

COMPREHENSIVE STUDY OF GREEN SUKUK FUNCTION IN CREATING GOLDEN INDONESIA 2045

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Abstract

This study is a qualitative study with a descriptive approach. The data used in the article used is secondary data that researchers obtain from various credible sources. The sources that researchers mean are sources that are commonly used in every study, namely scientific articles, scientific magazines, books, and various other sources. The data is obtained through the stages of data collection, data reduction, data selection, and drawing conclusions. The result in this article show that Green Sukuk and Indonesia Emas have the same straight line to support each other to achieve existing goals. From the four points presented in the previous paragraph, there is a point of superior civilized human resources. One of the characteristics of superior civilization is that people invest more often with sukuk instruments than spending on unproductive consumption. Thus, it can be concluded that Green Sukuk can contribute to creating Indonesia Emas 2045.

Keywords: *Green Sukuk, Golden Indonesia, 2045*

1. INTRODUCTION

Sukuk is one type of sharia financial instrument in the capital market. The rapid development of the financial industry has made sukuk increasingly popular. Sukuk is usually known as sharia bonds by the general public, but this term is not quite right because the issuance of sukuk reflects proof of ownership of an asset, not the amount of debt. In recent years, sukuk has become popular in the capital market, since the heyday of Islam in the 13th century, sukuk has been referred to as a source of checks that developed in Europe, which represent a contract or right to a debt (Aryo Sasongko and Sakti 2020).

Sukuk is one of the most innovative products in the development of the contemporary Islamic financial system. When analyzed from 2001 to 2007, sukuk grew 84% per year. According to the Fatwa of the National Sharia Council (DSN), Sukuk is a Sharia Securities (Sharia Securities) in the form of a certificate or proof of ownership of the same value, and represents an unlimited portion of ownership (masya') or underlying assets (Sukuk Assets/Usul al- Shukuk) after receiving sukuk funds, closing orders and starting the use of funds according to their designation (Amalia 2023). Sukuk is a structured financing or loan from sukuk holders to sukuk issuers. The general concept of sukuk pricing is similar to bonds. Sukuk uses the time value of money where the present value is the sukuk price while sukuk will be redeemed at the future value or nominal value at maturity and generate income (State of the Global Islamic Economy Report 2022).

Based on State Sukuk, sukuk is explained as a certificate of equal value that presents proof of ownership of sukuk holders (investors) over a certain and undivided portion of the underlying asset. With investor ownership of the underlying asset in sukuk, investors are also entitled to obtain profits generated from transactions on the asset. The profits in question can be in the form of profit sharing, margin, rent, or fees that have been agreed upon according to the agreement used at the beginning of sukuk issuance (Grahesti 8AD).

Green sukuk is a sharia-based financial instrument issued to fund investment activities that provide benefits to the environment and support efforts to mitigate the impacts of climate change. Unlike sukuk in general, the proceeds from the issuance of Green sukuk are exclusively used to fund or refinance investments in assets, business activities, or projects that are categorized as "green". Green sukuk can be issued by both the Government and the private sector for various purposes such as to fund a project or refinance a project, increase capital, and increase lending/financing (Lestari 2020). In addition to complying with sharia principles, the issuance of green sukuk must comply with the principles of sustainable finance. In July 2017, the Indonesian Financial Services Authority (OJK) issued a Regulation on Sustainable Finance as a continuation of the Sustainable Finance Roadmap, which was launched in December 2014. The main opportunities from the POJK include: The POJK clarifies that promoting a balance between economic and environmental factors is essential to achieving sustainable, stable and inclusive development (Arifudin Arifudin et al. 2024).

In its implementation, in addition to developing regulations and policies as the basis for issuing Green Sukuk, Indonesia has developed a Framework related to project financing through the issuance of Green Bonds and Green Sukuk. This framework has received a second opinion from the Center for International Climate Research (CICERO) and was awarded the Medium-Green shade, which allows for the possibility of Bright-Green, Medium-Green and Dark-Green project types. This color indicates that the registered project has met the requirements to represent the country's efforts towards a long-term vision in reducing carbon emissions (DJPPR 2021).

Green sukuk has special characteristics. Therefore, in its issuance, it is necessary to pay attention to several things as follows (Karina 2019): a) In its issuance, green sukuk is issued only to fund eligible green projects. There are several types of eligible projects, including clean efficiency, biodiversity conservation, renewable energy, climate change adaptation, clean transportation, and sustainable waste management. The projects funded include: 1) Installing wind and solar power. 2) Funding new technology that is expected to reduce greenhouse gas emissions effectively. 3) Improving transmission facilities and power generation as an effort to reduce greenhouse gas emissions. 4) Efficiency in transportation, namely by means of mass transportation, and fuel replacement. 5) Carrying out energy-efficient building construction and waste management (methane emissions). 6) Reducing carbon by avoiding deforestation and reforestation. 7) Running a business or project that can prevent flooding by managing river basins and reforestation. 8) Increasing food security. 9) Implementing an agricultural system that can slow deforestation. b) At least three-quarters of the funds from selling green bonds are allocated to fund approved green projects. The issuer is responsible for managing the proceeds from the sale of Green

Sukuk. The issuer is also required to report the use of funds from the sale of the green sukuk, and is required to create a separate account or special record regarding the amount of green sukuk funds and what they are used for, then reported in the financial report. c) A clear definition of the environmental benefits of the project and an independent third party to verify. The task of this independent third party is to monitor the performance of green bonds and the projects being run, then report the performance of the green sukuk to the Authority every year. If a project is found that does not meet the criteria for a green project, the issuer must make an action plan for remediation, with a period of one year. And if there is a failure to meet the criteria for a green project again, the investor (bond holder) can ask the issuer to be accountable by asking the issuer to buy back the green bond or the investor can ask the issuer to increase the coupon. d) Specifically for projects funded by green sukuk from the World Bank, the goal is to improve the local economy and reduce poverty. Green sukuk funds from the World Bank are not easily obtained, but must go through strict selection and must meet the eligibility criteria for green bonds (Ismayati 2023).

This study aims to analyze the influence of Green Sukuk Syari'ah in creating Indonesia Emas 2045. This study analyzes the object in question by relying on secondary data that researchers obtained in existing research on the function of Green Sukuk Syari'ah in creating Indonesia Emas 2045.

2. RESEARCH METHODS

Referring to the above explanation, it can be concluded comprehensively that this study aims to analyze the Function of Green Sukuk in creating Indonesia Emas 2045 (Lexy J. Moleong 2018). This study is a qualitative study with a descriptive approach (Imam Gunawan 2014). The data used in the article used is secondary data that researchers obtain from various credible sources (Nartin et al. 2024). The sources that researchers mean are sources that are commonly used in every study, namely scientific articles, scientific magazines, books, and various other sources (Amane et al. 2023). The data is obtained through the stages of data collection, data reduction, data selection, and drawing conclusions (Hasan 2011).

3. RESULT AND DISCUSSION

Green Sukuk

Sukuk is one type of sharia financial instrument in the capital market. The rapid development of the financial industry has made sukuk increasingly popular. Sukuk is usually known as sharia bonds by the general public, but this term is not quite right because the issuance of sukuk reflects proof of ownership of an asset, not the amount of debt. In recent years, sukuk has become popular in the capital market, since the heyday of Islam in the 13th century, sukuk has been referred to as a source of checks that developed in Europe, which represent a contract or right to a debt (Aryo Sasongko and Sakti 2020).

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out energy-efficient building construction and waste management (methane emissions). 6) Reducing carbon by avoiding deforestation and reforestation. 7) Running a business or project that can prevent flooding by managing river basins and reforestation. 8) Increasing food security. 9) Implementing an agricultural system that can slow deforestation. b) At least three-quarters of the funds from selling green bonds are allocated to fund approved green projects. The issuer is responsible for managing the proceeds from the sale of Green Sukuk. The issuer is also required to report the use of funds from the sale of the green sukuk, and is required to create a separate account or special record regarding the amount of green sukuk funds and what they are used for, then reported in the financial report. c) A clear definition of the environmental benefits of the project and an independent third party to verify. The task of this independent third party is to monitor the performance of green bonds and the projects being run, then report the performance of the green sukuk to the Authority every year. If a project is found that does not meet the criteria for a green project, the issuer must make an action plan for remediation, with a period of one year. And if there is a failure to meet the criteria for a green project again, the investor (bond holder) can ask the issuer to be accountable by asking the issuer to buy back the green bond or the investor can ask the issuer to increase the coupon. d) Specifically for projects funded by green sukuk from the World Bank, the goal is to improve the local economy and reduce poverty. Green sukuk funds from the World Bank are not easily obtained, but must go through strict selection and must meet the eligibility criteria for green bonds (Ismayati 2023).

This study aims to analyze the influence of Green Sukuk Syari'ah in creating Indonesia Emas 2045. This study analyzes the object in question by relying on secondary data that researchers obtained in existing research on the function of Green Sukuk Syari'ah in creating Indonesia Emas 2045.

Comprehensive Study of Green Sukuk Function in Creating Golden Indonesia 2045

In 2045, Indonesia's population is estimated to reach 324 million people or the sixth largest in the world. With a large population, Indonesia will be able to become a sovereign, advanced, and sustainable country. To realize this, the young generation must have high competence, creativity, and innovation. Indonesia must be able to utilize the demographic bonus in 2045 to advance the nation and state. If the demographic bonus is not utilized, Indonesia will experience various negative impacts such as poor health, increasing poverty, high crime rates, and so on. Therefore, the golden generation must be prepared. The golden generation of 2024 is an intelligent generation that is willing to accept change. The characteristics of the golden generation are as follows. 1). Having comprehensive intelligence, namely productive and innovative, 2) Peaceful in social interactions and having a strong character, 3) Healthy and healthy in natural interactions, 3) Superior civilization (Kumparan 2023).

Based on the above explanation, it can be concluded that Green Sukuk and Indonesia Emas have the same straight line to support each other to achieve existing goals. From the four points presented in the previous paragraph, there is a point of superior civilized human resources. One of the characteristics of superior civilization is that people invest more often with sukuk instruments than spending on unproductive consumption. Thus, it can be concluded that Green Sukuk can contribute to creating Indonesia Emas 2045.

4. CONCLUSION

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