



INFORMATION

Summary of the 2023-2027 Indonesian Capital Market Roadmap

The Indonesian Financial Services Authority (Otoritas Jasa Keuangan/OJK) officially launched the 2023-2027 Indonesian Capital Market Roadmap on January 2023. The launching of this roadmap is expected to provide guidance for future directions in developing a resilient, stable, and sustainable Capital Market in driving the national economy.

As one of the drivers of the Indonesian economy, the Capital Market industry is expected to increase its active role in a sustainable manner in driving the growth of the national economy. Even though the last 3 (three) years have been quite challenging for the Capital Market due to the various impacts of the COVID-19 pandemic, currently the Indonesian Capital Market has gradually recovered. The Indonesian Capital Market has reported the positive developments in the increase of market capitalization value with an average growth of 10% over the last 5 (five) years, significant growth in the number of investors, and to the entry of start-up companies as an Issuer on the Indonesia Stock Exchange as a symbol of a new engine of growth for the national economy.

On the other hand, there are also opportunities from the demand and supply sides that can be utilized as a potential for the development of the domestic Capital Market including:

- a. National development financing potential
- b. Indonesian demographic bonuses
- c. Opportunities to develop diverse and cross-sectoral Capital Market instruments
- d. Opportunities to grow Sustainable Finance in the Capital Market, as well as the extent of the potential for developing the Islamic Capital Market in Indonesia.

Therefore, Indonesia is targeting 5 (five) things in the development of the Indonesian Capital Market including:

- a. A market capitalization of more than IDR 15,000 trillion (70% of GDP);
- b. The number of listed companies (shares & EBUS) of 1,100 companies;
- c. The average daily transaction value reaches IDR 25 trillion per day;
- d. The number of Capital Market investors reaches more than 20 million
- e. The value of the investment management industry's managed funds is IDR 1,000 trillion.

In line with this, OJK has prepared policy directions for the Capital Market for the **next 5 (five) years** as outlined in the 2023-2027 Indonesian Capital Market Roadmap which consists of 5 pillars for the development of the Indonesian Capital Market namely:

1. Accelerating Market Deepening through Efficient Financial Sector Products and Services
2. Accelerating Sustainable Finance Programs
3. Strengthening the Role of Industry Players in the Development of the Financial Sector in line with Best Practices and Market Conduct
4. Increasing Investor Protection
5. Enhancing Digital Financial Services to Increase Financial Sector's Credibility and Public Trust

References:

- The 2023-2027 Indonesian Capital Market Roadmap

If you require a copy of the reference document above, please do not hesitate to contact research@ibai.or.id.

Thank you for your attention and hope this information would be valuable for you

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