



# THE POSITION AND PROTECTION OF CONCURRENT CREDITORS IN INDONESIA'S BANKRUPTCY PROCESS: A REVIEW BASED ON THE PRINCIPLE OF CREDITORIUM PARITY

**M. Adnan Lira**

Faculty of Law, Indonesian Muslim University, Makassar, Indonesia  
[m.adnanlira@umi.ac.id](mailto:m.adnanlira@umi.ac.id)

Naskah diterima: 30 April 2024; revisi: 30 Mei 2024; disetujui: 30 Juni 2024



## Abstract

This research aims to analyze the position and protection of concurrent creditors in Indonesia, particularly in the context of Decision Number 113/Pdt.Sus-PKPU/2019/PN.Niaga.Jkt.Pst. Using normative research methods, this study examines primary, secondary, and tertiary legal materials to address challenges faced by concurrent creditors in bankruptcy proceedings. The findings highlight the implementation issues of creditorium parity and provide recommendations for enhancing the legal framework. The research process involves inventory and identification of relevant legal materials, including primary, secondary, and tertiary sources. The stages of processing include the systematic collection and examination of these sources to analyze issues related to concurrent creditors in bankruptcy cases. Through an analysis of statutory provisions, court decisions, and practical bankruptcy procedures, this research reveals that while the principle of creditorium parity aims to ensure fair and balanced treatment among creditors, its implementation faces significant challenges. These challenges include differences in the positions of concurrent creditors, separatist creditors, and preferred creditors, as well as the complexities and bureaucratic nature of the bankruptcy process, which often hinder concurrent creditors from obtaining their rights. Court decisions, such as Decision Number 113/Pdt.Sus-PKPU/2019/PN.Niaga.Jkt.Pst., demonstrate that the position of concurrent creditors is protected under Articles 1131 and 1132 of the Civil Code. This decision confirms that concurrent creditors have equal rights in creditor meetings, based on the amount of their claims.

**Keywords:** Bankruptcy; Creditors; Concurrent

---

✉ Alamat korespondensi:

Alamat Institusi: Faculty of Law, Indonesian Muslim University, Makassar, Indonesia  
E-mail: [m.adnanlira@umi.ac.id](mailto:m.adnanlira@umi.ac.id)

## I. INTRODCUTION

The development of national law in Indonesia aims to create a just and prosperous society based on Pancasila and the 1945 Constitution. This legal framework must support and guarantee legal certainty, order, enforcement, and protection of laws grounded in justice and truth. The rapid economic development and increased commercial transactions have led to more debt-related issues, exacerbated by the monetary crisis, which has significantly impacted the national economy and business sector. That with the increasingly rapid development of the economy and trade, more debt and receivable problems arise in society, plus the impact of the monetary crisis that occurred in Indonesia has had an unfavourable effect on the national economy, giving rise to major difficulties for the business world in resolving debts and receivables to continue their activities. Because of this, Law of the Republic of Indonesia Number 37 of 2004 concerning Bankruptcy and Postponement of Debt Payment Obligations (from now on abbreviated to Law 37/2004) was born.

The presence of the K-PKPU Law is very important to protect in resolving debt-receivable relationships on a pro-rata basis, considering that the capital owned by debtors generally comes from various sources of financing/loans, including banking, investment, bonds and other agreements which give rise to multiple obligations which can be valued in monetary terms. Considering the domino effect (*multiplier effect*) that can arise from these debt-receivable relationships, a legal instrument is needed to provide debt settlement that prioritizes business continuity (*going concern*) and offers reasonable protection guarantees for various parties in bankruptcy resolution. and PKPU (National, 2018).

Bankruptcy is a situation in which the debtor does not make payments on his creditors' debts. This situation is caused by the debtor's business's difficult financial condition (financial distress), which has experienced a setback (Sirait et al., 2023).

Bankruptcy within the meaning of the Bankruptcy Law is defined as a general confiscation of all the Bankrupt Debtor's assets, the management and settlement of which is carried out by a curator under the supervision of a supervisory judge after going through the process as regulated in the Law. On the one hand, many parties (creditors) will be involved in the process. This is because the debtor who is being bankrupted will have more than one debt, while on the other hand, it is not certain that the bankrupt's assets will be sufficient, let alone able to meet all the bills addressed to the debtor. Each creditor will try to get the highest possible payment for their respective receivables quickly. This condition is the background for the birth of binding regulations in the bankruptcy process, which regulate the distribution of bankruptcy assets under the control of the curator accompanied by the supervision of the supervising judge.

Theoretically, creditors can be divided into 2 types: (1) creditors with collateral (*secured creditors*), which consist of holders of lien rights and/or fiduciaries (security for movable objects) and holders of mortgage rights and/or mortgages (security for immovable objects); and (2) unsecured creditors, *who* may or may not have special rights (either general or special).

In the bankruptcy process itself, there are three types of creditors, namely separatist creditors, preferred creditors and concurrent creditors (See also explanation of Article 2 paragraph (1) of Law 37/2004: What is meant by "Creditors" in this paragraph are both concurrent creditors, Separatists and preferred creditors. Specifically regarding separatist and preferred creditors, they can apply for a bankruptcy declaration without losing their collateral rights to the property they own in the Debtor's assets and their rights to be prioritized). The distinction, according to Law 37/2004, is related to the position of the creditor concerned in settling bankruptcy assets. (Inauguration, 2007).

Creditors holding pledges, fiduciary guarantees, security rights, mortgages, or collateral rights over other objects or creditors with collateral are called *separatist creditors*, because, based on Article 55 paragraph (1) of Law 37/2004, while still paying attention to the provisions as intended in Article 56, Article 57 and Article 58, every Creditor holding a pledge, fiduciary guarantee, security right, mortgage, or collateral right over other objects, can execute their rights as if Bankruptcy had not occurred).

These creditors have the authority to execute their rights as if Bankruptcy had not occurred. *Separatism* here means the separation of the right of execution over the objects pledged as collateral from the assets owned by the debtor in Bankruptcy. In this way, separatist creditors gain the most important position in the bankruptcy process, concerning the rights to the material collateral for their receivables. As long as the value of the receivables given by the separatist creditor does not far exceed

the value of the object being pledged as collateral and the creditor has control over that object, the bankruptcy process will not have much effect on the fulfilment of the payment of the creditor's receivables moreover, if the debtor has also fulfilled the regular debt installment payments.

According to Law no. 37/2004, if the power over the collateral is vested in the bankruptcy debtor or curator, then the separate execution rights mentioned above are suspended for a maximum 90 days after the bankruptcy declaration is issued (article 56 paragraph 1). Meanwhile, suppose the execution value of certain objects turns out to be insufficient to cover the debtor's debt. In that case, the separatist creditor can request that he be placed in the position of concurrent creditor to collect the remaining receivables (Article 138 in conjunction with Article 189 paragraph 5 of Law No. 37/2004).

For the sake of legal certainty, the right of direct execution owned by separatist creditors can only be used within 2 months after the insolvency situation occurs. ( Article 59 paragraph 1 Law No. 37/2004) After that period, execution can only be carried out by the curator, even though the rights of separatist creditors (as creditors with collateral) are not reduced. ( Article 59 paragraph 2 of Law No. 37/2004) The differences in the execution process will result in whether or not it is necessary to pay bankruptcy costs from the proceeds of the sale of collateralized objects ( Article 191 of Law No. 37/2004).

*Preferred creditors* mean creditors who have special privileges or priority rights. UU no. 37/2004 uses special rights, as the Civil Code regulates (Explanation of article 60 paragraph 2 of Law No. 37/2004). Special privileges mean legal rights to a creditor so that the level is higher than that of other creditors. (Article 1134 Civil Code)

According to the Civil Code, there are two types of privileges: special privileges (article 1139) and general privileges (article 1149). Special privilege concerns certain objects, while general privilege concerns all objects. By the provisions of the Civil Code, special privileges take precedence over general privileges (article 1138).

Bankruptcy is a legal mechanism that aims to resolve debt and receivable problems that cannot be resolved normally between debtors and creditors. In the context of Bankruptcy in Indonesia, one important aspect that is often of concern is the protection of the rights of creditors, especially concurrent creditors. Concurrent creditors are creditors who do not have preferential or special rights over the debtor's assets, so they are in a less favourable position compared to separatist and preferred creditors.

The principle of creditorium parity, which is regulated in Article 1131 and Article 1132 of the Civil Code (Civil Code), states that all of the debtor's assets, both movable and immovable, become collateral for the repayment of the debtor's debt to all creditors proportionally. This principle ensures fair and balanced treatment between creditors in the bankruptcy process.

However, in practice, applying the creditorium parity principle often faces various challenges and obstacles. Concurrent creditors are often weak because they need collateral or privileges that could give them priority in debt repayment. In addition, the complex and bureaucratic bankruptcy process often causes concurrent creditors to compete with separatist creditors who have collateral rights and preferred creditors who have special rights under the law.

Court decisions regarding Bankruptcy, such as Decision Number 113/Pdt.Sus-PKPU/2019/PN.Niaga.Jkt.Pst., emphasize the importance of legal protection for concurrent creditors and the application of the creditorium parity principle in the bankruptcy process in Indonesia. However, there are still many aspects that need to be reviewed and improved so that concurrent creditors can obtain their rights fairly and proportionally.

This research aims to examine concurrent creditors' position in Indonesia's bankruptcy process based on the principle of creditorium parity. By analyzing statutory regulations, court decisions, and bankruptcy practices in the field, it is hoped that it can provide a deeper understanding of legal protection for concurrent creditors and recommendations for improving the bankruptcy system in Indonesia.

## II. RESEARCH METHOD

This research employs normative legal methods, focusing on legal norms, principles, theories, arguments, and comparisons. The study involves the inventory and identification of primary, secondary, and tertiary legal materials, followed by an analysis of statutory regulations, court decisions, and practical applications in the field. In this connection, the orientation of normative legal

research is law in books, namely observing legal reality in various norms or legal rules that have been formed (Nawi, 2014). As normative legal research, the approaches used in this research are the statutory approach, *the case* regulatory approach, and the conceptual approach (Nawi, 2014). Legal materials, both primary, secondary and tertiary, will be inventoried and identified for further use in analyzing problems related to this research.

### III. RESULT AND DISCUSSION

The position of concurrent creditors in bankruptcy proceedings is conceptually significant, as it determines their rights and protections. Concurrent creditors, as defined by the Civil Code, lack control over collateral and are thus subordinate to separatist and preferred creditors. This section reviews the legal framework and court decisions to evaluate the effectiveness of current protections and the principle of creditorium parity. This is intended to identify concurrent creditors' rights in relation to bankruptcy matters. Referring to the Civil Code, concurrent creditors are defined as The legal subject in the agreement does not have the right to control collateral in the form of objects so that the settlement of debts to Concurrent Creditors is carried out after obligations to other creditors have been granted.

Concurrent creditors are also known as competing creditors. Concurrent creditors have the same position and are entitled to obtain the proceeds from the sale of the debtor's assets, both existing and future, after deducting the obligation to pay receivables to creditors holding collateral rights and creditors with special rights in proportion to their size. Receivables from each concurrent creditor (Kusmadi et al., 2023).

The argument above shows that concurrent creditors' positions are different from those of other creditors in the bankruptcy context even though payments are given pro rata to creditors. This means that the assets owned by the debtor become joint collateral for the creditors, and the results are distributed proportionally between the legal subjects involved.

Bankruptcy is one way to resolve debt and receivable disputes. This institution is not for settling a creditor's debt but is for the interests of several creditors (Saputra, 2020)

Bankruptcy issues can never be separated from business activity issues, which, if viewed from the functional perspective, are activities that play an important role in a country's economy and are even the main pillars of economic growth and national development. However, in the fast development of the business world like today, several problems are often found related to running a business in each business sector. The problems that arise are not small, including financial problems. Many companies experience financial difficulties that force them to take out loans, which often cannot be fulfilled for one reason or another. As a result, many companies are taking various methods to maintain their companies, and one of them is the Postponement of Debt Payment Obligations (PKPU) institution.

The distribution of bankruptcy assets can be done based on several principles (Subhan, 2008)

#### a) Creditorium Parity Principle

This principle determines that creditors have equal rights to all debtor assets. If the debtor does not pay his debt, then the debtor's assets become the creditor's target. The principle of creditor parity means that all of the debtor's assets, whether in the form of movable or immovable goods, as well as assets currently owned by the debtor and goods that will be owned by the debtor in the future, are tied to the settlement of the debtor's obligations.

The philosophy of the creditor parity principle is that it is an injustice if the debtor owns property while the debtor's debt to his creditors is not paid. The law provides a general guarantee that the debtor's assets are, by law, collateral for his debts even though the debtor's assets are not directly related to these debts. Thus, the principle of creditor parity departs from the phenomenon of injustice if the debtor still has assets while the debtor's debt to creditors is not paid. Another meaning of the creditor parity principle is that the general guarantee for a debtor's debts is only limited to his assets and not other aspects, such as personal status and other rights outside of assets are in no way affected by the debtor's debts and receivables.

However, if this principle is implemented in a " *letter lijk* " manner, it will lead to injustice. The injustice of this principle is that it equalizes the position of creditors. How unfair it would be if a creditor with receivables amounting to one billion rupiah were treated in the same

position as a creditor with one million rupiah. Likewise, how unfair it is that a creditor who holds material collateral is treated the same as a creditor who does not hold material collateral at all.

b) Principle of *Pari Passu Prorata Parte*

This principle means that assets are a joint guarantee for creditors, and the proceeds must be distributed proportionally between them unless there are creditors who must have priority in receiving payment of their bills according to law. The principle of *pari passu pro rata parte* is also an important guideline to be implemented by a curator who has the authority and responsibility to manage and settle the bankrupt debtor's assets under the supervision of the supervising judge, with The main purpose is to use the proceeds from the sale of these assets for pay all debts of the bankruptcy debtor proportionally (*prorate part*) and by the creditor structure (Hindrawan et al., 2023).

c) Principles of Structured Creditors

This principle means that bankruptcy creditors are classified structurally as preferred creditors, separatist creditors, and concurrent creditors, each with a different position.

During PKPU's development, there have been several obstacles that have often raised questions. One issue that deserves a deeper review is the position of these creditors. This became the focus of the author's attention because the author discovered unusual facts that had yet to be discussed further regarding the position between one creditor and another, especially concurrent creditors. Basically itself is to fulfill the repayment obligations. Therefore, the creditor's position is one of the benchmarks for repayment of these debts, including when voting *in* the peace agreement.

The position between creditors is based on differences in carrying out each creditor's rights. Separatist creditors hold material collateral such as fiduciaries, pledges, rights dependents, and so on. Meanwhile, concurrent creditors are creditors who do not hold material collateral and do not have special rights (or are not included in preferred creditors).

Let us examine it basically in the PKPU process. Peace becomes a benchmark in resolving the debtor's debts to creditors and determining whether the debtor will settle his debt through PKPU or by going bankrupt. Even though the success rate of PKPU is still relatively low, PKPU is a tool that debtors generally use as a last line of defence. This is in line with jurisprudence, which explains that

If the period for postponing temporary debt payment obligations ends because the Creditor does not agree to grant a postponement of permanent debt payment obligations or an extension has been granted, but until the time limit as intended in Article 228 paragraph (6), approval has not been reached on the peace plan, the management on the day it ends At that time, it is mandatory to notify the matter through the supervising judge to the Court who must declare the Debtor Bankrupt no later than the following day.

Based on the decision of the Jakarta Commercial Court Number 113/Pdt.Sus-PKPU/2019/PN.Niaga.Jkt.Pst as mentioned above, it is explained that the concurrent creditors in the bankruptcy case are PT Bank Mandiri (Persero) Tbk, PT Bank Mandiri (Persero) Tbk, PT Dynasty Wahana Sukses, Setiyo Purnomo, Harun . This can be seen in the judge's considerations stated in the Jakarta Commercial Court decision Number 113/Pdt.Sus-PKPU/2019/PN.Niaga.Jkt.Pst

1. PT. Bank Mandiri (Persero) Tbk, with a total bill value of IDR 30,016,631,113.42 or 3,002 Voting Rights;
2. PT. Bank Mandiri (Persero) Tbk, with a total bill value of IDR 212,295,611,421.76 or 21,230 Voting Rights;
3. PT. Dynasty Wahana Sukses, with a total invoice value of IDR 840,620,000,- or 84 Voting Rights;
4. Setiyo Purnomo, with a total bill value of Rp. 650,000,000,- or 65 Voting Rights;
5. Harun, with a total invoice value of Rp. 445,000,000,- or 45 Voting Rights

In the context of rights and obligations, this case begins with an agreement between the debtor and concurrent creditors, based on an agreement. The agreement agreed here is in the form of providing a loan. The agreement here is a form of agreement that is based on a loan agreement. Where are the concurrent creditors in the case *in case* willing to lend a certain amount of money to a debtor to get a return of the same amount?

However, as the agreement progressed, problems occurred, which resulted in PT. SUMBER INTAN LESTARI could not fulfill its obligations in the agreement, causing losses experienced by the creditors. The judge's considerations are outlined in the decision as follows

They are considering, that the Panel of Judges thinks that because the Petitioner has been declared Bankrupt, in order to settle the bankruptcy estate, several curators must be appointed for efficiency and effectiveness.

In essence, it cannot be denied that concurrent creditors are the weak parties and are often disadvantaged in terms of payment of receivables because separatist creditors receive payment of receivables first compared to concurrent creditors in sharing the proceeds from the sale of bankruptcy assets. The distribution is carried out based on an order of priority where creditors with a higher position receive distribution first compared to those with a lower position.

Whereas in the *casu decision*, concurrent creditors are creditors with a weak position. Article 1131 of the Civil Code does not mean that concurrent creditors do not have the right to obtain guarantees for repayment of receivables originating from the debtor's assets. This has been stated in the decision *in case* which is affirmed.

Order the Curator Team to summon the Bankruptcy Respondents and known Creditors by registered letter or by courier to hold a Creditor meeting and settle the bankruptcy assets.

The principle of *Creditorium Parity*, adopted in bankruptcy law in Indonesia, and Law 37/2004 have also provided more protection for concurrent creditors so that their position can be balanced with separatist creditors. The principle of balance adhered to by Law 37/2004 supports implementing PKPU so that it can achieve the desired final results. These two principles are the main support in fulfilling the rights of concurrent creditors in carrying out the PKPU process in Indonesia.

Although the principle of creditorium parity aims to provide fair and balanced treatment among creditors, its implementation often faces various challenges. One of the main challenges is the difference in position between concurrent creditors, separatist creditors and preferred creditors. Separatist creditors have the right to collateral the debtor provides, so they have priority in debt repayment. Preferred creditors, conversely, have special privileges under the law that give them priority in debt repayment. This causes concurrent creditors to often compete with separatist and preferred creditors in the debt repayment process.

In addition, the complex and bureaucratic bankruptcy process often causes concurrent creditors to face various obstacles in obtaining their rights. For example, verifying and validating debt claims often takes a long time, preventing concurrent creditors from obtaining their rights. Besides that, bad faith or mistakes made by certain parties in the bankruptcy process can also be detrimental to concurrent creditors.

In the decision *in case*, the concurrent creditor, in this case, PT Bank Mandiri, did not approve the peace agreement proposed by the debtor so that the disagreement was through the decision of the PT Jakarta Commercial Court. SOURCE OF SUSTAINABLE INTANES is declared bankrupt, so he is obliged to bear all the legal consequences that may result from Bankruptcy. Legal implications of PT's Bankruptcy. SUMBER INTAN LESTARI towards concurrent creditors is stated firmly and clearly in the decision *in casu* to enforce their rights and fulfil their rights in the form of collateral execution practices.

States PT. SUMBER INTAN LESTARI and TIO TJAI HUA are in Bankruptcy with all the legal consequences;

Concurrent creditors are often said to be the most vulnerable creditors experiencing losses in repayment of debtors' debts. Therefore, concurrent creditors are creditors that must always be protected in PKPU. Because Due to their weak position, concurrent creditors often need to receive adequate repayment of their debts. Therefore, in bankruptcy law, especially through UUK-PKPU, a form of protection is provided for these concurrent creditors, which can be reflected in the objectives of bankruptcy law. This can be seen through the following points.

Protecting concurrent creditors in obtaining their rights related to the guarantee principle, which states that "all debtor assets, both movable and immovable, whether existing now or that will exist in the future, become collateral for the debtor's obligations," by providing facilities and procedures that enable them to satisfy their claims against debtors.

Ensure that the distribution of debtor assets among creditors follows the *pari passu* principle (proportionately distributing debtor assets to concurrent or unsecured creditors based on the

proportion of their respective claims). In Indonesian law, the *pari passu* principle is regulated by Article 1132 of the Civil Code (KUH Perdata).

Prevent debtors from taking actions that could harm creditor interests. By declaring someone bankrupt, the debtor loses the authority to manage and transfer his assets. The bankruptcy decision provides legal status where the debtor's assets are under general confiscation, referred to as bankruptcy assets.

They are providing opportunities for debtors and creditors to negotiate and reach an agreement regarding debt restructuring. In Indonesian bankruptcy law, the opportunity for debtors to reach an agreement to restructure their debts with creditors is regulated in Chapter III concerning Postponement of Debt Payment Obligations (PKPU).

Apart from regulations in the form of legislation, more attention is needed from the PKPU management to the creditors themselves. PKPU management must supervise and enforce the principle of equal treatment between creditors in a proportional manner (*Creditorium et al.*). This balance principle underlies the application of the provisions in Law 37/2004. From this explanation, it can be concluded that the position of concurrent and separatist creditors in the PKPU process is equal. As a debt settlement institution, PKPU is expected to provide a great opportunity for concurrent creditors to actively discuss peace plans. This aims to ensure that the rights of concurrent creditors are fulfilled and enforced through law.

The action *pauliana* provisions in Article 1341 of the Civil Code are related to the provisions of Article 1131 of the Civil Code which regulates the principle of *creditorium* parity. According to Article 1131 of the Civil Code, all of the debtor's assets are legally collateral for the debtor's debts. Thus, debtors do not have complete freedom over the assets they own when they have debts to creditors.

The legal position of concurrent creditors in resolving debts of bankrupt debtors is less protected. This is because concurrent creditors are in last place, below separatist and preferred creditors in receiving debt payments from bankrupt debtors. However, it is still possible for concurrent creditors to obtain payment rights for bankrupt debtors' debts, although the opportunity is small because they compete with separatist creditors who have turned into concurrent creditors and also fellow concurrent creditors.

The distribution of the bankrupt debtor's assets to the concurrent creditors is carried out based on the *pro rata* principle, namely the principle of dividing the bankrupt debtor's assets proportionally according to the size of the claims of each concurrent creditor. This *pro rata* principle is an application of the provisions of Article 1132 of the Civil Code, which states that if the bankruptcy debtor's assets are insufficient to pay debts to creditors, then these assets are divided among the creditors according to the size of their respective receivables. The *pro rata* principle applies to concurrent creditors. In contrast, for separatist creditors, this principle does not apply because they have collateral rights whose value is usually greater than the debt and have the power to carry out confiscation and execution if the debt is not paid without the debtor's consent.

Satjipto Rahardjo said that the law exists in society to integrate and coordinate interests that can conflict. (Raharjo, 2020). Coordinating these interests is carried out by limiting and protecting these interests. The law protects a person's interests by giving him the power to act to fulfil his interests. The granting of power, or what is often called rights, is carried out measurably, in breadth and depth.

According to Paton, an interest is a target of rights, not only because it is protected by law but also because there is recognition of it (Raharjo, 2020). Rights contain elements of protection and interests, as well as desires. Regarding the function of law to provide protection, Lili Rasjidi and B. Arief Sidharta said that law is developed and needed by humans precisely based on the product of human judgment to create conditions that protect and promote human dignity and to enable humans to live a normal life by their dignity.

Talking about the issue of legal protection for creditors is, of course, not only limited to fulfilling creditors' rights regarding debt payments by debtors, but certainty about payment times is also a serious matter in cases of debts and receivables. There are several legal instruments that debtors can use to realize their rights and interests. The legal protection provided by the Bankruptcy Law and PKPU to creditors includes action *pauliana*. Action *pauliana* has been regulated in Article 1341 of the

Civil Code, which gives creditors the right to apply for cancellation of legal actions that the debtor is not obliged to carry out, under whatever name, if the action is detrimental to the creditor.

The provisions in the Bankruptcy Law and PKPU are a form of legal protection for concurrent creditors to ensure the fulfilment of their rights over the assets of debtors declared bankrupt (bankruptcy model). Concurrent creditors can use these provisions to protect the availability of bankruptcy debt, which is the source of repayment of their receivables, so that there is no bad faith or mistakes, whether intentional or not, by certain parties in Bankruptcy which can reduce the value of the bankruptcy debt, so that detrimental to concurrent creditors.

Bankruptcy and delays in debt payments (surseance) are usually associated with debt and receivable problems between a debtor and a creditor. In other words, debtors and creditors have an agreement on debts and loans growing money. One of the debtor's obligations is to return the debt as an achievement that must be carried out. If the obligation to repay the debt goes smoothly according to the agreement, no problems will arise.

With the provisions governing the mechanism for direct participation of concurrent creditors in deciding whether to accept or reject a peace plan proposed by a bankruptcy debtor, it is clear that the Bankruptcy Law and PKPU have provided legal protection for concurrent creditors to determine their attitude towards the peace plan. Thus, concurrent creditors can use their voting rights at the creditors' meeting to accept or reject the peace plan to fulfil their rights to the bankruptcy debtor's assets. Acceptance of the peace plan submitted by the bankruptcy debtor will end the bankruptcy situation.

The provisions in the Bankruptcy Law and PKPU, which regulate actions that can be taken by concurrent creditors if there is a peace plan from the bankrupt debtor, should be utilized by concurrent creditors to obtain legal protection to ensure the fulfilment of their rights to the bankrupt debtor's assets.

Legal protection for concurrent creditors in the bankruptcy process is regulated by various statutory provisions in Indonesia. Apart from Article 1131 and Article 1132 of the Civil Code, the Bankruptcy Law and PKPU provisions also provide legal protection for concurrent creditors. For example, provisions regarding verifying and validating debt claims, supervision of the bankruptcy process, and decision-making mechanisms at creditor meetings.

The verification and validation of debt claims are important stages in bankruptcy. This stage aims to ensure that the debt claims creditors submit are legal and valid. In this case, concurrent creditors must ensure that their debt claims have been properly verified and validated to obtain their rights to the debtor's assets.

Oversight of the bankruptcy process is also important to protect the rights of concurrent creditors. Authorized parties, such as curators or bankruptcy supervisors, can implement supervision mechanisms to ensure that the bankruptcy process is carried out in accordance with statutory provisions and does not harm concurrent creditors.

In addition, concurrent creditors also have the right to participate in creditor meetings. The creditor meeting is a forum where creditors can make decisions related to the bankruptcy process, such as the debtor's proposed peace plan. At creditor meetings, concurrent creditors have voting rights based on the amount of claim rights they have. This is important to ensure concurrent creditors can fight for their rights in decision-making.

#### IV. CONCLUSION

Decision Number 113/Pdt.Sus-PKPU/2019/PN.Niaga.Jkt.Pst. reaffirms that the legal position of concurrent creditors is based on Articles 1131 and 1132 of the Civil Code. This decision underscores the equal rights of concurrent creditors in creditor meetings and highlights the need for strengthened legal provisions, enhanced supervision mechanisms, and increased education to ensure their rights are effectively protected. Therefore, concurrent creditors, like other creditors, are given equal rights at creditor meetings based on the amount of claim rights they have. The position of concurrent creditors is guaranteed in this decision. Legal protection for concurrent creditors in this decision shows that legal protection for concurrent creditors is based on statutory regulations, which instil the principle of equal and balanced treatment between creditors, by the principle of balance that underlies the application of the provisions contained in Law 37/2004

Based on the analysis carried out, several recommendations can be made to improve legal protection for concurrent creditors in the bankruptcy process in Indonesia. First, the legal provisions governing the rights of concurrent creditors need to be strengthened to make them more efficient and transparent. For example, provisions regarding verification and validation of debt claims must be improved to make the process faster and more accurate.

Second, the monitoring mechanism for the bankruptcy process needs to be improved to prevent bad faith or mistakes that could harm concurrent creditors. This supervision can be carried out by authorized parties, such as curators or bankruptcy supervisors, to ensure that the bankruptcy process is carried out by statutory provisions and does not harm concurrent creditors.

Third, education and outreach regarding the rights of concurrent creditors need to be carried out more intensively. Concurrent creditors need to understand their rights in the bankruptcy process so they can fight for their rights more effectively. Apart from that, concurrent creditors' active participation in creditor meetings also needs to be encouraged so that they can fight for their rights in the decision-making process.

Fourth, concurrent creditors need to take advantage of the Bankruptcy Law and PKPU provisions to protect their rights. For example, provisions regarding mechanisms for concurrent creditors' participation in deciding whether to accept or reject a peace plan submitted by a bankruptcy debtor need to be utilized optimally to ensure that their rights are well represented in the decision-making process.

Implementing these recommendations is hoped that concurrent creditors can obtain better legal protection and their rights can be fulfilled more effectively in the bankruptcy process. This is important to maintain creditors' trust in the bankruptcy system in Indonesia and ensure that the bankruptcy process runs transparently, fairly and efficiently.

## REFERENCES

- Ashhadie, Z. (2009). *Business Law: Principles and Implementation in Indonesia*, cet IV. Rajawali Press.
- Black's Law Dictionary. (2004). *Black's Law Dictionary Ed. IV*. USA: West Group.
- Dating, I. (2004). *The Role and Responsibilities of the Curator in the Management and Settlement of Bankruptcy Assets*. Jakarta: RajaGrafindo Persada.
- Diarsa, KOF, Yuniati, E., Surahmat, & Yurisar Akbar, T. (2023). *Legal Protection for Directors or Tax Bills Still Due After Settlement of Bankruptcy Assets*. *Notaire*, 6(2), 237–256. <https://doi.org/10.20473/ntr.v6i2.43650>
- Hindrawan, P., Sunarmi, S., Ginting, B., & Harianto, D. (2023). *Curator's Responsibilities in Applying the Pari Passu Prorata Parte Principle in the Management and Settlement of Bankruptcy Assets*. *Locus Journal of Academic Literature Review*, 2(8), 720–732. <https://repository.usu.ac.id/handle/123456789/89583>
- Inaugurate, R. (2007). *Critical Study of Legal Protection of Mortgage Rights in Debtor Bankruptcy*. Yogyakarta: Total Media.
- Kusmadi, B., Ismail, & Iryani, D. (2023). *Legal Protection for Concurrent Creditors in the Bankruptcy Process Concerning the Debtor's Remains Confiscated by the Prosecutor's Office*. *Journal of Business Law*, 12 (3), 117–129.
- Ministry of Law and Human Rights National Legal Development Agency. (2018). *Academic Manuscript of Draft Law Concerning Amendments to Law of the Republic of Indonesia Number 37 of 2004 concerning Bankruptcy and Postponement of Debt Payment Obligations*. Ministry of Law and Human Rights National Legal Development Agency.
- Nawi, S. (2014). *Normative Legal Research Versus Empirical Legal Research*. Makassar: Umitoha Publishers.
- Raharjo, S. (2020). *Legal studies*. Bandung: PT Citra Aditya Bakti.
- Saputra, IE (2020). *Legal Position of Tax Preferred Creditors and Labor Preferred Creditors in the Bankruptcy Process*. *Al-Ishlah: Legal Scholarly Journal*, 23 (2), 155–166.
- Sirait, P., Junaidi, M., Sudarmanto, K., & Sofyan, S. (2023). *Revocation of the Bankruptcy Decision if the Bankruptcy's assets are insufficient to pay the bankruptcy costs*. *Usm Law Review Journal*, 6 (3), 1279. <https://doi.org/10.26623/julr.v6i3.7911>

- Sjahdeini, SR (2002). Bankruptcy Law. Jakarta: Graffiti Main Library.
- Subhan, H. (2008). Bankruptcy Law, Principles, Norms, and Practice in Court. Surabaya: Kencana.
- Wulandari, T. C., Fajarianto, O., & Abidin, Z. (2024, January). PENINGKATAN MUTU GURU MELALUI PEMANFAATAN WORDWALL PADA PEMBELAJARAN BERBASIS GAMIFIKASI. In PROSIDING SEMINAR NASIONAL PENELITIAN DAN PENGABDIAN KEPADA MASYARAKAT (SNPP) (Vol. 3, pp. 37-44).