



JOINT PRESS RELEASE

Bank Indonesia, Bank of Korea and Ministry of Economy and Finance Agree on the Implementation of Local Currencies for Bilateral Transactions in September 2024

Bank Indonesia (BI), Bank of Korea (BOK), and Ministry of Economy and Finance (MOEF) today announced the launching of the framework for cooperation to promote the use of local currencies for cross-border trade transactions between Indonesia and Korea. This initiative follows the Memorandum of Understanding (MoU) signed in May 2023 and the agreement on the Operational Guidelines for the framework in June 2024.

This initiative is part of the continuous effort to encourage a wider use of local currencies to facilitate trade transactions in these countries. The establishment of this framework marks a key milestone in strengthening bilateral financial cooperation between Indonesia and Korea.

The framework enables the Appointed Cross Currency Dealer (ACCD) banks to facilitate current account transaction between Indonesia and Korea in their local currencies, and to reduce costs for businesses and other users. This includes, among others, promotion of the direct quotation between the Indonesian Rupiah and the Korean Won as well as the relaxation of relevant rules and regulations to enhance the usage of local currencies. This initiative will ultimately contribute to promoting trade between Indonesia and Korea, reducing exposure to exchange rate risks, and promoting transactions efficiency in both countries.

BI and BOK have selected the following banks as ACCD in Indonesia and Korea to cooperate and undertake the transactions in order to support the implementation of the Rupiah-Korean Won exchange under this initiative.

Indonesian ACCD Banks:

- (1) PT Bank Mandiri (Persero) Tbk
- (2) PT Bank Negara Indonesia (Persero) Tbk
- (3) PT Bank Rakyat Indonesia (Persero) Tbk
- (4) PT Bank Central Asia Tbk
- (5) PT Bank CIMB Niaga Tbk
- (6) PT Bank BTPN Tbk
- (7) PT Bank Maybank Indonesia Tbk
- (8) PT Bank OCBC NISP Tbk

- (9) PT Bank DBS Indonesia
- (10) PT Bank Woori Saudara Indonesia 1906 Tbk
- (11) PT Bank KEB Hana Indonesia
- (12) PT Bank Shinhan Indonesia
- (13) PT Bank IBK Indonesia Tbk
- (14) PT Bank KB Bukopin Tbk

Korean ACCD Banks:

- (1) Woori Bank
- (2) KEB Hana Bank Seoul
- (3) Shinhan Bank Seoul
- (4) Industrial Bank of Korea
- (5) Kookmin Bank
- (6) SMBC Seoul
- (7) BNI Seoul Branch

The authorities believe this new initiative would positively contribute to encourage the use of local currencies for trade transactions between Indonesia and Korea. The framework will be effective from September 30, 2024.

This announcement is available at the following websites:

Bank of Korea: <http://www.bok.or.kr>

Ministry of Economy and Finance: <http://www.moef.go.kr/>

Bank Indonesia: <http://www.bi.go.id>

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