



## MAYOR OF SURAKARTA

### REGIONAL REGULATIONS OF THE CITY OF SURAKARTA

NUMBER 3 OF 2013

#### ABOUT

CAPITAL PARTICIPATION (INVESTMENT) OF THE SURAKARTA CITY GOVERNMENT

IN THE LIMITED LIABILITY COMPANY OF THE CENTRAL JAVA REGIONAL DEVELOPMENT BANK FOR THE FISCAL YEAR 2013

BY THE GRACE OF GOD ALMIGHTY

MAYOR OF SURAKARTA,

Weigh

- : a. that in order to increase the capital capacity of the Bank's Limited Liability Company Central Java Regional Development, the need for Regional Government Capital Participation (Investment) to the Central Java Regional Development Bank Limited Liability Company;
- b. that in accordance with the provisions of Article 41 paragraph (5) of the Law-  
Invite Number 1 Year 2004 about State Treasury and the provisions of Article 75 of Government Regulation Number 58 of 2005 concerning Regional Financial Management, the capital participation (investment) of the Regional Government is necessary stipulated by Regional Regulations;
- c. that based on the considerations as referred to in letters a and b, it is necessary to stipulate a Regional Regulation on Capital Participation (Investment) of the Surakarta City Government in the Limited Liability Company of the Central Java Regional Development Bank;

Remember

- : 1. Article 18 paragraph (6) of the Constitution of the State  
the Republic of Indonesia in 1945;

2. Law Number 16 of 1950 concerning the Establishment of Large City Areas within the Provinces of East Java, Central Java, West Java and the Special Region of Yogyakarta (State Gazette of the Republic of Indonesia Year 1950 Number 45);
  3. Law . . .
3. Law No. 17 of 2003 concerning State Finance (Statute Book of the Republic of Indonesia No. 47 of 2003, Supplement Statute Book of the Republic of Indonesia No. 4286);
4. Law No. 1 of 2004 concerning the State Treasury (Statute Book of the Republic of Indonesia No. 5 of 2004, Supplement to Statute Book of the Republic of Indonesia No. 4355);
5. Law No. 32 of 2004 concerning Regional Government (Statute Book of the Republic of Indonesia No. 125 of 2004, Supplement to Statute Book of the Republic of Indonesia No. 4437) as amended several times, most recently by Law No. 12 of 2008 concerning the Second Amendment to Law No. 32 of 2004 concerning Regional Government (Statute Book of the Republic of Indonesia No. 59 of 2008, Supplement to the Gazette State of the Republic of Indonesia Number 4844);
6. Law No. 33 of 2004 concerning Financial Balance Between the Central Government and Regional Governments (Statute Book of the Republic of Indonesia No. 74 of 2004, Supplement to Statute Book of the Republic of Indonesia No. 4438);
7. Law No. 40 of 2007 concerning Limited Liability Companies (Statute Book of the Republic of Indonesia No. 106 of 2007, Supplement Statute Book of the Republic of Indonesia No. 4756);
8. Law No. 12 of 2011 concerning the Establishment of Laws and Regulations (Statute Book of the Republic of Indonesia No. 82 of 2011, Supplement to the Statute Book of the Republic of the Republic Indonesia Number 5234);
9. Government Regulation No. 55 of 2005 concerning Balance Fund (Statute Book of the Republic of Indonesia No. 137 of 2005, Supplement to Statute Book of the Republic of Indonesia Number 4575);
10. Government Regulation No. 58 of 2005 concerning Regional Financial Management (Statute Book of the

Republic of Indonesia No. 140 of 2005, Supplement to the Statute Book of the Republic Indonesia Number 4578);

11. Regulation....
11. Government Regulation No. 71 of 2010 concerning Government Accounting Standards (Statute Book of the Republic of Indonesia No. 123 of 2010, Supplement to Statute Book of the Republic of Indonesia No. 5165);
12. Regional Regulation of the Regional Province Level I of Central Java Number 6 of 1999 concerning Changes in the Form of Legal Entities of Regional Development Banks  
Central Java From Regional Company (PD) to Limited Liability Company (PT) Central Java Regional Development Bank (Regional Provincial Gazette Level I Central Java Number 17 Year 1999 Series D No. 17);
13. Surakarta City Regional Regulation Number 6 of 2008 concerning the Organization and Work Procedures of the Regional Apparatus of the City of Surakarta (Regional Gazette of the City of Surakarta of 2008 Number 6) as amended by the Regional Regulation of the City of Surakarta Number 14 of 2011 concerning Amendments to the Regional Regulation of the City of Surakarta Number 6 of 2008 concerning the Organization and Work Procedures of the Regional Apparatus of the City of Surakarta (Regional Gazette of the City of Surakarta Year 2011 Number 14);
14. Regional Regulation of the City of Surakarta Number 11 of 2012 concerning the Regional Revenue and Expenditure Budget of the City of Surakarta for the Fiscal Year 2013 (Regional Gazette of the City of Surakarta Number 11 of 2012).

By mutual consent

REGIONAL HOUSE OF REPRESENTATIVES OF SURAKARTA CITY

And

MAYOR OF SURAKARTA

DECIDE:

Stipulates : REGIONAL REGULATIONS ON CAPITAL PARTICIPATION  
(INVESTMENT) SURAKARTA CITY GOVERNMENT ON A  
LIMITED LIABILITY COMPANY OF BANK PEMBANGUNAN  
CENTRAL JAVA REGION FOR FISCAL YEAR 2013

CHAPTER I . . .

CHAPTER I GENERAL PROVISIONS

Article 1

In this Regional Regulation, what is meant by:

1. The region is the city of Surakarta.
2. Regional Government is the implementation of government affairs by the local government and the Regional People's Representative Council according to the principle of autonomy and the duty of assistance with the principle of autonomy as widely as possible in the system and principles of the Unitary State of the Republic of Indonesia as referred to in the Constitution of the Republic of Indonesia in 1945.
3. The Regional Government is the Mayor and the Apparatus  
Regions as an element of the organizer of the Regional Government
4. The Mayor is the Mayor of Surakarta.
5. The Regional People's Representative Council, hereinafter referred to as the DPRD, is a regional people's representative institution as an element of local government organizers.
6. The Regional Revenue and Expenditure Budget, hereinafter referred to as the APBD, is the annual financial plan of the local government that is discussed and approved jointly by the local government and the DPRD, and stipulated by the Regional Regulation.
7. Capital Participation is the transfer of unseparated wealth into segregated wealth to be taken into account as capital or shares of the Regional Government in Regional-Owned Enterprises, State-Owned Enterprises or other Legal Entities.
8. Regional Government Capital Participation is the transfer of unseparated wealth into segregated wealth to be taken into account as Regional Government capital or shares in Regional-Owned Enterprises, State-Owned Enterprises or other Legal Entities whose funds are sourced from the APBD.
9. Investment is the use of assets to obtain economic benefits such as interest, dividends, royalties, social

benefits and/or other benefits so that it can improve the government's ability to serve the community.

10. Central Java Regional Development Bank Limited Liability Company is a commercial bank whose shares are owned by the Provincial, Regency and City Regional Governments throughout Central Java.

## CHAPTER II . . .

### CHAPTER II PURPOSE AND PURPOSE

#### Article 2

- (1) The purpose of Regional Government Capital Participation is to increase the company's capital capabilities.
- (2) The purpose of Regional Government Capital Participation is to improve company performance and dividends.

### CHAPTER III AMOUNTS AND SOURCES

#### Article 3

- (1) The amount of Capital Participation (Investment) of the Regional Government in the 2013 Fiscal Year was set at Rp. 6,856,000,000.00 (six billion eight hundred and fifty-six million rupiah).
- (2) Regional Government Capital Participation as intended in paragraph (1) consists of:
  - a. *Asset Management* Unit amounting to Rp. 417,000,000.00 (four hundred and seventeen million rupiah).
  - b. *Sharing Destination Reserves* amounted to Rp. 2,721,000,000.00 (two billion seven hundred and twenty-one million rupiah).
  - c. Cash deposit amounting to Rp. 3,718,000,000.00 (three billion seven hundred and eighteen million rupiah).

#### Article 4

Regional Government Capital Participation (Investment) is sourced from the 2013 Fiscal Year APBD.

### CHAPTER IV BUDGETING

#### Article 5

Regional Government Capital Participation (Investment) Budgeting as referred to in Article 3 is grouped into the Regional Financing Expenditure Budget of the type of Capital Participation (Investment) of the Regional Government.

## CHAPTER V . . .

### CHAPTER V FORM OF CAPITAL PARTICIPATION

#### Article 6

- (1) The form of regional capital participation in the Central Java Regional Development Bank Limited Liability Company is in the form of money.
- (2) Capital Participation (Investment) of the Regional Government as referred to in Article 3 is in the form of Permanent Investment in Limited Liability Companies of the Central Java Regional Development Bank.
- (3) Regional Government Capital Participation (Investment) as referred to in paragraph (2) is managed in accordance with the provisions of laws and regulations.

## CHAPTER VI DISBURSEMENT

#### Article 7

The Regional Government's Capital Participation (Investment) to the Central Java Regional Development Bank Limited Liability Company as intended in Article 3 paragraph (1) is realized in the Amendment to the Regional Revenue and Expenditure Budget of Surakarta City for the 2013 Fiscal Year.

## CHAPTER VII ADMINISTRATION AND ACCOUNTABILITY

#### Article 8

The administration of the management of Capital Participation (Investment) of the Regional Government is carried out in accordance with the Standards  
Government Accounting

#### Article 9

The Central Java Regional Development Bank Limited Liability Company is required to submit an accountability report in the

form of an overview of Performance Realization and the Company's Financial Statements to the Mayor every year.

CHAPTER VIII . . .  
CHAPTER VIII CLOSING PROVISIONS

Article 10

Regulation      Area    Ini      begin pretend      at      date  
promulgated.

So that everyone knows about it, order the promulgation of this Regional Regulation with its placement in the Regional Gazette of Surakarta City

Set in Surakarta  
on July 8, 2013

MAYOR OF SURAKARTA,

Cap & ttd

FX. HADI RUDYATMO

Promulgated in Surakarta on  
July 9, 2013

REGIONAL SECRETARY  
SURAKARTA CITY

Cap & ttd

BUDI SUHARTO

REGIONAL GAZETTE OF THE CITY OF SURAKARTA YEAR 2013 NUMBER  
4 EXPLANATION

ABOVE

REGIONAL REGULATIONS OF THE CITY OF SURAKARTA

NUMBER 3 OF 2013

## ABOUT

### CAPITAL PARTICIPATION (INVESTMENT) OF THE SURAKARTA CITY GOVERNMENT

### IN THE LIMITED LIABILITY COMPANY OF THE CENTRAL JAVA REGIONAL DEVELOPMENT BANK FOR THE FISCAL YEAR 2013

#### I. COMMON

Based on Law No. 32 of 2004 concerning Regional Government and Law No. 33 of 2004 concerning the Financial Balance between the Central Government and Regional Governments, Government Regulation No. 58 of 2005 concerning Regional Financial Management, and Regulation of the Minister of Home Affairs No. 13 of 2006 concerning Guidelines for Regional Financial Management, Regional Governments can budget for capital participation (investment) in the form of permanent and non-permanent investments. In order to increase the share capital ownership in the Central Java Regional Development Bank Limited Liability Company in order to obtain economic benefits in the form of higher dividends, the Surakarta City Government needs to increase the Capital Participation (Investment) in the Central Java Regional Development Bank Limited Liability Company. In connection with the above considerations, it is considered necessary to establish Regional Regulation on Capital Participation (Investment) of the Surakarta City Government in the Limited Liability Company of the Central Java Regional Development Bank.

#### II. CHAPTER BY CHAPTER

Article 1 Quite clear.

Article 2  
Paragraph (1)  
Quite clear.

#### Paragraph (2)

The purpose of Regional Government Capital Participation is to improve the performance of the Central Java Regional Development Bank Limited Liability Company, which in this case is intended to achieve sufficient business capital so that optimization of services to customers can be realized.

#### Dividend...

Dividends are a form of profit from investing in shares in the Central Java Regional Development Bank Limited Liability Company which is sourced from profits.

The dividends obtained are useful to improve the ability of the Regional Government in the context of service to the community.

Article 3

Paragraph (1)

Quite clear.

Paragraph (2) a. *Asset Management Unit (AMU)* is a Bad Productive Asset in the form of receivables and everything attached to it that is owed by the Debtor managed by the AMU Team of the Limited Liability Company of the Central Java Regional Development Bank.

AMU is sourced from the Central Java Regional Development Bank Limited Liability Company whose mechanism is included in the Regional Revenue and Expenditure Budget of Surakarta City and is re-budgeted as financing expenditure in the form of capital participation (investment)

b. *Sharing Purpose Reserves* is the portion of profit that is set aside for a specific purpose and has been approved by the GMS.

*Sharing* The Purpose Reserves are sourced from the Central Java Regional Development Bank Limited Liability Company which The Mechanism enter deep Budget

Regional Revenue and Expenditure of the City of Surakarta and is re-budgeted as financing expenditure in the form of capital participation (investment)

c. Pretty obvious

Article 4 Quite clear.

Article 5 is quite clear.

Article 6  
Paragraph (1)

Paragraph (2) Permanent Investment aims to be owned in a sustainable manner without any intention to be traded or withdrawn, such as regional cooperation with parties third deep shape business use/utilization of regional assets, regional capital participation in BUMDs and/or other business entities and other permanent investments owned by the regional government to generate income or improve services to the community.

Paragraph (3) . . .

Paragraph (3)

Pretty clear.

Article 7 is quite clear.

Article 8 is  
quite clear.

Article 9 Quite  
clear.

Article 10  
Pretty obvious

SUPPLEMENT TO THE REGIONAL GAZETTE OF THE CITY OF SURAKARTA  
NUMBER 15