

IFIAR 2026 Member Profile – DPPPK

<p>1. Jurisdiction</p>	<p>1.1 Insert the name of the jurisdiction in English:</p> <p>Republic of Indonesia</p>
<p>2. Member¹</p>	<p>2.1 Insert the name of the Member, both in the local language and in English:</p> <p>Direktorat Pembinaan dan Pengawasan Profesi Keuangan (DPPPK) Directorate of Financial Professions Development and Supervision</p> <hr/> <p>2.2 Include relevant contact information, including postal address, telephone number(s), a general email address (if any) and a link to the Member’s website:</p> <p>Direktorat Pembinaan dan Pengawasan Profesi Keuangan (DPPPK) / Directorate of Financial Professions Development and Supervision, Directorate General of Financial Sector Stability and Development, The Ministry of Finance of Republic of Indonesia. Djuanda 2 Tower Floor 17th Jalan Dr. Wahidin Raya Nomor 1 Jakarta 10710 Indonesia.</p> <p>Tel.: +62-21-3843237 Fax: +62-21-3508573 Website: www.pppk.kemenkeu.go.id</p> <hr/> <p>2.3 Include the basis for establishment of the Member, as well as the legislation or regulations which provide the Member the authority/mandate with respect to audit regulation. Please describe with an appropriate level of detail the mission and responsibilities of the Member with respect to audit regulation:</p> <ol style="list-style-type: none"> 1. Law No. 5 of 2011 on Public Accountants. 2. Government Regulation No. 20 of 2015 on the Practice of Public Accountants. 3. Minister of Finance Regulation No. 186/PMK.01/2021 on the Development and Supervision of Public Accountants. <p>In Indonesia, only licensed Public Accountants may provide audit services to the public, and only through a Public Accountant Firm. In other words, Public Accountants serve as Indonesia’s statutory auditors.</p> <p>DPPPK is the regulator of the accountancy professions. Its principal authorities include, among others, issuing practice licenses for Public Accountants and operating licenses for Public Accountant Firms, conducting regular and investigative inspections, and imposing sanctions.</p>

¹ In the case where there are two or more regulators from the same jurisdiction that have been approved according to Section 2.3 of the IFIAR Charter, they together are considered as one Member. In that case, regulators are requested to include information for both organizations in the Member Profile.

	<p>DPPPK is an administrative unit within the Directorate General of Financial Sector Stability and Development, the Ministry of Finance of Republic of Indonesia. DPPPK supervises several financial professions such as auditors, appraisers, and actuaries and is organised into divisions corresponding to each profession.</p> <p>Pursuant to Article 51 of Law No. 5 of 2011, the Ministry of Finance, through DPPPK, has the authority to inspect all Public Accountants and Public Accountant Firms. Inspections cover both administrative matters (e.g., compliance with licensing requirements and reporting obligations) and technical matters. Technical inspections include reviews of firms' systems of quality control/management, assurance services (primarily audit engagements), and related working papers.</p> <p>2.4 Please indicate whether the Member has responsibility for the following tasks within the area of Audit Oversight:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Licensing <input type="checkbox"/> Registration <input checked="" type="checkbox"/> Audit and/or Ethics Standard Setting <input checked="" type="checkbox"/> Permanent Education / Continuous Training of Auditors <input checked="" type="checkbox"/> Inspection <input checked="" type="checkbox"/> Enforcement <input checked="" type="checkbox"/> Other: <u>Setting policy and regulation for Public Accountants and Firms</u>
<p>3. Governing Body Composition and members</p>	<p>3.1 Describe with an appropriate level of detail the current composition of the Member's governing body, including, where possible, the names, the organization they represent (if any) and brief backgrounds of the governing body members, or provide a link to a page on your website where this information is provided.</p> <p>The Director of DPPPK is appointed by the Minister of Finance. The current Director is Mrs. Erawati, and the Head of the Inspection Division for the Accounting Professions is Mr. Agus Suparto. Both officials serve within and represent the Ministry of Finance of the Republic of Indonesia.</p> <p>Link to organisation structure: https://pppk.kemenkeu.go.id/in/post/struktur-organisasi</p> <p>3.2 What are the eligibility criteria / requirements and composition requirements for the members of the governing body? E.g. Does national legislation require representatives on the governing body from certain organizations, or with specific experience, etc.</p> <p>DPPPK's governing/leadership body is comprised of full-time civil servants appointed within the Ministry of Finance. Accordingly, eligibility requirements are those applicable to Ministry of Finance employees, including appointment in accordance with the civil-service framework and assignment to DPPPK positions by the Ministry.</p>

	<p>From a composition perspective, DPPPK’s leadership and staff are drawn from personnel with relevant professional backgrounds in accounting and auditing. Many DPPPK officials and staff have also obtained the Indonesian Certified Public Accountant (CPA), which supports the technical competence required for DPPPK’s regulatory and inspection functions. In addition, DPPPK maintains a policy of continuous competency development, implemented through internal training programs and participation in external continuing professional education (CPE) to strengthen capacity and ensure staff remain up to date with professional and regulatory developments.</p> <p>3.3 Is there a restriction or recusal process that is applicable to members of the governing body of the Member who are current or former auditors/practitioners?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Does this include a “cooling-off” period for former auditors?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes to either of the above, please describe:</p>
<p>4. Independence safeguards</p>	<p>4.1 Please describe the national independence requirements for the governing body and its members, and legal or regulatory requirements/provisions in place that safeguard their independence from the audit profession.</p> <p>As a government body, DPPPK is required to operate independently from private-sector interests, including the audit profession. DPPPK’s institutional governance and budgeting are conducted under applicable public-sector laws and regulations, and its funding is determined through the National Government’s budgetary process rather than through the audit profession.</p> <p>In addition, DPPPK’s governing body and officials are civil servants. As such, they are subject to the legal framework governing the Indonesian civil service, including Law No. 5 of 2014 on the Indonesian Civil Servant, which establishes obligations and standards of conduct for civil servants. These provisions together with general public-sector ethics and conflict-of-interest requirements applicable to civil servants serve as key safeguards to protect DPPPK’s independence from undue influence by the audit profession.</p> <p>Are employees of the Member covered by the same or separate set of independence requirements?</p> <p><input checked="" type="checkbox"/> Same set of requirements <input type="checkbox"/> Different set of requirements</p> <p>If there are separate independence requirements for employees, please describe:</p>

	<p>4.2 Are there any additional safeguards in place that provide for the Member’s overall independence from the audit profession? E.g. through the appointment process, specific Board actions, etc.</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please describe:</p> <p>In addition to the general public-sector independence requirements applicable to DPPPK, specific regulatory and institutional safeguards are in place to support DPPPK’s overall independence from the audit profession.</p> <ol style="list-style-type: none"> 1. Minister of Finance Regulation No. 186/PMK.01/2021 on the Development and Supervision of Public Accountants (Chapter 44) establishes explicit professional conduct requirements for inspectors, including obligations to: <ol style="list-style-type: none"> a. maintain independence and integrity; b. avoid conflicts of interest; and c. comply with applicable disciplinary and ethical requirements. 2. DPPPK staff as the Ministry of Finance employees are subject to ministry-wide integrity and control measures that reinforce independence and ethical conduct, including: <ol style="list-style-type: none"> a. Minister of Finance Decree No. 322/KMK.09/2021 on the Internal Control Implementation Framework; and b. Minister of Finance Decree No. 323/KMK.09/2021 on the Integrity Framework. <p>Taken together, these instruments provide an additional layer of safeguards by setting clear expectations for independence and ethics, and by embedding DPPPK’s supervisory work within the Ministry of Finance’s broader internal control and integrity systems.</p>
<p>5. Funding Arrangements</p>	<p>5.1 Describe the main funding arrangements of the Member, including the setting and approval of the budget:</p> <p>DPPPK is funded through the National Budget (APBN), which is formulated within the Government’s budgeting process and approved by the House of Representatives (DPR). Accordingly, DPPPK’s operating budget is derived from public funds rather than from the audit profession. This funding arrangement supports DPPPK’s operational stability and helps safeguard its independence from undue influence by statutory auditors and audit firms.</p> <hr/> <p>5.2 Is the funding free from undue influence by the profession?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please describe with an appropriate level of detail the safeguards in place to prevent undue influence by the profession:</p> <p>DPPPK’s funding is provided through the State Budget (APBN) and is approved by the House of Representatives (DPR) as part of the Government’s formal budget process. PPPK therefore does not rely on funding from the audit profession</p>

	(including statutory auditors, audit firms, or professional associations). This public funding arrangement serves as the primary safeguard against undue influence by the profession.
6. Audit Market	<p>6.1 Provide the number of audit firms subject to inspections. Include an indication of the number of public interest audits (PIEs) and other audits that fall under the Member’s oversight or mandate.</p> <p>As of 31 December 2025, there were 1,725 licensed Public Accountants and 497 Public Accountant Firms in Indonesia. All licensed audit firms fall within DPPPK’s supervisory and inspection remit. DPPPK conducted inspections of 31 audit firms and 50 public accountants. In terms of inspected engagements, the number of Public Interest Entity (PIE) audits inspected for PIE audits was 31 and the number of other audits was 105.</p> <p>6.2 Please describe the sizes (in terms of revenue / number of listed entity clients / number of partners and audit staff / etc. – whichever measure is commonly used and available in your jurisdiction) and market shares of each of the largest audit firms in the Member’s jurisdiction.</p> <ol style="list-style-type: none"> DPPPK assesses the size of the largest audit firms using the key indicators namely total revenue, number of audit clients (including listed entities/PIEs and non-PIE entities), and firm capacity indicators such as the number of audit partners and number of audit staff/officers. DPPPK measures market share using two primary bases: <ol style="list-style-type: none"> Revenue-based market share: each firm’s revenue as a proportion of total market revenue; and Client-based market share: each firm’s number of audit clients (including listed entities and/or total audit clients) as a proportion of the total number of audit clients in the market. <p>In terms of size:</p> <ol style="list-style-type: none"> Revenue: PwC and EY are the largest by total revenue. The next tier comprises KPMG and Deloitte, followed by BDO, and GT. Listed-entity clients: EY audits the highest number of listed entities followed by PwC, BDO, Deloitte, KPMG, and GT. <p>In terms of market share:</p> <ol style="list-style-type: none"> Revenue market share: PwC and EY each account for 20% of the market by revenue. KPMG and Deloitte each represent 6%, BDO 3%, and GT 1%. Collectively, these six firms represent 56% of market revenue. PIE market share: EY holds the largest share of PIE audits (14%), followed by PwC (7%), BDO (4%), Deloitte (3%), KPMG (2%), and GT (1%). Together, these firms account for 32% of PIE audits. <p>Overall, the data indicate that market concentration is led by PwC and EY in revenue terms, while EY also leads in the number of listed-entity audit clients, and PwC has the largest audit staffing capacity among the largest firms.</p>

7. Inspection System	<p>7.1 Does the Member have the responsibility for recurring inspections of audit firms undertaking audits of public interest entities (PIEs)?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>7.2 Is this responsibility undertaken directly or through oversight of inspection conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including the follow-up and reporting process, and the regulatory measures available to be taken as a result of inspections (if described in Question 12 Enforcement, please reference that section for details on such measures).</p> <p>If through oversight of another organization, please describe with an appropriate level of detail the other organization, its relation to the Member, its role, and the arrangements for oversight by the Member:</p> <p>DPPPK undertakes the inspection responsibility directly. It conducts both regular and investigative inspections to obtain reasonable assurance that public accountants and public accountant firms comply with applicable laws and regulations and that they maintain appropriate quality standards in the performance of assurance services, particularly audit engagements.</p> <p>DPPPK applies a risk-based prioritisation in its inspection program. In practice, priority is given to inspections of auditors and firms that audit PIEs including listed companies and regulated financial institutions while inspections of non-PIE auditors and firms are also performed.</p> <p>Inspection outcomes are documented and communicated to the inspected auditor or firm, and DPPPK conducts follow-up to ensure that identified findings are appropriately addressed within the required timeframe. Where necessary, DPPPK may apply regulatory measures, including corrective actions and sanctions, in accordance with the prevailing legal and regulatory framework.</p>
	<p>7.3 Please describe with an appropriate level of detail the requirements and practices regarding the frequency of inspections:</p> <p>There is no specific regulatory provision prescribing a fixed inspection cycle or minimum inspection frequency. However, DPPPK applies a risk-based approach in practice. As a general practice, DPPPK conducts inspections of:</p> <ol style="list-style-type: none"> 1. Big-10 firms on an annual basis; 2. Second-tier firms on a biennial basis; and 3. Other firms at least once every four to five years. <p>This approach is designed to align inspection coverage with the level of public interest and the assessed risk profile of public accountants and public accountant firms, while ensuring baseline supervisory oversight across the profession.</p>

	<p>7.4 Does the Member have its own inspection staff, use reviewers from the professional body or sub-contract to third parties, independent contractors, etc. for the conduct of inspections? Please tick the boxes that apply: (multiple responses allowed) Note that there is no need to tick a box if non-employee reviewers are used very occasionally and are not a core staffing approach.</p> <p><input checked="" type="checkbox"/> Employees of the Member <input type="checkbox"/> Professional body</p> <p><input type="checkbox"/> Third Parties <input type="checkbox"/> Other</p> <p>Please explain below:</p> <p>All inspections are conducted by DPPPK’s own inspection staff, who are full-time civil servants employed by the Ministry of Finance. DPPPK does not use inspector from a professional body, nor does it engage third parties, independent contractors, or external experts as a core approach to staffing inspections.</p> <p>Where an inspection involves complex technical matters such as fair value measurements or the evaluation of audit work involving management’s experts or the auditor’s experts, DPPPK may seek internal technical input through consultation with other relevant divisions within DPPPK that supervise other financial professions (e.g., appraisers and actuaries). This internal coordination supports the inspection team’s assessment while maintaining DPPPK’s direct responsibility for the inspection and its conclusions.</p>
<p>8. Licensing</p>	<p>8.1 If the Member has the responsibility for <u>Licensing</u>, please indicate whether this responsibility is undertaken directly or through oversight of Licensing conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition. Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</p> <p>DPPPK on behalf of the Ministry of Finance is responsible for the licensing of Public Accountants. Applicants submit their Public Accountant license applications to the Ministry of Finance, through the established administrative process. DPPPK reviews and processes the application to assess compliance with the applicable licensing requirements. If the application is approved, the Ministry of Finance issues the Public Accountant license. The license is formally signed by the Director General of Financial Sector Stability and Development, acting for and on behalf of the Minister of Finance.</p>
<p>9. Registration</p>	<p>9.1 If the Member has the responsibility for <u>Registration</u>, please indicate whether this responsibility is undertaken directly or through oversight of Registration conducted by another organization?</p>

	<p><input type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</p> <p style="text-align: center;">N/A</p>
10. Audits and/or Ethics Standard Setting	<p>10.1 If the Member has the responsibility for <u>Audit and/or Ethics Standard Setting</u>, please indicate whether this responsibility is undertaken directly or through oversight of Audit and/or Ethics Standard Setting conducted by another organization?</p> <p><input type="checkbox"/> Directly <input checked="" type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</p> <p>Under Law No. 5 of 2011 on Public Accountants, the Indonesian Institute of Certified Public Accountants (Institut Akuntan Publik Indonesia – IAPI) is the professional body recognised by the Minister of Finance for the public accountant profession. In that capacity, IAPI is mandated to develop and issue professional standards for public accountants and to support the profession through activities such as administering professional examinations, organising continuing professional education (CPE), and conducting quality reviews of its members. IAPI is a membership-based professional association of public accountants. Accordingly, practitioners are involved in its governance and decision-making through IAPI’s organisational structures. DPPPK exercises oversight of IAPI primarily through:</p> <ol style="list-style-type: none"> 1. review of IAPI’s periodic and annual reporting submitted to the Minister of Finance; and 2. ongoing coordination and dialogue with IAPI on matters such as the adoption and implementation of new standards, significant program initiatives, and issues arising from IAPI’s quality review activities. <p>This oversight framework allows DPPPK to monitor IAPI’s standard-setting and related activities, while the technical development and issuance of standards remain the responsibility of IAPI.</p>

	<p>other organization and procedures applied, as well as the role of the Member in these procedures.</p> <p>Under Law No. 5 of 2011 on Public Accountants, the Minister of Finance has the statutory authority to impose administrative sanctions on Public Accountants and Public Accountant Firms. Acting for and on behalf of the Minister, DPPPK carries out the Ministry’s oversight and enforcement responsibilities. In practice, DPPPK undertakes enforcement by:</p> <ol style="list-style-type: none"> 1. identifying potential non-compliance through regular and investigative inspections; and 2. enforcing administrative measures and sanctions, as permitted under the legal framework, against Public Accountants and/or Public Accountant Firms where violations are substantiated. <p>Enforcement outcomes, including disciplinary actions and sanctions are documented and reported through the DPPPK.</p>
<p>13. Other Responsibilities in Audit Oversight or Audit Regulation</p>	<p>13.1 If the Member has the responsibility for <u>other tasks within the area of Audit Oversight or Audit Regulation</u>, please describe with an appropriate level of detail:</p> <p>Setting policy and regulation for Public Accountants and Firms: The Ministry of Finance, through DPPPK, has a mandate to develop and implement the regulatory framework governing Public Accountants and Public Accountant Firms. This function is carried out through the formulation and issuance of Government Regulations and/or Minister of Finance Regulations within the Ministry’s authority. These instruments establish key regulatory requirements for the profession, including, for example:</p> <ol style="list-style-type: none"> 1. licensing and practice requirements for PAs and PAFs; 2. continuing professional education (CPE) obligations including minimum required hours; and 3. audit rotation and other public-interest safeguards applicable to audit engagements.
<p>14. Main Other Responsibilities of the Member <u>outside</u> the area of Audit Oversight or Audit Regulation</p>	<p>14.1 Please describe with an appropriate level of detail, the responsibility of the Member for <u>tasks outside the area of audit oversight or audit regulation</u> such as supervision of financial reporting or securities regulation:</p> <p>Besides as audit regulator, DPPPK is the regulator for other Finance Professions, which are valuer/appraisal, actuary, and accountant.</p>
<p>15. Member Update for public information (if any)</p>	<p>15.1 Are there any major news, activities, events or updates (on audit matters, the Member’s organization, the governing legislation or the authority/responsibilities) that you wish to keep the public informed of since completing last year’s Member Profile?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please describe these changes with an appropriate level of detail:</p>

	<p>Pursuant to Minister of Finance Decree No. 124 of 2024 on the Organisation and Work Procedures of the Ministry of Finance, the Ministry of Finance of the Republic of Indonesia has established a new unit called the Directorate General of Financial Sector Stability and Development. DPPP, which was previously under the Secretariat General of the Ministry of Finance, has now been integrated into this new Directorate General. In addition, the name PPPK has been changed to “Direktorat Pembinaan dan Pengawasan Profesi Keuangan” (DPPP). Following this change, the authority for the development and oversight of public accountants remains under DPPP.</p>
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