

APPLICATION OF CREDIT DISTRIBUTION FOR CORPORATE BUSINESS SEGMENTS AT PT. BALI REGIONAL DEVELOPMENT BANK

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Abstract

Corporate Credit is one of the sections of BPD Bali, corporate banking is frequently also referred to as business banking, comprising areas of banking connected to corporate services. Corporate banking is a key profit center for as big companies of banks, but corporations are the originator of the largest client loans, corporations corporations are also a frequent source of write-offs for loans that have deteriorated. The sector taken by corporate banking normally serves a broad range, ranging from small and medium companies (SMEs) to giant corporate categories with billions in sales and offices nationwide. The issues encountered by Bank BPD Bali in the credit sector include how to implement credit distribution and the constraining factors for credit distribution at Bank BPD Bali. The purpose of this study is to find out how the application of credit distribution for the corporate business segment at PT. Bali Regional Development Bank and to find out the inhibiting factors for applying credit distribution for the corporate business segment at PT. Bali Regional Development Bank. That means Bank BPD Bali may utilize this study as an assessment material for the inhibiting factors that restrict the spread of credit.

Keywords: Bank BPD Bali, Corporations, Distribution of Credit.

INTRODUCTION

A banking business is a business that deals with finance. The banking business is the most debated in many places both domestically and globally. Among them is the Bali Regional Development Bank or BPD Bali. At Bank BPD Bali there is a corporate credit section. Corporate Credit is one of the divisions of BPD Bali, corporate credit is a banking service to large companies and non-retail companies that have a solid financial structure. Corporate banking often also referred to as business banking, includes from the point of view bandages connected to company services. Corporate banking is a major profit center for large corporate banks, but corporations being the originators of the largest client loans, corporations are also often the source of worsening loan write-offs. The segments taken by corporate banking typically cater to a wide range, ranging from small and medium-sized enterprises (SMEs) to the category of giant corporations with billions in sales and offices worldwide.

In general, corporate banking often also called a business ban, refers to the banking component that deals with corporate clients. Credit distribution, often also called yield distribution, is the difference in yield between two debt instruments with the same maturity but different credit quality. Credit spreads are measured in basis points, with a difference of 1% equivalent to a spread of 100 basis points. For example, a 10-year treasury note with a 5% yield and a 10-year corporate bond with a 7% yield is said to have a credit spread of 200 basis points. Credit spreads are often referred to as "bond spreads" or "default spreads". Credit spreads offer a comparison between corporate bonds and risk-free alternatives.

Credit spreads can also refer to an options strategy in which high-premium options are written and low-premium options are acquired with the same fundamental security. It gives credit to the account of the individual who made the two deals. Credit distribution reflects the difference in yield between treasuries and corporate blogs with the same maturity, corporate credit spreads are often a barometer of good – widening (bad) and narrowing (good), credit spreads can also refer to an options strategy where high-premium options are written and low-premium options are purchased with the same underlying security, Credit spread option strategies must produce wet credit, which is the maximum profit a trader can get.

Depending on the Banking Law here credit is a gift of money or bills that can be equated with it, depending on the agreement on a loan and loan agreement from a business to pay off its debt within the deadline by paying interest according to the company agreement. The findings of the Bank Indonesia Banking Survey show that new loan disbursement in the first quarter of 2023 increased with the Weighted Net Balance (WNB) value of new loans at 63.7%. The emergence of new loans occurred in all categories of credit. In the second quarter of 2023, new loan disbursement is predicted to increase higher, as reflected by the SBT projected new loan disbursement of 99.7%. Bank Indonesia projects lending standards in the second quarter of 2023 to be slightly tighter than in the previous quarter. This is evidenced by a positive Lending Standard Index (ILS) of 0.1%. Lending policy is predicted to be tighter, among others, in terms of lending rates, risky loan premiums, and administrative requirements.

Each bank must have its policies or regulations in corporate lending. One of them is Bank BPD Bali using several regulations in the distribution of corporate loans. This regulation is always changing according to government policy. Although some regulations have been established, there are always inhibiting factors in carrying out these regulations, both from external and internal factors. Based on this background, researchers are interested in discussing the title **"APPLICATION OF CREDIT DISTRIBUTION FOR CORPORATE BUSINESS SEGMENTS AT PT. BALI REGIONAL DEVELOPMENT BANK"**.

IMPLEMENTATION METHODS

The implementation of Field Work Practices (PKL) is carried out directly or offline at PT Bank Bali Regional Development Agency. The implementation of this PKL starts from June 12 to August 14, 2023. PT Bank Bali Regional Development Agency has 11 divisions based on the 2020 Organizational Structure (Kep. Dir: 0540/KEP/DIR/RENSTRA/2020) including the Strategic Planning Division, Human Resources Division, Head of *SKAI* & *Anti Fraud*, Credit Division, Fund and Services Division, *Treasury Division*, Information Technology Division, Operations, Finance & Accounting Division (OKA), General & Secretarial Division, Risk

Management Division, Compliance Division. Of the divisions, the author is placed in the Corporate Credit Division

RESULTS AND DISCUSSION

Problem Analysis

The challenges found include how to implement credit distribution for the corporate business segment and what are the supporting and inhibiting elements of the application of credit distribution for the corporate business sector. In credit distribution, not always the credit given will operate smoothly as imagined in the credit agreement. In general, two variables cause non-performing loans, namely internal factors and external factors:

1. Internal Factors

1. The study is not accurate, so it cannot predict what will happen in a period in the credit period. For example, credit is issued not according to needs, so clients are unable to make installments that exceed their ability.
2. Credit growth has been moderate as management faces significant and challenging hurdles
3. Weaknesses in debtor credit counseling and monitoring; etc

2. External factors

a. Elements of intentionality carried out by customers

1. The customer deliberately does not make installment payments to the bank, because the customer does not have the will to complete his obligations;
2. The debtor grows too large, so the funds needed are too large. This will affect the company's finances in meeting the demands of Home Ownership Credit (KPR).
3. Misappropriation committed by consumers by utilizing credit money is not for use (side streaming). For example, when applying for credit, investment credit is determined, it turns out that in reality when credit funds are given, they are used for Home Ownership Credit (KPR).

b. Element of Inadvertence

1. His company could not compete with the market, so the sales volume decreased and the company lost;
2. Changes in government policies and laws that affect debtor companies;
 - Debtors affected by covid-19 so they default.

Application of Credit Spread for Venture Segments

The application of credit distribution is carried out as an option strategy to represent scenarios where high premium options and low premium options one of the credit spreads is the bond credit spread which shows a yield difference between treasury and corporate bonds with the same maturity. The following is the credit allocation for the corporate business sector at PT Bank Pembangunan Daerah Bali:

Name	Ceiling	Baki Debet	Business Sector	Percentage of Total Corporate Credit
PT DUTA KARYA PERKASA	7.500.000.000,00	-	CONSTRUCTION	17,76%
	3.000.000.000,00	-		
	4.000.000.000,00	-		
	2.500.000.000,00	-		
	5.000.000.000,00	-		
	5.900.000.000,00	-		
HAKADIKON BETON PRATAMA	6.500.000.000,00	-		
	5.000.000.000,00	-		
PT SASTRA MAS AESTHETICS	19.000.000.000,00	18.078.472.000,00		
	7.000.000.000,00	6.320.225.000,00		
PT PRAMANA ARTHA RAHARJA	20.000.000.000,00	19.901.704.187,70		
	13.000.000.000,00	12.836.679.506,46		
TRUE BAYU ADI MANUNGGAL	5.000.000.000,00	5.000.000.000,00		
	5.000.000.000,00	5.000.000.000,00		
	2.000.000.000,00	1.082.022.709,52		
SARWANADI MAIN	2.500.000.000,00	-		
PT SAKASOKA	8.000.000.000,00	7.999.976.290,00		
PT SANUR JAYA UTAMA	3.000.000.000,00	2.000.175.000,00		
	17.000.000.000,00	6.000.150.000,00		
BIANGLALA BALI	17.000.000.000,00	15.900.500.000,00		
TUNAS JAYA SANUR	14.000.000.000,00	12.500.125.000,00		
	50.000.000.000,00	50.000.000.000,00		
	26.000.000.000,00	26.000.000.000,00		
	5.000.000.000,00	5.000.000.000,00		
	15.000.000.000,00	12.789.848.808,89		
	26.000.000.000,00	18.200.000.000,00		
SELARAS ABADI	2.000.000.000,00	1.765.127.614,00		
CV SATYA PRAMANA	2.000.000.000,00	2.000.000.000,00		
	2.000.000.000,00	2.000.000.000,00		
	1.500.000.000,00	1.500.000.000,00		
	875.000.000,00	875.000.000,00		
ADI PUTRA	3.000.000.000,00	3.000.000.000,00		
PT WANGUN JAYA	3.350.000.000,00	697.916.677,00		
PT ARSA BUANA MANUNGGAL	3.000.000.000,00	2.920.550.616,05		
PT MARDIKA GRIYA PRASTA	1.750.000.000,00	1.502.745.000,00		
TOTAL	313.375.000.000,00	240.871.218.409,62		
ADI KARYA GRAHAMULYA	13.000.000.000,00	-	TRADE	2,94%
	5.000.000.000,00	-		

DEWA MEDIA MERTA SEDANA	3.500.000.000,00	3.499.990.475,82		
NYOMAN SUKI MERTHA	7.500.000.000,00	7.275.576.927,70		
	2.500.000.000,00	1.880.106.541,00		
GREEN SUSTAINABLE ENERGY	9.900.000.000,00	9.899.976.237,00		
CV TRI SAKTI	6.900.000.000,00	-		
PURNAMA KARYA	2.000.000.000,00	1.714.646.527,95		
TIRTA HARUM	2.000.000.000,00	1.999.051.016,97		
CV SWACIPTA KARYA	500.000.000,00	499.621.069,03		
IN KADEK AND SAUDI ARRA	1.950.000.000,00	1.949.777.962,98		
CV PUSPA	4.000.000.000,00	3.673.685.184,00		
PUSPA MULE SUKSES	1.500.000.000,00	1.350.750.000,00		
	1.000.000.000,00	194.444.438,00		
	800.000.000,00	400.000.004,00		
	500.000.000,00	258.333.343,00		
OF NURIATI'S FT	1.600.000.000,00	1.600.000.000,00		
CV KARYA MAS UTAMA	2.700.000.000,00	2.696.992.437,85		
WIDIANATA JAYA	1.000.000.000,00	999.014.561,70		
TOTAL	67.850.000.000,00	39.891.966.727,00		
AMERTHA	4.000.000.000,00	3.925.223.818,78	HOTEL	26,51%
	27.500.000.000,00	20.901.154.224,00		
PURI SANTRIAN	24.000.000.000,00	21.212.334.362,00		
JAYA INTERNATIONAL TOURISM	2.000.000.000,00	1.350.575.000,00		
	15.000.000.000,00	10.515.906.249,00		
SANTRIAN BEACH COTTAGES	10.000.000.000,00	5.630.260.081,00		
PURI TJAMPUHAN AGUNG	10.000.000.000,00	9.700.728.000,00		
VILLA SANTRIAN	50.000.000.000,00	8.024.999.999,00		
PT GRAHA SASTRA LOKA	7.000.000.000,00	2.583.942.745,90		
	28.000.000.000,00	12.370.000.000,00		
PT PURI BALI SUN RESORT	15.000.000.000,00	-		
I MADE CAHYADI	8.000.000.000,00	6.776.959.210,48		
PT KHRISNA BALI UTAMA	35.000.000.000,00	32.803.554.804,41		
A MAN WHO IS MARRIED	10.000.000.000,00	9.955.000.000,00		
SETAR SEMABU FAMILY	15.000.000.000,00	4.468.090.000,00		
	12.800.000.000,00	12.410.000.000,00		

VILLANDRA LOVINA BALI	4.200.000.000,00	3.060.000.000,00		
ANAK AGUNG GDE RAI	5.000.000.000,00	4.763.281.242,00		
	5.000.000.000,00	4.844.531.249,00		
PT ALAM MUNDUK LESTARI	20.000.000.000,00	19.733.333.336,00		
	10.000.000.000,00	10.000.000.000,00		
	5.000.000.000,00	4.524.187.901,00		
THE WORK OF THE PRINCE OF PRATAMA	15.000.000.000,00	15.000.000.000,00		
	135.000.000.000,00	135.000.000.000,00		
TOTAL	472.500.000.000,00	359.554.062.222,57		
PT ADHI GARBA SAKTI	4.000.000.000,00	-	HOSPITAL	14,88%
	50.000.000.000,00	48.600.650.000,00		
	20.000.000.000,00	18.066.666.676,00		
JIMBARAN	5.000.000.000,00	1.500.050.000,00		
SEKAR TUNJUNG BIRU	5.000.000.000,00	-		
	13.000.000.000,00	6.973.958.312,00		
	10.000.000.000,00	9.708.333.338,00		
	2.000.000.000,00	1.837.500.000,00		
	10.000.000.000,00	10.000.000.000,00		
	3.000.000.000,00	-		
PT BALIMED PUTRA JEMBRANA	6.000.000.000,00	-		
	31.500.000.000,00	31.150.000.000,00		
	6.500.000.000,00	5.975.000.000,00		
	2.000.000.000,00	1.937.500.001,00		
PURI RAHARJA	1.000.000.000,00	397.429.941,29		
	7.700.000.000,00	3.652.999.999,00		
PT SURYA PRIMA CIPTA	5.000.000.000,00	1.293.128.645,00		
	20.000.000.000,00	8.518.002.902,00		
	4.000.000.000,00	547.058.816,00		
	5.000.000.000,00	801.470.584,00		
	6.000.000.000,00	3.558.196.708,00		
	9.000.000.000,00	7.178.571.431,00		
PT BANGLI MEDICAL CENTER	10.000.000.000,00	9.916.666.670,00		
	25.000.000.000,00	24.979.166.666,67		
PT MURYA SARI ABADI	10.000.000.000,00	5.208.523.497,00		
TOTAL	270.700.000.000,00	201.800.874.186,96		
PERMODALAN NASIONAL MADANI	7.891.903.518,00	5.217.371.660,00	FINANCIAL SERVICES	2,17%
	7.891.903.518,00	5.217.371.670,00		
BPR BANK KERTIAWAN	9.000.000.000,00	1.840.000.000,00		
BALI STATE POLYTECHNIC STATE OFFICER COOPERATIVE	4.170.000.000,00	2.248.941.250,00		
	3.760.000.000,00	1.760.467.261,00		
	2.855.000.000,00	1.824.897.034,00		
	3.000.000.000,00	1.980.028.315,00		

	3.543.000.000,00	2.005.969.086,00		
	4.325.000.000,00	2.265.671.591,00		
	3.347.000.000,00	2.586.653.806,00		
EMA DUTA MANDIRI SAVINGS AND LOANS COOPERATIVE	5.000.000.000,00	97.701.142,00		
KARANG SARI EMPLOYEE COOPERATIVE	3.000.000.000,00	1.474.971.392,45		
	1.200.000.000,00	620.000.000,00		
CIVIL SERVANT COOPERATIVE	1.000.000.000,00	300.000.000,00		
GRAND SARI NUSA CONSUMER COOPERATIVE	1.995.000.000,00	33.250.000,00		
TOTAL	61.978.807.036,00	29.473.294.207,45		
JASAMARGA BALI TOLL ROAD	93.255.907.549,00	46.011.799.130,52		
	6.744.092.451,00	3.249.052.116,32		
PT PEMALANG BATANG TOL ROAD	75.000.000.000,00	73.750.926.765,00		
PT WASKITA EARTH HERO	85.849.000.000,00	80.909.025.045,00		
	14.151.000.000,00	10.326.880.513,00		
PT CIMANGGIS CIBITUNG TOLLWAYS	43.153.710.048,00	43.129.543.968,00		
	4.471.829.705,00	4.469.325.480,00		
	43.557.676.720,00	25.072.163.628,00		
	8.816.783.527,00	7.133.552.279,00		
PT JTD JAYA PRATAMA	21.050.762.727,00	561.889.101,00		
	2.249.196.170,00	89.397.352,00		
JOGJASOLO MARGA MAKMUR	5.619.591.162,00	235.189.483,00		
	94.380.408.838,00	9.862.405.314,00		
TOTAL	498.299.958.897,00	304.801.150.174,84		
PT AIR MINUM GIRI WINS	15.000.000.000,00	951.765.635,00		
	118.872.373.000,00	6.335.892.576,58		
	9.517.656.334,00	1.903.531.270,00		
TOTAL	143.390.029.334,00	9.191.189.481,58		
STATE ELECTRICITY COMPANY	75.000.000.000,00	24.107.142.857,17		
TOTAL	75.000.000.000,00	24.107.142.857,17		
NADIA KENCANA	5.000.000.000,00	1.911.111.128,00		
	7.500.000.000,00	6.650.000.000,00		
	2.500.000.000,00	2.191.666.666,00		
TOTAL	15.000.000.000,00	10.752.777.794,00		
PERU'S PUR PT	100.000.000.000,00	99.929.805.000,00		
TOTAL	100.000.000.000,00	99.929.805.000,00		
			HIGHWAY	22,47%
			WATER MANAGEMENT	0,68%
			ELECTRICITY	1,78%
			TRANSPORTATION SERVICES	0,79%
			FLIGHT SERVICES	7,37%

BUMI LESTARI UTAMA	10.000.000.000,00	9.990.000.000,00	ZOO	0,74%
TOTAL	10.000.000.000,00	9.990.000.000,00		
SARI SEATED	5.000.000.000,00	4.708.333.331,00	FARM	0,35%
TOTAL	5.000.000.000,00	4.708.333.331,00		
SANUR VILLAGE ARENA ENTERTAINMENT	2.000.000.000,00	1.725.910.000,00	RESTAURANT	0,32%
	3.000.000.000,00	2.619.765.000,00		
TOTAL	5.000.000.000,00	4.345.675.000,00		
PT SERANGAN WANA VIEW	5.344.000.000,00	4.990.080.309,88	REAL ESTATE	0,48%
RAGA BALI PROPERTY	1.500.000.000,00	1.459.763.305,07		
TOTAL	6.844.000.000,00	6.449.843.614,95		
I WAYAN RAMANTHA	4.000.000.000,00	3.033.333.343,00	CONSULTANT SERVICES	0,22%
TOTAL	4.000.000.000,00	3.033.333.343,00		
CV DHARMA MIGAS SEJAHTERA	3.500.000.000,00	2.479.166.655,00	CRUMBS	0,18%
TOTAL	3.500.000.000,00	2.479.166.655,00		
IDA BAGUS AGUNG PARTHA ADNYANA	5.000.000.000,00	4.917.657.082,00	ACCOMMODATION SERVICES	0,36%
TOTAL	5.000.000.000,00	4.917.657.082,00		
GRAND TOTALS	2.057.437.795.267,00	1.356.297.490.087,14		100%

Table 3 1 Nsabah Corporate Business Sector

From the data above, credit distribution is carried out by corporate credit where the type used is construction services so that these construction services are all industrial parties related to the construction process, including professionals, construction implementation, and also suppliers who together meet the needs of players in the industry (Hillebrandt, 1985). The implementation of Bank BPD Bali's credit distribution includes providing Special Treatment for Loans Affected by the Spread of Coronavirus Disease 2019 (Covid-19) dated March 27, 2020 which has several times undergone the latest amendment No. 0691/KEP/DIR/KRD/2021 concerning the Fifth Amendment to the Decree of the Board of Directors Number 0132/KEP/DIR/KRD/2020 concerning Special Treatment for Loans Affected by the Spread of Coronavirus Disease 2019 (Covid-19) dated December 20, 2021. In 2022, Bank BPD Bali Province managed to record an increase in Net-Granted Loans by 1.35% to Rp20,068 billion, from the previous year of Rp19,800 billion. Bank Credit installment payments can be assessed from total non-performing loans (NPLs). The percentage of gross non-performing loans (NPL) as of December 31, 2022 was maintained at 2.37% and 2.42%. Meanwhile, net NPL ratios were recorded at 0.06% and 0.13% as of 31st December 2022 and 2021. The Bank has been closely monitoring the development of the quality of receivables, especially loans that have been disbursed.

Uraian Description	2022	2021
Total Kredit Bermasalah (Rp juta) Total Non-Performing Loans (Rp million)	476	479
Total Kredit Yang Diberikan (gross) (Rp juta) Total Loans (gross) (Rp million)	20.068	19.800
% kredit bermasalah (NPL-bruto) % Non-Performing Loans (NPL – gross)	2,37	2,42
% kredit bermasalah (NPL-netto) % Non-Performing Loans (NPL – net)	0,06	0,13

Table 3 2 NPL Bank BPD Bali

Bank BPD Bali is committed to providing participation in the economic development of the community through lending with special features, namely low-interest rates and affordable costs for MSME players who play an important role in economic development, especially in Bali and the national economy. Thus, credit distribution is carried out with the Central Government, Regional Governments, and non-governmental organizations that have the same vision and goals as Bank BPD Bali Province in strengthening the economy. Commercial Banks that conduct commercial operations customarily have the responsibility to disclose and publish Prime Lending Rates (SBDK) in Rupiah as required in OJK Regulation Number 32/POJK.03/2016 concerning Transparency and Publication of Bank Statements. Reporting and issuance of SBDK are some of the steps taken by the Bank to provide clarity to customers and assist consumers in assessing profits, Cost, and credit risk provided. In addition, prime lending rates are also an effort to strengthen sound governance and create healthy banking competition, including by establishing stronger market discipline. The three components of prime lending rate calculation consist of the Cost of Principal Credit (HPDK) generated from customer fundraising operations, operational costs incurred for fundraising and lending activities, and profit margin components determined by the Bank in lending activities. However, the prime lending rate calculation does not consider the risk premium component of each consumer. The risk premium is the Bank's evaluation of the possibility of loan repayment by a potential borrower. The prime lending rate calculation must be reported to Bank Indonesia and published for 4 (four) categories of credit in Rupiah, namely corporate loans, retail loans, microloans, and consumer loans (consisting of mortgages and non-mortgages). The Bank is dedicated to lowering lending rates while taking into account various factors, including banking sector conditions and national, regional, and global economic situations. Bank BPD Bali Province categorizes loans for prime lending rates based on the business sector as follows:

1. Corporate credit for Medium Commercial customers,
2. Retail loans for Small and Medium Enterprise customers;
3. Microcredit for micro business customers or referred to in the Law, namely Micro, Small and Medium Enterprises;
4. Mortgages and non-mortgage consumer loans, excluding the distribution of funds via credit card and
5. Unsecured Credit (KTA); Information on prime lending rates applicable at any time can be seen in publications in each office and/or the Company's website (www.bpd Bali.co.id).

Periode Period	Suku Bunga Dasar Kredit Prime Lending Rate			Kredit Konsumsi Consumptive Loan	
	Korporasi Corporate	Ritel Retail	Mikro Micro	KPR Mortgage	Non- KPR Non- Mortgage
2021	7,27%	10,01%	7,05%	6,22%	9%
2022	7.57 %	8.75 %	7.34 %	6.41%	8.92%

Table 3 3 Prime Lending Rate

Although Bank BPD Bali Province uses credit distribution as above, there are still problems in lending such as poor analysis, so it cannot predict what will happen in the entire credit period. For example, the credit provided is not to customer needs, so customers are unable to pay installments that exceed their ability, credit growth is very moderate because management faces significant and challenging obstacles, weaknesses in counseling and monitoring debtor credit, customers deliberately do not have the will to fulfill their obligations in paying installments, debtors become too large, then the money needed is too large. This will affect the company's finances in meeting the demands of Home Ownership Loans (KPR), misappropriation committed by customers who utilize these credit funds is not for use (side streaming). For example, in the credit application, it is stated that investment credit, apparently in practice after the credit funds are disbursed, is used for Home Ownership Loans (KPR), the company cannot compete with the market, so the sales volume decreases and the company loses money, changes in government policies and regulations that have an impact on the debtor's business, are affected by Covid-19 debtors so that they default.

Based on this, more specifically, the problems I encountered in the distribution of credit at Bank BPD Bali are, (1) how to apply credit distribution at Bank BPD Bali, (2) inhibiting factors of the application of credit distribution for the corporate business segment at Bank BPD Bali

Problem Solutions

From what can be observed from the credit distribution data for the corporate sector of companies, the solution to this problem can be affirmation/warning for late debtors or lack of timeliness to make payments. This can make the debtor make payments faster until there is no such problem. Corporate credit, even for the most solid companies with good ratings, is considered a dangerous investment that is vulnerable to compensation from investors. This compensation is a credit spread.

CONCLUSION

Corporate credit is a banking service for large corporations and non-retail organizations that have a strong financial structure. Corporate banking often also referred to as business banking, includes from the point of view bandages connected to company services. Corporate banking is a major profit center for most banks, but corporations as the biggest originators of client loans, corporate banking is also often a source of worsening loan write-offs. The sectors taken up by corporate banking typically serve for variety, ranging from small and medium-sized enterprises (SMEs) to categories of giant corporations with billions in sales and offices across the country. The challenges found include how to implement credit distribution for the

corporate business segment and what are the elements inhibiting the application of credit distribution for the corporate business sector. In credit distribution, not always the credit given will operate smoothly as imagined in the credit agreement. In general, two variables produce non-performing loans, namely internal factors and external factors. To overcome this, Bank BPD Bali Province has carried out credit distributions such as providing low-interest rates, special treatment given to debtors affected by COVID-19, and Prime Lending Rate (SBDK) reports.

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