

Global Money Week 2024 Launch

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# Protecting Young Generation from Financial Scams and Frauds

**Friderica Widyasari Dewi**

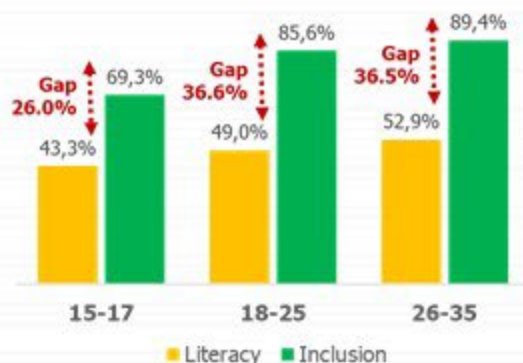
Chief Executive of Market Conduct Supervision,  
Education and Consumer Protection, OJK

Paris | 18 March 2024



With more than half of the population (54%), Young Generation is clearly an important economic players in Indonesia ...

However, they face many vulnerabilities...

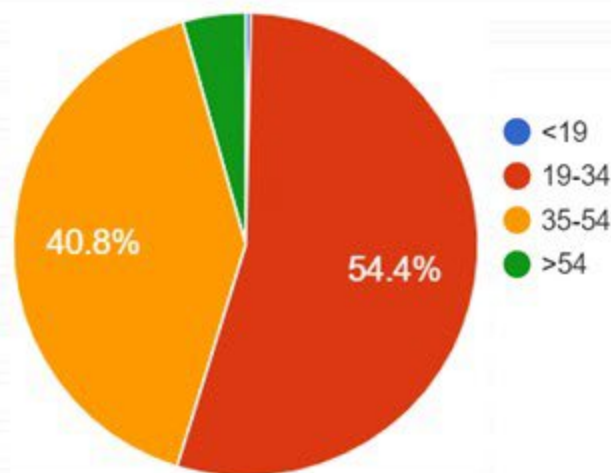


**1** Gap on Financial Literacy and Financial Inclusion ...

**Financially Vulnerable Behaviors...**  
*the young age group becomes the largest borrower in P2P lending.*

**P-to-P Lending active debtors**

Age group distribution



*On average, these loans reached 97% of the average salary earned*

Age Group	Loan VS Salary
< 19	90.86%
<b>20 – 34</b>	<b>96.80%</b>
<b>35 – 54</b>	<b>89%</b>
> 54	93.93%

**2** Financially Vulnerable Behaviors...  
*Money on Pleasure (YOLO) VS Invest for Long Term*

**91%**

Don't have an emergency fund

Lifepal Survey, 2021

**21%**

Only 21% Millennials just started investing

Indonesia Millennial Report, 2024

With more than half of the population (54%), Young Generation is clearly an important economic players in Indonesia ...

However, they face many vulnerabilities...

### 3 Easy to Fall into Influencers Trap *FOMO (Fear of Missing Out)*

#### Luxurious Lifestyle from the Influencers



**DONI SALMANAN**  
Quotex USD 23.5 Million



**WAHYU KENZO**  
RoboTrading USD 16 Million



**INDRA KENZ**  
Binomo USD 5.5 Million

#### Police Arrest Binary Option 'Poster Child' Doni Salmanan

Translator: Rocky Mohammad Nugraha  
Editor: Petir Garda Bhwana  
9 March 2022 06:33 WIB



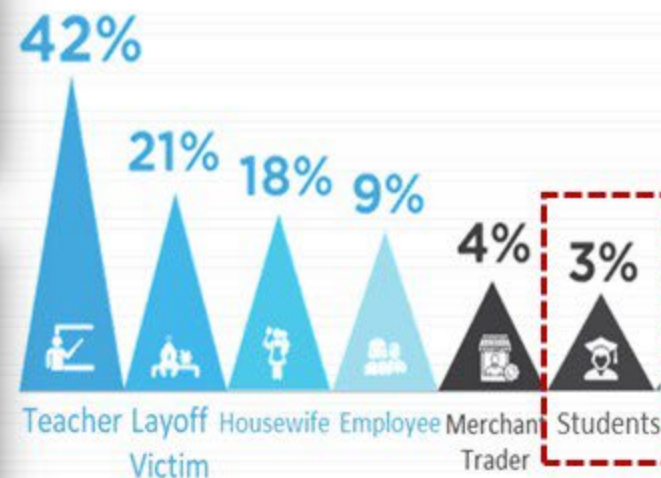
Doni Salmanan, a YouTuber, is being talked about on social media after a video of him distributing money to other motorcyclists at the Jalan Champelas-Pateur intersection, Bandung City, went viral on social media. Photos/Instagram

TEMPO.CO, Jakarta - Doni Salmanan, a social media personality known for "flexing" his wealth, has been named a suspect by the Indonesian National Police (Polri) in relation to an alleged binary option fraud and money laundering.

### 4 Young generation traps in the Illegal investment/Online lending



From Top 5 Illegal investment/Online lending victims, 3% are students



**2** Financial  
Inclusion

**3** Regulation  
and Sanctions

**1** Financial  
Education

**4** Collaboration



Effective ways to protect young people from financial scams and frauds through financial education, financial inclusion, regulation and enforcement, and stronger collaboration with relevant authority.



## 1 Financial Education

*A strong foundation of financial education can help youth build competencies that can protect them from financial frauds*



Education in School and Financial Literacy Series, both printed and digital



Digital Platform, including LMS



Training of Trainers (ToT) for Teachers



Collaboration with Universities and financial institutions

## 2 Financial Inclusion



**One Student One Account (OSOA)**

**53.9 Million Account (85% Student)**

**USD 2 Billion (IDR 30,65 Trillion)**



Strengthening the Infrastructure



Bank Goes to School



Campaigns



**Credit Against Loan Shark**

**1.36 Million borrowers**

**USD 2.6 Billion (IDR 38,74 Trillion)**

Through the Task Force on Regional Financial Access Acceleration (TPAKD)

Effective ways to protect young people from financial scams and frauds through financial education, financial inclusion, regulation and enforcement, and stronger collaboration with relevant authority.



## 3 Regulation and Sanctions

Omnibus Law to regulate the financial sector  
Law No. 4/2023

▶ Legal Norms    ▶ Task Force    ▶ Sanctions

- **BLOCK** applications, links, bank accounts, and telephone numbers related
- Examination and arrest the fraudsters
- **IMPRISONMENT** for a minimum of **5 years and a maximum of 10 years** and a **FINE** of at least IDR 1 billion and a **maximum of IDR 1 trillion** (USD 66.67 million)

## 4 Collaboration



In order to protect public interest, OJK with related authorities or institutions, formed a task force to fight against illegal activities in the financial sector.

**Chair: OJK**

**Vice Chair: National Police**

- |                            |                             |
|----------------------------|-----------------------------|
| ▪ WG on Financial Sector   | ▪ WG on Social Fund Raising |
| ▪ WG on Religious Travel   | ▪ WG on Payment System      |
| ▪ WG on Trading Activities | ▪ WG on Cooperatives        |

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# THANK YOU

*merci beaucoup*

**Friderica Widyasari Dewi**

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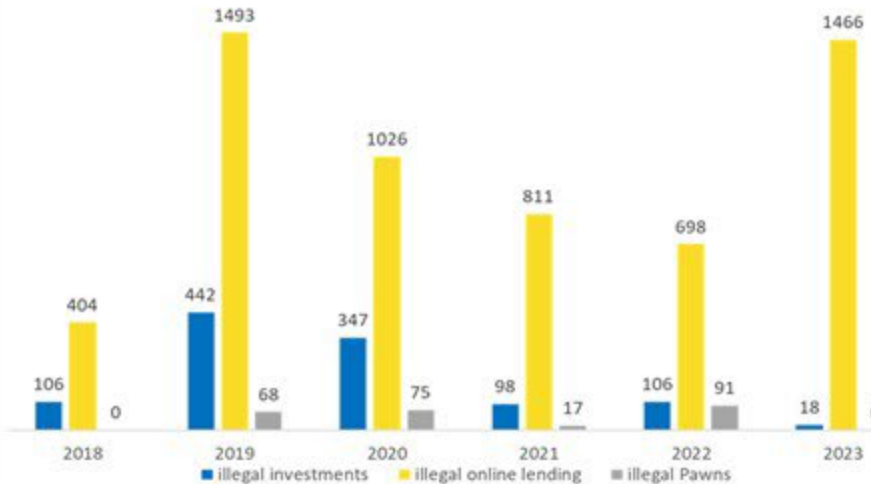
1

What is the total loss caused by illegal entities in the financial sector, and how much of this loss has been successfully recovered or closed?

**PUBLIC LOSSES DUE TO ILLEGAL INVESTMENTS 2017-2023 REACH**

**9.27 billion USD**  
\*IDR 139.67 Trillion

**COMPLAINTS CONCERNING ILLEGAL ONLINE LENDING AND INVESTMENTS**



**13,064**

Illegal Online Lending	12,528
Illegal Investments	536

\*from January to 31 December 2023

**ILLEGAL ENTITIES STOPPED**

**8,149**

Illegal Investments	1,218
Illegal Online lending	6,680
Illegal Pawns	251

from 2017 to 2023

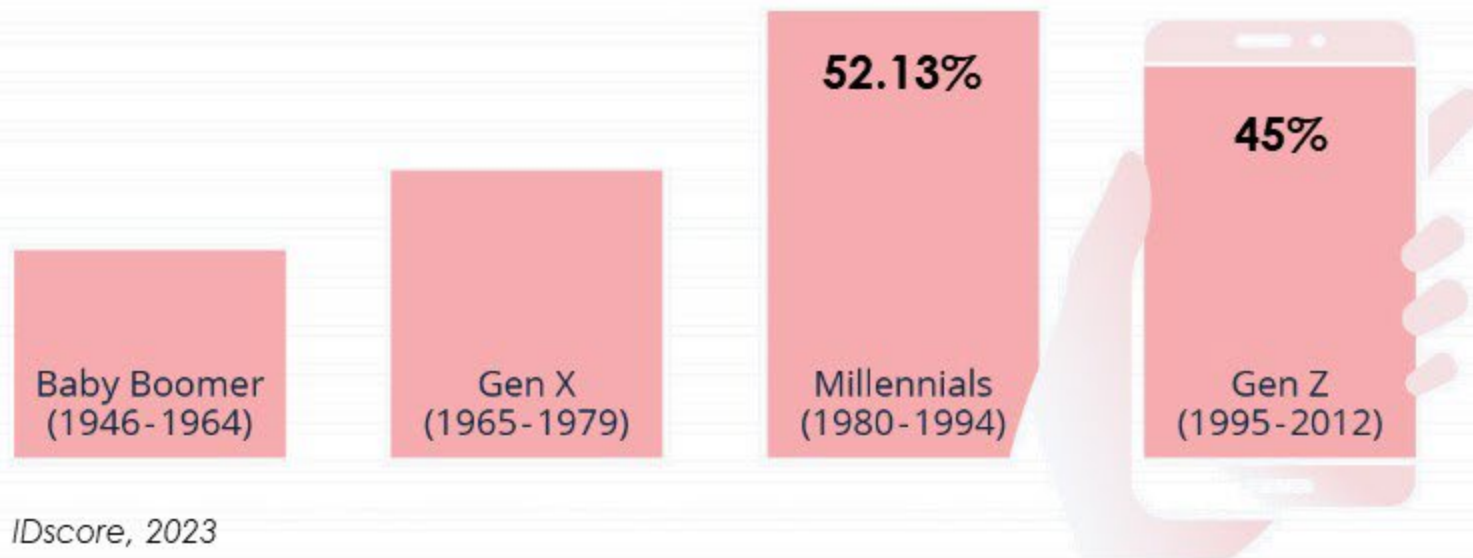




## 2 Besides illegal investment fraud and online lending, what else should young people be anticipated?

### Young Generation – The “Buy Now Pay Later” Generation

Share of Indonesian respondents who use “buy now, pay later” schemes, by generation (in percent)



IDscore, 2023

### Addressing buy now pay later risks effectively

- 1 Overspending
- 2 Debt Accumulation
- 3 Missed Payments
- 4 Impact on Credit Score
- 5 Encourages Unnecessary Debt

3

What are common factors that make young people in Indonesia easily fall into financial scams and frauds?

**FOMO**



(Fear of Missing Out)

**40%**

Feel afraid of missing out on information

*JWTIntelligence Survey, 2012*

**YOLO**



(You Only Live Once)

**91%**

Don't have an emergency fund

*Lifepal Survey, 2021*

**21%**

Only 21% Millennials just started investing

*Indonesia Millennial Report, 2024*

**FOPO**



(Fear of People's Opinions)

**#1**

FOPO: No. 1 Inhibitor of human potential

