



The Role of Financing “KUR” Islamic Micro to SME In Cirebon Regency

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Abstract

According to the BPS Survey 2003 and 2005 against SMES indicate problems such classics as the limitations of capital and marketing. Research is aimed to know the role and implementation of financing KUR micro sharia against SMES in the village Karangsembung, and to determine the changes of SMES in the village Karangsembung after using the funds KUR micro sharia BJB Bank Sharia Branch Office. This type of research is field research with a qualitative approach conducted with descriptive analysis. The location of the research conducted at the office of Bank BJB Sharia KCP Sources and in SMES recipient KUR Bank BJB Sharia Branch Office. With a data source that is divided into two, namely, secondary data sources primary. Data collection methods include observation, interviews and documentation. Furthermore, the collected data are described and explained clearly about the object of study in accordance with the facts in the field. After that data is analyzed and conclusions drawn. The results of this study concluded that the role of the financing Program of the People’s Business Credit (KUR) to the development of MSMES in the region Karangsembung is very effective in strengthening the business capital to increase the productivity of the business in order to improve the welfare of the businesses as well as increase in the production of which has an impact on increasing the income of businesses. While in practice has several stages, namely the stage of an application for credit, stage credit analysis, the stage of granting the verdict of credit, and the credit disbursement. The influence of loan capital can affect the aspects that vary both in terms of turnover or total sales, assets, and income from operations.

Key words: KUR, SMES, BJB

Introduction

Spreading Islam is an obligation throughout the lifetime of a Muslim should be a Term, banks are not familiar in the treasury of Islamic scholarship. In Islam, more commonly known is a term jihbiz. Word jihbiz itself comes from the Persian language which has the meaning of tax collectors. Word jihbiz began to be known in the Presence, at which time it functions as a tax collector and counter tax on goods and land. Continued in the Abbasid, jihbiz popular as a profession money exchange.[1] At the time it was introduced money new type called filthy lucre that the material is made of the institution. Earlier, the currency is the dinar and dirham. With the advent of filthy lucre, there was a

tendency among the tribe that time to print fulus respectively, so that the circulation of many types of filthy lucre with different values.[2], [3]

Article 1 Paragraph 2 of Law No. 10 of 1998 on the amendment of Law Number 7 of 1992 concerning Banking, what is meant by the bank is a substance of the business that collects the assets of the general public as a reserve fund and then releasing it to the general public as a credit as well as a variety of structures to run the lifestyle of individuals who smoke. In general, by type, in Indonesia there are two types of banks, namely conventional banks or banks that do business in conventional and Islamic banks or banks that do business with based on sharia principles. [3], [4]

Islamic Bank is a financial institution whose main activities are to provide credit and other services in payment traffic and the circulation of money which operates according to Islamic principles. Islamic banks are financial institutions that operate without relying on the interest that its main business is to provide financing and other services in payment traffic and the circulation of money that its operations in accordance with the principles of Islamic law. Islamic Bank is a bank that principled to result in a fair manner, in contrast with the conventional banks are based on interest. Islamic banks can also be interpreted as a bank that in principle, operational, and products developed based on Islamic values, namely the Al-qur'an as well as instructions operating hadith of Prophet Muhammad peace be upon HIM[5], [6].

SME is a business earning a stand-alone, which is done by individuals or business entities in all sectors of the economy. Admittedly, that micro, small and medium enterprises (SMES) play a very important role in the development and economic growth in developing countries and in developed countries. In these countries, SMES often a lot of recruiting labor compared the absorption of labor in large businesses, in addition to their contribution to the formation and growth of gross domestic product (GDP) is also large compared to large businesses. In the developing countries of Asia, Africa and Latin America, SMES have an important role, in particular from the perspective of the opening of employment opportunities and a source of Economic income for the population, income distribution and poverty reduction, and rural economic development.[7]–[9]

According to the BPS Survey 2003 and 2005 against SMES indicate problems such classics as the limitations of capital and marketing. Although many credit schemes for small entrepreneurs, the majority of respondents, especially those from the countryside never get financing from Banks or other financial institutions.[2]

They depend entirely on the money/saving money/the help of their own and of a relative/acquaintance or from a source of informal to finance the activities of their production. The causes can vary, there are who never ask or know of any special scheme, there was filed but was denied because of the type of business is not considered productive or dim to fund or resigned because of the complexity of administrative procedures, or cannot meet the requirements, including warranties, or many small entrepreneurs since the beginning of don't want to borrow from formal financial institutions. The role of banks and other financial institutions is vital to help micro businesses that are having difficulty in the procurement of capital. It is expected that the small entrepreneurs can be assisted with the loan capital from financial institutions to give special credit to overcome the limitations of their capital. Note in the above that in addition to its contribution to the Indonesian economy, SMES is one of the solutions to reduce the level of poverty and income inequality in the people of Indonesia, because this sector has resistance to high economic. This encourages the government to continue to creating and supporting the economic empowerment program is based on democracy. Therefore, the government should also play a role in helping SMES through its policies in an effort to improve the welfare of small entrepreneurs.[2], [9], [10]

On November 5, 2007, the President launched the People's Business Credit (KUR), with facilities loan guarantee from the Government which aims to empower Micro, Small, Medium enterprises and Cooperatives (MSME), job creation, and poverty reduction. The People's Business credit (KUR) is a credit/working capital financing and/or investment to the debtor of the individual/individuals, business entities and/or business group that is productive and viable but not yet have the additional collateral or additional collateral is not enough. SMES and Cooperatives which are expected to be able to access KUR by moving in the productive business sector, among others: agriculture, fisheries and marine, industry, forestry, and financial services savings and loan. KUR can be done directly, meaning that SMES and Cooperatives can directly access the KUR at a Branch Office or Branch Office of the Bank Executive. The mechanism of the KUR is through financial institutions and cooperatives such as: state-owned Banks, Private commercial Bank, BPD, Financing, cooperative and KUR namely Bank BJB Sharia.[11], [12]

Cirebon regency as beneficiaries of the KUR has many industries that developed in the community whether it is a large-scale, medium and small industries. The Data obtained from the Department of trade and industry in the year 2014, alone there are 12.938 fruit company industrial/business units in the District of Cirebon. The figure includes the entire company (business unit) of the industry in both large/medium and small industrial/household. In the public sector, trade, hotels and restaurants as a contributor to the second after the industrial sector, followed by the agricultural sector. Another potential of Cirebon Regency, namely as the city of education, city attractions, and the area of trade and services. The establishment of shopping centers is a hallmark of the new. In addition Cirebon Regency passed by the Coast Line. Cirebon regency in addition to launched as the city of education, economic development is also directed to the development of the city of trade and services where the sectors of trade, hotels and restaurants provide the largest contribution in the economy.[13] this shows the potential for the development of SMES in the District of Cirebon is very large, then it is very necessary help fund KUR to the businesses with the hope

can help develop the performance of SMES and enhance the business unit SMES in the village Karangsembung. One of the feeder funds KUR in the village Karangsembung is a BJB Bank Sharia Branch Office. They channel funds KUR since 2012. The author is very keen to do a case study in BJB Bank Sharia Branch Office because the only Bank to channel funds KUR from government.[14]–[16]

Research Method

The Research approach is the Overall way or activities in a study at the start of the formulation of the problem until make a conclusion. Based on the problem you want answered on this research, this research uses a qualitative research approach. This study uses a qualitative approach that is case study, where the case studies that can investigate more deeply and thoroughly examine the behavior of the individual. The same opinion is expressed, that in the case study method the researcher will examine one individual or certain social unit in more depth, the totality, intensive, and intact. The place that used in this research is BJB Bank Sharia Branch Office.

As for the selection of the location of research at BJB Bank Sharia Branch Office, because BJB Bank Sharia Branch Office is KUR. This study uses the unit of analysis that focuses on the role of financing KUR Bank BJB Sharia KCP source to the development of SMES in the village Karangsembung and the impact of financing KUR BJBS against the bank BJBS. Based on the unit of analysis above, the parties that made the informants in this study are:

1. The main informants: The SMES and the debtor KUR BJB Bank Sharia Branch Office;
2. The informant: the Officer KUR/Micro–Finance Bank BJB Sharia KCP source or AO Customer Bank BJB Sharia KCP source.

This research is included in a type of Qualitative Research with descriptive approach. Qualitative research is a Research that intends to understand the phenomenon of what is experienced by research subjects in a holistic manner, and by way of description in the form of words and language in a specific context that naturally and by using a variety of methods of natural (5).

Descriptive research is Research that is intended to collect information regarding the status of your symptoms, namely the state of the symptoms according to what the research conducted at the time (6). Descriptive research is not intended to test a specific hypothesis, but only describe the presence of a variable, symptoms, or circumstances. In this case, Researchers strive to provide and outline about the risks of administration of the people's business credit (KUR) At PT.BJBS Limited Compan. Branch Office

In this study, the data collected consist of primary data, namely:

1. Primary Data Primary Data is Data obtained directly from the field in the form of a response in the form of responses of respondents through observation and interviews with employees of PT. Bank Jabar Banten Sharia primary Data was also referred with the original data.
2. Secondary Data Secondary Data is data obtained from the literature which is directly related to the problem under study. Secondary Data is also called with the data available.

Results and Discussion

The role and implementation of financing KUR micro sharia against SMES in the village Karangsembung

Mr. Chandra as an account Officer of the Customer Financing/Micro KUR Bank BJB Sharia Source On Thursday, June 25, 2021 09.00–10.20 PM Stated that:

“The impact of the role of the financing Program of the People's Business Credit (KUR) to the development of MSMES in the region Karangsembung is very effective in strengthening the business capital to increase the productivity of the business in order to improve the welfare of the businesses as well as increase in the production of which has an impact on increasing the income of businesses. With the increasing activities of business productivity is not coupled with the availability of a lot of job opportunities, this is due to the business activities carried out by SMES in the region Karangsembung. With the opening of access the role of financing KUR against the development of SMES is directly provide convenience to micro, small, because with the proviso that easy”.

Mr. Chandra as an account Officer of the Customer Financing/Micro KUR BJB Bank Sharia Branch Office On Thursday, June 25, 2021 09.00–10.20 PM Stated that:

“A government Program that was initiated by the government, channeled by Bank BJB Sharia to the debtor of the individual/individuals or a group of productive enterprises and decent who do not have the additional collateral or additional collateral is not enough. “KUR Micro Islamic financing provided to a business that is viable and productive, especially those who have never filed a financing in the bank, with a ceiling of financing of at least 5 million to a maximum of 25 million, and the customer who did the financing KUR micro sharia most have business in the fisheries sector, the livestock sector, agricultural sector, manufacturing sector, service sector production, and the trade sector.”

This statement is reinforced by Dinda, as AO Bank BJBS Sharia and Nindya as Supervisor of BJB Bank Sharia Unit.

“KUR BRI Sharia is a financing that is specifically channeled BRI Sharia cooperate with the Government. BRI Sharia as the first sharia bank that is trusted KUR Sharia and its main target the middle to lower, to improve the economy of the middle and lower class, especially those that have never interact with the bank, a maximum ceiling of \$ 25 million. Financing KUR Micro Sharia is financing with collateral that are not mandatory, ceiling KUR Micro Sharia at least 5 million to a maximum of 25 million that one customer.”

The Realization of the Credit Sector of the Trade:

- a. The realization of 15,000,000: Due to the Accounting Records or Financial Bookkeeping business that occupied the prospective customer is very promising, note the credit history of prospective customers smoothly while earlier, the collateral in accordance with the note agreement at the time of the filing of the credit.
- b. The realization of 75,000,000: Because on the stage of the survey met the collateral is not appropriate, as mentioned in the submission of collateral in the form of land and building, at the time of the survey of buildings not according to the agreement which is made of board (instead of bricks). The collateral is located in inland areas, making the price/value of the collateral drops.
- c. The realization of 50,000,000: Due to the feasibility less promising judging from the results of a survey of financial statements of business that occupied, reviewed in 3 months the funds realized 70% used for venture capital other, 30% for fisheries. Not realized, because the business that occupied does not guarantee refund (*not bankable*), credit history of prospective customers problematic before.

In this research, which is highlighted financial performance, then the variable used is the variable capital, turnover, income, and assets. The Data below are the primary data that results from the interviews, three (3) respondents who are traders. Data-the data is then formed into multiple tables in order to facilitate the financial condition and the Influence of capital loan or credit. Respondents-respondents is all the SMES sector of the economy.

Obtained entirely from The SMES sector of the economy traders as much as 3 respondents who are still active trade there and the traders that was selected to be the respondents of this has a type of merchandise each. All data is obtained directly from the field that is to come to the respondents and interviewed each respondent based on the questionnaire that has been there. From the results of the interview are the results such as the above table that the respondents who have a business Dry Food, 1 respondents trade herbs, 1 respondent's trade stationery. Respondents-respondents that the researcher obtained has a wide range of merchandise due to samples taken randomly. However, most of the respondents obtained sell goods everyday purposes.

Old Business

A successful entrepreneur or those who already have adapted in the field of business usually have involved in the world of work for quite a long time. A businessman said to be capable and very experienced if it is consuming a lot of salt in the world her work. The experience is a learning to be able to further improve and develop their business. The loyalty and love of the work that is lived is also included in the experience that can build a business to run better again.

Off – age of respondents who already trade in the Area of the Shop Karangsembung 10 years to reach a percentage of 30%, and that already trade a 6-year the percentage of 20%, and that already trade in 4 years the percentage of 15%. Nevertheless, respondents-respondents have a lot of experience in terms of trade such as supplying goods, selection of goods that will be sold to consumers, as well as the anticipation of price fluctuations at certain times (before / after Eid al-Fitr). Ability-ability is obtained because of the already plunging in the field for many years and of course, already familiar with the market conditions that are happening.

The Number Of Micro-Loans

The needs of a trader and the entrepreneur in developing his business is certainly different. Depending on the aspect, which is enhanced, of course, every aspect of holding each role to encourage the development of a business. Hence, the need for additional funds or capital for any trader no matter each of them is different. Loan capital raised must also adjust with the ability of the trader in the return it to the creditor within the time specified. Respondents who applied for a loan of credit to the bank and then obtain a number of funds provided by the bank. The funds received by each respondent to a different number because it is adjustable with an income of each of the respondents.

Loan amount of credit obtained from banks to the respondent least that is below IDR 15,000,000,- and the average obtained a loan amounting to more than IDR 15,000,000,- even for the 3 respondents who obtained credit loans above IDR 25,000,000,- the actual amount of loans obtained by the above IDR 100,000,000,- . The Bank gives the loan amount credit to the respondents based on the cash flow and also the average income earned by the trader, the higher the income, the higher the acquisition of funds obtained the respondents. This is because the bank must carefully and keen to see the character and ability of respondents in installments and pay the credit loan, it is expected that the problem does not occur as late to pay the mortgage or bad credit that will ultimately be detrimental to the bank itself

The Requirement Of Applying For Micro-Loans

The loan obtained from the bank certainly has a condition and the best in filing the credit loan. It is intended to provide rights and powers to the bank for the sake of getting credit repayment, as the driving motivation of the debtor, and also to minimize the risk of failure of the borrower to meet its obligations.

Guarantee/terms proposed by each bank will be different depending on the policy of each bank. Information was obtained that the requirements given by the bank to apply for a loan capital is relatively easy. The government now began to focus to the traders of SMES who want to apply for credit, then access is given to the small traders were quick and easy to help meet the needs of capital. Government programs that are offered through the banks now this is the People's Business Credit (KUR), the government contribute in giving a subsidy funds through this program. Therefore funds KUR subsidized by the government, the bank gives the terms will be the best for respondents who take the KUR with the terms is very simple.

Actually to fund KUR itself does not need the presence of collateral that need to be mortgaged to the bank, because most of the funds subsidized by the government. But the bank remains prepared in anticipation to prevent the occurrence of bad debts by filing the terms of guarantee in the form of the goods value price of collateral less is more approach with the loan amount and is required to have description of business.

Reason For Applying For A Loan Micro

The respondents of course has its own reasons why they apply for a loan capital for his business to the bank.

The biggest reason respondents apply for a loan capital, namely for the purposes of or additional working capital, this is because they do not feel able to increase its earnings results just by using the business capital of its own, hence the need for additional capital from other parties to increase their income. Additional working capital is used to purchase merchandise, order merchandise sold respondents be complete and can compete with other traders. In addition, there is also a 3 respondents reasoned need to loan capital to develop their business, because of the need for additional assets to support the business both in operational activities (equipment, rental stores, transportation, etc.) the goal is not another which is to increase the revenue and profits of the business.

Barriers To Repay Micro-Loans

Each type of debt or loans in the form of credit, it certainly needs to be repaid in the tempo that has been previously agreed. Usually debt in the form of credit form of payment is by way of installments. The following data of respondents regarding the installments to repay the loan. The process of installment loans made by the respondents did not experience any obstacles. Installment loans are usually carried out every day by way of deposit to the bank officer in this case is devoted to the respondents who applied for a loan of credit to the bank BRI. Bank BRI considered to be aggressive and active in marketing their products to prospective customers, so as to attract the interest of potential customers to take the credit. In addition, respondents also feel helped and healed by a system of transfer bill is made by bank BRI in terms of the remittance bill to shorten the time and can save energy than the deposit itself directly to the bank.

Because of the nature of the instalment daily, then respondents felt lightly and not interested in instalments of credit loan. They feel the facilities given by the bank is very good and helpful at all to support his efforts.

Change of SMES in the village Karangsembung after using the funds KUR BJB Bank Sharia Branch Office.

Loan capital that is obtained usually meant to bring a change of a business in order to become more advanced and developed than the previous one. With the loan capital is also expected to be able to cope with the problems of the community during this time is about the limitations of the capital of which is owned, as well as being able to function to encourage and launched his business that aims to improve the income and living standards of a small community in general. The influence of loan capital can affect the aspects that vary both in terms of turnover or total sales, assets, and operating income. Maybe not all aspects of the direct effect, but there are on one aspect of a more dominant influence because of the loan capital that is obtained. Likewise, the loan capital owned by the respondents certainly has an influence for the development of his businesses. Loan capital raised by the respondents were able to increase the number of assets it has. The addition of this asset is used to facilitate the operational activities which include additional equipment, rental stores, transportation equipment, machinery, and so on.

Conclusion

Innovation development of spreading Islam activities in the era of disruptive this form of propaganda that uses the help of information technology or called by the *e-da'wah*. Propaganda in this era must be able to adjust with the changes today. The development of the activities of *da'wah* through the innovation of *e-da'wah* is expected to be received by various circles because it fit in with the development and needs of the times. In the conduct of innovation development of *da'wah* with the *e-da'wah* this must be accompanied by the ability of media literacy. There are seven

standard media literacy Islam compiled by the Directorate General Guidance of the Islamic Society of the Ministry of Religious affairs of the Republic of Indonesia considering the importance of literacy the media. The higher the media literacy of a person, it will be increasingly able to see the boundaries between the real world and the world that has been altered entirely by the media. In this case, the understanding of media literacy with good and effective then be the solution that is right in the use of media propaganda.

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