

## **PRESS RELEASE**

### **REGIONAL DEVELOPMENT BANKS GROWTH REMAIN SOLID AMID NATIONAL BANKING INDUSTRY COMPETITION**

---

Jakarta, 21 May 2026. The Regional Development Bank (BPD) industry demonstrates resilience and solid performance amid the rising national banking industry competition.

Chief Executive of Banking Supervision of OJK Dian Ediana Rae stated BPD's performance has shown positive growth, with total assets of Rp1,036.51 trillion or 3.20 percent year-on-year (yoy) growth as of March 2026 due to good capital resilience from 26.19 percent CAR.

BPD credit distribution grew from Rp656.87 trillion in March 2026 from Rp562.85 trillion in December 2022 and grew by 1.59 percent annually (yoy). The credit growth was due to Third-Party Funds growth at 4.74 percent yoy to Rp782.04 trillion.

The BPD industry performance was maintained from good financing quality, as reflected by the Gross and Net Non-Performing Loan (NPL) at 3.26 percent and 1.27 percent respectively. These numbers indicate expansion amid the economy dynamics and a more prudent approach. BPD continues to optimize risk management through principles of prudence in credit distribution, improving post-distribution monitoring, and establishing proper reserves in accordance with the stipulations to maintain assets quality.

"OJK will continuously take actions to advance the BPD industry, such as through the Roadmap for Regional Development Bank (BPD) Strengthening 2024-2027, which included various supporting aspects as guidance to realize resilient, contributory, and competitive BPD," Dian said.

Roadmap for BPD Strengthening 2024-2027 focuses on four main pillars, designed to optimize BPD's roles: (1) BPD Structure and Excellence Strengthening, (2) BPD Digital Transformation Acceleration, (3) BPD Roles Strengthening in the Regional and National Economy, and (4) BPD Licensing, Regulation, and Supervision Strengthening.

By refining BPD development and strengthening policy directions in the roadmaps, BPD is expected to grow prudently and significantly contributes to continuous regional economy development and distribution, thereby contributing to the national economic growth.

Since its launch in 2024, the 2024-2027 BPD Roadmap has positively impact BPD industry development. One of the impacts include increasing BPD competitiveness through OJK stipulation implementation on Minimum Core Capital Consolidation and Fulfilment to promote banking industry capital strengthening.

The policy encourages BPD core capital fulfilment, progressing from 18 BPD with less than Rp3 trillion core capital in 2019 to 10 BPD by the end of 2024, all of which had established Bank Business Group (KUB).

This aligns with the first pillar of the roadmap: “BPD Structure and Excellence Strengthening”, with the objective to “Accelerating BPD consolidation and KUB strengthening”. KUB implementation is expected to enhance BPD’s resilience and competitiveness through good cooperation between the parent bank and KUB members, thereby increasing BPD’s roles in intermediary functions and regional development agents.

### **Supporting MSME**

Furthermore, BPD industry continues to support credit distribution to Micro, Small, and Medium Enterprises (MSME) as stipulated in the Indonesia Financial Services Authority Regulation (POJK) Number 19 of 2025 on Easy Financing Access to Micro, Small, and Medium Enterprises.

BPD’s support to MSME were included in the third pillar of the 2024-2027 BPD Strengthening Roadmap, “BPD Roles Strengthening in the Regional and National Economy”, in which one of the initiatives is “Strengthening BPD’s involvement in the productive sector, including MSME”.

In the last three years, MSME credit growth in BPD aligns with the overall credit growth trend. The MSME credit makes up 16-18 percent of the total credit, with relative stable and maintained credit quality that reflects the balance between credit expansion and good assets-quality management.

OJK expects BPD to capably take on strategic roles in stimulating new economic growth sources for stronger regional economic structure, as BPD has geographical and cultural proximity to identify unique potentials of each region. It is crucial for the regions to be able to adapt with the global economic trends instead of relying to the traditional commodity sectors.

OJK also encourages BPD to become an engine to kickstart investment in the future sectors, such as green economy development, regional flagship product downstreaming, sustainable tourism, and village ecosystem digitalization. By targeting financing to these emerging sectors, BPDs can support regional economic independence while prudently expanding their credit portfolios.

In the future, OJK will consistently monitor the implementation of this roadmap through various strategic measures with stakeholders to transform and strengthen BPD in all parts of Indonesia.

\*\*\*

For more information  
Head of Financial Services Sector Surveillance and Integrated Policy Department of OJK –  
Agus Firmansyah  
Tel. 021.29600000; Email: [humas@ojk.go.id](mailto:humas@ojk.go.id)