**Progressive Law Review**
**Volume 8 No. 2 November 2026**
**University of Bandar Lampung**
**(e-ISSN) 2716-2141, progrresivelawreview.ubl.ac.id**

# MECHANISMS AND EFFECTIVENESS OF OUT-OF-COURT CREDIT DISPUTE RESOLUTION THROUGH THE ROLE OF THE BATAM DISTRICT ATTORNEY'S OFFICE

Received: September 08 , 2026; Accepted: October 24 , 2026; Online Published: November 27, 2026

**Muhammad Farhan[1], Shenti Agustini[2], and Agustianto[3]**

[1]*Faculty of Law,* Universitas Internasional Batam*, E-mail: 2351100.muhammad@uib.edu*
[2]*Faculty of Law,* Universitas Internasional Batam*. E-mail: shenti.agustini@uib.ac.id*
[3]*Faculty of Law,* Universitas Internasional Batam*. E-mail: agustianto.lec@uib.ac.id*

***Abstract:*** *This study aims to analyze the mechanism for resolving credit disputes through non-litigation methods with the involvement of State Attorneys at the Batam District Prosecutor's Office, as well as its effectiveness in ensuring the fulfillment of the rights of both creditors and debtors. This study examines a case involving non-performing loans owed by three customers of the Batam City Office of Cooperatives and Micro Enterprises, which were resolved through mediation and/or conciliation with the assistance of State Attorneys at the Batam District Prosecutor's Office in September 2025. The findings indicate that the non-litigation resolution of credit disputes through the involvement of State Attorneys at the Batam District Prosecutor's Office has encouraged debtors' willingness to fulfill their repayment obligations to creditors. Furthermore, the effectiveness of this mechanism is reflected in the success of State Attorneys in encouraging debtors to act in good faith by implementing the dispute resolution agreements. Based on a follow-up report submitted by the creditor to the State Attorneys, as of December 2025, two of the three debtors had settled their outstanding revolving fund loans to the creditor, while the remaining debtor had yet to fulfill the repayment obligation. These findings indicate that the non-litigation mechanism for resolving credit disputes through the involvement of State Attorneys at the Batam District Prosecutor's Office has supported the recovery of receivables, although the settlement of all outstanding loans has not yet been achieved.*

***Keywords:*** *Dispute Resolution, Credit, Cooperative Services, State Attorney.*

## I. INTRODUCTION

In recent years, the financial sector in Indonesia, particularly in Batam City, has experienced significant growth, especially in credit distribution activities conducted by banking institutions and cooperatives to micro, small, and medium-sized enterprises (MSMEs). This is reflected in a report released by GoodNews, which indicated that the distribution of People's Business Credit in Batam City had reached Rp940 billion by the end of 2025, distributed to 10.318 business operators in Batam

City.[1] On the one hand, this growth has had a positive impact on expanding access to financing, on the other hand, it has created the potential for disputes between debtors and creditors due to the inability to meet credit repayment obligations. If such disputes are not properly resolved, they may result in economic losses and disrupt the stability of financial institutions or financing institutions. According to Alchuurun'ain and Kurniawati, the recent increase in non-performing loan cases in the financial and financing sectors is generally attributable to inadequate creditworthiness assessments, a decline in debtors' business capacity, and changes in post-pandemic economic conditions that affect their repayment capacity.[2] Such situations often develop into disputes involving claims of breach of contract or disagreements over the implementation of credit restructuring mechanisms. Therefore, the existence of an effective, equitable, and legally oriented dispute resolution mechanism that seeks to restore legal relations is an important factor in maintaining a balance of interests between the parties, namely creditors and debtors.[3]

Credit dispute resolution in Indonesia can, in principle, be conducted through two main mechanisms, namely litigation and non-litigation.[4] Litigation refers to a dispute resolution mechanism conducted through the courts, the implementation of which follows the applicable procedural law and results in a decision that is binding and has permanent legal force.[5] Meanwhile, non-litigation refers to a form of dispute resolution conducted outside the courts through amicable means such as negotiation, mediation, conciliation, or arbitration, which emphasizes mutual agreement without judicial intervention.[6] The legal framework governing non-litigation dispute resolution is essentially regulated under Article 6 paragraph (1) of Law No. 30 of 1999, which stipulates that "Civil disputes or differences of opinion may be resolved by the parties through alternative dispute resolution based on good

[1] GoodNews, "Batam Dominasi Penyaluran KUR Kepri, Realisasi Tembus Rp940 Miliar," 2026, https://www.goodnewsfromindonesia.id/short/batam-dominasi-penyaluran-kur-kepri-realisasi-tembus-rp940-miliar, accessed on July 10, 2026.

[2] Aurora Alchuurun'ain and Yuli Kurniawati, "Analisa Kredit Macet Pada Kredit Usaha Mikro, Kecil, Dan Menengah," *RIGGS: Journal of Artificial Intelligence and Digital Business* 4, no. 2 (2025): 1503–1507, https://doi.org/10.31004/riggs.v4i2.691.

[3] Emir Muhammad Adiel Mahendra and Kurniasih Bahagiati, "Penyelesaian Sengketa Kasus Wanprestasi Kredit Macet Pada Program Simpan Di BUMDESMA Kanor Mandiri Berkah Kabupaten Bojonegoro," *MLIJo: Maliki Law and Islamic Journal* 11, no. 1 (2025): 1–14, http://etheses.uin-malang.ac.id/76361/.

[4] Hilda Ananda and Siti Nur Afifah, "Penyelesaian Secara Litigasi Dan Non-Litigasi," *Sharecom: Jurnal Ekonomi Syariah Dan Keuangan Islam* 1, no. 1 (2023): 55–64, https://ejurnal.iiq.ac.id/index.php/sharecom/article/view/1023.

[5] Andi Wahyuddin Nur et al., "Sosialisasi Penyelesaian Sengketa Tanah Melalui Litigasi Dan Non Litigasi Di Desa Patila," *Compile Journal of Society Service* 2, no. 1 (2024): 39–46, https://jurnal.lamaddukelleng.ac.id/index.php/compile/article/view/108.

[6] Rasji and Yansen Harat Gazali, "Peran Peradilan Dalam Menyelesaikan Sengketa Bisnis Secara Cepat, Sederhana, Dan Berbiaya Ringan," *Jurnal Multilingual* 4, no. 1 (2024): 124–133.

faith by excluding litigation dispute resolution before the District Court." This provision indicates that non-litigation dispute resolution is essentially intended to establish a simpler and faster resolution process that prioritizes the interests of the parties. However, in practice, credit dispute resolution conducted through non-litigation mechanisms continues to face various obstacles, including the debtor's lack of good faith in fulfilling debt repayment obligations, difficulties in reaching an agreement during the negotiation process, and differences in interests between debtors and creditors regarding the preferred form of resolution.[7] These circumstances result in non-litigation dispute resolution mechanisms not always operating in accordance with the objectives intended under the applicable laws and regulations.

Several previous studies on credit dispute resolution and other disputes involving payment arrears in Indonesia have sought to identify the effectiveness of non-litigation mechanisms as efficient and equitable alternatives for resolving disputes. However, relatively few studies have specifically examined the role of the Prosecutor's Office through its Civil and Administrative Affairs Division, whose duties are carried out by State Attorneys, who are also authorized to provide non-litigation legal assistance to government agencies and the public in handling credit disputes and other disputes involving payment arrears owed to an institution. Research conducted by Fathoni revealed that the handling of non-performing loans at PT BPR Bapas 69 (Perseroda), with the assistance of State Attorneys from the Magelang Regency District Prosecutor's Office, was accompanied by an increase in the state financial recovery rate from 12.15% in 2023 to 51.17% in 2024. This finding indicates that JPN assistance was effective in facilitating the resolution of non-performing loans.[8] In contrast, Simatupang et al., in their study, found that the settlement of outstanding BPJS Kesehatan contribution payments owed by several business entities in Buleleng Regency through negotiations assisted by State Attorneys from the Buleleng District Prosecutor's Office had not proceeded optimally due to the business entities' lack of awareness and good faith in settling their arrears, as well as their failure to comply with the negotiated agreements. Consequently, the resolution process proceeded through litigation before the Buleleng District Court.[9] These two studies indicate that the effectiveness of non-

[7] Karindra Alvian Nugraha and Sidi Ahyar Wiraguna, "Alternatif Penyelesaian Sengketa Hutang-Piutang Melalui Mediasi Dan Arbitrase: Efektivitas Dan Kendala Di Indonesia," *Al-Zayn: Jurnal Ilmu Sosial & Hukum* 3, no. 6 (2025): 11534–11548, https://doi.org/10.61104/alz.v3i6.2899.

[8] Yusuf Fathoni, "Efektivitas Kejaksaan Negeri Kabupaten Magelang Dalam Penyelesaian Kredit Bermasalah Pada Bank Bapas 69 (Perseroda) Magelang" (Universitas Muhammadiyah Magelang, 2025), https://repositori.unimma.ac.id/5102/.

[9] Andreina Avelia Novin Br. Simatupang, Si Ngurah Ardhya, and Made Sugi Hartono, "Peran Jaksa Pengacara Negara Dalam Melakukan Negosiasi Terhadap Sengketa Perdata Di Kejaksaan Negeri Buleleng," *NETIZEN: Journal of Society and Bussiness* 1, no. 8 (2025): 110–133, https://languar.net/index.php/NETIZEN/article/view/326.

litigation dispute resolution facilitated by State Attorneys is influenced by the implementation of the resolution mechanism and the parties' compliance with the agreements reached. However, neither study specifically examines the stages and methods employed in credit dispute resolution. Accordingly, this study is expected to provide a more detailed account of the exercise of State Attorneys' authority in non-litigation credit dispute resolution, particularly at the Batam District Prosecutor's Office, as well as the factors influencing the successful resolution of such disputes.

The role of the Public Prosecutor's Office through its Civil and Administrative Affairs Division in resolving credit disputes through non-litigation mechanisms represents an implementation of the state's function in providing legal protection and assistance to the public and public institutions. Under Indonesian Prosecutor's Regulation No. 7 of 2021, State Attorneys are authorized to act on behalf of the state and the government in resolving civil disputes, based on a Special Power of Attorney, by providing non-litigation legal assistance to government agencies, regionally owned enterprises, and other legal entities.[10] Agustin and Mumpuni also noted in their study that, in providing legal assistance for the resolution of credit disputes between customers and state-owned or regionally owned financial institutions, the role of State Attorneys is not merely representative but also serves as a facilitator in negotiation and mediation processes to encourage amicable settlements.[11] Nevertheless, their study has not examined in detail the mechanisms of implementation and their effectiveness in practice. Based on this discussion, it can be observed that most previous studies have focused on the normative and procedural aspects of credit dispute resolution, while empirical studies examining the effectiveness of the Public Prosecutor's Office in resolving credit disputes through non-litigation mechanisms remain limited. Therefore, this study focuses on comprehensively examining the mechanisms and effectiveness of non-litigation credit dispute resolution through the Batam District Prosecutor's Office in ensuring the fair protection of creditors and debtors rights.

According to the Performance Achievement Report of the Civil and Administrative Affairs Division of the Batam District Prosecutor's Office for the period from January to December 2025, a total of 133 civil non-litigation cases were successfully handled

[10] Faradilla Fitratul Islami, Syuryani, and Mahlil Adriaman, "Pelaksanaan Bantuan Hukum Di Kejaksaan Pada Bidang Perdata Dan Tata Usaha Negara (DATUN) Berdasarkan Peraturan Kejaksaan Republik Indonesia No. 7 Tahun 2021," *Sakato Law Journal* 2, no. 2 (2024): 21–28, https://jurnal.umsb.ac.id/index.php/SLJ/article/view/5954.

[11] Erna Agustin and Niken Wahyuning Retno Mumpuni, "Kedudukan Dan Upaya Jaksa Pengacara Negara Dalam Penanganan Kredit Macet Antara Nasabah Debitur Dengan Pihak Bank BUMD Berdasarkan Surat Kuasa Khusus Di Kejaksaan Negeri Cilacap (Studi Kasus PT. BPR BKK Cilacap)," *Journal Syntax Idea* 6, no. 8 (2024): 3353–3369, https://doi.org/https://doi.org/10.46799/syntax-idea.v6i8.4295.

and resolved with the assistance of State Attorneys at the Batam District Prosecutor's Office.[12] One example of the implementation of non-litigation legal assistance by State Attorneys at the Batam District Prosecutor's Office is the resolution of outstanding revolving fund loans owed to the Batam City Office of Cooperatives and Micro Enterprises, hereinafter referred to as the Principal.

In this case, the Principal plays a key role in providing loan or credit facilities to the public, including small business operators in Batam City. Nevertheless, in practice, the Principal frequently encounters various challenges, one of which is the occurrence of non-performing loans. This situation arises when debtors are unable to fulfill their obligations to repay loans in accordance with the credit agreement, whether with respect to the principal or interest, resulting in the loans being classified as non-performing or delinquent.[13] In the case of the Batam City Office of Cooperatives and Micro Enterprises, the institution's capital is derived from capital investments made by regional governments at both the regency or municipal and provincial levels. Such non-performing loans can disrupt the institution's liquidity and stability.[14] Accordingly, these non-performing loans must be addressed and resolved promptly through appropriate and effective measures. In this regard, the Principal subsequently submitted a request for non-litigation legal assistance to the Batam District Prosecutor's Office to obtain assistance in resolving outstanding revolving fund loans owed to the Batam City Office of Cooperatives and Micro Enterprises. The request was submitted pursuant to Law No. 11 of 2021 concerning the Prosecutor's Office, which authorizes the Prosecutor's Office to act under a Special Power of Attorney to represent the government, particularly in civil and administrative affairs.[15]

Referring to the background outlined above, the researcher is interested in conducting a study entitled "Mechanisms and Effectiveness of Out-of-Court Credit Dispute Resolution through the Role of the Batam District Attorney's Office." This study limits its scope to examining the effectiveness of the role of the Batam District Prosecutor's Office in providing legal assistance for the out-of-court resolution of credit disputes involving financing institutions in Batam City. The research

[12] Kejaksaan Negeri Batam, "Laporan Internal Capaian Kinerja Bidang Perdata Dan Tata Usaha Negara Pada Kejaksaan Negeri Batam Periode Januari-Desember 2025" (Batam, 2025).

[13] Ni Ketut Yanik Asriani et al., "Efektivitas Mediasi Dalam Penyelesaian Kredit Bermasalah (Studi Kasus Di Koperasi Jaya Mandiri Tabanan)," *Jurnal JIS Siwirabuda* 3, no. 2 (2025): 38–45, https://ejournal.universitastabanan.ac.id/index.php/jissiwirabuda/article/view/401.

[14] Andika Putri Cahyani B, Andi Basru Wawo, and Tuti Dharmawati, "Pengaruh Kredit Bermasalah Terhadap Likuiditas Bank BNI, BRI, Dan CIMB Niaga," *Wawasan: Jurnal Ilmu Manajemen, Ekonomi Dan Kewirausahaan* 4, no. 4 (2026): 579–590, https://journal.unimar-amni.ac.id/index.php/Wawasan/article/view/5310.

[15] "Undang-Undang Nomor 11 Tahun 2021 Tentang Perubahan Atas Undang-Undang Nomor 16 Tahun 2004 Tentang Kejaksaan Republik Indonesia," Pub. L. No. 11 (2021).

questions are as follows: a) How is the mechanism for implementing non-litigation credit dispute resolution through the Batam District Prosecutor's Office regulated? and b) How effective is the mechanism for resolving credit disputes through non-litigation procedures facilitated by the Batam District Prosecutor's Office in safeguarding the rights of debtors and creditors?

## II. RESEARCH METHODS

This study employs empirical legal research, which primarily focuses on analyzing the relationship between legal norms and social reality.[16] The research begins with an examination of primary legal materials, such as legislation and other legal literature, to establish a normative framework. Subsequently, primary data are collected in the field to determine how these normative provisions are implemented in society.[17] The data used in this study consist of primary and secondary data. Primary data are obtained through observations and structured interviews with State Attorneys at the Batam District Prosecutor's Office, particularly within the Civil and Administrative Affairs Division, as well as an unstructured interview with one client who had outstanding revolving fund loan payments owed to the Batam City Office of Cooperatives and Micro Enterprises. The client was interviewed on a voluntary basis and agreed to provide information relevant to the research problem. Secondary data consist of primary legal materials, including Law No. 11 of 2021 concerning the Prosecutor's Office of the Republic of Indonesia; Indonesian Prosecutor's Regulation No. 7 of 2021 concerning Guidelines for the Implementation of Law Enforcement, Legal Assistance, Legal Considerations, Other Legal Actions, and Legal Services in Civil and Administrative Affairs; Law No. 30 of 1999 concerning Arbitration and Alternative Dispute Resolution; Regulation of the Attorney General of the Republic of Indonesia No. PER-018/A/J.A/07/2014 concerning Standard Operating Procedures for the Deputy Attorney General for Civil and Administrative Affairs; and Supreme Court Regulation No. 1 of 2016 concerning Mediation Procedures in Court.

The data collection techniques in this study were conducted using a qualitative approach through literature review, observation, structured interviews with Ms. Listakeri S. Anugerah, S.H., M.H., Head of the Civil and Administrative Affairs Subsection at the Batam District Prosecutor's Office, and an unstructured interview with one debtor, identified by the initials LM, who had defaulted on a revolving loan

[16] Hari Sutra Disemadi, "Lensa Penelitian Hukum: Esai Deskriptif Tentang Metodologi Penelitian Hukum (Lenses of Legal Research: A Descriptive Essay on Legal Research Methodologies)," *Journal of Judicial Review* 24, no. 2 (2022): 289–304, https://scholar.archive.org/work/ssg5kabplfeuvp4bm4pkpsjzui/access/wayback/https://journal.uib.ac.id/index.php/jjr/article/download/7280/2878.

[17] David Tan, "Metode Penelitian Hukum: Mengupas Dan Mengulas Metodologi Dalam Menyelenggarakan Penelitian Hukum," *NUSANTARA: Jurnal Ilmu Pengetahuan Sosial* 8, no. 8 (2021): 2463–2478, https://jurnal.um-tapsel.ac.id/index.php/nusantara/article/view/5601.

from the Batam City Office of Cooperatives and Micro Enterprises. In this study, the researcher also directly observed the non-litigation dispute resolution process between the Batam City Office of Cooperatives and Micro Enterprises and three of its customers who had defaulted on their credit repayment obligations or revolving loans from the office. The observation took place in the mediation room at the Batam District Prosecutor's Office and covered the process from the case presentation stage through the mediation and/or conciliation proceedings between the parties, facilitated by State Attorneys at the Batam District Prosecutor's Office. After the data were obtained, they were analyzed using a descriptive qualitative method. To ensure the validity and objectivity of the data, this study employed source and methodological triangulation. Source triangulation was conducted by comparing information obtained from interviews with the Head of the Civil and Administrative Affairs Subsection at the Batam District Prosecutor's Office and one debtor who had defaulted on a revolving loan from the Batam City Office of Cooperatives and Micro Enterprises, as well as the results of observations of the credit dispute resolution process in the field. Meanwhile, methodological triangulation was conducted by examining the consistency of data obtained through interviews, direct observation of the mediation and/or conciliation proceedings, and a literature review of legal effectiveness theory and relevant legislation.[18]

## III. ANALYSIS AND DISCUSSION

### A. Regulation of the Mechanism for Implementing Non-Litigation Credit Dispute Resolution through the Public Prosecution Service

According to Maryanto and Triadi, dispute resolution is essentially a legal effort undertaken to end or resolve conflicts between disputing or conflicting parties in order to reach an agreement or a binding decision.[19] Dispute resolution aims not only to determine who is right and who is wrong but also to restore the legal relationship between the disputing parties. In general, forms of dispute resolution can be classified into two main categories, namely litigation and non-litigation.[20] Litigation is a dispute resolution mechanism conducted through judicial institutions. The litigation process itself is governed by procedural law and results in a judgment that acquires permanent legal force after the completion of the various stages of court proceedings. In contrast to litigation, non-litigation is a dispute resolution mechanism conducted outside judicial institutions that is voluntary in nature and

[18] Dedi Susanto and M Syahran Jailani, "Teknik Pemeriksaan Keabsahan Data Dalam Penelitian Ilmiah," *QOSIM: Jurnal Pendidikan Sosial & Humaniora* 1, no. 1 (2023): 53–61, https://ejournal.yayasanpendidikandzurriyatulquran.id/index.php/qosim/article/view/60.

[19] Maryanto and Irwan Triadi, "Penyelesaian Sengketa Kesehatan Dengan Metode Non Litigasi, Mediasi, Arbitrase Dan Alternatif Lainnya," *Joural of Law Perspectives Review* 1, no. 1 (2025): 43–52, https://doi.org/10.64670/jlpr.v1i1.17.

[20] Pahrudin Azis, Muhamad Kholid, and Nasrudin Nasrudin, "Perbandingan Lembaga Penyelesaian Sengketa: Litigasi Dan Non-Litigasi," *Qanuniya: Jurnal Ilmu Hukum* 1, no. 2 (2024): 11–21, https://doi.org/10.15575/qanuniya.v1i2.896.

places greater emphasis on deliberation and amicable agreements between the disputing parties. Non-litigation mechanisms are also considered more flexible, faster, and more efficient.[21] Therefore, non-litigation mechanisms are widely used to resolve civil and business disputes, including credit disputes and financing contract disputes.

According to Sari in her book entitled "*Hukum Acara & Praktik Persidangan Perdata*", there are at least five types of dispute resolution methods through non-litigation mechanisms regulated by statutory provisions, namely:[22]

1. Arbitration

According to Article 1 point 1 of Law No. 30 of 1999, "Arbitration is a method of resolving a civil dispute outside the general courts based on an arbitration agreement made in writing by the disputing parties."[23] Dispute resolution through arbitration is generally used in commercial disputes that require confidentiality, expediency, and a high degree of legal certainty. In addition, an arbitral award has the same effect as a court decision in general, namely being binding and final, as stipulated in Article 60 of Law No. 30 of 1999.

2. Mediation

Based on Supreme Court Regulation No. 1 of 2016, "Mediation is a method of resolving disputes through a negotiation process to obtain an agreement between the parties with the assistance of a Mediator."[24] In this process, the mediator does not have the authority to adjudicate the dispute, but rather facilitates communication and negotiations between the parties.[25]

3. Negotiation

Negotiation can be understood as a dispute resolution mechanism that directly involves the parties through a process of dialogue and bargaining until a mutual agreement is reached.[26]

---

[21] Rengga Kusuma Putra et al., "Efektivitas Penyelesaian Sengketa Secara Non Litigasi," *Jurnal Kolaboratif Sains* 7, no. 6 (2024): 2200–2206, https://jurnal.unismuhpalu.ac.id/index.php/JKS/article/view/5548.

[22] Retno Dewi Pulung Sari, *Hukum Acara & Praktik Persidangan Perdata*, ed. Ferdinand Sujanto, 1st ed. (Yogyakarta: Penerbit KYTA, 2022).

[23] "Pasal 1 angka 1 Undang-Undang (UU) Nomor 30 Tahun 1999 Tentang Arbitrase Dan Alternatif Penyelesaian Sengketa," Pub. L. No. 30 (1999), https://peraturan.bpk.go.id/Details/45348/uu-no-30-tahun-1999.

[24] "Peraturan Mahkamah Agung Nomor 1 Tahun 2016 Tentang Prosedur Mediasi Di Pengadilan," Pub. L. No. 1 (2016).

[25] Aldi Ferdiansyah, Berdi Adityas Wiryawan Wahyono, and Almansyah Harahap, "Efektivitas Mediasi Sebagai Alternatif Penyelesaian Sengketa Perdata Dalam Meningkatkan Akses Keadilan Di Indonesia," *Jurnal Kajian Hukum Dan Pendidikan Kewarganegaraan* 1, no. 4 (2025): 471–480.

[26] Nafisatul Muna, Muhammad Khoirul Anam, and Kharis Fadlullah Hana, "Teknik Penyelesaian Sengketa Melalui Non-Litigasi Di Perbankan Syariah," *Jurnal Sahmiyya* 1, no. 2 (2022): 212–220, https://e-journal.uingusdur.ac.id/sahmiyya/article/view/677.

4. Conciliation

According to Salmon et al., "Conciliation is a form of dispute resolution conducted with the assistance of a third party, namely a conciliator."[27] In this process, the conciliator plays a more active role than a mediator, particularly in providing suggestions or formulating settlement proposals for the parties. Nevertheless, the resulting decision remains dependent on the parties' agreement, and its implementation is therefore voluntary.

5. Facilitation

Facilitation can be understood as a dispute resolution process involving a third party known as a facilitator.[28] In this process, the facilitator does not have the authority to issue decisions or recommendations, but rather plays a role in creating a conducive environment in which the parties can formulate and mutually agree upon a solution.

In practice, non-litigation dispute resolution may involve certain institutions that have the authority to assist in facilitating the dispute resolution process between the parties, one of which is the Public Prosecution Service of the Republic of Indonesia.[29] Based on Article 30 paragraph (2) of Law No. 16 of 2004, it is stipulated that, "In the civil and administrative fields, the Public Prosecution Service, by virtue of a Special Power of Attorney, may act both inside and outside the court for and on behalf of the state or government." Furthermore, Article 24 paragraph (2) of Presidential Regulation No. 15 of 2024 concerning the Organization and Work Procedures of the Public Prosecution Service of the Republic of Indonesia also stipulates that, "The scope of the civil and administrative affairs sector includes law enforcement, legal assistance, legal considerations, and other legal actions for the state or government, including the President, state institutions/bodies, central and regional government institutions/agencies, and State-Owned Enterprises/Regional-Owned Enterprises in the civil and administrative fields, to safeguard and recover state assets, to act as legal counsel in handling cases before the Constitutional Court, to act as State Attorneys in civil, administrative, and constitutional matters in all judicial environments, both inside and outside the court, for and on behalf of the state or government, as well as in the public interest, to exercise its functions and authorities in the civil and/or other public fields as regulated by law, to uphold the authority of the government and the state, and to provide legal services to the public." Through the authority vested in the institution,

[27] Harly Clifford Jonas Salmon et al., *Hukum Alternatif Penyelesaian Sengketa*, ed. Elan Jaelani, 1st ed. (Bandung: Widina Media Utama, 2025).

[28] Hendri Jayadi et al., "Penyelesaian Sengketa Tanah Berdasarkan Kaidah Hukum Positif Dan Doktrin Hukum Tentang Penyelesaian Sengketa Di Indonesia," *Jurnal ComunitÃ Servizio: Jurnal Terkait Kegiatan Pengabdian Kepada Masyarakat, Terkhusus Bidang Teknologi, Kewirausahaan Dan Sosial Kemasyarakatan* 5, no. 1 (2023): 1050–1069, https://doi.org/10.33541/cs.v5i1.4287.

[29] Shintya and Flambonita. (2024). *Loc Cit,* p. 129.

the Public Prosecution Service not only performs prosecutorial functions in criminal matters, but also exercises authority in the Civil and Administrative Affairs sector. In carrying out these duties, State Attorneys may provide legal considerations, legal assistance, and other legal actions necessary for resolving a legal matter. One form of legal action that may be undertaken is facilitating dispute resolution between the parties through a non-litigation approach. Through this approach, the Public Prosecution Service plays a role in bringing the disputing parties together to seek a mutually acceptable resolution. This role demonstrates that the Public Prosecution Service does not merely function as a law enforcement institution within judicial proceedings, but also contributes to promoting the effective resolution of disputes outside the courts.

In the non-performing loan cases faced by the Batam City Office of Cooperatives and Micro Enterprises in September 2025, three clients had outstanding payment obligations, with total arrears amounting to Rp89,671,946.00. The institution sought to resolve these disputes through a non-litigation mechanism involving State Attorneys at the Batam District Prosecutor's Office, who were authorized to facilitate the resolution of credit disputes between the Batam City Office of Cooperatives and Micro Enterprises as the creditor and its clients as the debtors.[30] The mechanism, as stipulated in Indonesian Prosecutor's Regulation No. 7 of 2021:[31]

1. The implementation of Other Legal Actions begins with the submission of an application letter clearly specifying the form of action requested, whether facilitation, mediation, or conciliation;
2. After the application is received, the State Attorneys is required to prepare a legal review containing a brief description of the problem or the position of the case, accompanied by an analysis of the scope of its duties and authority in the Civil and Administrative Affairs sector. In addition, the legal review must also include an assessment of whether there is any potential overlap of interests with a related criminal case concerning the subject matter of the dispute;
3. If the results of the legal review indicate that the application meets the requirements for the provision of Other Legal Actions services, the State Attorneys shall subsequently determine the form of action to be used in resolving the matter;

[30] Kejaksaan Negeri Batam, "Laporan Surat Kuasa Khusus Dinas Koperasi Dan Usaha Mikro Kota Batam Kepada Kejaksaan Negeri Batam Untuk Melakukan Pemanggilan Dan Atau Melakukan Pembinaan Terhadap Nasabah Penerima Pinjaman Dana Bergulir Yang Menunggak" (Batam, 2025).

[31] "Peraturan Kejaksaan Republik Indonesia Nomor 7 Tahun 2021 Tentang Pedoman Pelaksanaan Penegakan Hukum, Bantuan Hukum, Pertimbangan Hukum, Tindakan Hukum Lain, Dan Pelayanan Hukum Di Bidang Perdata Dan Tata Usaha Negara," Pub. L. No. 7 (2021), https://peraturan.bpk.go.id/Details/226090/peraturan-kejaksaan-no-7-tahun-2021.

4. In cases classified as important, the head of the work unit is required to submit reports through the hierarchical reporting structure to the Deputy Attorney General for Civil and Administrative Affairs;
5. To determine the appropriate course of action in implementing Other Legal Actions, the head of the work unit may conduct a case presentation through the hierarchical structure as a basis for determining the direction and strategy for resolving the legal matter.

Based on an interview with a State Attorney at the Batam District Prosecutor's Office, it was found that the administrative procedures governing the provision of this legal assistance also refer to Regulation of the Attorney General of the Republic of Indonesia No. PER-018/A/J.A/07/2014. This regulation stipulates that the procedure for requesting legal assistance to represent state institutions, central and regional government agencies, and state-owned or regionally owned enterprises begins with the preparation and signing of a cooperation agreement in the form of a Memorandum of Understanding between the relevant institution, in this case the Batam City Office of Cooperatives and Micro Enterprises, and the Batam District Prosecutor's Office. The Memorandum of Understanding serves as the basis for implementing cooperation in the provision of legal assistance involving State Attorneys at the Batam District Prosecutor's Office. Once the cooperation agreement has been established, the government agency submits a case description or statement of the case to the Prosecutor's Office for further action. The Prosecutor's Office then reviews the case to determine its classification, namely whether it falls within the scope of criminal law, civil law, or administrative law. Based on the results of this classification, the government agency, which in this case is the Batam City Office of Cooperatives and Micro Enterprises, subsequently issues a Special Power of Attorney to the Prosecutor's Office as the legal basis for its authority to act. Thereafter, the Prosecutor's Office issues a Substitution Power of Attorney to the Civil and Administrative Affairs Division to appoint the State Attorney responsible for handling the resolution of the case in question.

In the implementation of non-litigation legal assistance, State Attorneys may act as facilitators, mediators, or conciliators, as stipulated in Chapter VI, Point B, Number 2, Letters a and b of Prosecutor's Regulation No. 7 of 2021, which provides that, "Other Legal Actions undertaken in the capacity of a facilitator, mediator, or conciliator must be based on the written consent of both parties, including clauses requiring the confidentiality of the Other Legal Action process and the truthful disclosure of data and information; as facilitators, mediators, or conciliators, State Attorneys are neutral parties who do not favor either party and assist in resolving disputes or disagreements between the parties." Before the mediation and/or conciliation process is carried out, the State Attorneys at the Batam District

Prosecutor's Office first invite the creditor and debtor to attend a case presentation meeting. At this stage, the State Attorneys explain to the parties their position as representatives authorized by the creditor to assist in resolving the outstanding revolving fund loan payments owed to the Batam City Office of Cooperatives and Micro Enterprises. The State Attorneys also explain that the dispute resolution efforts they facilitate maintain neutrality, prioritize the achievement of a "win-win solution", and take into account the interests of both parties, as stipulated in Chapter VI, Point B, Number 2, letters a and b of Prosecutor's Regulation No. 7 of 2021. After providing this explanation, the State Attorneys request the debtor's written consent to proceed with the dispute resolution process with their assistance. If the debtor is unwilling to continue the dispute resolution process with the assistance of the State Attorneys, the parties are permitted to determine other legal remedies that may be pursued to resolve the dispute. However, if the debtor agrees to proceed, the case presentation continues by giving the creditor an opportunity to present the outstanding loan amount payable by the debtor. The State Attorneys then give the debtor an opportunity to explain the difficulties encountered in fulfilling the repayment obligation. After both parties have been given the opportunity to present their respective circumstances and the problems they face, the State Attorneys provide the creditor and debtor with an opportunity to engage in preliminary negotiations to identify alternative arrangements or solutions to the main issue of settling the outstanding revolving fund loan payments that are mutually acceptable. If these preliminary negotiations result in an agreement, the parties may proceed in accordance with the terms agreed upon. However, if no agreement is reached, the creditor may request the debtor's written consent to continue resolving the dispute through mediation and/or conciliation with the assistance of the State Attorneys at the Batam District Prosecutor's Office. Once both parties have agreed to pursue this approach, the State Attorneys schedule separate mediation and/or conciliation meetings between the creditor and each debtor at the Batam District Prosecutor's Office.

The mediation process conducted by State Attorney consists of several structured stages. In the first stage, the State Attorney, acting as mediator, invites the debtor and creditor to attend the mediation process. The mediator then explains the purpose, objectives, and nature of mediation to ensure that both parties understand the procedures and dispute resolution mechanism to be implemented. In the next stage, both parties are given the opportunity to present the issues or disagreements underlying the dispute, enabling the mediator to establish an initial understanding, identify the causes of the dispute, and determine potential solutions that would be ideal for both parties. During the mediation process, the State Attorney also gives the creditor an opportunity to explain the outstanding principal loan balance and interest that remain payable by the debtor. In addition, the creditor is given the

opportunity to explain the consequences that may arise if the debtor fails to repay the outstanding loan within the agreed time limit, including the possibility of collateral seizure in accordance with the provisions of the credit agreement previously entered into by the debtor and creditor. At the same time, the State Attorney explains to the debtor the importance of good faith in fulfilling payment obligations to avoid the risk of default that could harm the creditor. Furthermore, the State Attorney gives the debtor an opportunity to explain the difficulties encountered in repaying the outstanding loan and recommends that the debtor pursue loan restructuring as an alternative for fulfilling the payment obligations. This would allow the repayment schedule to be adjusted to the debtor's financial capacity and help avoid the risk of collateral seizure. If the parties are unable to reach a mutual understanding during mediation, the State Attorney continues to respect their right to discontinue the process. However, if the parties reach a mutual understanding through mediation, the State Attorney allows the creditor and debtor to prepare and sign a written statement or official record clearly setting out all points agreed upon during the mediation. These include the debtor's acknowledgment of the outstanding debt, the debtor's declaration of willingness and ability to repay the debt to the creditor, an extension of the repayment period granted by the creditor in accordance with the parties' agreement, the payment scheme agreed upon by both parties, and the consequences should the debtor again fail to fulfill the payment obligations. Such consequences include the resolution of the dispute through litigation as a final measure available to the creditor to seek enforcement of the debtor's obligations. Through this mechanism, mediation facilitated by the State Attorney aims to ensure that disputes are resolved amicably, fairly, and in a manner acceptable to both parties.

In the conciliation process, State Attorneys perform their role as conciliators in accordance with the provisions of Chapter VI, Point B, Number 2, Subparagraph i of Prosecutor's Regulation No. 7 of 2021, which governs the structured stages of conciliation. The initial stage of the conciliation process begins with inviting the disputing parties, namely the creditor and the debtor, to attend the conciliation proceedings at the Batam District Prosecutor's Office. Subsequently, the State Attorney, acting as conciliator, explains the purpose, objectives, and nature of conciliation to ensure that the parties understand the dispute resolution mechanism to be implemented. The parties are then given the opportunity to openly present the issues or disagreements constituting the subject matter of the dispute. Based on their explanations, the conciliator establishes an initial understanding and identifies the principal issues to determine the scope of the dispute and the alternative resolutions sought by the parties. The next stage involves preparing a mutually agreed conciliation schedule, followed by negotiations that include the submission of evidence by the parties and the consideration of relevant statements from the

other party. During this process, the State Attorney, acting as conciliator, may propose various dispute resolution options, provide legal considerations, and prepare draft agreements for the parties' consideration. The parties then determine and agree upon the dispute resolution alternative they consider most appropriate, while retaining the right to discontinue the conciliation process if no mutual understanding is reached. If an agreement is reached, the conciliation process concludes with the preparation and signing of a written statement or official record clearly setting out all points mutually agreed upon during the conciliation process. These points include the debtor's acknowledgment of the outstanding debt payable, the debtor's declaration of willingness and ability to repay the debt to the creditor, the extension of the repayment period granted by the creditor in accordance with the parties' agreement, the payment scheme agreed upon by the parties, and the consequences should the debtor again fail to fulfill the payment obligations, namely, the resolution of the dispute through litigation as the final measure available to the creditor to seek fulfillment of the debtor's obligations.

## B. Effectiveness of the Non-Litigation Credit Dispute Resolution Mechanism through the Batam District Attorney's Office in Ensuring the Rights of Debtors and Creditors

The theory of legal effectiveness plays an important role in determining whether a dispute resolution mechanism can be considered effective in achieving its intended objectives.[32] This is because legal effectiveness concerns not only the existence of applicable regulations but also how those regulations are implemented and the outcomes achieved in practice. Therefore, the applicability of law must be understood comprehensively by examining the relationship between the prevailing legal norms and their implementation in practice.

In the practice of non-litigation credit dispute resolution at the Batam District Prosecutor's Office, the theory of legal effectiveness serves as an analytical framework for assessing the extent to which the dispute resolution mechanisms implemented by State Attorney are capable of ensuring the balanced fulfillment of the rights and obligations of both debtors and creditors. According to Soekanto, as cited in Imra et al., legal effectiveness is influenced by five interrelated factors that determine the success of a legal process. These factors comprise the legal factor, law enforcement factor, facilities or infrastructure factor, societal factor, and cultural factor.[33] Accordingly, these five factors are used as benchmarks for examining the

[32] Fathoni. (2025). *Loc Cit,* p. 69.

[33] Jhon Maizel Imra, M Yusuf, and Rudi Pardede, "Analisis Faktor Penghambat Penegakan Hukum Terhadap Tindak Pidana Perzinahan Di Wilayah Hukum Polres Rokan Hulu Berdasarkan KUHP," *Lancang Kuning Law Journal* 2, no. 1 (2025): 1–7, https://journal.unilak.ac.id/index.php/lklawjournal/article/view/27165.

implementation of non-litigation credit dispute resolution by the Batam District Prosecutor's Office.

1. Legal Factors

The legal factor in non-litigation credit dispute resolution at the Batam District Prosecutor's Office concerns the quality of legal norms and the clarity of the regulations that form the basis for their implementation. The existence of Prosecutor's Regulation No. 7 of 2021 provides a clear legal basis for the Batam District Prosecutor's Office to provide non-litigation legal assistance to the Batam City Office of Cooperatives and Micro Enterprises in efforts to resolve non-performing loans involving three of its customers. The regulation sets out in detail the authority of State Attorney to act under a Special Power of Attorney to represent the interests of the state or government in civil and administrative matters. Although the actions taken in these dispute resolution cases were based on a Special Power of Attorney issued by the Batam City Office of Cooperatives and Micro Enterprises, the State Attorney continued to prioritize a win-win solution for both parties in handling the cases, as stipulated in Chapter VI, Point B, Number 2, Subparagraphs a and b of Prosecutor's Regulation No. 7 of 2021. The clarity of these provisions provides legal certainty regarding the scope of actions that the State Attorney may undertake during the dispute resolution process. Furthermore, the procedures systematically prescribed in the regulation help ensure that dispute resolution is conducted in an orderly manner and in accordance with the applicable provisions.

2. Law Enforcement Factors

Law enforcement officers play a decisive role in ensuring that legal provisions can be effectively implemented in practice.[34] In non-litigation credit dispute resolution at the Batam District Prosecutor's Office, this role is carried out by State Attorney who act as third parties facilitating the dispute resolution process between creditors and debtors. In this capacity, the State Attorney are responsible for facilitating dispute resolution by bringing the parties together and assisting them in formulating mutually acceptable settlement alternatives. The performance of these duties requires professionalism, objectivity, and neutrality to ensure that the dispute resolution process is conducted fairly. Based on an interview with Ms. Listakeri S Anugerah, S.H., M.H., Head of the Civil and Administrative Affairs Subsection at the Batam District Prosecutor's Office, it was established that, when facilitating non-litigation credit dispute resolution, the State Attorney are required to maintain a professional and objective attitude throughout every stage of the

[34] Bintang Mandala Karyudi and Nuril Firdausiah, "Implementasi Supremasi Hukum Dalam Penegakan Hukum Di Indonesia," *Lex Et Lustitia* 1, no. 2 (2024): 86–98, https://ejournal.umsj.ac.id/index.php/lel/article/view/72.

process. This approach aims to create a conducive environment in which the parties can openly express their respective interests during the dispute resolution process. This finding is further supported by field observations, during which the researcher observed that the State Attorney at the Batam District Prosecutor's Office had effectively facilitated the parties throughout the dispute resolution process involving the Batam City Office of Cooperatives and its three customers who had defaulted on their revolving fund loans. Beginning at the case presentation stage, the State Attorney gave the debtors and creditor the opportunity to determine their preferred dispute resolution procedure to find a solution to the outstanding non-performing loans. The State Attorney allowed the parties to choose whether to resolve the disputes with the assistance of the State Attorney or to pursue other avenues, as mutually agreed upon. If both parties agreed to pursue non-litigation proceedings at the prosecutor's office, the State Attorney proceeded to schedule separate mediation and/or conciliation meetings between the creditor and each debtor. This arrangement was intended to ensure that the dispute resolution process was effective and capable of producing a win-win solution for each party. Accordingly, the quality of the State Attorneys performance directly contributes to the success of non-litigation credit dispute resolution at the Batam District Prosecutor's Office.

3. Facilities and Infrastructure Factors

Facilities and infrastructure are factors that support the smooth implementation of non-litigation credit dispute resolution. This support includes the availability of administrative resources, meeting rooms, and other supporting systems used in the dispute resolution process. In practice at the Batam District Prosecutor's Office, administrative documents, such as credit agreements and other supporting documents, constitute an important part of case analysis. The completeness of these documents helps State Attorneys gain a comprehensive understanding of the positions of the parties before negotiations begin. In addition, the availability of suitable mediation or meeting rooms helps facilitate effective communication between debtors and creditors, thereby making it easier to reach an agreement. Conversely, inadequate facilities may hinder the dispute resolution process and delay the achievement of the expected outcomes. Field observations revealed that the facilities and infrastructure supporting mediation or conciliation in non-litigation credit dispute resolution at the Batam District Prosecutor's Office were adequately available and in suitable condition. Furthermore, in an interview, Ms. Listakeri S Anugerah, S.H., M.H., Head of the Civil and Administrative Affairs Subsection at the Batam District Prosecutor's Office, also stated that the availability of suitable mediation or conciliation rooms could help create a conducive environment for dispute resolution. Therefore, the availability of complete and well-organized facilities and infrastructure provides substantial support for the effective

implementation of non-litigation credit dispute resolution at the Batam District Prosecutor's Office.

4. Societal Factors

In this dispute resolution process, the successful achievement of an agreement depends not only on the role of State Attorneys as mediators but also on the legal awareness and good faith of debtors and creditors in resolving disputes amicably.[35] Based on an interview with the Head of the Civil and Administrative Affairs Subsection at the Batam District Prosecutor's Office, it was established that the main factor influencing the achievement of a win-win solution in dispute resolution is the willingness of the parties to understand their respective rights and obligations and to formulate a fair settlement for both parties. The willingness of debtors and creditors to attend mediation and conciliation proceedings also contributes to the smooth conduct of the dispute resolution process. When the parties are open and cooperative in communicating the problems they face, negotiations can be more easily directed toward reaching a mutual agreement. Furthermore, a brief interview with one customer, identified by the initials LM, who had outstanding revolving fund loan payments to the Batam City Office of Cooperatives and Micro Enterprises, revealed that non-litigation credit dispute resolution facilitated by the JPN at the Batam District Prosecutor's Office had provided the debtor with an opportunity to fulfill the outstanding payment obligations. The debtor stated that the process had helped secure additional time to repay outstanding loan arrears amounting to Rp32.188.892 to the Batam City Office of Cooperatives and Micro Enterprises. In resolving the dispute, the debtor agreed to repay the outstanding arrears to the creditor in installments of Rp10.729.631 per month over the period from 13 October 2025, to 01 December 2025. Based on these findings, the societal factor constitutes a decisive element in supporting the successful resolution of credit disputes through non-litigation mechanisms facilitated by the Batam District Prosecutor's Office.

5. Cultural Factors

The culture of deliberation and consensus building is one of the factors that supports the amicable resolution of disputes. Based on the researcher's field observations, mediation and/or conciliation in credit dispute resolution at the Batam District Prosecutor's Office cannot always be completed in a single meeting but may require two to three meetings. This occurs because, in practice, the parties are often unable to determine a mutually acceptable settlement during the initial stage of negotiations. If no agreement is reached, the State Attorney give the debtor and creditor an opportunity to engage in further deliberations and consider alternative

[35] Muhammad Yusni and Bisdan Sigalingging, *Penguatan Peran Lembaga JAMDATUN Dalam Penyelesaian Kredit Bermasalah: Studi Penyelesaian Kredit Bermasalah Pada Bank BUMN/BUMD*, ed. Imail Koto, 1st ed. (Medan: UMSU Press, 2023).

settlements deemed most appropriate to the interests of both parties. Once the allotted period has expired, the State Attorney invite the parties to attend a follow up meeting to formulate a settlement for the outstanding revolving fund loan payments owed by customers of the Batam City Office of Cooperatives and Micro Enterprises. The compatibility between non-litigation dispute resolution mechanisms and the community's culture of deliberation and consensus-building influences the acceptance of settlement outcomes by the disputing parties.[36]

**Table 1. Report on the Resolution of Overdue Revolving Fund Loans for Clients of the Batam City Cooperative and Microenterprise Agency through Non-Litigation Mechanisms at the Batam District Attorney's Office in 2025 (compiled).**

| No. | Customer Name | Amount of Arrears | Non-Litigation Stage | Results Explanation |
|---|---|---|---|---|
| 1. | C********* L**** E******* | Rp28.218.054 | Conciliation | Through a persuasive approach, the debtor agreed to repay the loan in installments to the creditor from October 10, 2025, through December 5, 2025. The outstanding balance will be paid off by December 2025 |
| 2. | L*** M****** | Rp32.188.892 | Mediation | The debtor is willing and agrees to repay the overdue revolving loan to the creditor in installments, beginning on October 14 and continuing through December 1, 2025. The outstanding balance will be paid off by December 2025. |
| 3. | M****** S*** | Rp29.265.000 | Mediation | The debtor is willing and agrees to repay the overdue revolving loan to the creditor in installments from October 13 through January 25, 2026. |

The data in Table 1 indicate that the non-litigation resolution of non-performing loan disputes, facilitated by State Attorneys at the Batam District Prosecutor's Office, has encouraged three customers of the Batam City Office of Cooperatives and Micro Enterprises to fulfill their outstanding revolving fund loan repayment obligations. This willingness is reflected in the agreements reached between the creditor and the debtors regarding the settlement of outstanding loan payments as part of efforts to recover regional receivables. Through mediation and/or conciliation, the State

[36] Tumanda Tamba and Mukharom, "Efektivitas Peran Mediator Dalam Penyelesaian Sengketa Non Litigasi Dalam Bidang Bisnis Maupun Hukum," *Jurnal Ilmiah Mahasiswa Perbankan Syariah (JIMPA)* 3, no. 2 (2023): 445–460, https://doi.org/10.36908/jimpa.v3i2.247.

Attorneys at the Batam District Prosecutor's Office facilitate negotiations between the parties to formulate agreements that take into account the debtors' ability to fulfill their repayment obligations without disregarding the creditor's right to recover the outstanding receivables. These agreements provide the debtors with an opportunity to repay their outstanding loans under mutually agreed payment schemes while also providing the creditor with certainty regarding the settlement of the outstanding receivables. However, the effectiveness of this dispute resolution mechanism cannot be assessed solely on the basis of whether an agreement has been reached, but must also be evaluated in terms of whether the debtors fulfill their repayment obligations in accordance with the terms agreed upon by the parties during the mediation and/or conciliation process.

Based on a follow-up report submitted by the creditor to the State Attorneys, as of December 2025, two of the three debtors had fully repaid their outstanding revolving fund loans, while the remaining debtor had yet to fulfill the repayment obligation. This achievement indicates that the non-litigation resolution of credit disputes through the involvement of State Attorneys has encouraged debtors to act in good faith in fulfilling their repayment obligations while supporting the recovery of receivables owed to the Batam City Office of Cooperatives and Micro Enterprises. Nevertheless, the payment status of the debtor who had not yet settled the outstanding loan must be assessed in light of the fact that the agreed payment deadline extended through January 2026. Therefore, the fact that one debtor had not fully repaid the outstanding loan as of December 2025 cannot immediately be interpreted as a failure to fulfill the repayment obligation. Furthermore, at the time this research report was prepared, the researcher faced limitations in monitoring the debtor's payment progress until the expiration of the agreed repayment period.

This situation highlights the importance of monitoring compliance with payment agreements after the mediation and/or conciliation process has concluded. In this regard, the State Attorneys need to continue monitoring the progress of outstanding loan repayments, particularly for debtors who have not yet fulfilled all their obligations, and ensure that payments are made according to the agreed schedule. Such monitoring is necessary to track repayment progress, identify potential payment delays, and encourage debtors to fulfill their obligations until all outstanding loans have been fully repaid. If a debtor fails to fulfill the repayment obligation by the agreed deadline, the creditor may pursue litigation to recover the outstanding receivables. The creditor's option to pursue litigation has also been stipulated in the written statement prepared and agreed upon by both parties before the State Attorneys during the mediation and/or conciliation process. This demonstrates that the non-litigation resolution of disputes through the involvement of State Attorneys at the Batam District Prosecutor's Office does not preclude the

creditor from pursuing litigation if the debtor fails to fulfill the obligations previously agreed upon by the parties.

## IV. CONCLUSION

The implementation of the non-litigation credit dispute resolution mechanism through the role of State Attorney at the Batam District Prosecutor's Office has been effective in facilitating the resolution of non-performing credit disputes through mediation and conciliation in accordance with the provisions of Indonesian Prosecutor's Regulation No. 7 of 2021. The effectiveness of this mechanism is supported by five factors identified in the theory of legal effectiveness, namely the legal factor, law enforcement factor, facilities and infrastructure factor, societal factor, and cultural factor. From the legal perspective, the non-litigation dispute resolution mechanism implemented by the State Attorney has a clear legal basis in Indonesian Prosecutor's Regulation No. 7 of 2021, which governs the authority of the State Attorney to provide non-litigation legal assistance outside the courts. From the law enforcement perspective, the State Attorney at the Batam District Prosecutor's Office have carried out their duties and exercised their authority professionally and objectively in addressing non-performing loans involving three customers of the Batam City Office of Cooperatives and Micro Enterprises. This was established through the researcher's field observations, which showed that the mediation and conciliation processes were conducted in a conducive environment and successfully encouraged the debtors and creditor to reach agreements.

The effectiveness of this mechanism is reflected not only in the agreements reached between the parties but also in the debtors' fulfillment of their payment obligations. Based on a follow-up report submitted by the creditor to the State Attorney at the Batam District Prosecutor's Office, as of December 2025, two of the three debtors with outstanding revolving fund loans had fulfilled their obligations to the creditor, while the remaining debtor had yet to complete payment. This outcome indicates that the agreements reached through the previous non-litigation dispute resolution process had been followed by full repayment by the majority of the debtors concerned, although not all receivables had been recovered. Therefore, the State Attorney need to continue monitoring the debtors' payments through regular coordination with the creditor to ensure that all debtors fulfill their payment obligations in accordance with the agreements reached during the mediation and conciliation processes.

## REFERENCES


Salmon, Harly Clifford Jonas, Judy Marria Saimima, Selamat Lumban Gaol, Muhammad Syahri Ramadhan, Zulfikar Putra, Irfan Islami Rambe, Wahyu Ramadhani, Miftakhul Huda, Nanci Yosepin Simbolon, and Marco Orias. *Hukum Alternatif Penyelesaian Sengketa*. Edited by Elan Jaelani. 1st ed. Bandung: Widina Media Utama, 2025.

Sari, Retno Dewi Pulung. *Hukum Acara & Praktik Persidangan Perdata*. Edited by Ferdinand Sujanto. 1st ed. Yogyakarta: Penerbit KYTA, 2022.

Yusni, Muhammad, and Bisdan Sigalingging. *Penguatan Peran Lembaga JAMDATUN Dalam Penyelesaian Kredit Bermasalah: Studi Penyelesaian Kredit Bermasalah Pada Bank BUMN/BUMD*. Edited by Imail Koto. 1st ed. Medan: UMSU Press, 2023.

Agustin, Erna, and Niken Wahyuning Retno Mumpuni. "Kedudukan Dan Upaya Jaksa Pengacara Negara Dalam Penanganan Kredit Macet Antara Nasabah Debitur Dengan Pihak Bank BUMD Berdasarkan Surat Kuasa Khusus Di Kejaksaan Negeri Cilacap (Studi Kasus PT. BPR BKK Cilacap)." *Journal Syntax Idea* 6, no. 8 (2024): 3353–3369. https://doi.org/10.46799/syntax-idea.v6i8.4295.

Alchuurun'ain, Aurora, and Yuli Kurniawati. "Analisa Kredit Macet Pada Kredit Usaha Mikro, Kecil, Dan Menengah." *RIGGS: Journal of Artificial Intelligence and Digital Business* 4, no. 2 (2025): 1503–1507. https://doi.org/10.31004/riggs.v4i2.691.

Ananda, Hilda, and Siti Nur Afifah. "Penyelesaian Secara Litigasi Dan Non-Litigasi." *Sharecom: Jurnal Ekonomi Syariah Dan Keuangan Islam* 1, no. 1 (2023): 55–64. https://ejurnal.iiq.ac.id/index.php/sharecom/article/view/1023.

Asriani, Ni Ketut Yanik, Ida Ayu Windhari Kusuma Pratiwi, I Kadek Adi Surya, and Ida Bagus Wirya Dharma. "Efektivitas Mediasi Dalam Penyelesaian Kredit Bermasalah (Studi Kasus Di Koperasi Jaya Mandiri Tabanan)." *Jurnal JIS Siwirabuda* 3, no. 2 (2025): 38–45. https://ejournal.universitastabanan.ac.id/index.php/jissiwirabuda/article/view/401.

Azis, Pahrudin, Muhamad Kholid, and Nasrudin Nasrudin. "Perbandingan Lembaga Penyelesaian Sengketa: Litigasi Dan Non-Litigasi." *Qanuniya: Jurnal Ilmu Hukum* 1, no. 2 (2024): 11–21. https://doi.org/10.15575/qanuniya.v1i2.896.

B, Andika Putri Cahyani, Andi Basru Wawo, and Tuti Dharmawati. "Pengaruh Kredit Bermasalah Terhadap Likuiditas Bank BNI, BRI, Dan CIMB Niaga." *Wawasan:*

*Jurnal Ilmu Manajemen, Ekonomi Dan Kewirausahaan* 4, no. 4 (2026): 579–590. https://journal.unimar-amni.ac.id/index.php/Wawasan/article/view/5310.

Disemadi, Hari Sutra. "Lensa Penelitian Hukum: Esai Deskriptif Tentang Metodologi Penelitian Hukum (Lenses of Legal Research: A Descriptive Essay on Legal Research Methodologies)." *Journal of Judicial Review* 24, no. 2 (2022): 289–304. https://scholar.archive.org/work/ssg5kabplfeuvp4bm4pkpsjzui/access/wayback/https://journal.uib.ac.id/index.php/jjr/article/download/7280/2878.

Fathoni, Yusuf. "Efektivitas Kejaksaan Negeri Kabupaten Magelang Dalam Penyelesaian Kredit Bermasalah Pada Bank Bapas 69 (Perseroda) Magelang." Universitas Muhammadiyah Magelang, 2025. https://repositori.unimma.ac.id/5102/.

Ferdiansyah, Aldi, Berdi Adityas Wiryawan Wahyono, and Almansyah Harahap. "Efektivitas Mediasi Sebagai Alternatif Penyelesaian Sengketa Perdata Dalam Meningkatkan Akses Keadilan Di Indonesia." *Jurnal Kajian Hukum Dan Pendidikan Kewarganegaraan* 1, no. 4 (2025): 471–480. https://jurnal.globalscients.com/index.php/jkhpk/article/view/665.

Imra, Jhon Maizel, M Yusuf, and Rudi Pardede. "Analisis Faktor Penghambat Penegakan Hukum Terhadap Tindak Pidana Perzinahan Di Wilayah Hukum Polres Rokan Hulu Berdasarkan KUHP." *Lancang Kuning Law Journal* 2, no. 1 (2025): 1–7. https://journal.unilak.ac.id/index.php/lklawjournal/article/view/27165.

Islami, Faradilla Fitratul, Syuryani, and Mahlil Adriaman. "Pelaksanaan Bantuan Hukum Di Kejaksaan Pada Bidang Perdata Dan Tata Usaha Negara (DATUN) Berdasarkan Peraturan Kejaksaan Republik Indonesia No. 7 Tahun 2021." *Sakato Law Journal* 2, no. 2 (2024): 21–28. https://jurnal.umsb.ac.id/index.php/SLJ/article/view/5954.

Jayadi, Hendri, Tomson Situmeang, Poltak Siringoringo, I Dewa Ayu Widyani, L Elly AM Pandiangan, and Putu George Matthew Simbolon. "Penyelesaian Sengketa Tanah Berdasarkan Kaidah Hukum Positif Dan Doktrin Hukum Tentang Penyelesaian Sengketa Di Indonesia." *Jurnal ComunitÃ Servizio: Jurnal Terkait Kegiatan Pengabdian Kepada Masyarakat, Terkhusus Bidang Teknologi, Kewirausahaan Dan Sosial Kemasyarakatan* 5, no. 1 (2023): 1050–1069. https://doi.org/10.33541/cs.v5i1.4287.

Karyudi, Bintang Mandala, and Nuril Firdausiah. "Implementasi Supremasi Hukum Dalam Penegakan Hukum Di Indonesia." *Lex Et Lustitia* 1, no. 2 (2024): 86–98. https://ejournal.umsj.ac.id/index.php/lel/article/view/72.

Mahendra, Emir Muhammad Adiel, and Kurniasih Bahagiati. "Penyelesaian Sengketa Kasus Wanprestasi Kredit Macet Pada Program Simpan Di BUMDESMA Kanor Mandiri Berkah Kabupaten Bojonegoro." *MLIJo: Maliki Law and Islamic Journal*

11, no. 1 (2025): 1–14. http://etheses.uin-malang.ac.id/76361/.

Maryanto, and Irwan Triadi. "Penyelesaian Sengketa Kesehatan Dengan Metode Non Litigasi, Mediasi, Arbitrase Dan Alternatif Lainnya." *Joural of Law Perspectives Review* 1, no. 1 (2025): 43–52. https://doi.org/10.64670/jlpr.v1i1.17.

Muna, Nafisatul, Muhammad Khoirul Anam, and Kharis Fadlullah Hana. "Teknik Penyelesaian Sengketa Melalui Non-Litigasi Di Perbankan Syariah." *Jurnal Sahmiyya* 1, no. 2 (2022): 212–220. https://e-journal.uingusdur.ac.id/sahmiyya/article/view/677.

Nugraha, Karindra Alvian, and Sidi Ahyar Wiraguna. "Alternatif Penyelesaian Sengketa Hutang-Piutang Melalui Mediasi Dan Arbitrase: Efektivitas Dan Kendala Di Indonesia." *Al-Zayn: Jurnal Ilmu Sosial & Hukum* 3, no. 6 (2025): 11534–11548. https://ejournal.yayasanpendidikandzurriyatulquran.id/index.php/AlZayn/article/view/2899.

Nur, Andi Wahyuddin, Dewi Wahyuni Mustafa, M. Asraf Fradama, Asriani Said, Rina Febrianti, Andi Nur Halisa, Rismawati, Andi Muh Iswan, and Erwin. "Sosialisasi Penyelesaian Sengketa Tanah Melalui Litigasi Dan Non Litigasi Di Desa Patila." *Compile Journal of Society Service* 2, no. 1 (2024): 39–46. https://jurnal.lamaddukelleng.ac.id/index.php/compile/article/view/108.

Putra, Rengga Kusuma, Ummi Kalsum, Johari, Rica Gusmarani, and Edy Sony. "Efektivitas Penyelesaian Sengketa Secara Non Litigasi." *Jurnal Kolaboratif Sains* 7, no. 6 (2024): 2200–2206. https://jurnal.unismuhpalu.ac.id/index.php/JKS/article/view/5548.

Rasji, and Yansen Harat Gazali. "Peran Peradilan Dalam Menyelesaikan Sengketa Bisnis Secara Cepat, Sederhana, Dan Berbiaya Ringan." *Jurnal Multilingual* 4, no. 1 (2024): 124–133. https://ejournal.penerbitjurnal.com/index.php/multilingual/article/view/819.

Shintya, Icha, and Suci Flambonita. "Kewenangan Kejaksaan Dalam Menyelesaikan Sengketa Non Litigasi." *LEX LATA: Jurnal Ilmiah Ilmu Hukum* 6, no. 1 (2024): 127–140. https://journal.fh.unsri.ac.id/index.php/LexS/article/view/127-140.

Simatupang, Andreina Avelia Novin Br., Si Ngurah Ardhya, and Made Sugi Hartono. "Peran Jaksa Pengacara Negara Dalam Melakukan Negosiasi Terhadap Sengketa Perdata Di Kejaksaan Negeri Buleleng." *NETIZEN: Journal of Society and Bussiness* 1, no. 8 (2025): 110–133. https://languar.net/index.php/NETIZEN/article/view/326.

Susanto, Dedi, and M Syahran Jailani. "Teknik Pemeriksaan Keabsahan Data Dalam Penelitian Ilmiah." *QOSIM: Jurnal Pendidikan Sosial & Humaniora* 1, no. 1 (2023): 53–61. https://ejournal.yayasanpendidikandzurriyatulquran.id/index.php/qosim/article/view/60.

Tamba, Tumanda, and Mukharom. "Efektivitas Peran Mediator Dalam Penyelesaian Sengketa Non Litigasi Dalam Bidang Bisnis Maupun Hukum." *Jurnal Ilmiah Mahasiswa Perbankan Syariah (JIMPA)* 3, no. 2 (2023): 445–60. https://doi.org/10.36908/jimpa.v3i2.247.

Tan, David. "Metode Penelitian Hukum: Mengupas Dan Mengulas Metodologi Dalam Menyelenggarakan Penelitian Hukum." *NUSANTARA: Jurnal Ilmu Pengetahuan Sosial* 8, no. 8 (2021): 2463–2478. https://jurnal.um-tapsel.ac.id/index.php/nusantara/article/view/5601.

GoodNews. "Batam Dominasi Penyaluran KUR Kepri, Realisasi Tembus Rp940 Miliar," 2026. https://www.goodnewsfromindonesia.id/short/batam-dominasi-penyaluran-kur-kepri-realisasi-tembus-rp940-miliar, diakses pada 10 Juli 2026.

Peraturan Kejaksaan Republik Indonesia Nomor 7 Tahun 2021 tentang Pedoman Pelaksanaan Penegakan Hukum, Bantuan Hukum, Pertimbangan Hukum, Tindakan Hukum Lain, dan Pelayanan Hukum di Bidang Perdata dan Tata Usaha Negara, Pub. L. No. 7 (2021). https://peraturan.bpk.go.id/Details/226090/peraturan-kejaksaan-no-7-tahun-2021.

Peraturan Mahkamah Agung Nomor 1 Tahun 2016 tentang Prosedur Mediasi di Pengadilan, Pub. L. No. 1 (2016).

Undang-undang (UU) Nomor 30 Tahun 1999 tentang Arbitrase dan Alternatif Penyelesaian Sengketa, Pub. L. No. 30 (1999). https://peraturan.bpk.go.id/Details/45348/uu-no-30-tahun-1999.

Undang-Undang Nomor 11 Tahun 2021 tentang Perubahan atas Undang-Undang Nomor 16 Tahun 2004 tentang Kejaksaan Republik Indonesia, Pub. L. No. 11 (2021).

Kejaksaan Negeri Batam. "Laporan Internal Capaian Kinerja Bidang Perdata Dan Tata Usaha Negara Pada Kejaksaan Negeri Batam Periode Januari-Desember 2025." Batam, 2025.

Kejaksaan Negeri Batam. "Laporan Surat Kuasa Khusus Dinas Koperasi Dan Usaha Mikro Kota Batam Kepada Kejaksaan Negeri Batam Untuk Melakukan Pemanggilan Dan Atau Melakukan Pembinaan Terhadap Nasabah Penerima Pinjaman Dana Bergulir Yang Menunggak." Batam, 2025