) In accordance with the Direct Payment Order (SPM-LS) as referred to in paragraph (1), the State Treasury Service Office (KPPN) issues a Fund Disbursement Order (SP2D) in favor of the Implementing Financial Institution of Government Investment Credit (LKP-KIP).



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CHAPTER VII
KIP FUND DISTRIBUTION
Article 15

- (1) KIP fund is distributed to Micro and Small Enterprises to all economic sectors, which are deemed feasible to be funded by the LKP-KIP in accordance with the healthy credit principles.
- (2) Micro and Small Enterprises that obtain KIP fund Distribution as referred to in in paragraph (1) must meet the following criteria:
 - a. Micro Enterprises
 - 1) Having net assets at most of Rp50,000,000.00(fifty million Rupiahs) to Rp500,000,000.00 (five hundred million Rupiahs), excluding land and building of business premise; or
 - 2) Having annual sale turnover at most of Rp300,000,000.00 (three hundred million Rupiahs) to Rp2,500,000,000.00 (two billion five hundred million Rupiahs).

Article 16

- (1) KIP term as referred to in Article 15 paragraph (1) shall be as follows:
 - a. Credit for investment at most of 5 (five) years including grace period; and/or
 - b. Credit for working capital at most of 3 (three) years.
- (2) KIP term as referred to in paragraph (1) is given by considering the normal business cycle.

Article 17

The KIP interest rate as referred to in Article 15 paragraph (1) shall be stipulated by the following provisions:

- a. for Micro Enterprise, at maximum of 10% (ten percent) over the interest rate imposed by the Government to the LKP-KIP; and
- b. for Small Enterprise, at maximum of 7% (seven percent) over the interest rate imposed by the Government to the LKP-KIP.

Article 18

Number of KIP fund that can be distributed to:

- a. Micro Enterprise, at the most of Rp50,000,000.00 (fifty million Rupiahs); and
- b. Small Enterprise, at the most of Rp500,000,000.00 (five hundred million Rupiahs).

CHAPTER VIII
MONITORING AND EVALUATION



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Article 19

In order to implement the KIP, the Director General of treasury as the Proxy of Budget User may form a team to monitor and evaluate the KIP fund Distribution.

CHAPTER IX
REPORT AND ACCOUNTABILITY

Article 20

- (1) LKP-KIP shall prepare a report of KIP fund Distribution.
- (2) LKIP-KIP shall submit a report of KIP fund Distribution to the Proxy of Budget User every month, at the latest on the 25th of the following month.
- (3) A report on the KIP fund Distribution by the LKP-KIP shall be audited by an independent auditor in accordance with the provisions of legislation.

Article 21

- (1) The Proxy of Budget User shall prepare a report of KIP fund Disbursement and prepare a recapitulation of KIP fund Distribution report.
- (2) The report of KIP fund Disbursement and recapitulation of KIP fund Distribution report as referred to in paragraph (1) shall be submitted by the Proxy of Budget User to the Minister of Finance every 6 (six) months.
- (3) Preparation of report as referred to in paragraph (1) shall be conducted in accordance with provisions of legislation concerning the financial accounting and reporting system of the central government.

Article 22

- (1) The Proxy of Budget User shall be responsible for fund disbursement from RKUN to LKP-KIP account.
- (2) LKP-KIP shall be fully responsible for the distribution to Micro and Small Enterprises together with KIP fund return to the government.

CHAPTER X
CLOSING PROVISIONS

Article 23

This Regulation of the Minister of Finance shall come into force on the date of its promulgation.
For public cognizance, this Regulation of the Minister of Finance shall be promulgated by placing it in State Gazette of the Republic of Indonesia.



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Stipulated in Jakarta
on December 1, 2011
MINISTER OF FINANCE
Signed
AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta
On December 1, 2011
MINISTER OF LAW AND HUMAN RIGHTS
Signed
AMIR SYAMSUDDIN
STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2011 NUMBER 765


 MINISTER OF FINANCE
 OF THE REPUBLIC OF INDONESIA

STATEMENT OF ABSOLUTE RESPONSIBILITY

LETTERHEAD

STATEMENT OF ABSOLUTE RESPONSIBILITY

I, the undersigned, the Director/Leader of Financial Institution
 (1) as the Beneficiary of Government Investment Credit, hereby state
 to be fully responsible on the cost determination and calculation as well as
 distribution of Government Investment Credit fund in accordance with the
 Government Investment Credit Agreement Number (2) as stated
 in Budget Implementation Checklist of the Government Investment Credit
 (DIPA-KIP) Number (3) dated (4)

In case in the future there is any state loss due to non-conformity on the
 said cost determination and calculation as well as distribution of Government
 Investment Credit fund, I am consequently ready to pay the loss to State
 Treasury and ready to be sued in accordance with the applicable laws.

In witness whereof, it is made in truth to meet the conditions / appendix
 to Request for Government Investment Credit Disbursement Number
 (5) dated (6)

(place, date, month, year)

Fund Beneficiary

Director/Leader of Financial
Institution

..... (7)

INSTRUCTIONS FOR FILLING OF
STATEMENT OF ABSOLUTE RESPONSIBILITY

NO	DESCRIPTION OF CONTENT
(1)	Filled with the full name of Managing Financial Institution of Government Investment Credit
(2)	Filled with the Number of Government Investment Credit Agreement
(3)	Filled with the Number of DIPA-KIP
(4)	Filled with the date of DIPA-KIP
(5)	Filled with the Number of a Request of Government Investment Credit Disbursement
(6)	Filled with date of Letter of Request for Government Investment Credit Disbursement
(7)	Filled with the signature of Director/Leader of Managing Financial Institution and is officially stamped / sealed.

MINISTER OF FINANCE

Signed

AGUS D.W. MARTOWARDOJO


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FUND USE PLAN

Name of Implementing Financial Institution: (1)

NO	ACTIVITY DESCRIPTION	DISBURSEMENT FUND	FUND DISTRIBUTION PLAN
(2)	(3)	(4)	(5)
	TOTAL	(6)	

Jakarta,

(7)

Director / Leader,

(8)

(Full Name) (9)

INSTRUCTIONS FOR FILLING OF

FUND USE REALIZATION

NO	CONTENT DESCRIPTION
(1)	Filled with the name of Managing Financial Institution of Government Investment Credit
(2)	Filled with the Serial Number
(3)	Filled with the Activity /Sector description of Government Investment Credit Fund Distribution to the beneficiary.
(4)	Filled with the amount of Rupiah fund limit of Government Investment Credit Fund to be disbursed.
(5)	Filled with amount of realization of Government Investment Credit Fund Distribution to the beneficiary
(6)	Filled with the remaining limit of Rupiah fund of Government Investment Credit Fund to be disbursed.
(7)	Filled with the date, month, and year
(8)	Filled with the signature of Director/Leader of Managing Financial Institution and is officially stamped / sealed.
(9)	Filled with the name of Director/Leader of Managing Financial Institution

MINISTER OF FINANCE

Signed

AGUS D.W. MARTOWARDOJO



REGULATION OF THE MINISTER OF
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REPORT OF FUND USE REALIZATION

Name of Implementing Financial Institution: (1)

NO	ACTIVITY/SECTOR DESCRIPTION	FUND PLAFOND	REALIZATION	REMAINING FUND
(2)	(3)	(4)	(5)	(6)
TOTAL				

Jakarta,

..... (7)

(8)

(Full name)..... (9)

INSTRUCTIONS FOR FILLING OF FUND USE PLAN

NO	CONTENT DESCRIPTION
(1)	Filled with the name of Managing Financial Institution of Government Investment Credit
(2)	Filled with the Serial Number
(3)	Filled with the activity plan description of Government Investment Credit Fund Distribution to the beneficiary.
(4)	Filled with the amount of Rupiah of Government Investment Credit Fund to be disbursed.
(5)	Filled with the month and year of Government Investment Credit Fund distribution plan to the beneficiary.
(6)	Filled with total amount of Rupiah of Government Investment Credit Fund to be disbursed.
(7)	Filled with the date, month, and year
(8)	Filled with the signature of Director/Leader of Managing Financial Institution and is officially stamped / sealed.
(9)	Filled with the name of Director/Leader of Managing Financial Institution

MINISTER OF FINANCE
Signed
AGUS D.W. MARTOWARDOJO


 MINISTER OF FINANCE
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STATEMENT OF RESPONSIBILITY OF FUNDING EXPENSES

Number: (1)

1. Name of Work Unit : (1)
2. Code of Work Unit : (2)
3. Date / Number of DIPA : (3)
4. Activity / Sub-activity : (4)
5. Funding Expense Classification : (5)

I, the undersigned, Proxy of Budget User of Work Unit ... (7) ..., hereby state to be fully responsible on all expenses paid by the beneficiary with the following details:

No.	Account	Beneficiary	Details	Proof		Total
				Date	Number	
(8)	(9)	(10)	(11)	(12)	(13)	(14)
						(15)

The proofs shall be kept in accordance with the applicable provisions in the Work Unit (16) for the administration requirements and investigation purposes of functional supervisor.

In witness whereof, it is made in truth.

..... (17)

Proxy of Budget User / Commitment Making Official

(18)

Full Name

NIP

 INSTRUCTIONS FOR FILLING OF
 STATEMENT OF RESPONSIBILITY OF FUNDING EXPENSES (SPTPP)

Number	Unit Description
(1)	Filled with the number of SPTPP issuance
(2)	Filled with the name of relevant work unit
(3)	Filled with the code of relevant work unit
(4)	Filled with the date and DIPA issuance number
(5)	Filled with the code of activity /sub-activity stated in DIPA
(6)	Filled with the code of funding expense classification stated in DIPA
(7)	Filled with the name of relevant work unit
(8)	Filled with the serial number
(9)	Filled with the code of funding expenses stated in DIPA



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(10)	Filled with the name of payment beneficiary
(11)	Filled with the brief description of state expense activity
(12)	Filled with the data of billing document issuance and/or any equivalent document
(13)	Filled with the number of billing document issuance and/or any equivalent document
(14)	Filled with the amount of money paid in figures
(15)	Filled with the accumulation of amount of money paid in figures
(16)	Filled with the name of relevant work unit
(17)	Filled with the name of place, date-month-year of SPTPP issuance
(18)	Filled with the signature of authorized official and sealed officially with the relevant work unit seal

MINISTER OF FINANCE
Signed
AGUS D.W. MARTOWARDOJO