

# Tool – Index of Sharia Finance Service to MSME

PASE INDEX

# ELEMENTS

Element	Index
Penetration	Percentage of Micro, Small and Medium Enterprise [Separately] Served by Sharia Financial Institutions
Awareness	Percentage of Micro, Small and Medium Enterprise [Separately] with Knowledge about Sharia Finance
Satisfaction	Percentage of Micro, Small, and Medium Enterprise [Separately] who indicate desire for Sharia Finance who are actually using it.
Efficiency	The efficiency with which Sharia Financial Institutions provide financial services.

# Availability of Data

- There is regularly collected data by official agencies, the Central Statistical Bureau and Bank Indonesia on most of the elements of this Index.
- Almost all of this data is recognized as roughly accurate at the moment – though its comprehensiveness for Micro Units is limited, because of the role of cooperative/BMT/NGO institutions. These are reported to account for a small portion of Medium and Small Enterprise Finance – though our survey will verify this proposition which already has some support in other surveys

# Availability of Data II

- The comprehensiveness of the data could change as the variety of Sharia Financial Institutions increases, especially for the larger Small and Medium Enterprises but is not now under threat.
- Almost all of the data is collected using the statutory definition, at least as far as focusing on the element of annual sales/overhead is concerned. Though these terms are not quite equivalent they are treated as so in practice.

# Rationale

- In a general sense, the PASE Index shows the extent to which Sharia Financial Institutions are serving Small, Medium, and Micro Enterprises.

# Rationale of Access to Sharia Finance for Small and Medium Enterprise Survey

- Our survey validates, especially for Small and Medium Enterprises, the PASE Index.
- Our survey assesses the present state of Small and Medium Enterprises' Access to Sharia Financial Services.
- To a lesser extent, our Survey reviews Sharia Financial Services to Micro Enterprises.