PROPOSAL OF COMMUNITY SERVICES

IMPLEMENTATION OF GREEN FINANCING AS AN ALTERNATIVE TO SUSTAINABLE FINANCING FOR SOUTH MERUYA MSMEs

Team member:
Dr. Endri, SE, ME / 0304096701
Dr. Zeffry Alamsyah Effendie, MM / 0303126303
Dr. Dudi Permana, Ph.D / 1018037701

International Partner:
Assoc. Prof. Anees Janee Ali / AA 54382
Universiti Sains Malaysia

Field of Management Science
UNIVERSITAS MERCU BUANA
2020
Validity Sheet

1. **Title of Proposal of Community Services**: Implementation Of Green Financing As An Alternative To Sustainable Financing For South Meruya MSMEs

2. **Team Leader**
   - Name (with salutation): Dr. Endri, SE, ME
   - NIDN: 0304096701
   - Functional Position: Lector
   - Faculty/Study Program: Postgraduate/ Magister Management
   - Mobile Number: 08157168080
   - E-mail address: endri67@yahoo.com

3. **Team Members (lecturer)**
   - Number of Member: Lecturer 2 person
   - Name of Member I (with salutation): Dr. Zeffry Alamsyah Effendie, MM / 0303126303
   - Name of Member II (with salutation): Dr. Dudi Permana, Ph.D/ 1018037701

4. **Team Members (student)**
   - Number of Member: Student 2 persons
   - Name of Student/NIM of Student: Gusti Marta / 5511910006
   - Name of Student/NIM of Student: Laverisa Tiara Dita / 55119110025

5. **Location of Activity**
   - Location/Activity Area: Meruya Selatan
   - City/Province: West Jakarta/DKI Jakarta

6. **International Partner**
   - Universiti Sains Malaysia

7. **Output Produced**
   - Increased Understanding & Skills

8. **Duration**
   - November 2020 – April 2021

9. **Source of Expenditure**
   - Source from UMB: Rp. 7.500.000
   - Source from Partner (In Kind): Rp. 1.000.000

Jakarta, 28 November 2020

Signed by:

Leader of Community Services Group

Team Leader,

(Dr. Suraya, MSi.)
NIP/NIK 117680597

(Dr. Endri, SE, ME)
NIP/NIK. 116670503

Approved by:

Director of Postgraduate Programme

Head of Community Services

(Prof. Dr.Ing. Mudrik Alaydrus)
NIP/NIK 103710262

(Dr. Inge Hutagalung, M.Si)
NIP/NIK 113590380
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Sustainable finance in Indonesia is to increase the resilience and competitiveness of Financial Service Institutions (LJK) and provide the source of funding needed by the community, through business activities that are preventive / mitigation in nature and adaptation to climate change towards a competitive low carbon economy.

To realize a sustainable development program, the government seeks to implement a green financing policy as an alternative to business financing in Indonesia. Green financing is a financing scheme or providing loans to environmentally friendly business actors.

Efforts to increase awareness and participation of MSME players in environmental preservation can be pursued by encouraging conventional MSME players to become environmentally friendly MSMEs. Currently, banking institutions do not have a special scheme designed to encourage environmentally friendly MSMEs. Therefore, management of a system for channeling funds that is right on target in order to achieve the goals of sustainable development in the economic and environmental sectors is urgently needed by MSME actors, one of which is through financing through green finance.

Keywords: sustainable finance, green finance, MSMEs
1.1. Situation Analysis

Sustainable finance in Indonesia is defined as the comprehensive support from the financial services industry for sustainable growth that results from the alignment of economic, social and environmental interests. The objectives of the sustainable finance program in Indonesia are to increase the resilience and competitiveness of Financial Services Institutions (LJK), provide the funding sources needed by the community, and contribute to the national commitment to the problem of global warming (global warming) through business activities that are preventive / mitigating as well as adaptation to climate change towards a competitive low carbon economy.

To realize a sustainable development program, the government is trying to implement a green financing policy as an alternative to business financing in Indonesia. According to Höhne, et al (2012), "Green financing is a broad term that can refer to financial investment that flows into sustainable development projects and initiatives, environmental products, and policies that promote sustainable economic development".

Green financing is a financing scheme or lending to environmentally friendly business actors. Where the bank as a lending institution in conducting credit analysis must take into account how the business support capacity for the environment and how to minimize the impact of its business on environmental damage. Based on government regulations, business actors can obtain financing with the green financing concept, where the borrower of funds or business actors in carrying out their business activities must try to minimize energy use and must meet the 3R requirements (reduce, reuse, recycle).

Efforts to increase awareness and participation of MSME players in environmental preservation can be pursued by encouraging conventional MSME players to become environmentally friendly MSMEs. Currently, there is a lack of access to funding and national and international financing for environmentally-based
MSMEs, because banking institutions do not have a special scheme designed to encourage MSMEs to be environmentally friendly. Although currently there is a CSR program that refers to the same goal, namely the Community Development Partnership Program (PKBL), where this program is directed to provide guidance to micro and small businesses, the goal is to support the development and improvement of the competence of MSMEs which are the driving forces of the community's economy. Therefore, management of the distribution system of funds that is right on target in order to achieve the goals of sustainable development in the economic and environmental fields simultaneously is needed by MSME actors.

1.2. Partner Problem

1. How do you direct MSMEs to pay attention to the environmentally friendly business sector in Indonesia?

2. How effective is the implementation of the green financing scheme for MSMEs?
CHAPTER II
SOLUTION AND OUTCOME TARGET

2.1. Solution
The solutions offered to solve problems faced by partners systematically in accordance with the priority of the problem are by providing training to people who have MSMEs on green finance with the aim of:
1. Increase knowledge about green financial concepts that have an impact on environmental awareness and sustainability.
2. Providing knowledge about the implications of green financial as an alternative to environmentally friendly financing for MSMEs.

2.2. Outcome

Table 1. Outcome Target Plan

<table>
<thead>
<tr>
<th>No</th>
<th>Outcome</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Scientific publications on the Journal of ISSN/Proceedings</td>
<td>None</td>
</tr>
<tr>
<td>2</td>
<td>Publication on the media print/online/reporctory</td>
<td>None</td>
</tr>
<tr>
<td>3</td>
<td>Increased competitiveness (improved quality, quantity, and value added goods, services, product diversification, or other resources)</td>
<td>Yes</td>
</tr>
<tr>
<td>4</td>
<td>Improving the implementation of science in the community (mechanization, IT, and management)</td>
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</tr>
<tr>
<td>5</td>
<td>Improvement of community values (arts culture, social, politics, security, tranquility, education, health)</td>
<td>Yes</td>
</tr>
<tr>
<td>6</td>
<td>Publications in international journals</td>
<td>Publish</td>
</tr>
<tr>
<td>7</td>
<td>Services, social engineering, methods or systems, products/goods</td>
<td>Yes</td>
</tr>
<tr>
<td>8</td>
<td>New Innovation</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Intellectual property rights (patent, simple patent, copyright, trademark, trade secret, industrial product design, crop variety protection, integrated circuit design topography protection)</td>
<td>None</td>
</tr>
<tr>
<td>10</td>
<td>ISBN Books</td>
<td>None</td>
</tr>
</tbody>
</table>
CHAPTER III
IMPLEMENTATION OF METHODS

3.1. Goals of Target

The target of community service participants, especially the people of South Meruya who have MSMEs. Community service activities in the form of knowledge and skills about green finance at MSMEs. The materials provided include:
1. The green financial concept and its benefits for MSME players.
2. Knowledge of the application of green finance as an alternative to environmentally friendly financing for MSMEs.

3.2. Purpose of Activities

This community service activity aims to increase the knowledge and skills of participants about the green financial concept, its benefits and its application in environmentally friendly MSME financing.

3.3. Benefits Of Activities

This community service activity provides benefits for participants to increase knowledge about the green financial concept concept and its implications for financing business activities in MSMEs.

3.4. Framework For Troubleshooting

Efforts to increase awareness and participation of business actors or producers (UMKM) in the preservation of the micro and global environment can be pursued by encouraging conventional producers (MSMEs) to become environmentally friendly MSMEs. It is felt that access to funds and national and international finance for environmentally based MSMEs is still not implemented properly. Therefore, it is important to manage the fund distribution system that is right on target in order to achieve the goals of sustainable development in the economic and environmental fields simultaneously. One of the environmentally friendly financing alternatives that can be applied in MSMEs is green finance.
3.5. Evaluation Design

Training participants will be given an evaluation in the form of a special test at the end of the session in the form of material that was given at the beginning of the session, namely about green finance and its benefits as an alternative financing for MSMEs.
CHAPTER IV
BUDGET AND ACTIVITIES SCHEDULE

4.1 Budget from UMB

<table>
<thead>
<tr>
<th>No.</th>
<th>Component</th>
<th>Proposed Cost</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Initial survey (Meeting, Supplies, Field Survey, Transportation)</td>
<td>IDR 1,425,000</td>
</tr>
<tr>
<td>2</td>
<td>Implementation Preparation (Preparation of Preparatory Materials)</td>
<td>IDR 1,850,000</td>
</tr>
<tr>
<td>3</td>
<td>Implementation (Consumption, Transportation, Participants, Certificates, Documentation, Banners, Honorarium Instructors)</td>
<td>IDR 3,600,000</td>
</tr>
<tr>
<td>4</td>
<td>Making Activity Report</td>
<td>IDR 625,000</td>
</tr>
<tr>
<td></td>
<td><strong>Amount</strong></td>
<td><strong>IDR 7,500,000</strong></td>
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</table>

4.2 Budget from Partner (*inkind*)

<table>
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<tr>
<th>No.</th>
<th>Component</th>
<th>Proposed Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Making Activity Report</td>
<td>IDR 1,000,000</td>
</tr>
<tr>
<td></td>
<td><strong>Amount</strong></td>
<td><strong>IDR 1,000,000</strong></td>
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4.3 Activities Schedule

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<tr>
<th>No</th>
<th>Activities/Time</th>
<th>Nop</th>
<th>Dec</th>
<th>Jan</th>
<th>Pebr</th>
<th>March</th>
<th>Apr</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Submission of proposals &amp; presentations</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>2</td>
<td>Initial survey</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Preparations for the Implementation</td>
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<td>4</td>
<td>Implementation</td>
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</tr>
<tr>
<td>5</td>
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<td>6</td>
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</tbody>
</table>
REFERENCES


Appendix 1. Head of the Team

A. Personal identity

<table>
<thead>
<tr>
<th></th>
<th>Personal information</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Nama Lengkap (dengan gelar)</td>
<td>Dr. Endri, SE, ME</td>
</tr>
<tr>
<td>2</td>
<td>Jenis Kelamin</td>
<td>Laki-laki</td>
</tr>
<tr>
<td>3</td>
<td>Jabatan Fungsional</td>
<td>Lektor</td>
</tr>
<tr>
<td>4</td>
<td>NIP/NIK/Identitas lainnya</td>
<td>116670503</td>
</tr>
<tr>
<td>5</td>
<td>NIDN</td>
<td>0304096701</td>
</tr>
<tr>
<td>6</td>
<td>Tempat dan Tanggal Lahir</td>
<td>Tiku, 04 September 1967</td>
</tr>
<tr>
<td>7</td>
<td>E-mail</td>
<td><a href="mailto:endri67@yahoo.com">endri67@yahoo.com</a></td>
</tr>
<tr>
<td>8</td>
<td>Nomor Telepon/HP</td>
<td>08129204067</td>
</tr>
<tr>
<td>9</td>
<td>Alamat Kantor</td>
<td>Jl Meruya Jakarta Barat</td>
</tr>
</tbody>
</table>

Semua data yang saya isikan dan tercantum dalam biodata ini adalah benar dan dapat dipertanggunggugian secara hukum. Apabila kemudian hari ternyata dijumpai ketidak-sesuaian dengan kenyataan, saya sanggup menerima risikonya. Demikian biodata ini saya buat dengan sebenarnya untuk memenuhi salah satu persyaratan dalam pengajuan Pengabdian Masyarakat Universitas Mercu Buana

Jakarta, 28 November 2020

( Dr. Endri, SE, ME )
Appendix 2. An Overview Of Science And Technology To Be Implemented On Partners

Providing basic knowledge to MSMEs about green finance and its benefits as an alternative to financing the development of MSMEs in supporting Sustainable Business.

Empowerment of MSMEs through the provision of environmentally friendly financing facilities is expected to grow and increase the capacity and competitiveness of MSMEs.
Appendix 3. Location Map
**INTERNATIONAL JOINT COMMUNITY SERVICES PROPOSAL**

<table>
<thead>
<tr>
<th><strong>Project Title</strong></th>
<th><strong>Implementation Of Green Financing As An Alternative To Sustainable Financing For South Meruya MSMEs</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Partner</strong></td>
<td>Universiti Sains Malaysia</td>
</tr>
<tr>
<td><strong>Name of Project Leader at UMB</strong></td>
<td>Dr. Endri, SE, ME 0304096701</td>
</tr>
</tbody>
</table>
| **Name at least 1, maximum 2 Project Member(s) at UMB** | Dr. Zeffry Alamsyah Effendie, MM / 0303126303  
Dr. Dudi Permana, Ph.D / 1018037701                              |
| **Name at least 1, maximum 2 Project Member(s)/counterpart(s) at Partner** | Assoc. Prof. Anees Janee Ali / AA 54382                                                       |
| **Project Duration** | 6 months                                                                                           |
| **(Not more than 12 months. Please attach a Gantt Chart indicating the project timeline)** |                                                                                                    |
| **Executive Summary of Project** | Sustainable finance in Indonesia is to increase the resilience and competitiveness of Financial Service Institutions (LJK) and provide the source of funding needed by the community, through business activities that are preventive / mitigation in nature and adaptation to climate change towards a competitive low carbon economy. To realize a sustainable development program, the government seeks to implement a green financing policy as an alternative to business financing in Indonesia. Green financing is a financing scheme or providing loans to environmentally friendly business actors. Efforts to increase awareness and participation of MSME players in environmental preservation can be pursued by encouraging |

Faculty & Department at UMB : Faculty of Business & Economy, Magister of Management  
Faculty & Department at Partner : School of Business, Universiti Sains Malaysia
conventional MSME players to become environmentally friendly MSMEs. Currently, banking institutions do not have a special scheme designed to encourage environmentally friendly MSMEs. Therefore, management of a system for channeling funds that is right on target in order to achieve the goals of sustainable development in the economic and environmental sectors is urgently needed by MSME actors, one of which is through financing through green finance.

### Location(s) of the Project
Meruya Selatan, West Jakarta/DKI Jakarta

### Project Background / Problem Identification
1. How do you direct MSMEs to pay attention to the environmentally friendly business sector in Indonesia?
2. How effective is the implementation of the green financing scheme for MSMEs?

### Supporting Theories
Sustainable finance, green finance, MSMEs

### Project Model
Socialization and Training

### Tool
Online media training

### References List (including at least 1 journal)

### Project Objectives
1. Increase knowledge about the concept of ecopreneurship which has an impact on environmental awareness and sustainability.
2. To gain skills in entrepreneurship while paying attention to environmental balance.

### Methodology & Flow Chart
(please clearly indicate the role of partner institution researchers)

<table>
<thead>
<tr>
<th>Role of UMB’s Lecturer(s)</th>
<th>Role of Partner’s Lecturer(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>As a writer who is in charge make community services proposal,</td>
<td>Participants at community service program, monitor and</td>
</tr>
</tbody>
</table>
Implementation program, monitor and making report and output target.

### Impact/Benefit/Contribution of Project to Science/Society/Other Parties

*(Please state the expected deliverables of the Project include: IPR, prototype, publications etc.)*

This community service activity provides benefits for participants to increase knowledge about the green financial concept concept and its implications for financing business activities in MSMEs.

### Name of Journal(s) International to Submit for Publication, with Writers’ Names Mixed from UMB & Partner

**Utilization of Facilities:**
- Existing Facilities
- Additional Facilities

<table>
<thead>
<tr>
<th>EXPENDITURE ITEM</th>
<th>UMB</th>
<th>Partner</th>
</tr>
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<tbody>
<tr>
<td>Initial survey (Meeting, Supplies, Field Survey, Transportation)</td>
<td>IDR 1,425,000</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td>Making Activity Report</td>
<td>IDR 625,000</td>
<td>IDR 1,000,000</td>
</tr>
</tbody>
</table>

**Sub Total**

|                           | UMB 7,500,000 | Partner 1,000,000 |

**GRAND TOTAL**

|                           | IDR 8,500,000 |

**Note and Reviewed by:**

JCSF Committee

**Budget:**

**Existing Facilities**

- IDR 7,500,000
- IDR 1,000,000

**Total Budget including from UMB & Partner**

- IDR 8,500,000

*(Not more than USD 1,000)*
Date of Proposal Submission: November 28th 2020

Signed by:

Dr. Endri, SE, ME
Team Leader From UMB

Approved by UMB:

Dr. Adi Nurjadi, MBA  Dr. Devi Fitrianah, S. Kom, M.TI  Dr. Inge Hutagalung, M. Si.  
Director of Innovation  Director of Research  Head of Community Services  
& International

Approved by Partner:

Assoc. Prof. Anees Janee Ali
Universiti Sains Malaysia