

The Comparison Between Rural bank (BPR) and Commercial Bank

Rural Bank (BPR)

Definition according to Indonesia Financial Services Authority:

- A bank that carries out its business activities conventionally or based on Sharia principles without providing services in payment transferring.
- BPR's activities are much narrower than those of commercial bank because BPR is prohibited from providing demand deposit, foreign exchange business and insurance.

Rural Bank (BPR's) business activities

- Gather fund from society in the forms of time deposit, savings, and/or other forms equal to those.
- Provide credit.
- Provide financing and fund placement based on Sharia law and according to provisions stipulated by Bank Indonesia.
- Place bank's fund in the form of Bank Indonesia Certificate (SBI, or Bank Indonesia promissory notes), time deposit, deposit certificate, and/or savings in other banks.

Rural Bank Capital

- a. IDR 14 billion for BPRs established in the DKI Jakarta area (Zone1).
- b. IDR 8 billion for BPRs established in provincial capitals on the islands of Java and Bali and in the regencies or municipalities of Bogor, Depok, Tangerang and Bekasi (Zone 2).
- c. IDR 6 billion for BPRs established in provincial capitals outside Java and Bali and in the islands of Java and Bali outside the areas referred to in letters a and b (Zone 3).
- d. IDR 4 billion for an RB established in another area outside the area as referred to in letters a, b and c (Zone 4).

Tabel 2.4 Jumlah BPR Berdasarkan Total Aset
(Rural Banks Based on Total Assets)
Miliar Rp (Billion Rp)

Total Aset	2015	2016	2017	2018	2019												Total Aset
					Jan	Feb	Mar	Apr	Mei	Jun	Jul	Ags	Sep	Okt	Nov	Des	
Total Aset BPR	5	10	11	10	11	9	8	9	10	10	9	9	8	8	9	9	Total Asset Rural bank
< 1 Miliar																	< 1 Billion
Total Aset BPR	146	126	107	90	86	86	85	85	92	87	84	86	82	78	72	66	Total Asset Rural bank
1 s.d 5 Miliar																	1 up to 5 Billion
Total Aset BPR	226	210	181	173	169	165	160	161	155	157	155	141	143	140	140	146	Total Asset Rural bank
5 s.d 10 Miliar																	5 up to 10 Billion
Total Aset BPR	1.260	1.287	1.320	1.324	1.327	1.333	1.333	1.331	1.325	1.327	1.331	1.343	1.345	1.328	1.331	1.325	Total Asset Rural bank
> 10 Miliar																	> 10 Billion
Total	1.637	1.633	1.619	1.597	1.593	1.593	1.586	1.586	1.582	1.581	1.579	1.579	1.578	1.554	1.552	1.546	Total

**Tabel 2.2 Kinerja Bank Perkreditan Rakyat
(Rural Banks Performance)
Miliar Rp (Billion Rp)**

Indikator	2015	2016	2017	2018	2019												Indikator
					Jan	Feb	Mar	Apr	Mei	Jun	Jul	Ags	Sep	Okt	Nov	Des	
LDR (%)	77,81	76,24	75,36	76,54	75,98	76,76	77,36	78,74	80,43	78,91	78,10	78,11	77,81	77,59	77,19	79,09	LDR (%)
- Total Kredit	74.807	81.684	89.482	98.220	98.689	99.995	101.410	103.045	105.048	104.616	105.307	106.093	106.733	107.519	108.248	108.784	- Total Credit
- Penghimpunan Dana	81.908	90.997	100.632	108.627	108.669	109.013	110.036	110.217	110.387	112.229	114.324	115.122	116.216	117.463	118.950	115.912	- Funds collected
- Modal Inti	14.232	16.147	18.105	19.696	21.225	21.262	21.059	20.651	20.218	20.354	20.507	20.701	20.961	21.116	21.288	21.636	- Core Capital
NPL (%)	5,37	5,83	6,15	6,37	6,82	6,99	6,94	7,15	7,10	7,25	7,25	7,36	7,34	7,36	7,32	6,81	NPL (%)
- Kredit Non Lancar	4.018	4.765	5.500	6.261	6.734	6.986	7.036	7.367	7.455	7.580	7.639	7.812	7.838	7.911	7.923	7.405	- Non Current Credits
- Total Kredit	74.807	81.684	89.482	98.220	98.689	99.995	101.410	103.046	105.048	104.616	105.307	106.093	106.733	107.519	108.248	108.784	- Total Credit
ROA (%)	2,71	2,59	2,55	2,48	2,44	2,26	2,43	2,40	2,36	2,37	2,33	2,26	2,29	2,27	2,26	2,31	ROA (%)
- L/R Tahun Berjalan	2.755	2.936	3.210	3.371	275	512	835	1.101	1.351	1.651	1.930	2.153	2.484	2.774	3.077	3.456	- Current Earnings (Profit/Loss)
- Total Aktiva	101.713	113.501	125.945	135.693	135.570	136.150	137.362	137.497	137.444	139.512	142.048	143.229	144.779	146.545	148.493	149.623	- Total Aktiva
ROE (%)	24,76	23,61	23,06	22,24	21,67	19,98	21,57	21,17	20,66	20,93	20,79	20,15	20,53	20,47	20,56	21,00	ROE (%)
- L/R Tahun Berjalan	2.755	2.936	3.210	3.371	275	512	835	1.101	1.351	1.651	1.930	2.153	2.484	2.774	3.077	3.456	- Current Earnings (Profit/Loss)
- Modal Disetor	9.550	10.656	11.879	12.921	12.991	13.115	13.161	13.241	13.287	13.348	13.457	13.573	13.343	13.803	13.865	13.989	- Paid In Capital
- Cadangan Umum	1.579	1.778	2.038	2.241	2.249	2.273	2.312	2.358	2.406	2.427	2.455	2.454	2.454	2.454	2.463	2.473	- General Reserve

Ket: *) Angka-angka sementara

*) Provisional figures

Commercial Bank

Definition according to Law no. 10 / 1998 on banking:

- A business that gathers fund from society in the form of savings and distributes the fund to the society in the form of credits and/or others in order to improve people's standard of living.
- Commercial bank is a bank that performs business activities conventionally and/or based on Sharia principles, including activities that provide services in payment transferring.

Commercial bank capital category

- Commercial Bank Business Classification 1: Banks with core capital less than IDR 1 trillion;
- Commercial Bank Business Classification 2: Banks with core capital of IDR 1 trillion to less than IDR 5 trillion;
- Commercial Bank Business Classification 3: Banks with core capital of IDR 5 trillion to less than IDR 30 trillion; and
- Commercial Bank Business Classification 4: Banks with core capital greater than IDR 30 trillion.

Growth of Total Commercial Banks and Bank Offices based on Group of Business Activities

Bank Group Capital Category	2016	2017	2018	2019
Bank Category 1 Number of Bank Number of office	25 919	18 470	18 495	13 392
Bank Category 2 Number of Bank Number of office	50 4038	54 4352	51 4051	52 4111
Bank Category 3 Number of Bank Number of office	24 10410	25 9421	27 9498	25 8666
Bank Category 4 Number of Bank Number of office	4 15507	5 16221	5 15717	6 16053

Tabel 1.8.a. Laporan Laba / Rugi Bank Umum
Commercial Banks Income Statements
Miliar Rp (Billion Rp)

Keterangan	2015	2016	2017	2018	2019												Items
					Jan	Feb	Mar	Apr	Mai	Jun	Jul	Agus	Sep	Okt	Nov	Des	
A. Pendapatan dan Beban Bunga																	A. Interest Income and Interest Expense
1. Pendapatan bunga	846.814	881.460	717.781	742.327	78.518	138.858	207.358	274.772	343.901	411.823	480.118	550.367	619.897	688.723	757.782	828.197	1. Interest Income
a. Dari Bank Indonesia	7.420	5.990	7.320	6.288	703	1.224	1.750	2.513	3.296	3.888	4.528	5.180	5.887	6.174	6.898	7.353	a. From Bank Indonesia Placement
b. Dari Penempatan pada bank lain	3.128	6.867	7.358	8.863	940	1.452	2.488	3.420	4.363	5.184	6.138	7.018	7.823	8.631	9.423	10.209	b. From interbank placement
c. Dari surat berharga	42.748	32.404	58.988	81.380	5.428	10.261	15.874	20.897	26.338	31.398	36.830	42.280	47.881	53.087	58.504	64.338	c. From securities
d. Dari Kredit yang diberikan	450.288	474.705	484.308	511.575	48.790	80.708	137.128	181.897	228.987	274.308	320.382	368.880	413.073	458.233	504.574	552.425	d. From credit
- kepada pihak ketiga bukan bank	445.858	472.381	482.484	508.281	48.373	80.288	136.038	180.489	228.412	273.210	318.080	364.303	408.788	453.533	501.042	548.581	- To Third Party non Bank
- kepada bank lain	2.028	2.314	2.484	3.194	418	743	1.088	1.408	1.875	2.398	2.302	2.645	3.308	3.700	3.532	3.854	- To other Bank
e. Lainnya	137.234	141.694	159.247	154.354	20.749	34.983	50.542	68.038	81.884	97.041	112.239	129.052	145.294	161.598	178.582	193.878	e. Others
2. Beban Bunga	338.258	338.622	358.828	365.077	48.329	77.703	114.151	148.480	188.940	231.411	287.135	354.851	430.998	507.613	603.080	709.201	2. Interest Expense
a. Kepada Bank Indonesia	477	447	56	63	37	34	44	50	107	285	312	381	397	468	498	458	a. Bank Indonesia Liabilities
b. Kepada bank lain	6.486	6.824	7.917	9.789	966	1.319	2.787	3.793	4.804	5.814	6.760	7.690	8.549	9.630	10.823	11.570	b. Interbank Liabilities
c. Kepada pihak ketiga bukan bank	187.288	174.977	178.820	179.820	17.537	33.787	51.828	88.282	87.314	154.710	122.841	141.051	158.377	178.215	193.134	210.401	c. Third Party non Bank
- Giro	14.858	15.813	16.889	20.387	1.904	3.618	5.548	7.479	9.540	11.590	13.613	15.698	17.737	19.818	21.898	24.166	- Demand Deposit
- Tabungan	22.410	22.743	23.087	23.320	3.081	4.130	6.247	8.274	10.382	12.437	14.387	16.384	18.313	20.350	22.913	24.388	- Saving
- Simpanan Deposita	149.840	136.415	134.907	135.296	13.543	28.021	40.030	53.008	67.408	80.882	94.841	108.842	121.738	138.543	148.323	161.215	- Time deposits
d. Surat Berharga	7.888	8.227	10.034	11.314	1.149	2.074	3.207	4.008	5.063	6.188	7.272	8.278	9.181	10.123	11.052	11.987	d. Securities
e. Piutang yang diterima	4.234	6.327	7.258	11.572	3.270	3.673	4.889	6.099	7.279	8.258	9.438	10.590	11.700	12.892	13.855	14.825	e. Loans received
f. Lainnya	130.258	139.708	155.973	159.831	20.237	33.858	48.261	64.284	79.885	94.618	109.112	123.448	141.251	157.248	173.842	189.109	f. Others
g. Koreksi atas pendapatan bunga	1.549	2.015	1.795	1.794	3.623	3.589	3.234	3.118	2.869	2.818	2.548	2.389	2.273	2.189	2.287	2.029	g. Corrections
B. Pendapatan Bunga Bersih (A1-A2)	308.556	342.838	358.953	377.250	30.189	60.955	93.208	126.292	154.961	180.412	192.983	225.516	288.899	321.111	353.832	388.997	B. Net Interest Income (A1-A2)
C. Pendapatan dan Beban Operasional Lain																	C. Other Operating Income and Expense
1. Pendapatan Operasional Selain Bunga	210.287	249.891	231.512	281.214	88.917	108.173	138.704	173.418	188.016	188.127	241.383	257.289	284.548	328.182	354.782	318.252	1. Other Operating Income
a. Penjualan Nilai Wajar dan keuntungan penjualan surat berharga	5.884	8.875	10.828	8.442	1.078	1.848	3.187	3.872	4.422	6.200	7.874	8.588	9.328	10.838	12.000	12.838	a. Increase in fair value and gain from sale of securities
b. Penjualan Nilai Wajar dan keuntungan penjualan kredit yang diberikan	48	360	1.207	18	2	2	28	33	37	37	45	45	44	38	38	38	b. Increase in fair value and gain from sale of credit
c. Penjualan Nilai Wajar dan keuntungan penjualan aset keuangan lainnya	0	39	118	31	8	25	41	23	27	31	38	45	58	53	58	58	c. Increase in fair value and gain from sale of other financial assets
d. Keuntungan Transaksi Spot dan Derivat	107.838	101.214	108.418	103.589	73.815	79.039	94.188	115.523	98.209	102.953	123.257	144.230	158.947	182.000	144.908	144.987	d. Gain from spot and derivative
e. Dividen, keuntungan penyertaan equity method, komisi/provisi/fee	57.923	63.817	69.513	76.090	8.338	12.182	19.128	28.823	32.750	38.138	46.387	53.888	60.358	67.241	74.434	82.330	e. Dividen, gain from investment in shares with equity method
f. Lainnya	39.702	75.288	44.488	53.043	8.078	10.956	22.121	27.848	33.147	37.680	63.701	58.813	57.014	68.283	73.238	78.288	f. Others
2. Beban Operasional Selain Beban Bunga	386.114	458.244	424.241	453.025	183.214	138.908	181.080	225.447	245.245	277.834	348.078	381.173	424.821	482.072	478.880	510.775	2. Non Interest Expense
a. Penurunan Nilai Wajar dan kerugian penjualan surat berharga	2.853	2.474	1.888	3.598	338	307	467	873	888	894	1.089	1.238	1.331	1.402	1.827	1.878	a. Decrease in fair value and losses from sale of securities
b. Penurunan Nilai Wajar dan kerugian penjualan kredit yang diberikan	383	144	417	152	18	30	41	74	87	329	352	388	378	389	403	417	b. Decrease in fair value and losses from sale of credit
c. Penurunan Nilai Wajar dan kerugian penjualan aset keuangan lainnya	32	28	17	177	34	21	12	44	47	47	67	62	51	51	53	48	c. Decrease in fair value and losses from sale of other financial assets
d. Kerugian Transaksi Spot dan Derivat	88.122	101.792	95.939	113.880	78.878	77.478	91.344	111.283	90.074	85.477	114.927	124.878	148.280	170.581	132.114	130.880	d. Losses from spot and derivative
e. Penyusutan/Amortisasi	87.213	146.623	108.868	102.880	12.888	23.255	32.071	44.838	53.883	62.477	92.969	84.745	88.287	108.051	122.408	130.473	e. Depreciation/amortization
f. Kerugian penyertaan equity method, komisi/provisi/fee, administrasi	3.113	3.201	3.624	4.798	481	855	1.381	1.828	2.230	2.638	3.128	3.818	4.073	4.614	5.070	5.837	f. Losses from investment in shares with equity method, fees/commission/
g. Lainnya	184.917	201.284	216.410	237.899	18.834	38.983	58.849	78.830	98.277	115.775	136.310	158.474	176.519	198.072	217.314	241.883	g. Others
D. Laba/Rugi Operasional (A1 + C1) - (A2 + C2)	133.188	136.261	168.380	195.439	17.894	31.218	50.447	63.283	79.329	98.011	115.487	131.761	148.237	165.982	178.628	198.474	D. Operating Profit/Loss (A1+C1) - (A2+C2)
E. Pendapatan non-operasional	34.080	29.712	36.242	24.827	2.945	3.734	5.606	7.281	9.353	11.125	13.247	15.387	17.280	19.591	23.291	27.178	E. Non Operational Income
F. Beban non-operasional	23.797	19.995	28.737	19.847	3.119	3.243	5.029	8.029	9.805	10.336	12.277	14.388	16.322	18.198	20.370	23.138	F. Non Operational Expense
G. Laba/Rugi non-operasional (E - F)	303	1.517	1.505	5.280	(1.074)	491	578	362	308	789	970	909	968	952	2.881	4.041	G. Non Operational Profit (E - F)
H. Laba/Rugi tahun berjalan sebelum pajak	133.521	137.407	168.883	199.719	16.819	31.710	51.025	63.625	79.838	98.880	116.457	132.761	148.285	166.044	182.508	200.594	H. Current Year Profit
I. Penurunan Transfer Laba/Rugi	86.408	87.017	84.137	95.580	11	28	22	(31)	(30)	(32)	(19)	(47)	(48)	(62)	(62)	(63.591)	I. Transfer Profit / Loss Received
J. Transfer Laba/Rugi ke Kantor Pusat	86.887	87.431	84.376	95.882	23	(87)	191	115	107	77	294	144	184	242	197	103.889	J. Transfer of Profit/Loss to Head Office
K. Jumlah laba/rugi bersih (setelah dikurangi pajak penghasilan)	104.628	106.544	131.158	158.013	13.448	23.388	40.242	49.913	62.584	78.507	91.472	104.128	117.594	130.772	143.158	158.487	K. Profit/Loss After Estimation of tax

1. Angka-angka dipecahkan
 2. Angka-angka sementara

1. Revised figures
 2. Provisional figures

Tabel 1.29.a. Perkembangan Aset Bank Umum Berdasarkan Kelompok Bank
(Growth of Commercial Banks Assets Based Group Bank)
Milliar Rp (Billion Rp)

Kelompok Bank	2015	2016	2017	2018	2019												Group of Bank
					Jan	Feb	Mar	Apr	Mei	Jun	Jul	Ags	Sep	Okt	Nov	Des	
- Bank Persero	2.313.316	2.666.516	2.986.617	3.342.996	3.218.004	3.238.650	3.304.934	3.279.456	3.329.429	3.380.283	3.381.599	3.376.027	3.413.715	3.404.000	3.474.390	3.574.130	- State Owned Banks
- BUSN Devisa	2.363.516	2.672.238	2.964.855	3.126.359	3.117.048	3.224.577	3.256.956	3.240.712	3.267.889	3.289.645	3.299.745	3.295.291	3.304.775	3.317.845	3.324.815	3.393.130	- Foreign Exchange Commercial Banks
- BUSN Non Devisa	193.149	73.684	88.231	101.036	97.969	100.445	102.482	103.645	106.790	109.416	109.152	112.381	113.564	115.514	117.520	120.319	- Non-Foreign Exchange Commercial Banks
- BPD	475.696	529.746	604.820	655.963	644.356	654.472	669.866	693.145	666.414	701.726	701.320	699.433	718.602	745.490	741.705	717.518	- Regional Development Banks
- Bank Campuran	313.570	319.328	331.734	390.331	389.050	305.652	315.721	312.296	307.885	308.056	306.936	311.240	310.220	307.219	301.121	306.364	- Joint Venture Banks
- Bank Asing	473.336	468.286	411.376	451.661	447.063	440.809	480.644	490.344	454.431	453.861	460.152	450.679	457.404	454.819	451.355	451.514	- Foreign Owned Banks
Total	6.132.583	6.729.799	7.387.634	8.068.346	7.913.491	7.964.605	8.130.604	8.119.598	8.132.837	8.242.987	8.258.904	8.245.050	8.318.280	8.344.887	8.410.906	8.562.974	Total

r) Angka-angka diperbaiki

r) Revised figures

Customer Point of view: Rural bank VS Commercial bank

Rural Bank:

- Higher rate of interest than commercial bank
- More easy for public to borrow money (administration process)
- The amount of money borrowed is not too large (Mostly < IDR 100 million)
- Most of customer use the credit for consumptive needs.

Commercial bank

- Lower rate of interest than rural bank
- Needs more attention on administration process
- Customer can borrow more than IDR 100 million
- The use of credit is more varied, including investment credit.

Thank You