ANALYSIS OF NON-PERFORMING CREDIT POLICY AT BRI UNIT TOAYA

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Abstract

This study aims to evaluate the credit quality managed by the BRI Unit Toaya and analyze its non-performing credit policies. The research employs a qualitative methodology with a descriptive approach. Primary data was collected through interviews with key credit debtors, complemented by observations. The findings reveal that the credit quality at the BRI Unit Toaya showed an upward trend from 2018 to 2022, maintaining its position within the healthy category. The non-performing credit policy at the BRI Unit Toaya involves restructuring measures such as extending repayment periods and deferring principal and interest payments, tailored to the underlying causes affecting debtors, while adhering to the 5C criteria.

Keywords: Analysis, policy, non-performing loans.

INTRODUCTION

BRI Unit Toaya is one of the last units established from 29 BRI Units under the auspices of BRI Bank Palu Branch, with a position outside the Hammer City area BRI Unit Toaya is included in the coastal region of Donggala Regency with the majority of MSME sector livelihoods in fisheries and plantations. Establishing cooperation with fish traders and fishermen is not a difficult thing for Toaya Unit marketing supported by the distribution of working capital in the form of short-term credit. Based on the use/target of credit offered by BRI Unit Toaya, there are two types of credit, namely Working Capital Credit is credit given to the community of retail business actors and MSME actors (small and micro medium enterprises), for this type of working capital credit, two choices of credit facilities can be offered, namely KUR credit (People's Business Credit) and Commercial credit and GOLBERTAB Credit (GBT), namely credit given to people who have a fixed income (ASN, TNI, POLRI, BUMN, BUMD, Private, PURNA / Pension).

Apart from the natural disasters of the earthquake and tsunami on September 29, 2018, and the COVID-19 outbreak in 2020 that occurred in the city of Palu, Central Sulawesi hurt banking development, this was also experienced by BRI Bank Palu Branch, namely the Toaya Unit as one of the banking transaction facilities in the Sindue sub-district area. The occurrence of natural disasters and the COVID-19 pandemic, of course, affects the continuity of the Toaya Unit banking service operations, this incident greatly affects the performance of marketing to offer business capital loans because most of them work as fishermen, totally stopped due to damage to boats and several coastal hamlets in the Sindue sub-district were also devastated by the Tsunami, even most residents chose to flee outside the city. BRI Unit Toaya with most of the customers being fishermen, is experiencing a decrease in turnover due to the natural disaster which of course has an impact on the ability to pay for credit customers due to businesses that are no longer running so there is a deterioration in credit quality. BRI Unit Toaya carries out the function of banking services including channeling credit to the community with the hope of helping the community's economy and increasing the Bank's profits. In the post-natural disaster and COVID-19 situation, credit risk is not only motivated by the inability or unwillingness to pay debtors under normal circumstances but other unexpected factors have a direct impact on the debtor's business continuity. Thus the BRI Unit Toaya by OJK circulars and appeals stipulates customer credit relaxation to help the recovery of debtor and banking businesses while helping the economic conditions of areas affected by natural disasters and COVID-19 for 6 months,

therefore the Board of Directors and the BRI regional office issued a circular (SE) Regarding credit relaxation for policy equivalence to OJK's appeal to restructure.

The following is data on the development of lending and non-performing loans (NPL) data for BRI Unit Toaya from 2019 to 2022:

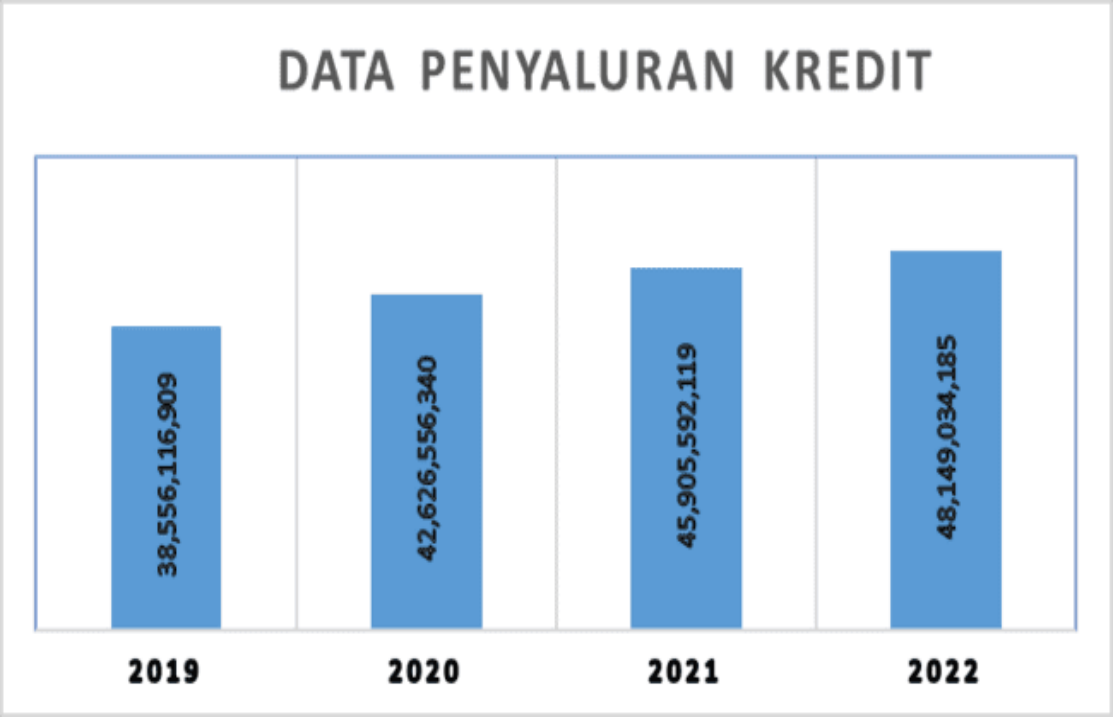


Figure 1. 3 Lending Development in 2019-2022
(Source: MIR03 Bank BRI Unit Toaya, 2023)

The figure above shows that lending tends to experience growth of from 2019 - to 2022 of 23%, this means that post-earthquake lending remains stable until the end of 2022 when 2020 is the COVID-19 pandemic period, but does not affect or is not an obstacle for Bank BRI Toaya Unit in lending. The diagram also illustrates that there has been no decrease in lending over 4 years.

Non-performing loans in the banking world cannot be avoided, but the bank must still try to prevent these cases from being sustainable by understanding the duties of each employee related to credit must have a sense of responsibility to reduce the risk of the emergence of non-performing credit cases as small as possible (Lihani, 2013). However, sometimes the factors of non-performing loans cannot be avoided even though supervision and credit granting procedures have been carried out, not only external factors, but often internal factors become a bomberang for a bank where the possibility of occurrence from marketing or employees at the Bank itself. In terms of external factors, it should also not be separated from the supervision of the Bank by conducting regular visits starting from credit realization to ensure that there are no factors of misuse of credit functions according to field surveys by customers.

The following is previous research that has a relationship with this research: Research conducted by Tri Sundari (2021) from the Islamic Institute of Religion, Faculty of Economics and Islamic Business entitled "Analysis of Restructuring Policies in Resolving Problem Financing during the Covid-19 Pandemic Case Study of Bank Bri Syariah Kcp Ngawi" this type of research is qualitative field research, the method of collecting data is through interviews and documentation, data analysis uses descriptive analysis methods. The similarities of these researchers both discuss the restructuring of problematic financing at the Bank and the difference in this research lies in the research location, namely at Bank BRI Syariah Kcp Ngawi and this research focuses on KUR credit only. Furthermore, research conducted by Reza Yudistira (2011) from Syarif Hidayatullah State Islamic University Jakarta, Faculty of Sharia and Law entitled "Strategy for Resolving Problem Financing at Bank Syariah Mandiri" This type of research is field research and literature study conducted using

observation and interviews this research is qualitative using interactive analysis. The similarities of this research both discuss the analysis of the settlement of problematic financing at the bank and the difference in this research lies in the location, namely the research place, namely at Bank Syariah Mandiri and the difference from the Restructuring method used, namely by extending the period only.

Research conducted by Vina Anggita (2019) from Raden Intan Lampung State Islamic University, Faculty of Economics and Islamic Business with the title "Analysis of Rescheduling and Restructuring Policies in Resolving Problem Financing (Comparative Study of BRI Regional Bank Bandar Lampung and Bank Syariah Mandiri KC Bandar Lampung Diponegoro)" This type of research is field research using qualitative methods, the data collection method is observation, interviews and documentation. The results of the study, namely problematic financing increased in the 2015-2018 period, can still be said to be normal because the two banks have provided rescheduling and restructuring policies by standard operating procedures (SOP). The similarities of this research both discuss restructuring in banks, the difference in this research is rescheduling and restructuring while the researcher discusses restructuring only (Anggiya, 2019) and focuses more on the SOP in providing Restructuring.

This study will be a benchmark for comparison of different previous studies, especially in the restruck method used and the period of restruck provision, although there have been previous studies with the location and type of bank available, namely BRI Bank, this study has a renewal of the restruck method carried out by the SOP in the year in which this research was conducted. Based on the review in the background, researchers are interested in further reviewing and analyzing non-performing loans at BRI Unit Toaya. So that the author raises the title "Analysis of Non-Performing Credit Policy at BRI Unit Toaya"**.**

RESEARCH METHODS

The research method employed in this study is the descriptive research method. The research aims to analyze the policy framework for addressing non-performing loans (NPLs) at the BRI Unit Toaya in Palu. According to Nazir (2003), descriptive research involves studying the status of a group of people, an object, a set of conditions, a system of thought, or events in the present. The primary objective of descriptive research is to provide a systematic, factual, and accurate depiction of the facts, characteristics, and relationships among the phenomena under study. Narimawati (2007) further explains that descriptive research serves to outline the characteristics, symptoms, or functions of a subject.

The study was conducted at Bank BRI Unit Toaya Palu, located in Sindue District, Donggala Regency. The site was chosen due to the persistent increase in credit issues following the earthquake and tsunami disasters, which are closely linked to the daily activities of the researchers. This proximity facilitates efficient access to the required data. As stated by Sugiyono (2008), the object of research refers to a scientific target aimed at collecting data with a specific purpose, ensuring objective, valid, and reliable outcomes. The research focuses on non-performing loans and the strategies employed to address them at BRI Unit Toaya.

A combination of primary and secondary data collection methods was utilized. Secondary data was sourced directly from PT Bank Rakyat Indonesia (Persero) Tbk, Toaya Unit, in the form of problematic credit data obtained from the Bank BRI Unit Toaya website. Primary data, on the other hand, includes supporting information such as field documentation and interviews with problematic credit debtors to understand the reasons behind their issues. This supporting data complements the research findings.

Once data collection was completed, the next step involved data analysis. The research applied qualitative data analysis, focusing on interpreting numerical data to provide a comprehensive understanding of the situation. This approach entailed collecting, presenting, and analyzing the data to generate new insights that could be used to address the research problem.

To clarify the data analysis technique, the following steps were applied to ensure that the collected data effectively supported the research objectives:

Quantitative method by calculating NPL with the following formula:

$$NPL = \frac{kredit\ bermasalah}{total\ kredit} \times 100\%$$

A descriptive qualitative method was employed by processing interview data from BRI Unit Toaya marketing workers to determine the number of non-performing loans (NPLs). The findings are presented in a concise discussion format.

Credit Quality Classification Measurements

1. Current Loans
   Current loans are those where the borrower repays the principal and interest on time, maintains a well-managed account, and fulfills all credit requirements. The criteria for current loans include:
   1) Timely payment of principal and interest installments.
   2) Active account transactions.
   3) A portion of the loan is secured by cash.
2. Special Mention Loans
   Special mention loans refer to situations where borrowers face difficulties in meeting repayment obligations. This may result from late payments, partial payment failures, or the potential inability to repay the loan. The criteria for special mention loans include:
   1) Late payment of installments.
   2) Arrears in principal or interest payments for up to 90 days (3 months).
   3) Relatively active account transactions.
   4) Signs of financial distress on the part of the borrower.
3. Substandard Loans
   Substandard loans are loans with principal or interest payment arrears exceeding 90 days but not exceeding 180 days from the agreed repayment time. The criteria for substandard loans include:
   1) Arrears in principal and interest payments for over 90 days.
   2) Low frequency of account transactions.
   3) Breach of agreed contractual terms for more than 90 days.
   4) Evident financial difficulties faced by the borrower.
   5) Weak loan documentation.
4. Doubtful Loans
   Doubtful loans are loans where the principal and interest payments are overdue by 180 to 270 days from the agreed repayment schedule. The criteria for doubtful loans include:
   1) Arrears in principal or interest payments exceeding 180 days.
   2) Default exceeding 180 days.
   3) Permanent overdrafts.
   4) Capitalization of interest.
   5) Weak legal documentation for agreements and loan collateral.
5. Bad Debts
   Bad debts are loans where the principal and interest payments are overdue by more than 270 days. The criteria for bad debts include:
   1) Arrears in principal installments exceeding 270 days.
   2) Operating losses being covered by new loans.
   3) Collateral that cannot be liquidated at fair value, either legally or from a market perspective.

RESULTS AND DISCUSSION

Bank Rakyat Indonesia (BRI), especially the Toaya Unit, in managing the credit service business, always considers the prudent nature where the bank always pays attention to the success rate of the debtor in managing the business financed by the business credit facility provided by BRI. The BRI bank has prepared credit governance by compiling procedural, operational standards as steps that internal banks must take in handling every financing application submitted by prospective debtors.

The flow and procedural steps of applying for credit that must be followed by the debtor are as follows:

a. Starting from the stage of the prospective debtor applying to the BRI Toaya Unit without being represented by completing the documents as a requirement set by Bri Toaya: the document will be received by the BRI Toaya Unit through the Custumer service (CS) administrative officer and registered on the incoming letter and receipt as proof that the documents and completeness are complete and submitted to the head of the work unit (KAUNIT). Kaunit disposes of the application to the marketing (mantree) according to the work area to carry out the online SLIK (Financial Information Service System) loan history check stage in the BRISPOT mantree application.
b. Mantree conducts a field survey if it has obtained a SLIK debtor with a good history (Current) and with consideration and attention to the correctness of the debtor's identity is eligible for survey. Before giving credit, the bank through Mantree must be sure that the debtor can be trusted so that the bank must conduct an assessment or credit analysis. Assessment to get a decent debtor is done with the 5C principle.
c. The loan proposal stage will be carried out according to the feasibility in the field, through the submission and BRISPOT online process, the credit proposal application will be sent to the head of the work unit. The unit head will make observations and go down to the field to conduct direct checks based on the marketing officer's proposal to ensure the truth before making a credit decision as well as initial guidance to prospective credit debtors.
d. Credit disbursement is an important stage where the debtor is given an explanation of the administration, the agreement, and the risks that can arise if negligent in installments. This stage ends with the signing of the credit agreement contract.
e. After becoming a credit debtor, the bank will conduct supervision at least 6 months after the debtor receives the credit to ensure that the credit is correct on target and is used for business purposes, equipped with a visit sheet as a post-credit realization. This is done to reduce the credit failure rate as small as possible.

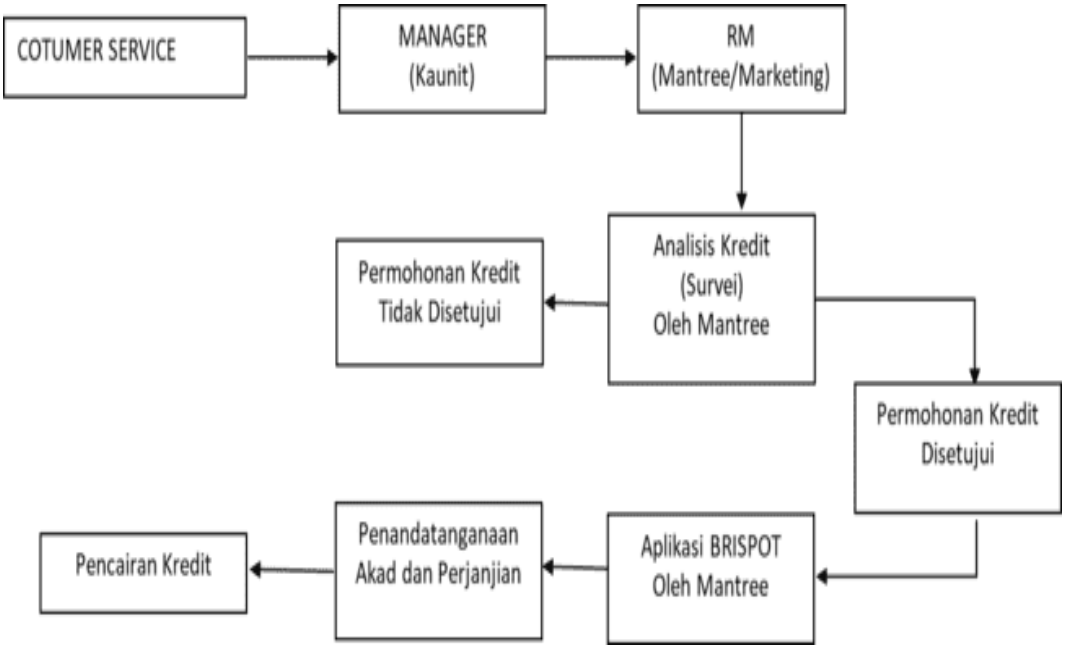


Figure 4.2 Flow of Procedures and Lending

Poor credit distribution or non-performing credit is a condition where the credit provided cannot be repaid by the debtor at the agreed time. Non-Performing Loan (NPL) is a ratio used to assess non-performing loans. The higher the NPL value, the worse the credit quality. According to Taswan (2013: 61), the formula for calculating NPL is as follows:

NPL = Non-performing Loans (OS) x 100%

Total Credit (OS)

Bank Indonesia, through PBI Number 6/10/PBI/2004 dated April 12, 2004, concerning the assessment system for the health level of financial institutions, stipulates that the ratio of non-performing loans (NPL or Non-Performing Finance, NPF) is 5%. The following are the NPL categories according to Bank Indonesia:

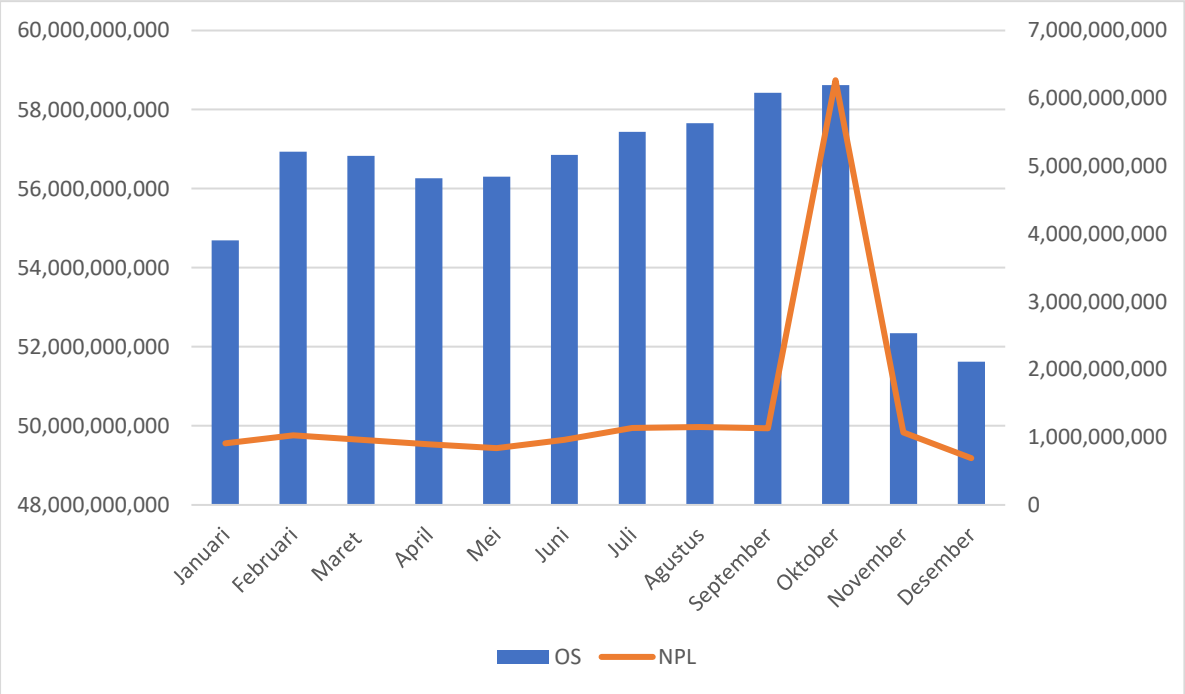
1) NPL < 2%: Very Healthy
2) NPL 2% - 5%: Healthy
3) NPL 5% - 8%: Fairly Healthy
4) NPL 8% - 12%: Less Healthy
5) NPL > 12%: Unhealthy

The description in the assessment to measure the quality of a bank's lending can be observed from the condition of the credit that has been disbursed and whether the debtor's repayments to the bank, in this case, BRI Unit Toaya, comply with the provisions outlined in the contract agreement. This study analyzes the quality of loans disbursed from 2019 to 2022 to determine whether they fall into the healthy or unhealthy category. The percentage of credit quality distributed by BRI Unit Toaya can be calculated as follows:

Credit quality: $$NPL = \frac{OS\ NPL}{OS\ penyaluran} X\ 100\%$$

The increase in non-performing loans, both internally and externally, has a significant impact on banks in determining whether to rescue or resolve loans. This research focuses on efforts to rescue and resolve non-performing loans at Bank BRI Unit Toaya Palu. The bank relies heavily on the Account Officer's ability to analyze the main factors causing the debtor's credit to become non-performing, ensuring that the rescue actions are successful. The data indicates an increase in non-performing loans that must be addressed immediately in 2021 and 2022. Resolving arrears can be approached in various ways, depending on the cause of the deterioration. This research will focus on 2021 and 2022 as samples for decision-making in resolving non-performing loans. The data and samples will serve as benchmarks for classification, based on the arrears recorded in the attached graphs and tables.

Graph 4.1 NPL Development in 2021



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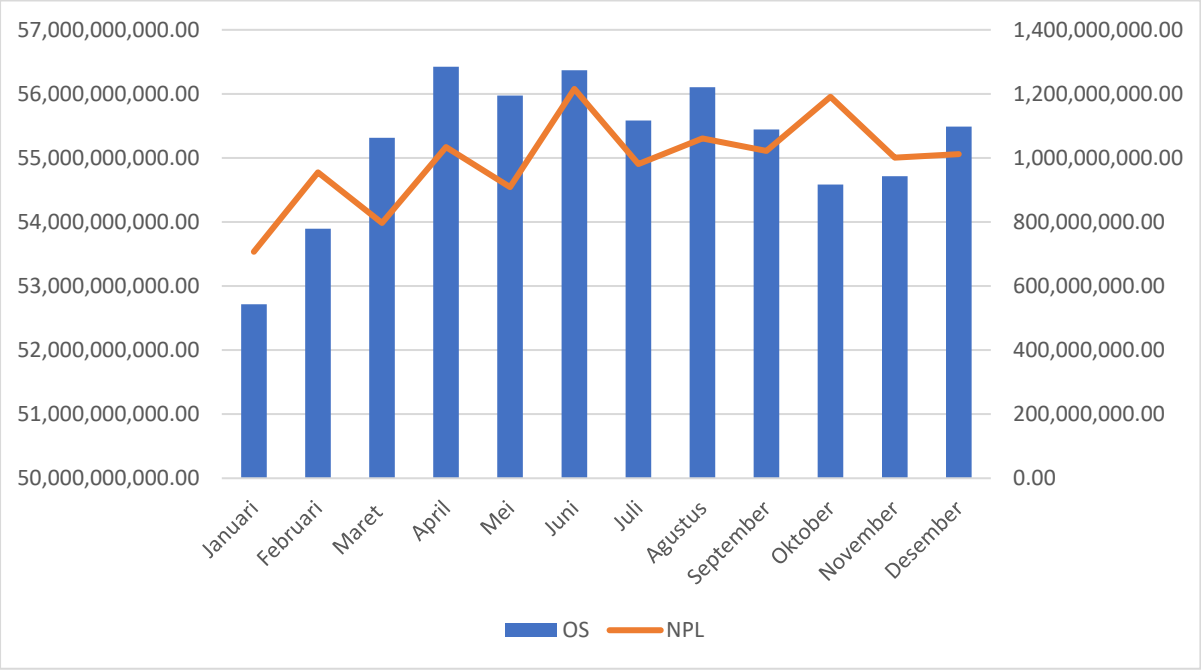
Graph 4.2 NPL development in 2022



From the graph of the NPL (non-performing loan) development report for 2021, an increase in NPLs is evident. When examined and compared between the two reports and figures above, the NPL spike occurred in October, amounting to 6,266,359,494, with a percentage increase of 11%. Overall, the development of the Toaya Unit aligns with the provisions of the maximum limit for a bank's quality criteria, which is 5%. However, in October 2021, the quality of BRI Unit Toaya's credit distribution fell into the unhealthy category, requiring immediate improvements to achieve the annual target by the end of December 2021. The numerical position of each item in August, according to the attached Toaya Unit development report image, can be explained as follows:

- Kupedes : IDR 6,120,340,180,- (30%)
- Kur : IDR 113,136,493 (1%)
- Briguna : IDR 31,372 163,- (0.011%)

The figure above explains that the most significant NPL contributor among all loan types is Kupedes credit, which accounts for the largest NPL amount of Rp 6,120,340,018, representing 30% of the total. This highlights the condition of the Toaya Unit, where, if left unaddressed, it could significantly impact the Unit's profit. For this reason, this study collects data from each credit debtor as a reference for making NPL settlement decisions in accordance with policy provisions, which have undergone several stages of evaluation.

PT Bank Rakyat Indonesia (Persero) Tbk remains committed to empowering Micro, Small, and Medium Enterprises (MSMEs) during the challenges posed by the COVID-19 pandemic in 2020. The company supports the Financial Services Authority (OJK) policy, which provides relaxation measures

for MSME players to help them survive these difficult times. BRI Corporate Secretary Amam Sukriyanto stated that BRI is ready to offer relaxation and relief to MSME debtors facing challenges in meeting their obligations due to the direct or indirect effects of COVID-19. Similarly, the BRI Toaya Unit implemented credit relaxation measures during the COVID-19 pandemic. Even prior to the pandemic, during the natural disaster in Palu, Bank BRI Toaya had already provided credit relaxation to debtors experiencing difficulties in settling their loans.

This study uses data from October 2021 as a sample to analyze restructuring implementation. The initial step involves classifying August 2021 NPL debtor data based on issues identified in the field. Direct observations will also be conducted to gather information on the current state and future prospects of the customers' businesses, along with other relevant details. This information will be used to decide the type of restructuring to be applied to each debtor. Below is data on the development of credit distribution and non-performing loans from 2018 to 2022.

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Table 4.1 Data on the development of lending and non-performing loans from 2018-2022

Jenis Data	2018	2019	2020	2021	2022
Total Penyaluran Kredit (Rp)	42,626,556,340	45,905,592,120	48,149,034,185	51,620,463,039	55,491,184,884
Total Tunggakan (NPL)	1,499,819	24,279,055	516,644,721	689,977,539	1,012,101,088
NPL(%)	0.04	0.050	1.07	1.34	1.82

Credit restructuring is a corrective action taken by banks for debtors who are experiencing difficulties in fulfilling their obligations. It involves changes in credit terms, such as providing additional bank funds, converting interest arrears into new credit principal, or involving additional participation from banks or other partners. This research classifies debtors based on the causes of arrears. The debtor samples analyzed are credit debtors from 2021 and 2022, as October 2021 recorded the highest arrears rate at 11%. Debtor data from October 2021 will be classified based on field observations. The classification of debtors based on the causes of arrears involves factors identified through direct interviews with debtors. The restructuring policy must adhere to the principles of credit granting, known as the 5C principle: character, ability, capital, condition, and collateral. By following this principle, eligible debtors are expected to receive relief and still manage to repay their loans after the relief is provided, provided the debtor demonstrates good character in settling their credit.

Research on non-performing loans at BRI Unit Toaya identified several factors contributing to non-performing loans. Internal factors include a lack of accuracy in analyzing customers, providing financing beyond capacity, and an ineffective monitoring system. The bank often places too much trust in customer-provided data, leading to issues such as loans in another name or fictitious credit. Additionally, loans exceeding a customer’s repayment capacity are often approved in pursuit of financing targets, resulting in defaults and financial losses for the bank. An ineffective monitoring system further exacerbates the issue, as debtors who have undergone restructuring or delayed payments due to events such as the earthquake, tsunami, or COVID-19 pandemic are often not adequately monitored, making it challenging for them to fulfill their obligations. External factors include customers disappearing, declining business conditions, customers prioritizing other interests, and family conflicts. Customers who disappear or act in bad faith cause direct losses to the bank as they fail to fulfill their payment obligations. Declining businesses also contribute to non-performing loans, as many customers' businesses were forced to close due to the impacts of natural disasters and the pandemic, leaving them unable to make loan payments. Customers who prioritize other interests often use loans for unrelated purposes, such as building houses or addressing personal economic needs, further straining their ability to meet repayment obligations. Family conflicts also contribute, as disputes can lead to negligence or forgetfulness in fulfilling financial obligations to the bank.

In conclusion, the factors causing non-performing loans at BRI Unit Toaya include internal factors such as lack of accuracy in analyzing customers, providing financing beyond capacity, and an ineffective monitoring system, as well as external factors such as disappearing customers, declining business conditions, customers prioritizing other interests, and family conflicts. These factors collectively result in non-performing loans, causing significant losses to the bank. After identifying these factors, the quality of credit can be assessed using the Non-Performing Loan (NPL) calculation formula. According to Taswan (2013: 61), the higher the NPL value, the poorer the credit quality. The formula for calculating NPL is as follows:

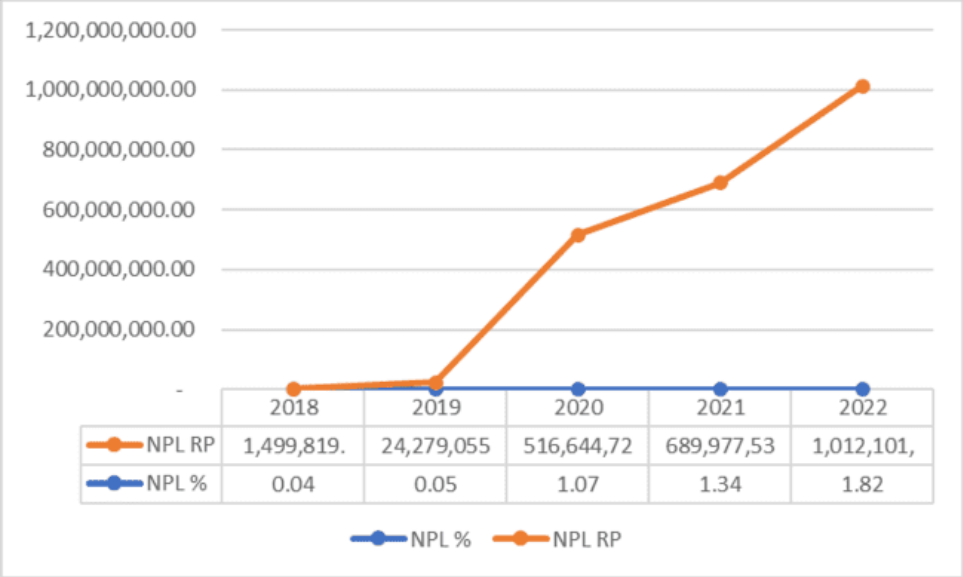
$$NPL = \frac{\text{Non-performing Loans (OS)}}{\text{Total Credit (OS)}} \times 100\%$$

From this formula, the percentage of credit quality distributed by BRI Unit Toaya from 2018 to 2022 is summarized in the following table,

Table 4.2 Data on the quality of BRI Unit Toaya's loan disbursement for the period 2018-2022

No.	Year	Npl %	category
1	2018	0.04%	*quality in 2018 < 2%* ***very healthy***
2	2019	0.05%	*quality in 2019 < 2%* ***very healthy***
3	2020	1,07%	*quality in 2020 < 2%* ***very healthy***
4	2021	1,34%	*quality in 2021 < 2%* ***very healthy***
5	2022	1,82%	*credit quality in 2022 < 2%* ***very healthy***

Graph 4.3 Data on the quality of BRI Unit Toaya's loan disbursement for the period 2018-2022



Based on the data in the table, graph, and formulation results, it is concluded that the credit quality of lending channeled by BRI Unit Toaya from 2018 to 2022 remains in the healthy category. However, during this period, the percentage of NPLs has shown a tendency to increase year by year, reaching 1.82% in 2021 and 2022, nearing the 2% threshold. To address the challenges faced by credit debtors in settling their loans, Bank BRI Toaya has implemented relaxation measures. Relaxation or restructuring is a standard method and provision for resolving credit issues at BRI Toaya Unit. The credit restructuring policies undertaken by the bank include:

1. Extension of credit period;
2. Delay payment of credit interest;
3. Delay in payment of principal ;

Some of the terms of credit restructuring provisions to banks are:

1. Debtors have difficulty paying installments due to decreased turnover
2. Debtors still have businesses with good prospects are also considered to have the ability to fulfill obligations after the restructured credit is carried out.

The decision to restructure must meet specific criteria from the debtor, including having a business with good prospects and a demonstrated willingness to cooperate with the restructuring efforts. In cases such as those analyzed in this research, the marketing officer (Mantree) plays a crucial role in determining whether customers are eligible for credit restructuring policies. The Mantree also provides input to the head of the work unit to ensure the restructuring achieves successful outcomes. However, there are several reasons why certain debtors cannot be granted restructuring policies, as outlined below:

Character, under the 5C lending mechanism, the most important aspect is the debtor's character. This includes evaluating whether the debtor has a poor reputation with the community, business partners, or banks. A debtor who frequently breaks promises, such as changing suppliers without securing accounts payable facilities, indicates unreliability. If such behavior is observed, even under a new restructuring agreement, the customer is likely to default again. Therefore, no relief or restructuring can be granted in such cases. Additionally, the lack of post-restructuring education or intensive monitoring leads to payment delays. Some debtors reported forgetting payment deadlines due to being busy or lacking information. The distance between the debtor's residence and the BRI Toaya Unit further complicates timely communication. Rotating officers are sometimes reluctant to engage with debtors not under their direct responsibility. However, for debtors with viable businesses who show cooperation, policies such as time extensions or payment postponements may be granted.

Legal Issues, debtors involved in legal problems are not eligible for restructuring, as their disregard for rules undermines their reliability.

Household Problems, the extent of domestic issues is evaluated. If the problem involves severe cases such as crime or violence, restructuring is strongly discouraged. However, if the business remains operational and the debtor is cooperative, a policy may still be granted.

Death of the Debtor, in cases where the debtor has passed away, the credit contract may include insurance, but this only applies during the initial period of the agreement. Some debtors in this study faced difficulties because their agreements exceeded the insurance coverage period, such as agreements initiated five years prior. Debtors in such cases cannot receive waivers unless the credit is not yet overdue, even if it falls into the bad debt category.

Decreased Turnover, debtors with decreased turnover may still qualify for restructuring if the business remains operational and the debtor is cooperative. In these cases, extending the repayment period can reduce installment amounts, making payments more manageable.

Over Credit, internal factors, such as pressure to meet targets, often lead to credit being granted beyond a debtor's capacity. This prioritization of targets over risk management results in arrears in subsequent years. Solutions include term extensions and installment relief to manage repayment risks.

Credit Misuse, some debtors were found to have used business loans for non-business purposes, such as paying for dowries, vehicle down payments, or home renovations. This misuse leads to a heavier repayment burden, with debtors prioritizing personal expenditures over bank obligations.

Restructuring policies, such as extending repayment periods, may be considered if the debtor's business prospects and character remain viable.

Absence of the Debtor, debtors who intentionally leave without notifying the bank demonstrate an unwillingness to fulfill obligations. Such cases are ineligible for restructuring relief.

Fictitious Credit (Topengan), instances of credit being taken in another person's name, facilitated by brokers, are often caused by insufficient analysis during the application process. These cases are resolved through collection efforts and are not eligible for restructuring.

Non-Operational Business, for restructuring to be granted, the debtor must demonstrate an ability to repay. If the business has ceased operations, income is affected, and the debtor's ability to repay is compromised, making restructuring infeasible.

Taspen Salary Transfers, debtors who transfer their Taspen salaries to other financial institutions cannot receive restructuring relief. This practice creates significant risks, as the bank cannot monitor payments. Debtors who engage in this behavior must take full responsibility for their actions, as policies cannot be granted.

Consciously transferring salaries to other parties means that you must be able to take responsibility yourself because salaries cannot be monitored at other banks. So it is determined that the debtor cannot be given relief. From the explanation above, it is concluded in the policy table as follows:

Table 4.3 Restructuring Facilities

NO	Causes of NPLs	Number of debtors	Follow-up	Restructuring mechanism that can be provided
1	Character	27	CHARGING	None
2	Lack of post-restructuring education	156	RESTRUCTION	- Principal Postponement, - Postponement of principal and interest - additional time frame as required
3	Legal Issues	3	RESTRUCTION	- Postponement of Principal and Interest
4	Household Problems	7	CHARGING	None
5	Died	2	CHARGING	None
6	Declining Turnover	45	RESTRUCTION	- Principal Postponement, - Postponement of principal and interest - additional time frame as required
7	Over Credit	7	RESTRUCTION	- Additional time frame as required
8	Credit Misuse	9	RESTRUCTION	- Additional time frame as required
9	Out of place	9	CHARGING	None
10	Topengan	11	CHARGING	None
11	Business already None	6	CHARGING	None
12	Taspen Salary Transfer	1	CHARGING	None

Data source; BRI Unit Toaya employees

In an interview with the Head of BRI Unit Toaya, he explained that various alternative restructuring schemes are offered to NPL customers based on field findings. These schemes are implemented in accordance with the procedures and provisions outlined by the central BRI Bank through a circular letter. The restructuring schemes are as follows:

1. Debtors with a turnover decrease of 30 to 50 percent are offered restructuring that includes postponement of interest payments and principal installments for 6 months.
2. Debtors with a turnover decrease of 50 to 75 percent are subject to restructuring that includes a 6-month postponement of interest payments and a 12-month postponement of principal installments.
3. Debtors with a turnover decrease of more than 75 percent are restructured with a 12-month postponement of both interest payments and principal installments.
4. BRI consumer loan debtors are also eligible for credit policies. For those experiencing a decrease in income of up to 10 percent, 10 to 30 percent, or more than 30 percent, restructuring alternatives include extending the credit period for up to 12 months, postponing principal installment payments, or postponing both principal and interest payments.

CONCLUSIONS

1. Based on the discussion in the previous chapter, the following conclusions can be drawn;

The level of credit quality channeled by BRI Toaya unit in total is seen from the NPL (non-performing loan) tota;

a. 2019 IDR 24,279,055, - with a percentage of 0.05%
b. 2020 IDR 516,644,721, - with a percentage of 1.07%
c. 2021 IDR 689,977,539, - with a percentage of 1.34%
d. Year 2022 IDR 1,012,101,088, - with a Percentage of 1.82%

with reference to the credit quality limit set by BI bank is :

1) NPL < 2%: Very Healthy
2) NPL 2% - 5%: Healthy
3) NPL 5% - 8%: Fairly Healthy
4) NPL 8% - 12%: Less Healthy
5) NPL > 12%: Unhealthy

The quality of credit disbursed by BRI Unit Toaya from 2019 to 2022, namely NPL < 2% (very good) is still in the good category and is still under control.

2. The policy taken to overcome non-performing loans at BRI Unit Toaya is;

a. Debtors with a decrease in turnover of between 30 percent and 50 percent were restructured to postpone interest payments and principal installments for 6 months.
b. Debtors with a decrease in turnover between 50 percent and 75 percent were restructured to postpone interest payments for 6 months and postpone principal installments for 12 months.
c. Debtors with a decrease in turnover of more than 75 percent were restructured to postpone interest payments for 12 months and postpone principal installments for 12 months.
d. BRI consumer credit debtors also provide credit policies, including for those who experience a decrease in income of up to 10 percent, a decrease of 10 percent - 30 percent and a decrease of more than percent, restructuring is carried out with alternatives, namely extending the credit period for a maximum of 12 months, postponing payment of principal installments and postponing payment of principal and interest installments.

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