

The Role of Financial Intermediary and the Contribution of Islamic Banking in Financing Micro, Small and Medium Enterprises in North Maluku

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ABSTRACT

Some of the research questions are as follows: (a). Whether Islamic banking financing in North Maluku is able to encourage the growth of the Micro, Small and Medium Enterprises sector (b). How do the implications of Islamic banking financing on MSMEs in North Maluku on strengthening the community's economy (c). Whether the synergy of MSME financing between Islamic financial institutions in North Maluku through optimizing the linkage of Islamic banking programs and Islamic microfinance institutions is a solution to strengthen the regional economy. Thus, the purpose of this study is to explore the contribution of Islamic banking through its financing in encouraging the growth of the MSME sector in the North Maluku province; Analyzing the positive implaculations of financing that has been disbursed by Islamic banks to MSMEs in order to increase capacity and strengthen the economic structure of the community in the North Maluku region; Elaborating and describing synergy between institutions and the role and function of financing between Islamic financial institutions in North Maluku in strengthening the local economy through optimization of linkage schemes or patterns This study uses a descriptive qualitative research approach. The results of the study stated that the lack of optimal linkage program cooperation between Sharia Commercial Banks (BUS) and Sharia Microfinance Institutions (MFIs) is one of the reasons for the need for cooperation between these economic institutions. The non-optimal linkage program implemented by Islamic banks in the North Maluku region is due to the fact that Islamic banking in North Maluku currently still has a number of weaknesses that must also be taken into account by the Islamic bank itself so as not to negatively affect the bank's income to be obtained. The real condition of the Islamic Commercial Banks (BUS) above is actually reasonable to be taken into account by Islamic banks in the North Maluku region, because in principle the linkage financing pattern of Islamic banking must also meet economic aspects and sharia aspects, especially to the Micro, Small and Medium Enterprises (MSMEs) sector.

ABSTRAK

Beberapa pertanyaan penelitian yaitu antara lain sebagai berikut: (a). Apakah pembiayaan perbankan syariah di Maluku Utara mampu mendorong pertumbuhan sektor Usaha Mikro, Kecil dan Menengah (b).

Bagaimana implikasi pembiayaan perbankan syariah pada UMKM di Maluku Utara terhadap penguatan ekonomi masyarakat (c). Apakah sinergitas pembiayaan UMKM antar lembaga keuangan syariah di Maluku Utara melalui optimalisasi linkage program perbankan syariah dan lembaga keuangan mikro syariah adalah solusi penguatan ekonomi daerah. Dengan demikian tujuan studi ini ialah Mengeksplorasi kontribusi perbankan syariah melalui pembiayaannya dalam mendorong pertumbuhan sektor UMKM di wilayah provinsi Maluku Utara; Menganalisa implikasi positif atas pembiayaan yang telah dikucurkan oleh perbankan syariah terhadap UMKM guna untuk peningkatan kapasitas dan penguatan struktur ekonomi masyarakat di daerah Maluku Utara; Mengelaborasi dan mendeskripsikan sinergitas antar institusi serta peran dan fungsi pembiayaan antara lembaga keuangan syariah di Maluku Utara dalam memperkuat ekonomi lokal melalui optimalisasi skema atau pola linkage. Studi ini menggunakan pendekatan penelitian kualitatif deskriptif. Hasil penelitian menyatakan bahwa Belum optimalnya kerja sama linkage program antara pihak Bank Umum Syariah (BUS) dengan Lembaga Keuangan Mikro Syariah (LKMS) menjadi salah alasan dibutuhkannya kerjasama antara lembaga-lembaga perekonomian tersebut. Belum optimalnya program linkage yang diterapkan oleh bank syariah di wilayah Maluku Utara disebabkan karena perbankan syariah di Maluku Utara saat ini masih memiliki sejumlah kelemahan yang harus juga diperhitungkan oleh pihak bank syariah itu sendiri agar tidak berpengaruh negatif terhadap pendapatan bank yang akan diperolehnya. Kondisi riil dari Bank Umum Syariah (BUS) di atas sesungguhnya wajar untuk diperhitungkan oleh bank syariah di daerah Maluku Utara, karena secara prinsip pola pembiayaan linkage perbankan syariah juga harus memenuhi aspek ekonomi dan aspek syariah terutama ke sektor Usaha Mikro, Kecil dan Menengah (UMKM).

INTRODUCTION

The acceleration of the growth of Islamic economic institutions today will not be achieved as long as Muslims still see Islam as a *religion of way of worship* not a *way of life* in the context of transacting in the economic and business fields.¹ The acceleration of the growth of people's financial institutions, especially Islamic banking, shows a very positive dynamic.² This is happening as part of an instrument of Islamic economic development, although Islamic banking financial institutions face a wide variety of challenges and obstacles in their application. The growth of Islamic banking in various countries, including Indonesia, has experienced ups and downs according to the country's financial condition.³ As a country that was hit by the monetary crisis in 1998, Indonesia's economy experienced a severe downturn which led to the central

¹Mudrajat Kuncoro, "Meningkatkan Kontribusi Ekonomi Islam bagi Peningkatan Kualitas Ekonomi dan Sosial Masyarakat," Makalah Ilmiah, telah dipresentasikan pada kegiatan Seminar Internasional yang dilaksanakan oleh *Forum Riset Ekonomi dan Keuangan Syariah ke II*, kerjasama antara Bank Indonesia (BI) dengan Ikatan Ahli Ekonomi Islam (IAEI) yang di selenggarakan tanggal 13-14 November tahun 2013 di Jakarta, 24.

²Zamir Iqbal dan Abbas Mirakhor, *Pengantar Keuangan Islam, Teori dan Praktek*, terjemahan A.K Anwar (Jakarta: Prenada Media Group, 2008), 373.

³Veithzal Rivai an Ferry N. Idroes, *Bank and Financial Institution Management Conventional & Sharia System* (Jakarta: PT. Raja Grafindo Persada, 2007), 15.

government's policy of liquidating conventional-based banking financial institutions in the form of mergers and some of them were closed. The monetary crisis made Indonesia need the presence of donor countries such as the *IMF*, *World Bank* and other donor agencies.⁴ However, the presence of donor agencies brings its own problems for donor recipient countries. Cambodia, for example, the presence of donor agencies such as the *World Bank* and the *IMF* is a problem in poverty reduction efforts, because dollarization has affected people's living standards.⁵

The global economic crisis, which brought down many conventional financial institutions, had absolutely no effect on Islamic financial institutions such as banks and other non-bank financial institutions. The Islamic financial institution remains firmly established because its business activities are oriented towards the real sector of the economy. After the global economic and financial crisis, 'sharia-based financial institutions have developed into an adaptive system.⁷ By carrying out an economic system that relies on religious teachings and social morality, Islamic banking has actually shown its performance as an alternative to the conventional financial system and proven itself capable of supporting economic resilience and stability, especially when Indonesia was hit by a monetary crisis.⁸

The success of Islamic banking as a new alternative in maintaining economic stability is also evident in West Asian sub-regions such as Nigeria, Senegal, and Guinea.⁹ Rapid development in the Islamic financial industry and adoption of Islamic retail banking to banking products and services in Malaysia,¹⁰ also affects the banking system in European regions such as Italy and the United Kingdom.¹¹ The UK itself has even expanded the market and the products offered are no longer limited to Muslim customers, but also to non-Muslim customers.¹² Even so, compared to the market share of conventional financial institutions, after operating for approximately twenty-eight years, the market share of retail and Islamic financial institutions is still at a low point.

The main spirit of Islamic banking is the use of skims or products such as *profit sharing*, especially for Islamic banks in North America and Western Europe. In addition, appropriate supervision and regulation of capital adequacy and governance of companies or individuals partnering with Islamic banks, also affect the development of Islamic financial institutions.¹³ One of the real examples of a sharia-based economic system that touches directly on the economic sector of the lower class,¹⁴ is a partnership relationship that occurs between Islamic banks and micro-entrepreneurs in rural Bangladesh.¹⁵ This shows the importance of

⁴Masyhudi Ali, *Restrukturisasi Perbankan dan Dunia Usaha* (Jakarta: PT. Elex Media Komputindo Gramedia, 2006),16.

⁵M. Kakinaka dan K. Kotani, "Exchange Rate Movements in A Dollarized Economy: The Case of Cambodia," *ASEAN Economic Bulletin*, No. 29 (2012) : 65-78.

⁶Yuh Chuan Yeouh and Li Husuan Lee, "Loan Market Competition and Bank Stability Reexmenition of Banking Competition and Risk Taking," *Chengchi University Taiwan Journal*, No. 64 (2012) : 2.

⁷R. Franzsen and L. Fetcher, "Tax Compliance Costs for the Small Business Sector in South Africa Establishing a Baseline. *E Journal of Tax Research*, No. 10 (2012): 184-226.

⁸Hussein el dan N. Hussein Abbas, "Islamic finance: Is it A Viable Option to Restrain Financial Crisis," *Interdisciplinary Journal of Contemporary Research in Business*, No, 5 (2013):576-588.

⁹S.I. Abdullahi, "Islamic Banking in West African Sub Region: A Surve," *Arabian Journal of Business and Management Review*, No. 2 (2013) 28-46.

¹⁰S. Thambiah, S. Ramanathan dan M.N. Huda Mazumder, "The Determinants of Islamic Retail Banking Adoption in Malaysia," *The International Business and Economics Research Journal*, No. 11 (2012): 437.

¹¹G. Opromolla, "Islamic finance: What Concrete Steps is Italy Taking," *The Journal of Investment Compliance*, No. 13 (2012): 10-16.

¹²M. Tameme and M. Asutay, "An Empirical Inquiry Into Marketing Islamic Mortgages in The UK" *The International Journal of Bank Marketing*, No. 30 (2012): 150-167.

¹³S. Archer and R.A.A. Karim, "The Structure, Regulation and Supervision of Islamic Banks," *Journal of Banking Regulation*, No. 13 (2012), 228-240.

¹⁴N.A. Mohammed, "Cost MinimiSation Through Interest Free Micro Credit to Micro Entrepreneurs: A Case of Bangladesh," *World Journal of Entrepreneurship, Management and Sustainable Development*, No. 6 (2010): 247-256.

¹⁵N.A. Mohammed, "Cost MinimiSation Through Interest Free Micro Credit to Micro Entrepreneurs: A Case of Bangladesh," *World Journal of Entrepreneurship, Management and Sustainable Development*, No. 6 (2010): 247-256.

diversification and innovation of Islamic banking products with financial institutions and micro-enterprises that are sources of funding for small community businesses, to then be able to bring socio-economic changes to the world community.¹⁶

Nowadays, international cooperation is increasingly turning to Islamic financing, because this Islamic financial institution has experienced a fairly rapid development so that EU and US investors are interested in investing.¹⁷ Islamic financial systems such as Islamic banking also introduce discipline and control over economic growth in the real sector,¹⁸ Thus, it is important to maintain economic integration between sharia-based business institutions in various fields including the socio-economic field.¹⁹ The social commitment of Islamic financial institutions, especially Islamic banking, is expressed in the annual report as a social responsibility.²⁰ Because, Islamic economic institutions in this case banks and non-banks have succeeded in presenting a new social and ethical meaning for financial institutions.²¹ The acceleration of Islamic banking in Indonesia is very synergistic with the goal of national development in order to create a just and prosperous Indonesian society based on economic democracy.²² As an integral part of the development of the national banking system within the framework of the Indonesian Banking Architecture (API),²³ Islamic banking and MSMEs in Indonesia must synergize to build the real sector of the economy and micro-enterprises.²⁴

The Islamic financial institution development program aims to achieve a share of 5 percent by the end of 2008 known as six acceleration programs, namely (i) Strengthening Islamic Bank institutions, (ii) Development of Islamic Bank products, (ii) Intensification of public education and strategic partner alliances, (iv) Increasing the role of the government and strengthening the legal framework of Islamic banks, (v) Strengthening human resources of Islamic banks, and (vi) Strengthening supervision of Islamic banks.²⁵ The function and role of Islamic banking institutions in financial activities nationally, regionally and internationally began to integrate with other sectors of economic institutions including community businesses based on Micro, Small and Medium Enterprises (MSMEs).²⁶

Efforts to develop Islamic banking in Indonesia received positive support from the central bank, where Bank Indonesia (BI) focused its 2013 Islamic banking development policy on the following matters; (i) Islamic banking financing is more towards the productive sector and the wider community, (ii) Development of products that better meet the needs of the community and the productive sector, (iii) Transition of supervision that maintains the continuity of Islamic

¹⁶M. Khaleequzzaman and N.S. Shirazi, "Islamic Microfinance An Inclusive Approach with Special Reference to Poverty Eradication in Pakistan," *IJUM Journal of Economics and Management*, No. 20 (2013):19-49.

¹⁷A. Lee "How the Global Islamic Finance Market Developed," *International Financial Law Review* (2013): 32.

¹⁸A. Ahmed, "Global Financial Crisis: An Islamic Finance Perspective," *International Journal of Islamic and Middle Eastern Finance and Management*, No. 3 (2010): 306-320.

¹⁹Chamhuri Siwarand Rabiul Islam, "Concepts, Approach and Indicators for Sustainable Regional Development," *Institute for Environment and Development Universiti Kebangsaan Bangi, Darul Ehsan, Selangor, Malaysia*. School of Economics, Finance and Banking, College of Business, Universiti Utara Malaysia (2012): 967-980.

²⁰A. Hassan and S.H. Sofyan, "Exploring Corporate Social Responsibility Disclosure: The Case of Islamic Banks," *International Journal of Islamic and Middle Eastern Finance and Management*, No. 3 (2010) 203-227.

²¹A. C. Masudul, "Impossibility Theorems of Islamic Economics," *International Journal of Islamic and Middle Eastern Finance and Management*, No.5 (2012): 179-202.

²²Abdul Ghofur Anshori, *Perbankan Syariah di Indonesia* (Yogyakarta: Gadjah Mada University Press, 2009),7.

²³Muhammad Kamal Zubair, "Akselerasi Pertumbuhan Bank Syariah di Indonesia," *Millah Jurnal Studi Islam*, No. 1 (2008): 1.

²⁴Lihat Abdul Mannan, "Don't call a bank as an Islamic bank, if the Islamic bank does not want to serve the grassroots." Hal tersebut menegaskan kembali orientasi utama perbankan syariah dalam menggerakkan sektor ekonomi lemah. Pembiayaan yang mengarah pada orientasi produktif seperti pembiayaan UMKM dan sektor strategis lainnya hendaknya mendapat porsi yang lebih besar mengingat peran pembiayaan tersebut guna menggerakkan perekonomian. Retnia Wulandari, "Akselerasi Perbankan Syariah Pada Sektor Riil," Artikel, Universitas Sebelas Maret, (akses 3 Oktober, 2013).

²⁵Bank Indonesia (BI), "Kebijakan Akselerasi Pengembangan Perbankan Syariah 2007-2008," Jakarta: Direktorat Perbankan Syariah Indonesia, (diakses 10 Oktober 2013), 4-8

²⁶Bank Indonesia (BI), "Cetak Biru Pengembangan Perbankan Syariah Indonesia 2002-20011," Jakarta: Direktorat Perbankan Syariah Bank Indonesia, (diakses 10 Oktober, 2013),15-20

banking development, (iv) Revitalization of increased synergy with the parent bank, and (v) Improvement of education and communication by continuing to encourage the improvement of Islamic banking capacity in the productive sector and *parity communication* and *distinctiveness*.²⁷

Muliaman D. Hadad from the Islamic Economic Community (MES), requested that the government provide facilities for the development of the Islamic financial industry in Indonesia in this case Islamic banking.²⁸ Meanwhile, Mudrajad Kuncoro argues that the existence of Islamic financial institutions in the country is inseparable from the development of Micro, Small and Medium Enterprises (MSMEs). However, on the other hand, MSMEs still have limited access to capital to Islamic banking.²⁹ Islamic banking as a financial institution that carries out the mission of *tijarah* as well as *tabarru'* must be able to contribute to the development of business institutions engaged in the real sector.³⁰

Minako Sakai and Kacung Marijan emphasized that the development of Islamic financing has contributed to Indonesia's modern financial system since the establishment of Bank Muamalat Indonesia. small.³¹ However, the market share of Islamic banking in Indonesia is still small. Meanwhile, A.B. Setiawan is of the view that³² Islamic banking institutions still lack a supervisory framework, especially those related to regulations on the financial side. Meanwhile, Muhammad Syafi'i Antonio and Hilman Fauzi Nugraha stated that, Islamic banking and other Islamic financial institutions are currently recognized as having become the leading torch in Islamic economic development projects in the world, including in Indonesia.³³ In line with this, according to Veithzal Rivai and Ferry N. Idroes, the emergence of ideas and ideas about the concept of Islamic banking financial institutions in Indonesia was tested with the establishment of the Baitul Mal wa Tamwil (BMT) Salman financial institution in Bandung and the Ridho Gusti Cooperative.³⁴ However, according to Minako Sakai in her research, the BMT movement, Cooperatives, Micro, Small and Medium Enterprises (MSMEs) has developed in Indonesia but lacks support from the government.

Seibel Hans Dieter is of the view that commercial and Islamic banks should enter the Baitul Mal wa Tamwil and MSME financing sectors because most BMT is not operating and technically bankrupt.³⁵ The same thing was also concluded by M.Syafi'i Antonio, according to him, many conventional loans end up with bad debts and most MSMEs have limited access to Islamic banking financial institutions, so MSME entrepreneurs prefer to use the services of BMT Islamic financial institutions in supporting economic improvement in the real sector.³⁶ Meanwhile, according to M. Khaleequzzaman and N.S Shirazi, alternative mechanisms for Islamic

²⁷Bank Indonesia, "Outlook Perbankan Syariah," (2013),13-14

²⁸Muliaman D. Haddad, Ketua Umum Pengurus Pusat MES pada acara Musyawarah Nasional ke 2 (Munas) dengan tema "Akselerasi dan Percepatan Ekonomi Syariah Sebagai Sistem Ekonomi Indonesia," yang digelar MES di Hotel Sultan, Jakarta, Sabtu 17 Desember 2011.

²⁹Mudrajad Kuncoro, "Catatan Tentang Sektor Industri dan Usaha Mikro Kecil Menengah (UMKM), 10 Tahun Pasca Krisis," Seminar PSAK, 2007,3-8

³⁰Md. Tareq Bin Hossain dan Chamhuri Siwar, "A Comparative Analysis between Islamic Concept on Corporate Social Responsibility and Malaysia Managers Opinion," *Management of Environment Quality: An International Journal*, No. 20 (2009): 289.

³¹Minako Sakai and Kacung Marijan, "Harnessing Islamic Microfinance," *Australia Indonesia Governance Research Partnership Crawford School of Economics and Government ANU College of Asia and the Pacific/The Australian National University*, 2008, (akses 7 Oktober 2013), 1-5

³²Azis Budi Setiawan, "Perbankan Syariah, Challenges dan Opportunity untuk Pengembangan di Indonesia," *Jurnal Kordinat*, Vol. VIII No. 1, (2006).

³³Muhammad Syafi'i Antonio dan Hilman Fauzi Nugraha, "Peran Intermediasi Sosial Perbankan Syariah, Inisiasi Pelayanan Keuangan Bagi Masyarakat Miskin," *Jurnal Keuangan dan Perbankan*, Vol.16, No. 2 (2012): 54

³⁴Veithzal Rivai dan Ferry N. Idroes, *Bank and Financial Institution Management Conventional & Sharia System*, 15.

³⁵Seibel Hans Dieter, "Islamic Micro-finance in Indonesia: The Challenge of Institutional Diversity, Regulation, and Supervision," *Sojourn*, 23/1 (2008), 2-7

³⁶Muhammad Syafi'i Antonio, "Islamic Micro-finance Initiatives to Enhance Small and Medium-seized Enterprises", in Greg Fealy and Sally White (eds), *Expressing Islam: Religious Life and Politics in Indonesia.* ISEAS (2008), 2-5

microfinance to alleviate poverty have a more effective way.³⁷ Meanwhile A. Saeed and L. Saqib³⁸ argues that efforts to alleviate poverty by supporting the small businesses of the poor need to be facilitated by microfinance institutions.

The Sharia Economic Movement (GRES) is expected to be able to encourage Indonesia's mission to become the center of the world's Islamic economy.³⁹ Globally, the Islamic economic industry has demonstrated its capabilities.⁴⁰ According to Chairul Tanjung, Indonesia will be included in the top five *Developed Countries* in 2030.⁴¹ Since 2011, Bank Indonesia (BI) has been mapping the pattern of Islamic banking partnerships with Islamic Financial Institutions (LKS).⁴² Focus on weak but productive community-based Micro, Small and Medium Enterprises (MSMEs) so as to encourage the pace of economic growth.⁴³ Therefore, business institutions based on Micro, Small and Medium Enterprises must have orientation and accountability standards.⁴⁴

The policies of local governments and the private sector are more conducive to the development of community businesses, namely the Micro, Small and Medium Enterprises (MSMEs) sector is recognized as a strategic force in accelerating or accelerating regional development.⁴⁵ Bank Jatim Syariah (BJS), for example, has collaborated with several agencies for the purpose of developing the real sector.⁴⁶ It must be admitted that Micro, Small and Medium Enterprises in the country have played an important role in the development of the national economy.⁴⁷ People's economy arises as a result of socioeconomic inequality in society.⁴⁸ Micro Enterprises (UM) are productive businesses owned by individuals and or individual business entities that meet the criteria for micro-enterprises. While Small Business (UK) and Medium Enterprises (UM) are productive economic businesses that stand alone.⁴⁹ The purpose of Islamic banks is to provide financial services to people who have economic businesses.⁵⁰ In practice in the country, Islamic banks are required to plot a budget of 20 percent for MSMEs.⁵¹ Meanwhile, Micro Enterprises (UM) are part of the productive poor, and nationally the portion of Micro

³⁷M. Khaleequzzaman and N.S. Shirazi, "Islamic Microfinance- An Inclusive Approach with Special Reference to Poverty Eradication in Pakistan," *IJUM Journal of Economics and Management*, No. 20 (2012): 19-49.

³⁸A. Saeed and L. Saqib, L. "Does Microfinance Molded According to Islamic Finance Evidence From Pakistan," *Interdisciplinary Journal of Contemporary Research in Business*, No. 3 (2011): 826-836.

³⁹ Presiden ke-6 RI Susilo Bambang Yudhoyono mencanangkan Gerakan Ekonomi Syariah 17 November 2013. Gerakan Ekonomi Syariah diharapkan mampu mendorong misi Indonesia untuk menjadi pusat ekonomi syariah dunia. Ekonomi syariah merupakan sistem ekonomi yang harus. (Antara News) <http://website.tazkia.ac.id/>, diakses 20 November 2013.

⁴⁰Gubernur Bank Indonesia Agus Martowardojo selaku penasehat program gerakan ekonomi syariah mengatakan, dalam negeri, sub-sektor perbankan syariah menunjukkan pertumbuhan aktiva yang cukup tinggi yaitu 38 persen pertahun dengan 11.7 juta rekening. Sementara itu Ketua Pusat Komunikasi Ekonomi Syariah, Halim Alamsyah mengatakan bahwa sejak kelahiran bank syariah pertama sistem keuangan syariah telah berkembang begitu cepat dan merambah sektor riil. (Antara News) <http://website.tazkia.ac.id/> (diakses 20 November 2013)

⁴¹Salah satu *concern* utama negara-negara di dunia saat ini adalah bagaimana mencapai target MDG (*Millennium Development Goals*) dalam pengurangan angka kemiskinan hingga separuh pada tahun 2015 mendatang. Bahkan AS dan China bersepakat untuk mengembangkan konsep hibah dana, *Jurnal Ekonomi Islam Republika*, (2010)

⁴²Halim Alamsyah (Deputi Gubernur BI), "Bank Indonesia Dorong Kerja Sama Bank Syariah dan Lembaga Keuangan Mikro," *Republika Co.Id* (diakses 11 Oktober 2013)

⁴³Euis Amalia, *Keadilan Distribusi dalam Ekonomi Islam, Penguatan Peran LKM dan UKM di Indonesia* (Jakarta: Raja Grafindo Persada, 2009), 4

⁴⁴Umar Chapra, *Sistem Monoter Islam*, terjemahan, Ikhwani AB, (Jakarta: Gema Insani Press, 2003), 144

⁴⁵Jonathan Cosmus Karay, "Analisis Peran Lembaga Keuangan Mikro Terhadap Pemberdayaan Usaha Mikro Kecil (UMK) di Kabupaten Jayapura (Studi Kasus BPR Nusa Intim Cabang Sentani)," *Jurnal Ekonomi dan Bisnis*, Vol. 2, No.1 (2012).

⁴⁶Ryayantiar Fahmi Faisal, "Peran Pembiayaan Bank Syariah dalam Pengembangan Sektor Riil: Studi Kasus pada Bank Jatim Syariah Cabang Surabaya," Artikel Jurnal Universitas Brawijaya (diakses 11 November 2013).

⁴⁷Tulus Tambunan, *Usaha Mikro, Kecil dan Menengah di Indonesia* (Jakarta: LP3ES, 2012), 1

⁴⁸Azwir Dainy Tara, *Strategi Membangun Ekonomi Rakyat* (Jakarta: Nuansa Madani, 2003), 3

⁴⁹Undang-Undang Republik Indonesia Nomor 20 Tahun 2008 Tentang Usaha Mikro, Kecil dan Menengah, 2008, 5

⁵⁰Muhammad Ghafur W, *Potret Perbankan Syariah Indonesia Terkini: Kajian Kritis Perkembangan Perbankan Syariah* (Yogyakarta: Biruni Press, 2007), 29

⁵¹Muhammad Yunus, *Bank Kaum Miskin* (Jakarta: Marjin Kiri, 2013), 1

Enterprises (UM) is above 90 percent.⁵² In general, the performance of Islamic banking in the North Maluku (Malut) province until the third quarter of September 2016 still showed positive developments, both institutionally and *intermediary* financially. Financing of Islamic banking financial institutions in the North Maluku region continues to show a significant acceleration in growth. In addition, the growth of assets of Islamic banking institutions is slightly higher than the growth of assets of conventional banking financial institutions in the North Maluku (Malut) region.

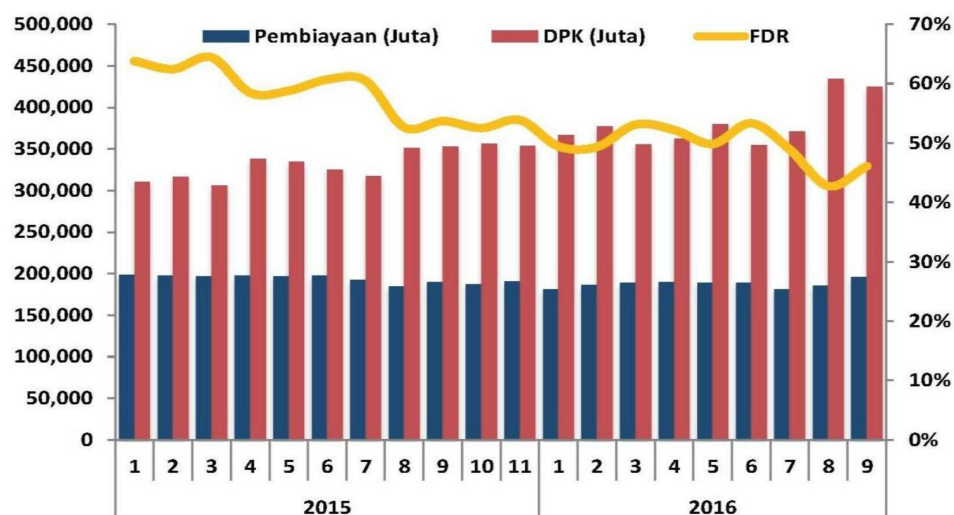


Figure 1: Graph of Sharia Banking Development in North Maluku (Data Source: ⁵³)

The proportion of Islamic banking financing in the North Maluku province is still relatively small in the overall banking structure, but over the past three years the portion has continued to increase. The performance of Islamic banking in North Maluku in the third quarter of 2016 still showed positive developments. On the other hand, the number of assets, the amount of fund raising and the number of financing disbursements and the role of Islamic banking intermediation in North Maluku from the first quarter of 2010 to the third quarter of 2016 all grew with the quality of Islamic financing still maintained.

The economy of North Maluku from year to year continues to show relatively stable growth with an average growth of 6.6 percent per year in the last five years. Meanwhile, in 2015 the economic slowdown in North Maluku occurred in the third quarter of 2015 was recorded at 6.3 percent. Meanwhile, in the third quarter of 2016 the economy of North Maluku grew by 5.56 percent, slowing down compared to the growth in the previous quarter of 5.67 percent. In terms of usage, the slowdown in economic growth in the third quarter of 2016 was triggered by slowing home consumption and correction in government consumption.⁵⁴ In terms of employment, until September 2016 there was a decrease in the number of unemployed compared to the previous year from 31 thousand people to 21 thousand people. However, a decline in the government's financial performance that affects other sectors is expected to have an impact on reducing expectations and the level of public welfare until the end of 2016.

⁵²Lihat, Euis Amalia, *Keadilan Distribusi dalam Ekonomi Islam: Penguatan Peran LKM dan UKM di Indonesia*, 31.

⁵³Bank Indonesia, *Kajian Ekonomi Regional Provinsi Maluku Utara*, (Kantor Perwakilan Bank Indonesia Provinsi Maluku Utara, Triwulan ke-III Tahun 2016), 54

⁵⁴Lihat Bank Indonesia, *Kajian Ekonomi Regional Provinsi Maluku Utara*, (Kantor Perwakilan Bank Indonesia Provinsi Maluku Utara, Triwulan ke-II Tahun 2016, xi

North Maluku's economic growth is still driven by consumption by both the government and the community, which contributes 20 percent and 57 percent, respectively. Meanwhile, the share of investment in economic growth is still relatively low, reaching only 8 percent of the value of Gross Regional Domestic Product (GRDP). The large portion of consumption has not been supported by the independence of supply needs, because the community's economic needs for goods are mostly supplied from outside the North Maluku (Malut) province.⁵⁵ By sector, economic growth in the North Maluku province is still dominated by the agricultural sector with a share of more than 30 percent. In terms of labor, the agricultural sector also contributes the largest labor force to North Maluku province with a share of almost 50 percent. Meanwhile, sectors that should be able to absorb a relatively large number of workers such as the processing industry sector are still relatively low at only less than 5 percent. Although dominant, the results have not been felt optimally considering that North Maluku province still has to rely on the supply of several types of foodstuffs from other regions outside the North Maluku region, for example from the islands of Java, Sulawesi and other islands in the country.

In general, the number of MSMEs in the North Maluku province until 2016 was 21,430 units, and absorbed 45,457 workers.⁵⁶ Meanwhile, there are several fundamental problems and have become classic issues that are often faced by business actors and this needs serious attention in the process of developing MSME activities, especially North Maluku. The problem in question is; (i) marketing is still a problem considering the difficulty of market accessibility for business actors, production, technological limitations and raw materials are problems in itself on the production side, (ii) human resources are the biggest problems, especially in terms of productivity, (iii) skills and integrity, and (iv) capital, to build a business requires sufficient capital to support a business to develop, and capital is the main problem in the development of MSMEs.⁵⁷

The public will be able to store their funds in financial institutions, including in Islamic banking if the public funds are guaranteed to be safe and customers will get competitive returns. Meanwhile, banks will also not distribute their funds to the public if there is no guarantee of return from financing customers with competitive returns. Thus, it is necessary to analyze how the role of Islamic banking is towards strengthening the real sector, in terms of financial intermediation to the MSME sector in the economic development of North Maluku and its relationship with national economic development. In order to answer this problem, a comprehensive study is needed through scientific research, by presenting various indicators that can support the acceleration of Islamic banking financing for the MSME sector in the North Maluku (Malut) province. Based on the background that has been described above, it is necessary to disclose the identification of problems in this study, namely: (a). Is Islamic banking financing in North Maluku able to encourage the growth of the Micro, Small and Medium Enterprises sector? (b). What are the implications of Islamic banking financing for MSMEs in North Maluku on strengthening the community's economy? (c). Is the synergy of MSME financing between Islamic financial institutions in North Maluku through optimizing the linkage of Islamic banking programs and Islamic microfinance institutions a solution to strengthen the regional economy? . Departing from the identification of the problems mentioned above, there are several problems that arise, but the focus of the problems that will be studied in this study is the function and role of financial intermediary and the contribution of Islamic banking (Bank

⁵⁵Budiyono, Kepala Kantor Perwakilan Bank Indonesia Provinsi Maluku Utara, *Wawancara*, 2 September 2015 di Ternate

⁵⁶Mulyadi Wowor, Kepala Dinas Koperasi dan Usaha Mikro, Kecil Menengah Provinsi Maluku Utara, *Wawancara*, tanggal 7 Februari 2016 di Sofifi.

⁵⁷Budiyono, "Pengembangan Ekonomi Dan Pemberdayaan Masyarakat Berbasis Kewirausahaan dalam Mendorong Pembangunan Provinsi Maluku Utara," Makalah dipresentasikan pada orasi ilmiah wisuda Magister dan Sarjana Angkatan IX Universitas Muhammadiyah Maluku Utara (UMMU) Ternate, Tahun 2013, 5

Muamalat Indonesia, Bank Syariah Mandiri, Bank Negara Indonesia Syariah and Bank Pembiayaan Rakyat Syariah) in financing the real sector in North Maluku. This study was carried out until 2016. By examining aspects of Islamic banking financing, we will be able to find out the extent of its significance and contribution to strengthening the MSME sector in North Maluku through financing patterns and schemes to strengthen the economic fundamentals of North Maluku.

RESEARCH METHOD

Research Approach and Collecting Data

This research is a qualitative research that is descriptive analytical.⁵⁸ This qualitative research is actually a study of the acceleration or acceleration of economic institutions, especially Islamic banking financial institutions in the North Maluku region in financial intermediation activities, such as financing partnerships with Micro, Small and Medium Enterprises in terms of financing to support regional and national economic strengthening.

The data sources in this study were obtained from competent informants and were directly involved with the activities of their respective institutions, including officials in the ranks of Sharia Banking, officials in the ranks of the Cooperatives and MSMEs Office, elements of business institutions, namely from the MSME group and related *stakeholders* in the North Maluku province. Primary data is data received directly from the object under study. The primary data in this dissertation are the answers of the resource persons obtained by the researchers from the interview results. Because this research is a qualitative research, the researcher himself is the key instrument, both in collecting data and analyzing the data.⁵⁹ Thus, the technique carried out in collecting primary and skunder data in this dissertation research is to track documents, conduct observations and in-depth interviews related to the contribution and role of Islamic Banking financial institutions to Micro, Small and Medium Enterprises (MSMEs) in the North Maluku region. The method used in data collection is a type of *field research method or field research*,⁶⁰ that is, observing, observing, understanding, and studying materials that have been collected and considered to be related to the object being written, then presented and discussed based on certain explanations. Furthermore, an inventory and classification is carried out according to the variety studied.⁶¹ After that, the data that has been collected is then sorted, determined and analyzed as writing material, then rearranged and poured as a result of research.

Data Analysis

The data analysis procedure in dissertation research follows what was presented by Matthew B. Milles and Michael Huberman,⁶² Namely data reduction (*reduction*), data testing

⁵⁸Nana Syaodah Sukmadinata, *Metode Penelitian Pendidikan*, (Bandung: Remaja Rosdakarya, 2008), 54-55

⁵⁹Penggunaan manusia sebagai instrumen di dalam penelitian kualitatif sesungguhnya mempunyai beberapa keuntungan, yaitu: a) Responsif: manusia dapat merasa dan merespon; b) Adaptif: manusia fleksibel sehingga dapat berfungsi multi-purpose dan mengumpulkan informasi multi-factors secara serempak; c) Holistic emphasis: hanya manusialah alat yang dapat memahami keseluruhan konteks; d) Memungkinkan perluasan pengetahuan secara langsung; e) Memungkinkan pemrosesan data segera sehingga dapat mengemukakan hipotesis di lapangan; f) Kesempatan untuk melakukan klarifikasi dan peringkasan data sewaktu masih dilapangan; g) kesermpatan untuk mencari respons yang atipikal. Aminuddin (Ed.). *Pengembangan Penelitian Kualitatif dalam Bidang Bahasa dan Sastra*. Malang: Hiski. 1990,15-16

⁶⁰Anton Bakker dan Ahmad Haris Zubair, *Metodologi Penelitian Filsafat*, (Yogyakarta: Kanisius, 1990): 63

⁶¹Eva Farhah, "Sastra Dalam Peradaban Andalusia," *Jurnal Center of Middle Eastern Studies (CMES)*, Vol.5 No. : Pusat Studi Timur Tengah FSSR UNS (2012): 60

⁶²Matthew B. Milles dan Michael Huberman, *Qualitative Data Analysis: A Sourcebook of New Methods*, (Bavary Hills: Sage Publication, 1986), 16

(*display*) and *conclusion drawing* (*conclusion drawing*) *verification*). The data reduction in this dissertation is actually a summary or main thing that can provide an overview and make it easier for the author to take the next data. Meanwhile, the *display* data is compiled after the data reduction results have been compiled. Display data is arranged in the form of tables, graphs and the like. The author uses a descriptive qualitative method, this analysis is directed at the analysis of Islamic banking financial institutions and Micro, Small and Medium Enterprises (MSMEs) related to aspects of acceleration or acceleration of growth and development, problems of financing products and various other problems using analytical strategies from the perspective of strengths and constraints or *Strengths* (strengths), *Weaknesses* (weakness) that is being faced by the world of Islamic banking financial institutions and actors in the real sector, namely Micro, Small and Medium Enterprises (MSMEs) in North Maluku. Considering that this dissertation research is a *field research* with a focus on Islamic banking financial institutions, namely Bank Muamalat Indonesia (BMI), Bank Syariah Mandiri (BSM) Bank Negara Indonesia Syariah (BNI Syariah) and Sharia People's Financing Bank (BPRS) Bahari Berkesan and the community business sector based on Micro, Small and Medium Enterprises (MSMEs) in North Maluku, the researcher must be a *key instrument*, which requires that researchers must actually be at the research site within a sufficient time span. In line with the above, according to Neong Muhajir,⁶³ that this type of research the researcher must be physically present in person and be able to blend with the research subject that is in the field or location and all sorts of other supporting subjects. Therefore, the analysis and analysis of world and national economic experts and practitioners who are competent in the field of economics and finance have been presented by the author in the previous chapters and pages in this dissertation. This actually refers to the concept of Marguerite G. Lodico,⁶⁴ that a researcher first prepares a theoretical framework for research, as for the theoretical framework in question, the main source of data is obtained from research results or the results of previous studies that are considered relevant to the title of the research, be it the data is sourced from scientific journals, scientific books and other sources that are academically considered feasible by the researcher.

This research is a type of *research* based on field research or a field research, while the focus of this research is Sharia Commercial Banks (BUS) and Sharia Financing Banks (BPRS) operating in the North Maluku (Malut) province. The BUS is referred to by other anara of Bank Muamalat Indonesia (BMI), Bank Syariah Mandiri (BSM) Bank Negara Indonesia Syariah (BNI Syariah), while BPRS is the Sharia People's Financing Bank (BPRS) Bahari Berkesan Ternate City, while the Sharia People's Financing Bank (BPRS) Bobato Lestari Soasiu Tidore City has not been studied because its operations at the end of 2016. Furthermore, it is the economic business sector of the North Maluku community based on the Micro, Small and Medium Enterprises (MSMEs) sector in the North Maluku province. Thus, the position of the researcher in this study is actually as a *key instrument*, which requires the researcher to be in the area of North Maluku province (Malut) or the location of the study within a sufficient time span.

RESULTS AND DISCUSSION

1. Sharia Bank Financing Process Analysis

The basic financing procedures at Islamic banks and Sharia People's Financing Banks in the North Maluku region are not much different from conventional banks in the North Maluku province. This is evidenced by the financial analysis carried out by Islamic banks before providing financing to customers in need. In the financing process, in general, Islamic banks

⁶³Lihat, Neong Muhadjird, *Metodologi Penelitian Kualitatif*, 25

⁶⁴Marguerite G. Lodico, *Methods in Educational Research From Theory to Practice*, (Francisco: Jossey Bass, 2006), 265

receive proposals for financing submissions from prospective customers to be assessed and analyzed according to Islamic banking laws in Indonesia, whether the prospective customer is worthy or not to get financing.⁶⁵ The Islamic banking financing procedure in the province of North Maluku is not much different from that of banks in general operating in the North Maluku region. Shariah-based financing is quite easy, but of course there is more data that is completed than just opening a savings account in Islamic banks. This can be considered very reasonable. Because, the financial institutions of the bank, the community itself will certainly be careful and do not want to lend the money or the funds casually to other people or residents of the community who need funds if the owner of the fund is not sure that the money will return. The financing procedure must be carried out as a form of accountability of Islamic banks to customers, considering that every rupiah of funds distributed by Islamic banking financial institutions to financing customers, including financing for the economic business sector of the North Maluku community based on Micro, Small and Medium Enterprises (MSMEs) belongs to the community which must be returned by financing customers in accordance with the agreement at the beginning of the agreement with the banking party. Shariah. Referring to the financing procedure, Islamic banks in the North Maluku province must be selective about every financing proposal submitted by prospective financing customers. In addition, Islamic banks conduct evaluations in each section and strict supervision in each aspect to avoid problematic financing. The following is an overview of the financing process procedures carried out by Islamic banks in the North Maluku (Malut) province. Initiation is the initial process carried out by Islamic banking financial institutions in the North Maluku (Malut) province in determining financing customers in accordance with the criteria set by Islamic banks. Furthermore, Islamic banks evaluate and provide the results of evaluation decisions to prospective financing customers.⁶⁶

In determining the criteria for financing customers, Islamic banks in the North Maluku region distinguish between prospective individual customers and corporate customers. The financing application form is also slightly different. The difference is mainly in making customer scoring, where the individual financing customer's application form is simple, only covering personal data, wealth, occupation, income and guarantees. Meanwhile, for corporate and institutional customers, in addition to the scoring form, it must also be completed with company proposals which include, company data, financial statements and other supporting requirements. Solicitation is a process where Islamic banks in the North Maluku area look for customers according to predetermined criteria. The amount of financing provided depends on the capacity and position owned by the bank's marketing party. The more senior the position or position of a marketing person, the greater the target of disbursement of funds that must be spent by Islamic banks. Because of this target, sometimes a marketing Islamic bank helps the customer's performance a little by covering up the shortcomings, noting that the shortcomings are not too risky. This is because, if there is bad financing, the responsibility remains with the marketing of Islamic banks. Approval is a process carried out by an Islamic bank account manager to present a financing proposal in front of the financing committee (at least 3 people, one of whom has an approval limit). Furthermore, the financing committee makes a stance on behalf of the Islamic bank, namely that if it is rejected, all customer documents are returned accompanied by a rejection letter from the Islamic bank. However, if approved, the account manager makes an offering letter in the form of a letter of approval for financing principles

⁶⁵Rustam Muchdar, Kepala Bank Syariah Mandiri (BSM) Kantor Cabang Bacan Kabupaten Halmahera Selatan (Halsel), *Hasil Wawancara* Tanggal 16 Februari Tahun 2016 di Labuha. Lihat pula Undang-Undang Republik Indonesia Nomor 21 Tahun 2008 tentang Perbankan Syariah.

⁶⁶Hidayatullah Ganie, Head of Bank Muamalat Indonesia (BMI) Ternate Branch Office, *Interview Results* Tanggal February 10, 2016 in Ternate City

signed by the directors or branch leaders of the division heads of Islamic banks in the North Maluku region. Offering letter is legal documentation containing a commitment from Islamic banks to finance customers who have applied for financing. Documentation consists of presign documentation, including offering letters, financing agreements, guarantee documents, supporting documents, employment contracts, insurance, and other documents needed by Islamic banks in North Maluku. The presign documentation includes a letter of application for the realization of financing of goods receipts, a warrant for the transfer of funds, and other supporting documents required in the offering letter. Monitoring terdiri dari regulator monitoring dari bank syariah di daerah provinsi Maluku Utara, yang meliputi monitoring aktif dan monitoring pasif. Monitoring aktif yaitu mengunjungi nasabah secara regular dan memberikan laporan kunjungan nasabah call report to the supervisory finance committee of the account manager. Passive monitoring is monitoring of mandatory customer payments to banks at the end of each month whether they are running well or not. The financing restructuring includes restructuring, reconducing, reschedule and collateral scheduling.

2. *Analysis of Character, Capital, Capacity, Condition of Economic and Colateral in Islamic Banking in North Maluku Province*

Analysis of Islamic banking financing in the North Maluku province can be carried out using various analytical methods according to the policies of each Islamic bank. Islamic banking management in the North Maluku (Malut) region uses several financing analysis methods in analyzing each of its customers' financing. The analysis method is known as 5C, namely; character, capital, capacity, condition of economic, and colateral. Furthermore, the five stages of 5C analysis will be described in general terms as follows.

Table 1. 5C Matrix in Conventional Banks and Islamic Banks

5 C	Conventional Banks	Islamic Banks
<i>Character</i>	<i>Character</i> , namely data about the personality of prospective customers, for example personal traits, habits, way of life, family circumstances and backgrounds and hobbies of prospective customers	<i>Character</i> , namely data about the personality of prospective customers, for example personal nature, habits, way of life, family circumstances and backgrounds and hobbies of prospective customers
<i>Capacity</i>	Capacity, ability of prospective customers to manage their business, seen the level of education, experience in managing, history of companies that have been managed	<i>Capacity</i> , ability of prospective customers to manage their business, seen the level of education, experience in managing, history of the company that has been managed
<i>Capital</i>	<i>Capital</i> , the condition of wealth owned by a company managed by prospective customers. This is seen from the balance sheet, profit-loss statement, capital structure, and profit ratio obtained	<i>Capital</i> , the condition of wealth owned by a company managed by prospective customers. This is seen from the balance sheet, profit-loss statement, capital structure, and profit ratio obtained
<i>Collateral</i>	<i>Collateral</i> , collateral that can be confiscated if the customer is unable to fulfill his obligations	<i>Collateral</i> , collateral that can be confiscated if the customer is unable to fulfill his obligations
<i>Condition</i> ,	<i>Condition</i> , namely financing provided to customers considering the economic conditions associated with the business prospects of prospective customers.	<i>Condition</i> , namely financing provided to the nasabah considering the economic conditions associated with the business prospects of prospective customers.

The differences:

1. Conventional banks issue loans to their customers, which are referred to as credit. Islamic banks issue loan products known as financing. The difference between the two is that credit is based on the principle of interest while financing is based on the principle for *basil*.
2. Kredit in conventional banks emphasizes more on the collateral aspect, while financing in banks syariah prioritizes personal aspects or individual *character*. The two types of loans, namely loans in conventional banks and financing in Islamic banks, have certain procedures, these are determined based on the policies of each bank.

Sumber:: Data diolah: ⁶⁷

In addition to the 5C method mentioned above, there is also another method used by Islamic banks in the North Maluku province in analyzing customer financing known as 7P. The 7P methods are: *personality, party, purpose, prospect, payment, profitability protection*. *Personality* is that Islamic banks look at potential financing customers in terms of their personality and behavior in their daily lives along with their past history. These *personality* factors include the attitudes, emotions, behaviors, and actions of prospective customers in dealing with a problem. *Party* is that Islamic banks in the North Maluku region can classify prospective financing customers into certain groups based on aspects of capital, loyalty and character of customers. Financing customers can be classified into certain groups to get different financing facilities. Financing for weak entrepreneurs is very different from financing for entrepreneurs who have a strong capital structure, in terms of numbers and other requirements.

Purpose in this case is useful to find out the purpose of customers taking financing in Islamic banking, including the type of financing that customers want. The purpose of taking financing carried out by prospective customers in Islamic banking in North Maluku is different, whether the goal is for consumptive or productive-based financing. *Prospect*, in order to assess the business of prospective customers in the future, it must be predictable whether or not the customer's business is profitable. In other words, the business of prospective customers has positive prospects or vice versa. This is considered important because if a financing facility financed by Islamic banking does not have prospects, Islamic banks and customers will both suffer losses.

Payment or repayment is a standard or measure so that prospective Islamic banking customers in the North Maluku province can return the financing that has been obtained by the Islamic bank customer from any source of funds used to pay off the financing received. Thus, the more sources of income of the debtor, the greater the likelihood of smooth payment. So that if one of the businesses loses money, it can be covered by other business sectors owned by Islamic bank financing customers.

Profitability is the ability of prospective Islamic banking customers in the North Maluku province to make a profit. This is intended to analyze how potential customers' ability to seek profit or profit. *Profitability* is measured from one period to the next, whether the profit obtained remains the same or increases, especially with the additional capital that will be provided by Islamic banks. *Protection* aims to maintain financing disbursed through a protection. This form of protection is in the form of guarantees for goods, commodities, and insurance, as well as guarantees for people. The amount of financing that will be disbursed by Islamic banks in the North Maluku province must be in accordance with the needs desired by prospective customers, both in terms of the amount of financing portion and its use, so as to minimize risks that can occur in the future and can benefit both parties. One of the key points in the 5C principle is

⁶⁷Dokumen, Bank Umum Syariah (BUS) dan Bank Pembiayaan Rakyat Syariah (BPRS) di Wilayah Provinsi Maluku Utara. Data diakses tanggal 15-30 Desember 2016.

collateral. This is because the funds used by Islamic banks in distributing funds are customer deposits and customer investments, so the existence of *collateral* in Islamic banking financing transactions in North Maluku is to guarantee repayment of financing if problematic financing occurs in the future.

3. *Financing Standard Requirements for Islamic Banks in North Maluku*

Referring to the financing analysis method as outlined above, Islamic banks in the North Maluku region can set various requirements as assessment standards used by banks in providing financing. Model financing proposals for prospective Islamic bank financing customers on behalf of individuals as well as companies and other institutional institutions. The requirements for obtaining financing offered by Islamic banks in North Maluku to prospective financing customers include: i) The legality of the business of prospective financing customers, ii) Business profile of prospective customers, and iii) Management aspects of prospective Islamic bank financing customers. If the prospective financing customer can meet all the standards of financing requirements set by the Islamic bank, then the customer's application is evaluated by the Islamic banking management to ensure whether the prospective customer is eligible to receive financing from a Sharia bank in the North Maluku province. The evaluation institution authorized to make decisions on disbursement of financing from Islamic banks is the Decision of the Financing Committee or KKP consisting of branch and central committees. Thus, disbursement of financing to customers carried out by Islamic banks in the North Maluku region can be done through the creation of a Disbursement Process Letter or SP3 after all financing agreements are signed jointly by both parties, namely Islamic banks and financing customers. Departing from the Islamic banking financing standards in North Maluku which were established as an effort to optimize productive financing to develop Micro, Small and Medium Enterprises, several management principles must be applied by Islamic banks in North Maluku. The operational principles of Islamic banking consist of the *fiduciary* principle, prudential principle, *confidential* principle, and *know your customer principle*. Conducting a feasibility study carefully by Islamic banks in the North Maluku (Malut) area, means that Islamic banks have implemented the *prudential principle* in distributing financing funds to their customers. Thus, especially productive-based financing, which in this case is aimed at the development of Micro, Small and Medium Enterprises (MSMEs) in the North Maluku region must be right on target and really in accordance with real and real basic needs. Through a feasibility study, it is hoped that it can minimize the occurrence of *non-performing finance*, so it is hoped that the process of implementing productive financing for Micro, Small and Medium Enterprises (MSMEs) in North Maluku can run well and optimally. Then both Micro, Small and Medium Enterprises and Islamic banks each get benefits and benefits in accordance with the financing agreements they have made. Therefore, the success of financing to Micro, Small and Medium Enterprises means that it is also the contribution of Islamic banking in North Maluku to development in North Maluku province.

4. *Sharia Banking Financing in North Maluku for the Real Sector*

The distribution of financing from Islamic banks in the North Maluku (Malut) region is intended to increase people's economic activities based on Micro, Small and Medium Enterprises (MSMEs) The development of the real economic sector in the North Maluku region, especially Micro, Small and Medium Enterprises has an impact on increasing people's real income and on an aggregate basis encouraging economic growth in North Maluku in a better direction. The increasing acceleration of Islamic banking financing in Micro, Small and Medium Enterprises actually signals that the development of the real sector continues to grow over time.

Therefore, the role of Islamic banking in North Maluku must be significant in order to assist the Micro, Small and Medium Enterprises sector in increasing its business productivity.

5. *Murābah* ah Financing Analysis in Islamic Banking

On November 10, 2014, Mrs. Rugaya Karim, a Micro Business (UM) actor in the sharia market of Ternate city made an agreement with the Ternate City branch of Bank Negara Indonesia Syariah (BNI Syariah) to make a sale and purchase transaction of 5 sets of coconut shredded machines, where the total of the acquisition price of 5 sets of coconut shredded machines was Rp 7,500,000. The profit agreed between Bank Negara Indonesia Syariah and Mrs. Rugaya Karim is IDR 2,500,000, from the selling price of 5 packages of coconut shredding machines which means that the selling price to Mrs. Rugaya Karim must be IDR 10,000,000. In this Murabahah transaction, the Bank Negara Indonesia Syariah (BNI Syariah) city branch Ternate represents the customer, namely Mrs. Rugaya Karim to buy directly 5 sets of coconut shredding machines. The amount handed over by Bank Negara Indonesia Syariah city branch Ternate to Mrs. Rugaya Karim for the purchase of 5 sets of coconut shredded machines was Rp 7,500,000. The contract used in this financing is a wakalah contract. As proof of debt, Mrs. Rugaya Karim signed proof of debt recognition in the form of a customer's money receipt or promise of Rp. 7,500,000. Thus, in the accounting recording carried out by the Bank Negara Indonesia Syariah (BNI Syariah) city branch Ternate on the debts of Mrs. Rugaya Karim is recorded in the estimated customer receivables (not murabahah receivables) of Rp 7,500,000.00. If Bank Negara Indonesia Syariah city branch Ternate makes a direct purchase of 5 sets of coconut shredding machines on behalf of Bank Negara Indonesia Syariah city branch Ternate and then sells them to Mrs. Rugaya Karim at the agreed selling price between Bank Negara Indonesia Syariah city branch Ternate and Mrs. Rugaya Karim which is Rp. 10,000,000. Therefore, the contract carried out is a ⁶⁸murabahah contract and as proof the customer provides a receipt of the goods. In accounting to record the transaction as a customer's debt, the receivables of Bank Negara Indonesia Syariah Ternate city branch to Mrs. Rugaya Karim are recorded in the estimated murabahah receivables of Rp. 10,000,000, which is the selling price of 5 sets of coconut shredding machines which include the cost of goods plus profits. Mr. Mohtar Sangadji, a Small Business (UK) actor in the field of marine fisheries needs 1 set of Yamaha 125 pk brand marine motor engine at a price of Rp. 80,000,000. On December 1, 2014, Mr. Mohtar Sangadji submitted an application for financing with skim mura>bahah to Bank Syariah Mandiri (BSM) Bacan branch of South Halmahera Regency in Labuha. If the required rate of profit of Bank Syariah Mandiri Bacan branch of South Halmahera Regency is 20 percent, then:

$$\begin{array}{ll} 20 \text{ persen} \times \text{Rp } 80.000.000 & = \text{Rp } 16.000.000 \\ \text{Rp. } 80.000.000 + \text{Rp } 16.000.000 & = \text{Rp } 96.000.000 \\ \text{Rp. } 96.000.000 / \text{Rp } 8.000.000 & = 12 \end{array}$$

Thus, if the selling price of marine motor engines from Bank Syariah Mandiri (BSM) Bacan branch of South Halmahera Regency to Mr. Mohktar Sangadji is Rp.96,000,000.- If Mohtar Sangadji is only able to pay in installments of Rp. 8,000,000 every month, then within 12 months

⁶⁸Bank Negara Indonesia Syariah (BNI Syariah) Ternate City Branch provides a certain amount of cash to financing customers who make transactions for microfinance, and customers act on behalf of Bank Negara Indonesia Syariah Ternate City Branch conducting buying and selling transactions (mura>bahah) with suppliers, then there is a transaction between customers and Bank Negara Indonesia Syariah, with the trust of customers by Bank Negara Indonesia Syariah kota Ternate made the direct purchase, the 5 packages/sets of coconut shredding machines purchased directly can be expected not to deviate from the specifications of the goods desired by the customer as at the beginning of the plan. Fatmawati, Financing Section of Bank Negara Indonesia Syariah (BNI Syariah) Ternate Branch Office, Interview Results on December 12, 2016 in Ternate. As well as secondary data documents in the form of archives/records and brochures of Bank Negara Indonesia Syariah (BNI Syariah) Ternat City Branch Office.

Mohtar Sangadji's debt at Bank Syariah Mandiri Bacan branch, South Halmahera Regency, will be paid off. The handover of a set of marine motor engines ordered by Mr. Mohtar Sangadji was handed over by Bank Syariah Mandiri Bacan branch of South Halmahera Regency at the beginning of the contract while the payment to Bank Syariah Mandiri Bacan branch of South Halmahera Regency was made later by Mr. Mohtar Sangadji in installments.⁶⁹ This is because payments in murabahah-based financing can be made in cash or installments. In murabahah agreements, there are also differences in the prices of goods or commodities for different payment methods. For example, skim murabahah muajjal is characterized by the delivery of goods or commodities at the beginning of the contract and later payments, both in installments and in one lump sum.

Acquisition price of 1 set of Yamaha Brand marine motor engine	Rp 80.000.000,-
Agreed advantages between the two parties	<u>Rp 16.000.000,-</u>
BSM-Tuan Mohtar Sangadji agreed sale price	Rp 96.000.000,-

If Bank Syariah Mandiri (BSM) Bacan branch of South Halmahera Regency (Halsel) can represent Mr. Mokhtar Sangadji to buy the marine motor machine directly, then what Bank Syariah Mandiri Bacan Branch of South Halmahera Regency handed over to Mr. Mokhtar Sangadji is cash of Rp. 80,000,000, and the contract used is a wakalah contract. Therefore, as proof of debt, Mr. Mokhtar Sangadji received the money, then Mr. Muhktar Sangadji signed a proof of acknowledgment of the debt in the form of a "receipt of customer money" or "promise" of Rp. 80,000,000. Thus, in the accounting records carried out by the banks, namely Bank Syariah Mandiri (BSM) Bacan branch of South Halmahera Regency for the debt of Mr. Mohktar Sangadji for the receipt of the money, it is recorded in the estimate of "Receivables of Mr. Mohtar Sangadji" and the receivables only amount to Rp.80,000,000. However, it is different if the Bank Syariah Mandiri branch of Bacan South Halmahera Regency Bank Syariah Mandiri branch of Bacan South Halmahera Regency buys directly the sea motor machine in the name of Bank Syariah Mandiri Bacan branch office of South Halmahera Regency and then sell it to Mr. Mohktar at the agreed selling price of Rp. 96,000,000,000.00. The skim or financing agreement carried out is murabahah, and as proof Mr. Mohtar Sangadji gave the receipt of the goods. In accounting, to record the financing transaction as a debt owed by Mr. Mohtar Sangadji or receivables of Bank Syariah Mandiri Bacan branch of South Halmahera Regency to Mr. Mohtar Sangadji is recorded in the estimated "receivables murabahah" which is Rp. 98,000,000, which is the selling price of 1 set of marine motor machines which includes the cost of goods and coupled with profits for Bank Syariah Mandiri Bacan branch of South Halmahera Regency (Halsel).

6. *Sharia Banking Financing Distribution in North Maluku for Micro, Small and Medium Enterprises*

The amount of financing disbursed by Islamic banks in the North Maluku region for Micro, Small and Medium Enterprises (MSMEs) from year to year is increasing. In terms of usage, consumption financing still dominates financing distribution followed by working capital financing and investment. The increase in the proportion of financing to the Micro, Small and Medium Enterprises sector by Islamic banks in North Maluku can be seen from the growth of *outstanding* financing that has been disbursed. The increase in the growth of the industrial sector is also reflected in the growth of micro and small manufacturing industry production. Almost the entire industry recorded significant positive growth. The increase in the growth of

⁶⁹Sakina Bahtiar, Financing Section of Bank Syariah Mandiri (BSM) Bacan Branch Office, South Halmahera Regency (Halsel), Interview Results on February 16, 2016 in Labuha. As well as secondary data documents in the form of archives/records and brochures of Bank Syariah Mandiri (BSM) Bacan Branch Office of South Halmahera Regency (Halsel) in Labuha.

micro- and small-scale industries mainly occurs in the apparel industry, which has grown very significantly. The agriculture, fisheries, hunting and forestry sectors are actually one of the leading sectors in the North Maluku province, where the fishery sector has increased significantly. From these facts, it can be concluded that the leading sectors in the North Maluku province still have the potential to experience an increase in the present and the future. The following table illustrates the distribution of Islamic banking financing, especially for the Micro, Small and Medium Enterprises (MSMEs) sector.

Table 2. Proportion of Islamic Banking Financing in North Maluku Province for Micro, Small and Medium Enterprises

Year	Total Financing Sharia Banking	Total Sharia Banking Financing for MSMEs
2010	239.530.000.000	53.929.000.000
2011	467.400.000.000	128.848.000.000
2012	564.970.000.000	83.702.000.000
2013	693.580.000.000	96.201.000.000
2014	810.430.000.000	520.363.685.864
2015	788.200.000.000	535.115.000.000
Total	3.564.110.000.000	1.418,158,685,864

Source: Data processed:⁷⁰

Judging from these proportion figures, it can be ascertained that the distribution of Islamic banking financing funds in the North Maluku region for financing Micro, Small and Medium Enterprises (MSMEs) from the first to fourth quarters for the 2011 period experienced a growth in the proportion of the budget. Referring to the chart above, a temporary macro conclusion can be drawn since the beginning of the period from 2010 to the end of the 2015 period, there has been an acceleration in the growth of the proportion of financing to Islamic banks in the North Maluku region for the real sector, namely Micro, Small and Medium Enterprises.

7. *Obstacles for Micro, Small and Medium Enterprises Builders in North Maluku*

Community business institutions based on Micro, Small and Medium Enterprises (MSMEs) are actually an economic buffer in the North Maluku region. The Micro, Small and Medium Enterprises sector is actually one of the community business sectors that can absorb a lot of labor in the North Maluku province. When reviewed further, the role of the community economic business sector in North Maluku based on the Micro, Small and Medium Enterprises sector is very significant, because in addition to MSMEs being able to absorb the workforce of the Micro, Small and Medium Enterprises sector, it also contributes gross domestic income to the province of North Maluku. The real sector of the economy in the form of Micro, Small and Medium Enterprises if their income is increased, the economic fundamentals of North Maluku will be stronger. The position and existence of the community business sector based on Micro, Small and Medium Enterprises (MSMEs) reflects the socio-economic life of the majority of North Maluku people.

⁷⁰Dokumen berupa data dari Bank Umum Syariah (BUS) dan Bank Pembiayaan Rakyat Syariah (BPRS) Bahari Berkesan di Provinsi Maluku Utara, Pengambilan data tanggal 1-20 Februari Tahun 2016, Serta data Bank Indonesia (BI) Kantor Perwakilan Wilayah Provinsi Maluku Utara (Malut). Dokumen berupa data sekunder. Data diakses pada tanggal 15 Maret Tahun 2016 di Kota Ternate

8. *Constraints on Financing Requirements from Islamic Banks in North Maluku*

From various observations, observations and interviews with most Micro, Small and Medium Enterprises (MSMEs), in applying for financing to Islamic banks in the North Maluku region is still limited because the business profile of the real company is less *bankable*⁷¹ or has not met the requirements of Islamic banking standards. Bank Indonesia (BI) has categorized or grouped financing patterns into the Micro, Small and Medium Enterprises sector in four groups, namely: Potential, Small and Medium Enterprises but not yet *feasible* and *bankable*; Micro, Small and Medium Enterprises that are potential and *feasible* but not *bankable*; Micro, Small and Medium Enterprises that are considered potential and *bankable* but not *feasible*; and Potential, *Feasible* and *Bankable* Micro, Small and Medium Enterprises.

In an effort to minimize the emergence of financing risks, Islamic banks in the North Maluku province should be able to use the tool as an effective selection instrument to be able to distinguish which financing customers tend to be defaulted or current after the Islamic bank approves the application of prospective financing customers. The total proportion of financing funds disbursed to the real sector, namely to the Micro, Small and Medium Enterprises (MSMEs) sector, in general, the proportion of financing funds varies. However, the amount of financing disbursed to the real sector is very large, which can cause supervision costs from Islamic banks in North Maluku to be very large. When Islamic banks in the North Maluku province face obstacles in finding financing customers, community businesses engaged in the real sector, namely Micro, Small and Medium Enterprises (MSMEs), are actually an alternative to distributing Islamic banking financing funds. Even if Islamic banks in the North Maluku region are willing to finance every business initiated by Micro, Small and Medium Enterprises, then Islamic banks in the North Maluku province will ask for more compensation as a compensation for the potential increase in the amount of problematic financing that at any time can arise or arise as a result of mistakes than Islamic banking financial institutions in choosing financing customers in the provincial area. North Maluku. The disbursement of financing funds by Islamic banks in the North Maluku (Malut) region to Micro, Small and Medium Enterprises (MSMEs) in general tends to contain risks, this is due to unprofessional governance and has not been properly administered. If this is managed properly, it will be able to increase profits for Islamic banking. However, a risk in Islamic banking financing can also be a very large opportunity for management who are able to manage it well and full of optimism.

9. *Constraints of Business Actors in the Micro, Small and Medium Enterprises Sector*

Real sector actors in the form of Micro, Small and Medium Enterprises (MSMEs) institutions must get the main opportunity in access to capital, business climate support, product innovation protection and real sector business institutional development as a form of alignment of all parties to the people's economic business group. The financing of Islamic banks in the North Maluku province to Micro, Small and Medium Enterprises (MSMEs) is not without obstacles, because the disbursement of the proportion of financing funds by Islamic banks to the real sector is also constrained by several aspects that exist in the Micro, Small and Medium Enterprises themselves. As for matters related to the constraints in question, they will be outlined. Below is an overview table of the obstacles faced by Micro, Small and Medium

⁷¹ Secondary Data/Archives Of Bank Indonesia (BI) Regional Representative Office of North Maluku Province accessed 1-20 February 2016 in Ternate. In general, Islamic banks operating in the North Maluku (Malut) region finance the businesses of the North Maluku community in the Potential, Small, and Bankable Micro, Small, and Medium Enterprises sector. Financing to the Micro, Small, and Medium Enterprises sector by Islamic banks should be focused on community businesses based on the real sector, namely to potential Micro, Small, and Medium Enterprises and included in the feasible category even though they are not bankable and those that are not yet *feasible* but *bankable*.

Enterprises in North Maluku, both internal and external obstacles faced by Micro, Small and Medium Enterprises (MSMEs) in the North Maluku (Malut) province. The acceleration of Micro, Small and Medium Enterprises (MSMEs) in the North Maluku region is still experiencing many obstacles, for example, limited business volume and lack of operating profit. The low operating profit is due to the small business capital owned by real sector business actors. The problem of business capital is actually one of the classic problems that are often faced from time to time by Micro, Small and Medium Enterprises, especially Micro Enterprises (UM) and Small Enterprises (UK) in the North Maluku region. The need for business capital not only makes the economy of the people in the real sector strong, but also as an effort to be able to compete with products from outside the North Maluku province with the same market share.

Based on some of the strengths and constraints owned and being faced by Islamic banks and Micro, Small and Medium Enterprises (MSMEs) in the North Maluku region, it is necessary to have a comprehensive, holistic and sustainable handling of the strengths and constraints faced by Islamic banking in the North Maluku region, both internal and external constraints of Islamic banking and real sector business actors themselves. Any obstacles in financing to the real sector, namely micro, small and medium enterprises faced by Islamic banks in the North Maluku province, must be resolved as early as possible even though there is a possibility that these obstacles cannot be completely resolved perfectly or properly. The use of the power of Islamic banking in the North Maluku region is an absolute matter, in order to face the current and future obstacles. Next is how the patterns, strategies and solutions of Islamic banking financial institutions operating currently in the North Maluku region in building community businesses in the Micro, Small and Medium Enterprises (MSMEs) sector through budget politics, especially the proportion of financing funds to the real sector is intended as a form of Islamic banking financial intermediation function.

10. *Sharia Banking Strategies and Solutions in North Maluku in Encouraging Real Sector Strengthening*

Islamic banks operating in the North Maluku region have so far implemented various strategies to be able to contribute to financing community business development in the real sector, namely Micro, Small and Medium Enterprises (MSMEs). The results obtained in a quantitative way until the end of 2014 have not been very satisfactory or not too significant the proportion of financing funds that have been disbursed by Islamic banks in the North Maluku region in the real sector. Data obtained from the beginning of the 2010 period to the end of the 2015 period, the total Islamic banking financing in North Maluku for Micro, Small and Medium Enterprises (MSMEs) was only Rp 1,418,158,685,864 of the total financing budget funds disbursed by Islamic banks in the North Maluku region amounting to Rp 3,564,110,000,000. This happened because of the macro and micro aspects of accelerating the development of Islamic banking financial institutions in the North Maluku region. The cause of the macroeconomic aspect is mainly due to the slowdown in economic growth in North Maluku in particular and the national economy and the world economy in general. Efforts are needed to improve facilities or infrastructure from the community economic business sector in the North Maluku region which is based on the Micro, Small and Medium Enterprises (MSMEs) sector in the North Maluku province, both physical infrastructure and non-physical infrastructure so that the real sector is able to produce and perform well and efficiently.

The improvement of the Micro, Small and Medium Enterprises (MSMEs) sector is expected to be able to suppress the perception of high risk that has been attached to business actors in the real sector. Meanwhile, on the side of Islamic banking financial institutions in the North Maluku region, it is necessary to increase the skills of human resources in the form of

knowledge and expertise of Islamic financial bankers in the business world in the real sector and all sectors of the community's economy. Thus, the financing of Islamic banking financial institutions in the North Maluku province is actually not only concentrated in the retail, service and trade sectors but also must penetrate into other potential sectors, especially the productive sector, namely the agriculture, livestock and fisheries sectors.

11. *Building Partnerships between Economic Institutions*

Efforts to develop community economic businesses in the real sector through Micro, Small and Medium Enterprises (MSMEs) in the North Maluku province are a necessity and a strategic step in the development of community economic fundamentals. With the increasingly significant role of small industries in the local economic structure of North Maluku province, there will also be more urgent efforts to develop people's industry through community economic institutions, namely cooperatives. The cooperative institution in question is a sharia cooperative or more popularly known as Baitul Mal wat Tamwil or BMT. Micro, Small and Medium Enterprises (MSMEs) as a manifestation of cooperation are expected to be utilized jointly between real sector business actors to protect the interests of the community, regions as well as national interests. Thus, macro-wise, there are at least several strategies in empowering Micro, Small and Medium Enterprises (MSMEs) carried out by Islamic banking financial institutions in the North Maluku province, namely, among others, as follows:

1. Encouraging the formation of people's economic institutions, such as Sharia Microfinance Institutions (MFIs) which are able to mobilize funds from various levels of society to then channel the funds back to the community in the form of financing for community economic business activities based on productive business activities carried out directly by Micro, Small and Medium Enterprises (MSMEs) in the North Maluku province.
2. Islamic banking in the North Maluku province must be able to provide various technical assistance and managerial assistance personnel to improve the status and capacity of the Micro, Small and Medium Enterprises (MSMEs) sector in the North Maluku province in a decent and *bankable* manner.
3. Islamic banks in the North Maluku province must be able to contribute to creating a conducive real sector business climate, and be able to encourage the development of the Micro, Small and Medium Enterprises (MSMEs) sector in the North Maluku region.

The strategy used in efforts to strengthen and develop community businesses in the Micro, Small and Medium Enterprises (MSMEs) sector in the North Maluku region with a 5P strategy is *Product, Price, Place, Promotion, and People*. Efforts to increase and develop Micro, Small and Medium Enterprises (MSMEs) in the regional and national economy by encouraging the provision of business capital financing by Islamic banks in the North Maluku Province to this real sector. From the perspective of Islamic banking, every portion of financing funds to the Micro, Small and Medium Enterprises sector can benefit Islamic banks. For example: The level of compliance of financing customers from real sector players, namely those based on Micro, Small and Medium Enterprises (MSMEs) is higher when compared to Large Business (UB) customers. Meanwhile, the distribution of the proportion of financing funds from Islamic banking financial institutions in the North Maluku province to the Micro, Small and Medium Enterprises sector with a nominal value of financing funds with a small proportion can allow Islamic banks in the North Maluku province to increase the number of financing customers.

Thus, the provision of financing by Islamic banking financial institutions to the Micro, Small and Medium Enterprises (MSMEs) sector in the North Maluku province is actually not only concentrated in one specific business sector, but the economic businesses of Micro, Small and Medium Enterprises spread across various business sectors of the North Maluku

community, especially community economic businesses that are oriented towards economic business activities based on the business sector of the productive economy. The financing disbursed by Islamic banks in the North Maluku region, whether it is in pattern or form of investment, has actually set clear boundaries so that the quality of sharia conformity can be known through reconditioning and reforms based on clear arguments both in terms of sharia makasid and from the aspect of sharia positive law in force in the homeland today. Thus, all forms of financing-based economic transaction activities in Islamic banking in the North Maluku (Malut) province can be based on a strong sharia foundation in accordance with applicable sharia economic law. Investment in financing patterns for the Micro, Small and Medium Enterprises (MSMEs) sector in Islamic banks in the North Maluku region. As for investment through real sector financing, it is hoped that Islamic banks in North Maluku will benefit from their financing efforts. The expected reward for Islamic banks in the North Maluku province is financial *benefit*. Micro, Small and Medium Enterprises (MSMEs) sector that is flexible, more competitive, transparent and professional is actually a basic requirement that must be met by business actors in the sector, namely Micro, Small and Medium Enterprises in order to be able to assess financing products in Islamic banks in the Maluku province North. With the improvement of infrastructure for Micro, Small and Medium Enterprises sector actors, sharia banks will synergize in accelerating and driving the real sector in the North Maluku (Malut) province.

Sharia Banking Solutions in North Maluku in Encouraging the Development of Micro, Small and Medium Enterprises

The results of an in-depth interview with one of the leaders of Baitul Mal wat Tamwil (BMT), that his party often builds communication and often visits directly several Sharia Commercial Banks or BUS in the North Maluku province to build financing cooperation in the real sector, but has not received a serious response in the form of an answer to cooperate through the *linkage* program.⁷² Meanwhile, the results of an interview with one of the leaders of Baitul Mal wat Tamwil in Ternate city, can explain that his party has collaborated with one of the Sharia Commercial Banks, namely Bank Muamalat Indonesia Ternate City Branch Office related to cooperation for socialization and search for new potential customers to skim fund raising products, namely in the form of *Shar-E* products.⁷³ Based on several in-depth interviews with economic actors in the real sector and Islamic financial institutions operating in the North Maluku province mentioned above, be it Micro, Small and Medium Enterprises (MSMEs), Sharia People's Financing Banks (BPRS) and Baitul Mal wat Tamwil (BMT) actors, in general, it can be concluded that the application of the basic concept of the *linkage* program has not been optimal. between existing economic institutions in the North Maluku province.

This is mainly a *linkage* program in the form of financing cooperation between Sharia Commercial Banks (BUS) and Sharia Microfinance Institutions (MFIs) operating in the North Maluku province to encourage the growth and development of the real sector, especially the

⁷²Nailul Amana, Kepala Baitul Ma>l wat Tamwil atau BMT Yaomi, *Hasil Wawancara* tanggal 24 Desember Tahun 2015 di Ternate

⁷³Muji H. Nurdin, Koordinator Baitul Ma>l wat Tamwil atau BMT 86 daerah Kabupaten Halmahera Barat (Halbar), *Hasil Wawancara* tanggal 27 Desember Tahun 2015 di Jailolo. Selanjutnya penjelasan Produk *Shar-E*, skim ini sesungguhnya merupakan salah satu produk investasi primadonanya Bank Muamalat Indonesia (BMI), hal ini termasuk juga Bank Muamalat Indonesia (BMI) yang beroperasi di wilayah Provinsi Maluku Utara (Malut) saat ini. Produk *Shar-E* sesungguhnya dikemas khusus berupa dalam bentuk paket perdana seharga Rp. 125.000. Produk *Shar-E* mudah memilikinya, penyeterannya serta mudah pengelolaan dananya. Setelah para nasabah membeli paket perdana *Shar-E* maka akan langsung menjadi nasabah. Dengan demikian para nasabah *Shar-E* melakukan penyeteran dananya melalui seluruh kantor-kantor pos *online*, dan setiap bulan nasabah *Shar-E* akan memperoleh bagi hasil murni syariah yang secara otomatis masuk ke rekening nasabah *Shar-E* setiap bulan baru.

economic businesses of north Maluku residents based on the Micro, Small and Medium Enterprises (MSMEs) sector. The scheme and pattern of financing for the *linkage* program model that can be carried out by Sharia Commercial Banks (BUS) with Sharia People's Financing Banks (BPRS) and Baitul Mal wat Tamwil (BMT) with community business sectors based on the Micro, Small and Medium Enterprises (MSMEs) sector in the North Maluku province can be in the form of *joint financing, channeling and executing*.⁷⁴

CONCLUSION

As a solution in an effort to strengthen economic fundamentals in the North Maluku (Malut) province through the development of the real sector based on Micro, Small and Medium Enterprises (MSMEs), it should be Bank Negara Indonesia Syariah (BNI Syariah), Bank Syariah Mandiri (BSM), and Bank Muamalat Indonesia (BMI) which have operated in the provincial area. North Maluku should now be able to build a synergy based on mutually beneficial cooperation between financing customers and Islamic banks. The synergy is meant by establishing cooperation among stakeholders in the Islamic economy and Islamic finance, namely related *stackholders*, so that they can sit together to find the best solution or solution in encouraging the development of the community business sector based on Micro, Small and Medium Enterprises (MSMEs). Sharia banking operating in the North Maluku region today, be it Bank Syariah Mandiri (BSM), Bank Negara Indonesia Syariah (BNI), and Bank Muamalat Indonesia (BMI) is expected to cooperate with educational institutions, especially universities in the North Maluku province in an effort to increase the capacity of actors in the Micro, Small and Medium Enterprises sector in the North Maluku region, namely in the form of work culture discipline, skills or managerial abilities, mastery of modern technology and other basic skills for community economic business actors in North Maluku province based on the Micro, Small and Medium Enterprises sector in the North Maluku area. Basic development for Islamic banking financing customers in the North Maluku province is actually one of the most important factors in creating and maintaining financing that has been disbursed by Islamic banking financial institutions to residents of the real sector economic actors in the North Maluku province, especially the Micro, Small and Medium Enterprises (MSMEs) sector. in the North Maluku area to be maintained in terms of the quality of financing. The acceleration of the growth of Islamic banking financing to the real sector, namely Micro, Small and Medium Enterprises (MSMEs) at the application level in the North Maluku (Malut) province is still facing a number of obstacles so it is expected that support, strategies and solutions from all parties are expected, especially the government and the private sector. For Islamic banks, access to Islamic banking financing to the real sector in the North Maluku province is expected to need to accelerate or accelerate growth and wider expansion, especially in the financing aspect, this is actually very important, as a form of *intermediary financial* responsibility rather than Islamic banking financial institutions operating in the North Maluku (Malut) province.

⁷⁴ Risdan Harly, Direktur Utama Bank Pembiayaan Rakyat Syariah (BPRS) Bahari Berkesan Kota Ternate, *Hasil Wawancara* Tanggal 20 Desember Tahun 2015 di Kota Ternate