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Analysis of the Potential of Green Sukuk in Infrastructure Finance in Aceh Province

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ABSTRACT

Environmental problems are important because the quality of the environment will directly affect the quality of human life. In addition, the quality of the environment also affects the quality of human life in the future. Since 2018, Green Sukuk has been presented as a new alternative for people who want to invest their funds in bonds that combine the sharia system and use targets for companies that are promoting environmental care principles. It is also an alternative for local governments who need funding for infrastructure development in the region. This study aims to analyze the potential of Green Sukuk in infrastructure financing in the province of Aceh. The method used is descriptive qualitative. Sampling in this study uses a purposive sampling technique. This research is an analytical study with a SWOT analysis to determine the formulation in the preparation of long-term strategies. The population in this study are the stakeholders involved in uncovering the potential of green Sukuk in infrastructure financing in Aceh. Where the results of the analysis of the findings of this study are the issuance of regional green Sukuk that do not yet have definite legal regulations for the Government of Aceh in supporting infrastructure financing in Aceh Province. The strategy needed to support the potential for issuing Regional Green Sukuk based on the results of the SWOT analysis is to minimize existing weaknesses in regulations to take advantage of existing opportunities. The Weakness-Opportunity (WO) strategy based on the EFAS-IFAS SWOT interaction matrix is to increase promotion and take advantage of the conducive climate in North Sumatra, and it is necessary to have progressive efforts to encourage the government to issue regulations that support the issuance of Green Sukuk in Aceh. Some of the WO strategies that have been formulated are not necessarily all able to be implemented simultaneously, so it is necessary to prioritize if in their implementation they experience limited resource constraints. The contribution of this research recommends that relevant stakeholders can follow up on the strategies that have been studied and can be used as reference material for further researchers.

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INTRODUCTION

Background

Green Sukuk is a new sharia financial instrument issued in 2018 (N. Abdullah & Nayan, 2020). Green Sukuk is present as a new alternative for people who want to invest their funds in bonds that combine the sharia system and are targeted at companies that are promoting environmental care principles (Morea, 2017). Green Sukuk is the newest financial instrument product offered by the Indonesian government to investors with the background of the importance of paying attention to environmental aspects in carrying out large- scale development so that the expected building results can be sustainable with the surrounding environment without causing damage. (Karim, 2022; Mohamad, 2020)

Green Sukuk is a new instrument for accommodating funds from the public who wish to invest their funds in sharia bond instruments with environmental principles (Siswantoro, 2021). This bond exists as a form of government attention in overcoming environmental problems which are sometimes ignored by several parties who only think about short-term goals. In fact, it is necessary to think about long-term goals so that we can continue to implement sustainable living by keeping up with the times and preserving the universe (Yona Octiani Lestari, 2016).

Currently, awareness of the importance of preserving nature is the main reason for the issuance of the Green Sukuk instrument (Santoso, 2020). This instrument functions to reawaken the memory of all parties, both the community and the government, about the importance of protecting and preserving the surrounding environment. This is because how much we carry out development and conversion of land for the welfare of society cannot be separated from the role of the environment, especially land as a foothold for all living things and inanimate objects (Asj'Ari, F., Subandowo, M., & Bagus, 2018).

Aceh Province is one of the centers of potential industrial growth. Apart from having a positive impact, such as improving people's welfare, industrial growth can also put pressure on environmental sustainability and functions, such as decreasing river water quality due to industrial wastewater pollution, air pollution and the generation of solid waste. Development in Aceh Province which continuously utilizes various resources to improve the welfare and quality of life of the community. Meanwhile, the availability of these resources is limited and uneven, both in quantity and quality, while the demand for these resources is increasing as a result of increasing development activities to meet the increasing and diverse needs of society. On the other hand, the carrying capacity of the environment can be disrupted and the carrying capacity of the environment can decrease (BPS, 2022). Green open space in Aceh Province is approximately only 852.37 Km 2. This number is still less than the target of 30% of the area of Aceh which has an area of 668231.79 km 2.

If we look at the percentage of households in Aceh, around 90.89 percent of households have access to adequate drinking water. In other words, around 9.11 percent of households do not have access to adequate drinking water. Meanwhile, around 99.16 percent of households in Aceh already enjoy electric lighting facilities. Of which 97.85 percent are served by PLN and 1.31 percent use non-PLN electricity. On the other hand, the percentage of slum households in urban areas shows a decline every year. This reduction in the percentage of slum households is of course driven by easy access to residential infrastructure, such as drinking water services and proper sanitation. Households are the highest source of pollution in water and land environmental pollution, while air pollution is mostly produced from factories and others. More women than men have experienced illness in Aceh over the past month with percentages of 9.32 percent and 8.25 percent respectively (https://sipsn.menlhk.go.id/sipsn/public/rth).

Since the past, socialization to promote environmental care has been proven by the presence of communities as the smallest units. However, communities that started from the interests of a few people only play a role in implementing passions in environmental aspects and are proven by caring for them (MS Abdullah, 2022). The lack of support from stakeholders limits the community's ability to reach a wider community in terms of socializing the importance of instilling concern for the environment from an early age.

Therefore, this year the government is trying to help communities that care about the environment in terms of outreach to the wider community with the support of the issuance of green sukuk instruments. The aim of this publication is to raise awareness and develop caring behavior towards the surrounding environment so that the balance of nature is maintained (Alam, 2016). The Green Sukuk instrument is realized in the form of investment in companies whose aim is to develop environmentally friendly renewable energy with a sharia-based management system. (Asj'Ari, F., Subandowo, M., & Bagus, 2018)

Based on data obtained from DPS (2018) that funds from the issuance of Green Sukuk in 2018 were used to finance APBN projects for the 2018 fiscal year (Rp. 8.2 trillion) and 2016 (Rp. 8.5 trillion) which met the criteria set out in Green Bond/ Sukuk Framework. These Green projects are spread across 4 Ministries/Institutions, with the following details:

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Table 1 Green Projects in Ministries

No	Ministries/Institutions	Total Mark Project (Rp)
1.	Ministry Work General And Housing area People	8,686,614,170,274
2.	Ministry Relations	7,965,311,156,835
3.	Ministry Agriculture	441,000,000
4.	Ministry Energy And Source PowerMineral	102.953.668.111
	Total	16,755,319,995,220

Source: DPS. 2018

Based on this table, it can be seen that the total value of projects financed using green sukuk in 2018 was IDR 16.75 trillion, consisting of projects in 2016 and 2018. Green projects in the issuance of green sukuk are spread across 5 sectors, namely renewable energy, climate resilience for vulnerable areas and disaster risk reduction, sustainable transportation, waste to energy and waste management, and sustainable agriculture. (William & Ley, 2017).

The same problem arises at the regional level in infrastructure financing. This is in line with the efforts made by the Financial Services Authority (OJK) as an institution that has the authority to supervise the development of the sharia capital market in Indonesia, namely encouraging the growth of green Sukuk from the supply side by developing regional green Sukuk (Saeed, 2021). Green Sukuk is an alternative for local governments that need funding for infrastructure development in the regions (Mohamad, 2020). So there is a need to map areas with potential for Sukuk in Indonesia in order to support the central government's efforts to accelerate infrastructure development. So this research focuses on uncovering the potential of Aceh as one of the strategic areas in Indonesia.

Theoretical Foundation

1. Theoretical Study

1.1 Definition of Green Sukuk

Green Sukuk are state sharia securities whose issuance proceeds are used to finance environmental projects (green projects). Sukuk Green is in line with the government's commitment to dealing with various issues global environment, considering that Indonesia is very vulnerable to damage nature in the world. (Mohamad, 2020).

Green projects that are deemed worthy of obtaining financing from Sukuk must be included in a number of sectors within the Green Sukuk framework. These sectors include, renewable energy, energy efficiency, disaster risk reduction due to climate change, sustainable transportation, waste management, sustainable natural resource management, green tourism, green buildings, sustainable agriculture.

1.2 Development of Green Sukuk in Indonesia

In the global market, based on historical data of deep green instrument issuance In the last 5 years, we can see that the global green bond market has grown 80% per year, with total green issuance in 2017 reach USD161 billion (Uddin & Ahmed, 2018). The issuance of Green bonds in mid-2018 was also quite extraordinary, namely USD87.3 billion and is estimated to reach USD250 billion by the end of this year (source: Climate Bond Initiative). This shows the rapid development of the Green bond market.

Whereas in Indonesia, market Green bond/Green Sukuk Still in p stage of development beginning. Pushed by awareness in a way sustainable And awarenessin a way political For overcome change climate, progress market Green bonds/Green Sukuk in Indonesia shows rapid development. Starting in 2014, the Indonesian Government began the budget tagging process, followed by the preparation of the Indonesia Green Bond and Green Sukuk Framework. Furthermore, in March 2018, the Indonesian Government issued the Green Sukuk instrument for the first time. It is hoped that the first Green Sukuk issuance by the Indonesian Government will become a benchmark and encourage the issuance of other Green Sukuk / Green bonds, especially by corporate/private parties and BUMN. (Fadhil, 2018)

Previously, in 2017, the Indonesian Financial Services Authority (OJK) had established a regulatory framework for the issuance of Green bonds by corporate companies, which was in line with international best practices. The Financial Services Authority (OJK) has issued OJK Regulation number 60/POJK.04/2017 concerning the Issuance and Requirements for Environmentally Friendly Debt Securities (Green Bonds) in 2017. Since then, there have been 2 companies that issued Green bonds in 2018., namely: PT Sarana Multigriya Infrastruktur (PT SMI) on 10 July 2018 with a nominal value of IDR 1 trillion (equivalent to IDR 68 million), and OCBC NISP on 1 August 2018 with a nominal value of USD 150 million (tenth of IDR 2.1 trillion).

Through the issuance of the Green Sukuk instrument, there are hopes from the Ministry of Finance, namely as follows:

It is hoped that the role and contribution of Green Sukuk in overcoming climate change in Indonesia will become increasingly significant in the coming years. This takes into account the need for environmentally friendly project financing and the large demand for Green bonds/Green Sukuk in both domestic and global financial markets.

It is hoped that it can improve Indonesia's credentials as a country committed to overcoming climate change, through continuous innovation in financial markets. Can become a benchmark and encourage more Green Instrument issuance, not only in the Indonesian domestic market but also in the Asian region. Through the issuance of Green Sukuk which use a sharia contract structure, it is hoped that it can support the development of Indonesia's sharia financial products and industry to a higher level (Noor & Manzilati, 2018).

1.3 Issuance of Green Sukuk

Indonesia as an archipelagic country located in the ring of fire is very vulnerable to disasters and global climate change. Indonesia is very committed to overcoming the impacts of climate change. This was realized, among other things, through the ratification of the Paris Agreement in 2016 and the submission of the Nationally Determined Contribution (NDC). Indonesia has also set priority activities in its national strategic development targets, or what is known as Nawacita.

In line with this goal and in line with the rapid development of the Green Bond market internationally, the Indonesian Government is starting to consider issuing Green Sukuk as an alternative source of funding to finance environmentally friendly projects in Indonesia.

The issuance of Green instruments in Sukuk format is in line with the characteristics of Sukuk which can be issued to finance infrastructure projects. In addition, the issuance of Green Sukuk is also expected to be able to access and expand the investor base, especially the green investor base, penetrate various sources of liquidity among the existing investor base, and demonstrate a response to investor needs for Green instruments. The issuance of Green Sukuk will also increase the credibility of the Indonesian Government as the first Green Sukuk issuing country in the world.

It is time for Indonesia as a trusted Sukuk issuing country to use this instrument to promote Indonesia's role in supporting the creation of a more comfortable earth. Sukuk as a financial instrument which has many similarities to bonds can be used to support programs to reduce global warming and its impacts.

Green bond model developed by the World Bank, the government can develop Green Sukuk to support infrastructure development as well as support carbon emission reduction programs. Infrastructure development in various sectors which is being intensively carried out by the Government is a potential for developing Green Sukuk.

Currently the government has an integrated infrastructure development program contained in the Master Plan for the Acceleration and Expansion of Indonesian Economic Development (MP3EI). So that this program is in line with the carbon emission reduction program, it seems necessary to align the infrastructure development program in MP3EI with the green concept infrastructure.

Some potential projects that can be categorized as green infrastructure include: power plants using renewable energy such as wind power, solar power and geothermal energy, as well as mass transportation in big cities for commuters. Furthermore, to support financing for infrastructure development, the Government can issue State Sukuk.

1.4 Infrastructure Financing in Aceh

Regional governments have an obligation to develop their regions. In carrying out these obligations, the Regional Government must of course have capital expenditure to obtain fixed assets as a means of development such as infrastructure and so on. Procurement of fixed assets can be done by building it yourself or buying it.

However, the problem is that procurement is often hampered due to limited funding sources even though fixed assets are really needed by the Regional Government. Thus, regional green Sukuk can be used as an alternative financing for fixed asset development in the region. Regional Governments will gain many advantages and benefits from the issuance of Regional Green Sukuk with a public offering mechanism for Regional Green Sukuk through the capital market, because the mechanisms in force in the capital market will allow more Again, the parties involved provide loans in the form of bonds. Apart from that, through Regional Green Sukuk, regional governments will be able to obtain loans from foreign investors, considering that direct loans are not permitted for Regional Governments. (Wulandari, Schafer, Stephan, 2018).

With the issuance of Regional Green Sukuk through the capital market have a constructive impact in the environmental and financial dimensions in Indonesia. Among the advantages of issuing regional green sukuk for infrastructure development is that it can encourage community ownership of their regional infrastructure. One indicator that can describe the progress of a region is economic growth. Economic growth

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can be calculated from changes in Gross Regional Domestic Income (GRDP) on the basis of constant prices, where this situation can describe an increase in the amount of production by eliminating the price change factor. Aceh's economic growth data in 2021 is 2.62 percent. When compared with Aceh's economic growth in 2020 of 1.98 percent, there is an increase that will occur in 2021.

Among the factors causing the slowdown in economic growth is the lack of adequate infrastructure at the regional level. This problem generally occurs in various regions. So it is a challenge for the Aceh government to innovate to encourage economic growth. This is in line with Global Competitive Index (GCI) research from the World Economic Forum which states that one of the important components of national competitiveness is the availability of infrastructure. Providing adequate infrastructure to encourage economic growth is not an easy thing, large amounts of funding are needed for this.

METHOD

Types and Research Approaches

The type of research used in this research is qualitative research. According to Moleong (2014:6), qualitative research is research that intends to understand phenomena about what is experienced by research subjects, for example behavior, perceptions, motivations, actions, etc. holistically and with a special natural context and by utilizing various natural methods.

Meanwhile, the research approach used in this research is a descriptive qualitative analysis approach. This research identifies the potential of Green Sukuk in infrastructure financing in Aceh. This research uses SWOT analysis to determine formulations for long-term strategy development.

Research Population and Sample

Sumodiningrat (2002) explains that population is an abstract meaning that shows the totality of all research objects. In line with the opinion of Sugiyono (2005), that population is a generalization area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn.

The population in this research are stakeholders involved in uncovering the potential of green Sukuk in infrastructure financing in Aceh, namely officials in the Aceh Government, the Aceh Central Statistics Agency, and related agencies.

This research takes the object in Aceh. The sample is part of the population being studied. Meanwhile, sampling is a method of collecting data that is not comprehensive, meaning that it does not cover all objects but only part of the population, that is, it only includes samples taken from that population (Suprianto, 2003).

Sampling in this research used the Purposive Sampling technique, which is a sampling approach that is not carried out on the entire population, but focuses on the research target. This approach in determining the sample takes into account certain criteria that have been created for the object in accordance with the research objectives.

Data and Data Types

1. Primary data
   Primary data is data obtained or collected by researchers directly from the data source. Primary data is also referred to as original data or new data that has up-to-data characteristics. To obtain primary data, researchers must collect it directly. In this research, researchers used primary data obtained directly within the Aceh Government apparatus.
2. Secondary Data
   Secondary data is data obtained or collected by researchers from various existing sources (researchers as second hand). Secondary data can be obtained from various sources such as the Central Statistics Agency, books, reports, journals, theses, official websites, and others. Secondary data will also be used by researchers to obtain data documented at the Aceh Central Statistics Agency, legal provisions relevant to green Sukuk, and related data.

Data collection technique

1. SWOT Analysis
   The use of SWOT analysis is carried out to analyze the internal factors of entrepreneurs in industrial areas so that it is known what factors are strengths and weaknesses. Apart from analyzing internal factors, external factor analysis is also carried out to determine opportunities and threats.

In this SWOT analysis, there are two business environmental factors, where the environment is:

1. The internal environment is a force, a condition, a state, an interconnected event which the organization has the ability to control.

2. The external environment is a force, a condition, a situation, an interconnected event which the organization/company has no ability or little ability to control or influence.

According to Rangkuti (2009), the process of preparing strategic planning in SWOT analysis goes through 3 stages of analysis, namely:

1. Data Collection Stage
   This stage is an activity to collect data and information related to internal and external factors. In this stage the model used is an Internal Strategy Factor Matrix and an External Strategy Factor Matrix.
2. Analysis Stage
   The values of internal factors and external factors that have been obtained from the results of the Internal Strategy Factor Matrix and the External Strategy Factor Matrix are described in the form of a SWOT diagram by subtracting the strength value from the Weakness value and the Opportunity value from the value threat (Threat). All information is arranged in matrix form, then analyzed to obtain a suitable strategy for optimizing efforts to achieve effective, efficient and sustainable performance. In this stage, the SWOT matrix is used, so that it can be analyzed which of the 4 existing strategic alternatives are possible for the organization to move forward. Is it a Strengths-Opportunities (SO) strategy, a Weaknesses- Opportunities (WO) strategy, a Strengths-Threats (ST) strategy or a Weaknesses-Threats (WT) strategy.
3. Decision Making Stage
   At this stage, review the four strategies that have been formulated in the analysis stage. After that, a decision is made to determine the most profitable, effective and efficient strategy for the organization based on the SWOT Matrix and in the end a strategic plan can be prepared which will be used as a guideline in carrying out subsequent activities.

2. External Factor of Analysis Strategy (EFAS)
   The EFAS matrix is used to analyze matters relating to economic, social, cultural, demographic, environmental, political, legal, technological issues and information about opportunities and threats to the organization. The stages in developing the EFAS matrix are as follows:
   1. Creation of external environmental strategic factors which include: opportunities and threats.
   2. Determining the weight of strategic factors on a scale ranging from 0.0 (not important) to 1.0 (very important). The total rating does not exceed 1.00.
   3. The rating value for the opportunity factor is positive (a greater opportunity is given a rating of +6, but if the opportunity is small, it is given a rating of +1). Threat rating is the opposite. the greater the challenge, the value is 1 and if the opportunity is greater (the value is below the average for other industries) the value is higher, 4 (Martono, 2004).
   3. Internal Factor of Analysis Strategy (IFAS)

The IFAS matrix is used to summarize and evaluate major strengths and weaknesses in a company's functional areas and also provides a basis for identifying and evaluating organizational relationships. After conducting an internal environmental analysis based on stakeholder perceptions, the final step of this analysis is to create an IFAS matrix. According to David (2002: 169) the IFAS matrix was developed based on the following five steps, namely:

1. Write down the critical success factors recognized in the internal analysis process,
2. Assign weights ranging from 0.0 (not important) to 1.0 (most important) on each factor,
3. Assign a rating of 1 to 6 to each factor to indicate the relative importance of that factor to success in the industry involved.
4. Multiplying each weight by the ranking to determine the total weighted value for each variable,
5. Add up the weighted value of each variable to determine the total weighted value in the organization.

4. SWOT Matrix

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The SWOT matrix is a tool used to develop organizational strategies. SWOT is an abbreviation of Strengths (S), Weaknesses (W), Opportunities (O), and Threats (T), which means strengths, weaknesses, opportunities and threats or obstacles, which can systematically help in identifying external factors (O and T) and factors within the company and organization (S and W). The approach used to start a research design is to use a matrix, namely a matrix where each cell can be filled in according to the following guidelines:

1. The Strengths (S) cell is made up of 5 to 10 internal strengths that a business has.
2. The Weaknesses (W) cell is made up of 5 to 10 internal weaknesses that a business has.
3. The Opportunities (O) cell is made up of 5 to 10 external forces that a business has.
4. The Threats (T) cell is made up of 5 to 10 external weaknesses that a business has. The form of the SWOT matrix can be seen in the table below:

IFAS EFAS	Strength (S)	Weakness (W)
Opportunity (O)	Strategy SO	Strategy WO
Threat (T)	Strategy ST	Strategy W.T

RESULTS

1. Potential for green sukuk issuance in Aceh province

After determining opportunities and threats in external factors as well as strengths and weaknesses in internal factors, EFAS-IFAS weighting is then carried out with the following results:

Table 2 External Factors of Analysis System

No	Opportunity (O)	Weight
1.	Regulations related autonomy area And balance financecenter in frame ensure certainty law development inAceh	1.5
2.	Bureaucracy For obtain permission from Government Aceh	1,2
3.	Technological progress is very rapid in effortsincrease efficiency in the Aceh environment	1.8
4.	community trade agreementeconomy ASEAN with growth economy in Aceh	0.1
5.	Collaboration with areas around Aceh forincrease economic growth	1
Total Weight Chance (O) 5,6		
No	Threat (T)	Weight
1.	There is support from institution study And developmentin conducting market research in Aceh	0.4
2.	Support government center shaped transfer area ineffort development of Aceh	0.4
3.	International social, political and economic conditions in efforts supporting development and economic growth in Aceh	0.6
4.	Condition social, political, And economy national in effort supporting development and economic growth in Aceh	0.4
5.	Condition social, political, And economy Aceh in effortsupport development and economic growth	0.4
Total Weight Threat (T) 2,2		

Table 3 Internal Factors of Analysis Strategy

No.	Strength (S)	Weight
1	Position geographical Aceh For support growth economy	1.8
2	Availability green infrastructure	1.5
3	Means And infrastructure economy	0.45
4	Ethos Work And soul entrepreneurship public in sector microeconomics for macroeconomic growth in Aceh	0.1
5	The potential of tourism as capital to support growth economy in Aceh	1,2
Total Strength (S) 5.05		
No	Weakness (W)	Weight
1	Potency Source Power Natural Which owned Aceh as source PAD	1.5
2	There is authority in arrange regulation legislation For optimize potential area related with effort publish regional regulations Which arrange *green* Regional *sukuk*	1.5
3	Socialization potency area to investors in growth efforts economy in Aceh	1,2
4	System bureaucracy in realize climate investment Which conducive in Aceh	0.5
5	PAD And structure APBD in support development area in Aceh	1,2
Total Weight Weakness (W) 5.9		

To find out the priorities and interrelationships between strategies based on SWOT, after breaking down the IFAS-EFAS elements of SWOT, the next stage is to carry out a combination of internal- external strategy interactions as follows:

Based on the weighting of the results on the interaction of internal-external strategy combinations, strategic priorities can be obtained by arranging strategies from those with the highest to the lowest values, as shown in the following table:

Table 4 Alternative Strategies

Priority	Strategy	Weight
1	Weaknesses-Opportunities	11.5
2	Power-Opportunity	10.65
3	Strength-Threat	8.1
4	Weaknesses-Threats	7.25

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The sequence of alternative strategies resulting from the EFAS-IFAS interaction in the table above shows that the one that produces the alternative strategy with the highest weight is the Weakness- Opportunity (WO) strategy.

2. The most appropriate strategy for exploring the potential for regional Sukuk issuance in Aceh

Translated as a strategy that minimizes existing weaknesses in the region to take advantage of existing opportunities. This condition shows that the Aceh government has quite a hard time in realizing development with conditions that favor the lower middle class so that economic growth is more optimal with equal distribution of welfare. In this way, the growth of Aceh's industry can synergize with increasing the quality and quantity of Human Resources in Aceh. So the potential for issuing regional Green Sukuk to support infrastructure financing in Aceh is important. The Weakness-Opportunity (WO) strategy based on the EFAS-IFAS SWOT interaction matrix is as follows:

1. Increasing promotions to support the socialization of the Aceh Government work program
2. The climate is conducive in Aceh, so the issuance of regional Green Sukuk is increasingly needed.
3. Constraints on legal certainty are a fundamental problem, so there needs to be progressive efforts to encourage the government to issue regulations that support the issuance of Green Sukuk in Aceh.

Some of the WO strategies that have been formulated may not all be able to be implemented simultaneously, so they need to be prioritized if implementing them jointly experiences limited resource constraints.

CONCLUSION

Based on the results of the discussion, a general conclusion was reached that the issuance of regional green Sukuk does not yet have regulations that provide legal certainty for the Aceh Government in supporting infrastructure financing in Aceh. The strategy needed to support potential efforts to issue Regional Green Sukuk based on the results of the SWOT analysis is to minimize existing weaknesses in regulations to take advantage of existing opportunities. The Weakness-Opportunity (WO) strategy based on the EFAS- IFAS SWOT interaction matrix is as follows:

1. Increasing promotions to support the socialization of Aceh Government work programs.
2. By taking advantage of the conducive climate in Aceh, regional Green Sukuk issuance is increasingly needed.
3. Constraints on legal certainty are a fundamental problem, so there needs to be progressive efforts to encourage the government to issue regulations that support the issuance of Green Sukuk in Aceh.

Some of the WO strategies that have been formulated are not necessarily all can be implemented simultaneously, so it needs to be prioritized if implementing it jointly experiences limited resource constraints.

Starting from the description of the conclusions above, the issuance of regional green Sukuk in Indonesia is not yet optimal because there is no government support for the implementation of regional autonomy. The important thing that the government must do is issue regulations that guarantee legal certainty in the issuance of green Regional Sukuk as an effort to overcome the problem of infrastructure financing in Indonesia. In addition, determining and identifying outputs and outcomes appropriately can formulate measurable indicators and performance measures.

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