PRODUCT INNOVATION SHARIA RESTRICTED INTERMEDIARY ACCOUNT IN ISLAMIC BANKING TO MACROPRUDENTIAL POLICY INSTRUMENT IN INDONESIA

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Abstract: *The limited availability of islamic banking products in showing their distinctive characteristics in mudharabah contracts is one of the triggers for the slow market share growth which only reached 7.3% as of December 2023. On the other hand, the Sharia Restricted Intermediary Account (SRIA) as an innovation for Islamic banks requires macroprudential policy instruments to be able to maintain financial system stability. This study aims to analyze SRIA product innovation in Islamic banking based on the Concept Note that has been prepared by the National Sharia Economic & Finance Committee on Macroprudential Policy Instruments in Indonesia in the form of Statutory Reserves (GWM), Sharia Macroprudential Intermediation Ratio (RIM), and Macroprudential Liquidity Buffer. (PLM) Syariah. The method used is Systematic Literature Review (SLR) of scientific articles in 4 quality scientific databases. There are 15 empirical articles on PSIA (Profit Sharing Investment Account) and macroprudential instruments suggesting that implementation of PSIA products requires accommodative macroprudential policy provisions. It is feared that aspects of liquidity risk and PSIA investment risk could shake the monetary stability of Islamic banking. Meanwhile, 5 other theoretical articles emphasized that PSIA is an investment product so that in essence the mudharabah contract used does not guarantee the principal value of return. The next method uses Delphi which yields results in the form of macroprudential policy t achieving the best consensus with the GWM mechanism in the range of 2% -7.5%, Sharia RIM in the range of 84-92%, and Sharia PLM 4.5% for SRIA products.*

Keywords: *Islamic Banking Products, Macroprudential Policy Instruments, Sharia Restricted Intermediary Account, Profit Sharing Investment Account*

1. Introduction

Throughout 2023, the growth of islamic banking is quite good, as indicated by assets that continue to grow positively. Based on the latest data from the Financial Services Authority (OJK), as of September 2023, the islamic banking market share of banks as a whole only reached 7.27%. This market share is calculated with the assumption that the industry composition consists of 172 Islamic Rural Banks with a share of 2.64%, 20 Sharia Banking Units (UUS) with a share of 31.14%, and 13 Islamic Commercial Banks (BUS) with a share of 66.22% of the total sector of Islamic banking (OJK, 2023). The market share achievement percentage is still relatively low or far from proportional compared to conventional banking market share which is at 92.73% and has also experienced a slow increase since the last five years.

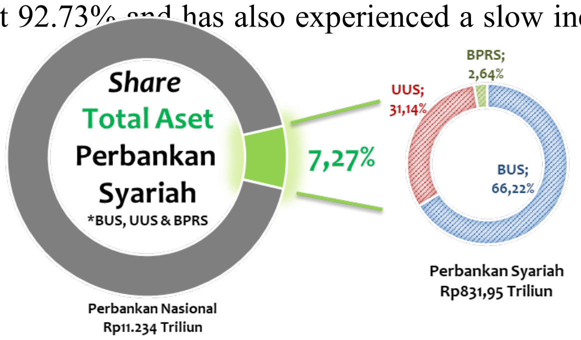


Figure 1.1 Market Share of Islamic Banking in Indonesia as of September 2023
(Source: Sharia Banking Statistics, OJK 2023; processed by the author)

Several causes that can trigger a slowdown in the growth of the sharia banking market share include limited sharia banking products which tend to still mirror those of conventional banking so that sharia banks are considered to not have their own unique product characteristics, product prices that are less competitive and product quality that is not as good as conventional banks. Apart from that, the composition of contracts in the distribution of financing to Sharia Banks as of September 2023 is still dominated by *Murabahah* (sale and purchase) contracts compared to profit sharing contracts (*Mudharabah*) and rental contracts (Ijarah). More than half of the distribution of UUS profit sharing agreement financing is aimed at consumption. The increase in financing for consumption purposes also occurred in BUS, which in previous years only reached a third of the total financing portfolio. However, in September 2023 it will almost reach 50% of the BUS financing portfolio. Currently, even though deposits at sharia banks use mudharabah contracts, these mudharabah contracts are still in the form of savings - not investments, so strategic steps are needed in developing sharia banking products so that sharia banks are able to compete with conventional banks along with their ability to demonstrate the uniqueness of their products.

In 2018, OJK began a study regarding innovation in sharia banking products under the name Sharia Restricted Intermediary Account (SRIA) as a further development of the Profit Sharing Investment Account (PSIA) product in sharia banking. A summary of this study was published in Sharia Banking Snapshot in June 2019 (OJK, 2019). Basically, SRIA is an investment product with a *mudharabah muqayyadah* agreement which is included in the temporary syirkah fund account so it is not recorded as liquidity and equity. The birth of this study was not without significant reasons. OJK found a problem in the form of a mismatch between funding and financing in sharia banking activities which caused asset growth to tend to be stagnant and the financing disbursed could not grow significantly.

SRIA has different characteristics from Third Party Funds (DPK) in banking in general. Bank customers can choose or determine certain criteria for the underlying assets or investment objects they finance with a *mudharabah muqayyadah* agreement. Therefore, SRIA products are more appropriate if they are recorded in the Temporary Syirkah Fund group which is characteristically between liabilities and equity but is not included in these two groups. However, macroprudential aspects as part of the financial system stability ecosystem need to be considered when SRIA products are implemented completely in islamic banking.

Based on data as of December 2023 from the Financial Services Authority, banking sector assets still dominate other financial services sectors in Indonesia amounting to IDR

11,315.79 T (OJK, 2023). In addition, the percentage of total islamic banking assets showed positive growth amidst the national economic recovery and global uncertainty, reaching IDR 802,260 T. This figure indicates the increasing need for a mix of macroprudential policy instruments in an effort to maintain banking stability so that the product innovations presented do not disrupt the goal of financial system stability. and trigger systemic risks that have an impact on the financial crisis.

Ultimately, in facing various future economic challenges, accommodative macroprudential policies for islamic banks must continue to be strengthened as part of Bank Indonesia's policy mix. A policy response is needed to anticipate potential new sources of risk due to the rapid digital innovation in the financial sector, including the focus of this research, namely the presence of SRIA product innovation in islamic banking.

2. Literature Review

2.1 Sharia Restricted Intermediary Account

Sharia Restricted Intermediary Account (SRIA) is a new product which is a new business model to be implemented by islamic banking in carrying out the function of this financial intermediation business model by optimizing the investment function in islamic banking by collecting funds with profit sharing without any capital guarantee (Rulindo, et al 2019). This product scheme collects funds from the public using a *mudharabah muqayyadah* agreement where investors are invited to choose to channel their investment funds into certain productive assets. As a consequence, there are differences in features between SRIA and fund collection products in other Islamic banking products in general.

2.2 Mudharabah Agreement

Mudharabah comes from the words *dharb* which means to hit or walk and *al-dharb fi al-ard*, which means to travel. Wahbah Zuhayli stated that one of the meanings of *mudharabah* is to travel on earth. This definition of hitting or walking can also be interpreted as the process of someone hitting their feet while carrying out business. Technically, *mudharabah* is a partnership, where one party provides capital (*shahibul maal*) and the other party is the fund manager (*mudharib*) (Sudiarti, 2018)

Fatwa of the National Sharia Council of the Indonesian Ulama Council (DSN MUI) No. 115 of 2017 concerning *Mudharabah* Agreements explains that a mudharabah contract is a business cooperation agreement between the capital owner (malik/shahib al-mal) who provides all the capital with the manager (*'amil/mudharib*) and the business profits are shared between them according to the agreed ratio. in the contract. Apart from that, DSN MUI Fatwa No. 7 of 2000 concerning *Mudharabah* Financing explains that *mudharabah* means a business cooperation agreement between two parties where the first party, in this case the Sharia Financial Institution (LKS), provides all the capital, while the second party, in this case the customer, acts as the manager, and business profits are shared between them according to the agreement stated in the contract, and losses will be borne by the capital owner. LKS does not participate in the management of companies or funded projects but has the right to provide guidance and supervision. LKS can also request a guarantee from the *mudharib* or a third party and can only be disbursed if the *mudharib* is proven to have violated the agreement in the contract.

2.3 Mudharabah Muqayyadah Agreement

The Mudharabah Muqayyadah agreement is an agreement where the owner of the funds provides restrictions to the manager regarding, among other things, funds, location, method and business sector. For example, not mixing funds owned by the fund owner with other funds, not investing the funds in installment sales transactions without collateral or requiring the fund manager to make the investment himself without going through a third party (Antonio, 2001).

2.4 Macroprudential Policy Theory

As the monetary authority in Indonesia, BI defines macroprudential policy as a policy aimed at maintaining the resilience of the financial sector as a whole so that it is able to overcome systemic risks due to failure of financial institutions or markets which have the impact of causing crises that are detrimental to the economy (Bank Indonesia, 2012). Borio (2003) in (Aslamah & Pratama, 2021) suggests that macroprudential policy has intermediate goals and ultimate goals. The intermediate goal of macroprudential policy is monitoring and assessing the financial system as a whole and the ultimate goal of macroprudential policy is to reduce the costs of the crisis.

Vinals (2011) states that the role of macroprudential policy in mitigating systemic risk consists of three things, namely (i) preventing potential financial imbalances; (ii) strengthening the resilience of financial institutions due to economic shocks; and (iii) identify and address common exposures, risk concentrations, linkages and dependencies between financial institutions that have the potential to transmit risks to the financial system as a whole (Vinals, 2011).

2.5 Minimum Statutory Reserve (GWM)

Minimum Statutory Reserves for Commercial Banks with Bank Indonesia in rupiah and foreign currencies by Bank Indonesia. Not long after, Bank Indonesia also released changes to PBI No. 10/19/PBI/2008 through PBI No. 10/25/PBI/2008. Thus, determining the Minimum Statutory Reserve in Indonesia cannot be separated from the 2008 PBI which is currently in effect. The Minimum Statutory Reserve (GWM) is conceptually the minimum amount of funds that banks must maintain and the amount is determined by Bank Indonesia at a certain percentage of bank deposits in third party funds. GWM consists of rupiah GWM and foreign currency GWM (PBI, 2008).

2.6 Macroprudential Intermediation Ratio (RIM)

In general, RIM is a refined ratio of LDR (Loan to Deposit Ratio) for conventional banking and FDR (Fund to Deposit Ratio) for islamic banking and sharia business units. This policy was first introduced by Bank Indonesia on July 16 2018, which classified RIM as a macroprudential policy instrument (Bank Indonesia, 2018).

The calculation model is the basis for the difference between LDR/FDR and RIM. In calculations using RIM, corporate (non-bank) bonds owned by banks will be included in the RIM calculation. The rationale underlying Bank Indonesia for including bonds in the RIM calculation model is the assumption that bonds and other securities are a substitute for banking credit distribution. These two things are bank fund placement posts. Another consideration of Bank Indonesia including bonds and securities to be included in the RIM calculation model is as an effort by Bank Indonesia to create a quality and balanced intermediation function.

Formula 2.1 Calculation of the Macroprudential Intermediation Ratio

$$\text{RIM} = \ldots\ldots(2.1)\frac{Credit + Securities\ Purchased}{Third\ Party\ Fund\ (DPK) + Securities\ Issued}$$

2.7 Macroprudential Liquidity Buffer (PLM)

Macroprudential Liquidity Buffer (PLM) and Sharia Macroprudential Liquidity Buffer (Sharia PLM) are minimum liquidity reserves in Rupiah that must be maintained by BUK and BUS in the form of securities in Rupiah that can be used in monetary operations, the amount of which is determined by Bank Indonesia at a certain percentage from BUK and BUS DPK in Rupiah.

2.8 Product Innovation

El Mallouli & Sassi (2022) defines innovation as “An idea, practice or object that is considered new by an individual or other unit of adoption”. In the banking context, innovation implies that financial institutions must be able to provide new products that can meet and satisfy customer demands in a way that makes the bank stand out from its competitors (AlQemzi, 2015). Thus, Islamic banks, while integrating sharia principles in their commercial and financial transactions, are able to stand out from other banking institutions and can further be considered as financial innovations.

3. Data and Methodology

This research used two stages of qualitative instruments, namely the Systematic Literature Review (SLR) method and continued with the Delphi method. The aim of using the SLR method is to analyze and develop the Sharia Restricted Intermediary Account product innovation concept based on previous studies. SLR is defined as the process of identifying, assessing and interpreting all available research evidence with the aim of providing answers to specific research questions (Kitchenham & Charters, 2007).

The main sources used for literature searches generally come from electronic databases as in (Xiao & Watson, 2019). It is stated that electronic databases are the main data channel that is characteristic of SLR research. Electronic databases are the dominant source of literature collections published by certain publishers. In this research, the databases used were sourced from Scopus, ProQuest, EBSCOhost, and JSTOR because they have good global credibility. The literature selected in this paper is qualitative and quantitative empirical study articles. So, researchers used an integrative review method. (Whittemore & Knafl, 2005).

Table 3.1 Searching Strategy in Literary Database Sources

Database Source	Search Strategy and Keywords
Scopus	TITLE-ABS-KEY((“Profit Sharing Investment Account*” OR “PSIA” OR “Macroprudential Policy*” OR “Macroprudential Instrument*”) AND (“Sharia Investment Account*” OR “Profit Sharing Account”) AND (“monetary policy” OR “Investment Account Holder” OR “Macroprudential Policy in Islamic Bank” OR “Macroprudential Policy in Dual Banking System”))
ProQuest	TS=((“Profit Sharing Investment Account*” OR “PSIA” OR “Macroprudential Policy*” OR “Macroprudential Instrument*”) AND (“Sharia Investment Account*” OR “Profit Sharing Account”) AND

	(“monetary policy” OR “Investment Account Holder” OR “Macroprudential Policy in Islamic Bank” OR “Macroprudential Policy in Dual Banking System”))
EBSCOhost	Profit Sharing Investment Account AND Macroprudential Instrument AND Product Innovation in Islamic Bank
JSTOR	Profit Sharing Investment Account AND Macroprudential Policy Instrument

After a series of SLR stages have been carried out and adequate results have been obtained, the research will continue with the Delphi method. The Delphi method is a method where the decision-making process involves several experts. The experts are not met directly (face to face), and the identity of each expert is hidden so that each expert does not know the identity of the other experts (Marimin, 2004). The researcher created a research design by combining two analytical methods into SLR-Delphi so that the role of Delphi as analysis supports the main method of this research.

Table 3.2 SLR-Delphi Research Design

No.	Required data	Data source	Data Acquisition Method	Analysis Method
1.1.	In-depth study of SRIA products and its correlation with macroprudential policy instruments	Scientific articles in academic journals on Scopus, ProQuest, EBSCOhost, and JSTOR.	Literature Review	*Systematic Literature Review*
2.	Perception of expert respondents	1. Head of Islamic Banking Division – National Committee of Islamic Economics and Finance (KNEKS) 2. Deputy Director of Islamic Economics & Finance Department – Bank of Indonesia 3. Head of DSN – MUI Islamic Banking Division 4. Head of Islamic Economics Undergraduate Study Program, Faculty of Economics & Business, Universitas Indonesia 5. Head of the Research Division of the Deposit Insurance Corporation (Lembaga Penjamin Simpanan) 6. Head of the OJK Islamic Banking Product	Primary survey (questionnaire)	Delphi analysis

		Development Division 7. Director of Islamic Banking Consulting Company 8. Banking Investor 9. Market Risk and Liquidity Manager of Bank Syariah Indonesia (BSI) 10. Sharia Business Manager of Bank CIMB Niaga Syariah		

Based on the proposed model framework regarding the four phases of SRIA implementation in the concept note made by the National Committee for Islamic Economics & Finance (KNEKS) in 2019 in the description in chapter 2 and the theoretical concept of macroprudential policy carried out by Bank Indonesia, several issues related to the regulation of macroprudential policy instruments including Minimum Statutory Reserves, Sharia Macroprudential Intermediation Ratio, Sharia Macroprudential Liquidity Buffer, are included as reference cluster names in the preparation of the question questionnaire. In addition, the fourth cluster included the role of SRIA product innovation in maintaining macroprudential stability as a consensus objective of the questionnaire in the Delphi analysis.

Table 3.3 Research variable

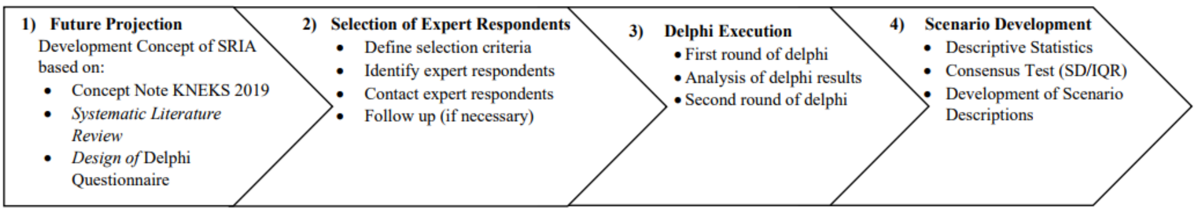
No. Cluster	Cluster	SRIA Innovation on Macroprudential Policy Instruments
I	**Statutory Reserve Requirement**	
	Indicator: Basics of SRIA Calculation in GWM Instruments	1. In phase 1, SRIA is not taken into account in GWM because the bank as investment manager does not bear liquidity risk *2.* In phase 2, SRIA is taken into account in the GWM because there is a difference in tenor between the SRIA investment and the underlying asset, resulting in the bank facing liquidity risk. 3. The calculation of GWM on SRIA in phase 2 follows the current provisions for BUS and UUS, namely 7.5% but can be given flexibility according to bank liquidity conditions. 4. Calculation of GWM in SRIA in phase 2 helps Islamic banks maintain their liquidity so that PYD is able to grow significantly 5. In phases 3 and 4, SRIA is not taken into account in GWM if the tenor of the Temporary Syirkah Investment Certificate matches the underlying asset.
II	**Sharia Macroprudential Intermediation Ratio**	
	Indicator: Basics for	1. In phase 1, SRIA is not taken into account in RIM Syariah because the bank as investment manager does not bear liquidity risk

	calculating SRIA in the Sharia Macroprudential Intermediation Ratio (RIM) Instrument	*2.* In phase 2, SRIA is taken into account in RIM Syariah because the forms of islamic banking intermediation are becoming increasingly diverse so it must beprevent and reduce risks and banking behavior that tends to be procyclical. 3. RIM Syariah's calculations on SRIA in phase 2 follow Bank Indonesia's current targets in the range84-94% with a disincentive in the form of RIM/RIMS current account obligations for banks with RIM/RIMS that do not meet the specified lower limit. 4. RIM Syariah calculations on SRIA in phase 2 are capableencouraging the creation of a balanced and quality intermediation function. 5. In phases 3 and 4, SRIA is not taken into account in RIMShariaif the tenor of the Temporary Syirkah Investment Certificate is in accordance with the underlying asset.
III	**Sharia Macroprudential Liquidity Buffer**	
	Indicator: Basics for Calculating SRIA in Sharia Macroprudential Liquidity Buffer (PLM) Instruments	1. In phase 1, SRIA is not taken into account in Sharia PLM because the characteristics of the SRIA product are that it is a tied investment product 2. In phase 2, SRIA is taken into account in Sharia PLM because it is feared that liquidity procyclicality problems will arise due to differences in the investment tenor of SRIA and its underlying assets. 3. The calculation of Sharia PLM in SRIA in phase 2 follows the latest provisions, namely 4.5% with the same flexibility value, namely 4.5%. 4. Sharia PLM calculations on SRIA in phase 2overcome the problem of liquidity procyclicality and become a liquidity-based macroprudential instrument that applies to all banks. 5. In phases 3 and 4, SRIA is not taken into account in PLMShariaif the tenor of the Temporary Syirkah Investment Certificate is in accordance with the underlying asset.
IV	**The Role of SRIA Product Innovation**	
	Indicator: The Role of SRIA Products in Maintaining Macroprudential Stability	1. In phase 1, SRIA is an islamic banking investment product that has special characteristics so that it can overcome problems between funding and financing funds. 2. In phase 2, SRIA is an islamic banking investment product with underlying assets in the form of a portfolio of securities and financing. 3. In phase 3, SRIA is an investment account that can be traded and used as the underlying sharia mutual fund product

		4. In phase 4, SRIA is a sharia banking investment product that can be easily accessed via digital platforms in the form of peer-to-peer lending or crowdfunding 5. Regulatory certainty and flexibility regarding macroprudential instruments in SRIA products supports OJK regulations regarding spin-off obligations in islamic banking in 2023 when assets exceed 50% of the parent bank.

Delphi Research Framework

The author modified the Delphi research framework based on the research design by(Kluge et al., 2020), and several two-round questionnaire Delphi studies by(Schmalz et al., 2021)And(Von Der Gracht & Darkow, 2010)which builds a scenario on research variables on the basis of consensus obtained from the Standard Deviation (SD) or Interquartile Range (IQR) values. The complete design is presented in Figure 3.3 as follows:



4. Results and Discussion

After carrying out the process of collecting data in the form of articles from the four targeted databases, the author obtained 509 articles according to the previous keyword search strategy. After that, the first stage of article screening was carried out, the author found 193 articles. The author then filtered articles based on abstract, title, keywords and removed duplicate articles to obtain 46 articles. The final filtering was by analyzing the full text of all the articles and found 20 articles worthy of further analysis along with 3 additional articles which were used as the main references for the articles. The total number of articles to be analyzed is 23 articles. The following diagram below illustrates the process of selecting and filtering articles by the author.

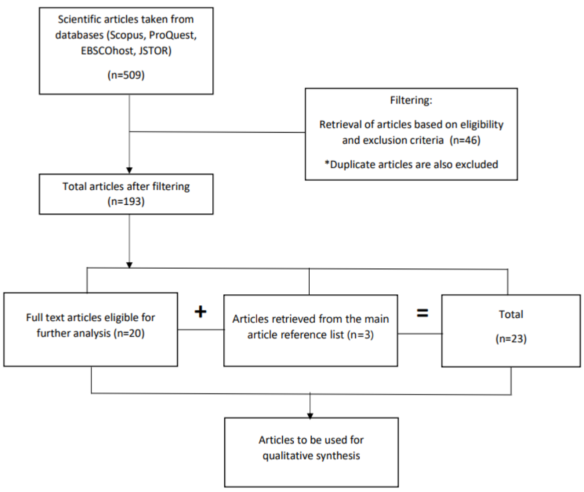


Figure 4.3 Data Collection Flow Diagram

Table 4.4 Final Article Summary Based on Author, Study Type and Journal

No.	Author	Research Type		Article Title	Journal Name
		Empirical	Theoretical		
1.	Simon Archer and Rifaat Ahmed Abdel Karim (2009)		√	Profit-sharing investment accounts in Islamic banks: Regulatory problems and possible solutions	Journal of Banking Regulation
2.	Kenneth Baldwin and Maryam Alhalboni(2020)	√		The impact of profit-sharing investment accounts on shareholders' wealth	Journal of International Financial Markets, Institutions & Money
3.	Rashid Ameer, Radiah Othman, Nurmazilah Mahzan (2012)	√		Information asymmetry and regulatory deficiencies in profit sharing investment accounts	International Journal of Islamic and Middle Eastern Finance and Management
4.	Simon Archer, Rifaat Ahmed Abdel Karim, Venkataraman Sundararajan (2010)	√		Supervisory, regulatory, and capital adequacy implications of profit-sharing investment accounts in Islamic finance	Journal of Islamic Accounting and Business Research
5.	Aprilia Beta Suandi (2017)	√		Classification of profit-sharing investment accounts A survey of financial statements of Islamic banks in Asia	International Journal of Islamic and Middle Eastern Finance and Management
6.	Salah Alhammadi, Simon Archer, Carol Padgett, and Rifaat Ahmed Abdel Karim (2018)	√		Perspective of corporate governance and ethical issues with profit sharing investment accounts in Islamic banks	Journal of Financial Regulation and Compliance
7.	Khoutem Ben Jedidia (2020)	√		Profit and loss-sharing impact on Islamic bank liquidity in GCC countries	Journal of Islamic Accounting and Business

					Research
8.	Saibal Ghosh (2019)	√		Depositor discipline, financial crisis and macroprudential policies Evidence from MENA banks	Journal of Islamic Accounting and Business Research
9.	Sana Rhoudri and Lotfi Benazzou (2022)	√		Deposit withdrawal intentions of profit-sharing investment depositors: evidence from Morocco	Journal of Islamic Marketing
10.	Omar Alaeddin, Simon Archer, Rifaat Ahmed Abdel Karim, and Mohd. Eskandar Shah Mohd. Rasid (2017)	√		Do Profit-sharing Investment Account Holders Provide Market Discipline in an Islamic Banking System?	Journal of Financial Regulation
11.	Naveed Iqbal Chaudhry, Muhammad Azam Roomi, Sidra Dar (2018)	√		Barriers to financial product innovation in Islamic banks in Pakistan: An interpretive structural modeling approach	Journal of Islamic Accounting and Business Research
12.	Firman Jatnika, Nury Effendi, Erie Febrian, Mokhamad Anwar (2019)	√		Determinants of Business Models Innovation of Islamic Banks in Indonesia	European Research Studies Journal
13.	Abdul Qoyum and Neneng Ela Fauziyyah (2018)	√		In Search for Islamic Macroprudential Policy in Indonesia: The Case of Financing to Value (FTV) and Property Financing	Journal of Islamic Economics, Finance, and Banking
14.	Xing Zhang, Fengchao Li, Zhen Li, and Yingying Xu (2018)	√		Macroprudential Policy, Credit Cycle, and Bank Risk-Taking	Sustainability
15.	Zubair Hasan (2010)		√	Profit Sharing Ratios in Mudaraba Contracts Revisited	The International Journal of Banking and Finance
16.	Rifaat Ahmed		√	The impact of the	International

	Abdel Karim (1996)			Basel capital adequacy ratio regulation on the financial and marketing strategies of Islamic banks	Journal of Bank Marketing
17.	Talla Al-Deehani, Rifaat Ahmed Abdel Karim, Victor Murinda (1999)	√		The Capital Structure Of Islamic Banks Under The Contractual Obligation Of Profit Sharing	International Journal of Theoretical and Applied Finance
18.	Hichem Hamzza and Zied Saadaoui (2013)	√		Investment deposits, risk-taking and capital decisions in Islamic banks	Studies in Economics and Finance
19.	Nun Harrieti (2018)		√	The Use of Hybrid Contracts in the Innovation of Islamic Banking Products	Hasanuddin Law Review
20.	Simon Archer, Rifaat Ahmed Abdel Karim and Talla Al-Deehani (1998)		√	Financial Contracting, Governance Structures and the Accounting Regulation of Islamic Banks: An Analysis in Terms of Agency Theory and Transaction Cost Economics	Journal of Management and Governance

After the author found 20 articles worthy of analysis, the author added 3 additional articles based on the main references of several articles that still met the eligibility and exclusion criteria.

Table 4.5 Additional Article Summaries of References Articles Worthy of Analysis

No.	Writer	Study Type		Article Title	Journal Name
		Empirical	Theoretical		
1	Sundararajan, V. and Errico, L. (2003)		√	Islamic financial institutions and products in the global financial system: key issues in risk management and challenges ahead	International Monetary Fund Working Paper
	Sundararajan, V., (2007)			Risk measurement and disclosure in Islamic finance and the implications of profit-	Islamic Economic Studies

2		√		sharing investment accounts	
3	Sundararajan, V., (2011)	√		Profit sharing investment accounts: Measurement and control of displaced commercial risk (DCR) in Islamic finance	Islamic Economic Studies

4.1 First Round Delphi Questionnaire Results

Table 4.6 First Round Delphi Questionnaire Results (processed)

No.	Criteria	Statement/Recommendation	SD	IQR	CV
1	The Role of SRIA Products in Maintaining Macroprudential Stability	In phase 1, SRIA is an innovative islamic banking investment product with special characteristics so that it can overcome problems between funding and financing funds.	0.53	1	0.12
2		In phase 2, SRIA is an islamic banking investment product with underlying assets in the form of a portfolio of securities and financing.	1.07	0.25	0.31
3		In phase 3, SRIA as an investment account that can be traded and used as the underlying is a sharia mutual fund product.	1.41	1.5	0.42
4		In phase 4, SRIA is an islamic banking investment product that can be easily accessed via digital platforms in the form of peer-to-peer lending or crowdfunding	0.99	2	0.24
5		Regulatory certainty and flexibility regarding macroprudential instruments in SRIA products can support OJK regulations regarding spin-off obligations in sharia banking in 2023 when assets exceed 50% of the parent bank.	1.30	2.25	0.39
6	Basics for calculating SRIA in the Sharia Macroprudential Intermediation Ratio (RIM) Instrument	In phase 1, SRIA is not taken into account in RIM Syariah because the bank as investment manager does not bear liquidity risk	1.41	1.5	0.40
7		In phase 2, SRIA is taken into account in RIM Syariah because forms of sharia banking intermediation are becoming increasingly diverse so they must prevent and reduce risks and behavior.	0.99	0.5	0.26
8		The calculation of Sharia RIM in SRIA in phase 2 follows Bank Indonesia's current target in the range of 84-94% with a disincentive in the form of RIM/RIMS current account obligations for banks with	0.71	1	0.19

		RIM/RIMS that do not meet the specified lower limit.			
9		Calculation of Sharia RIM in SRIA in phase 2 is able to encourage the creation of a balanced and quality intermediation function.	0.46	0.25	0.12
10		In phases 3 and 4, SRIA is not taken into account in RIM Syariah if the tenor of the Temporary Syirkah Investment Certificate matches the underlying asset.	1.28	1.25	0.47
11	Basics for Calculating SRIA in Mandatory Minimum Reserve Instruments	In phase 1, SRIA is not taken into account in GWM because the bank as investment manager does not bear liquidity risk	1.16	0.75	0.31
12		In phase 2, SRIA is taken into account in the GWM because there is a difference in tenor between the SRIA investment and the underlying asset, resulting in the bank facing liquidity risk.	0.83	0	0.22
13		The calculation of GWM on SRIA in phase 2 follows the current provisions for BUS and UUS, namely 7.5% but can be given flexibility according to bank liquidity conditions.	0.53	0	0.13
14		Calculation of GWM in SRIA in phase 2 helps sharia banks maintain their liquidity so that Disbursed Financing (PYD) is able to grow significantly	0.46	0.25	0.12
15		In phases 3 and 4, SRIA is not taken into account in GWM if the tenor of the Temporary Syirkah Investment Certificate matches the underlying asset.	1.04	1.25	0.38
16	Basics for Calculating SRIA in Macroprudential Liquidity Buffer Instruments	In phase 1, SRIA is not taken into account in Sharia PLM because the characteristics of the SRIA product are that it is a tied investment product	1.07	1.25	0.31
17		In phase 2, SRIA is taken into account in Sharia PLM because it is feared that liquidity procyclicality problems will arise due to differences in the investment tenor of SRIA and its underlying assets.	0.83	0	0.22
18		The calculation of Sharia PLM in SRIA in phase 2 follows the latest provisions, namely 4.5% with the same flexibility value, namely 4.5%.	0.53	0	0.13
19		Sharia PLM calculations in SRIA in phase 2 overcome the problem of liquidity procyclicality and become a liquidity-based macroprudential instrument that applies to	0.74	0.25	0.21

		all banks.			
20		In phases 3 and 4, SRIA is not taken into account in Sharia PLM if the tenor of the Temporary Syirkah Investment Certificate matches the underlying asset.	1.07	1.25	0.36

According to the main objective of using the Delphi method in validating statements/recommendations related to a particular topic, it is to achieve convergence of answers/consensus. There are three indicators that serve as parameters for whether the statements/recommendations in the proposed questionnaire reach consensus or not. Several recent studies using the two-round Delphi method have been carried out by (Cui et al., 2023; Schropp, 2023; Zúñiga et al., 2023). Cui et al., (2023) uses statistical indicators such as Standard Deviation (SD), and Coefficient of Variation (CV) to determine Delphi consensus. In this research, it was stated that the condition for achieving convergence of Delphi answers is when the results of the accumulated answers have a Standard Deviation value of less than 1.5. The Interquartile Range (IQR) value is less than 2.5 and the Coefficient of Variation (CV) value is in the range 0-0.5. Meanwhile, it was also stated that the best SD value that can be obtained is 0, the best IQR value is 1 and the KV value is 0.1.

The author carried out the second round of Delphi with all 10 expert respondents or added two persons from the first round of Delphi. The author rephrased suggestions for additional criteria from respondents by adding three criteria to the questionnaire, namely SRIA risk criteria, literacy criteria, potential and characteristics of SRIA investors, as well as SRIA guarantee criteria. The total number of statements which originally numbered 20 increased to 38 statements. The results of the second round of Delphi questionnaire analysis along with statistical indicators of answer convergence can be seen in the following table:

Table 4.7 Results of Second Round Delphi Questionnaire Analysis

No.	Criteria	Statement/Recommendation	SD	IQR	CV
1	The Role of SRIA Products in Maintaining Macroprudential Stability Code: INV 1	In phase 1, SRIA is an innovative sharia banking investment product with special characteristics so that it can overcome problems between funding and financing funds.	0.71	1	0.16
2		In phase 2, SRIA is a sharia banking investment product with underlying assets in the form of a portfolio of securities and financing.	0.97	0	0.27
3		In phase 3, SRIA as an investment account that can be traded and used as the underlying is a sharia mutual fund product.	1.17	1	0.35
4		In phase 4, SRIA is a sharia banking investment product that can be easily accessed via digital platforms in the form of peer-to-peer lending or crowdfunding	0.92	2	0.22
5		Regulatory certainty and flexibility regarding macroprudential instruments in SRIA products can support OJK regulations regarding spin-off	0.97	1	0.28

		obligations in sharia banking in 2023 when assets exceed 50% of the parent bank.			
6	Basics for calculating SRIA in the Sharia Macroprudential Intermediation Ratio (RIM) Instrument Code: RIM 2	In phase 1, SRIA is not taken into account in RIM Syariah because the bank as investment manager does not bear liquidity risk	1.17	0	0.33
7		In phase 2, SRIA is taken into account in RIM Syariah because forms of sharia banking intermediation are becoming increasingly diverse so they must prevent and reduce risks and behavior.	0.95	0	0.26
8		The calculation of Sharia RIM in SRIA in phase 2 follows Bank Indonesia's current target in the range of 84-94% with a disincentive in the form of RIM/RIMS current account obligations for banks with RIM/RIMS that do not meet the specified lower limit.	0.57	0	0.15
9		Calculation of Sharia RIM in SRIA in phase 2 is able to encourage the creation of a balanced and quality intermediation function.	0.42	0	0.11
10		In phase 3, SRIA is not taken into account in RIM Syariah if the tenor of the Temporary Syirkah Investment Certificate matches the underlying asset.	0.82	1	0.25
11		In phase 4, SRIA is taken into account in RIM Syariah because investors can be individual with the peer to peer lending concept.	0.63	1	0.15
12	Basics for Calculating SRIA in Mandatory Minimum Reserve Instruments Code: GWM 3	In phase 1, SRIA is not taken into account in GWM because the bank as investment manager does not bear liquidity risk	1.07	1	0.30
13		In phase 2, SRIA is calculated in the GWM in the range of 2-7.5% because there is a difference in tenor between the SRIA investment and the underlying asset, resulting in the bank facing liquidity risk.	0.94	1	0.24
14		The calculation of GWM on SRIA in phase 2 follows the current provisions for BUS and UUS, namely 7.5% but can be given flexibility according to bank liquidity conditions.	0.57	0	0.14
15		Calculation of GWM in SRIA in phase 2 helps sharia banks maintain their liquidity so that Disbursed Financing (PYD) is able to grow significantly	0	0	0
16		In phase 3, SRIA is not taken into account in GWM if the tenor of the Temporary Syirkah	1.29	2	0.31

		Investment Certificate matches the underlying asset.			
17		In phase 4, SRIA is not taken into account in GWM because investors are individual with the peer to peer lending concept	0.67	0	0.18
18	Basics for Calculating SRIA in Macroprudential Liquidity Buffer Instruments Code: PLM 4	In phase 1, SRIA is not taken into account in Sharia PLM because the characteristics of the SRIA product are that it is a tied investment product	0.82	0	0.20
19		In phase 2, SRIA is taken into account in Sharia PLM because it is feared that liquidity procyclicality problems will arise due to differences in the investment tenor of SRIA and its underlying assets.	1.06	1	0.29
20		The calculation of Sharia PLM in SRIA in phase 2 follows the latest provisions, namely 4.5% with the same flexibility value, namely 4.5%.	0.82	1	0.22
21		Sharia PLM calculations in SRIA in phase 2 overcome the problem of liquidity procyclicality and become a liquidity-based macroprudential instrument that applies to all banks.	0.79	0	0.21
22		In phase 3, SRIA is not taken into account in Sharia PLM if the tenor of the Temporary Syirkah Investment Certificate matches the underlying asset.	0.92	1	0.29
23		In phase 4, SRIA is taken into account in Sharia PLM because investors can be individual with the peer to peer lending concept	0.85	1	0.19
24	SRIA risks Code: RIS 5	OJK Circular No. 34/SEOJK.03/2015 concerning Calculation of Risk Weighted Assets (RWA) for BUS Credit Risk that the principle of risk weighting of productive assets with a Profit Sharing Investment Account (PSIA) funding source is set at 1% providing benefits for BUS because they bear less credit risk	0	0	0
25		In Phase 2, management risk and investment risk are the responsibility of the investment manager as per OJK Regulation No. 24/POJK.04/2014 concerning Guidelines for Implementing Investment Manager Functions in the realm of sharia capital markets which include investment, research, trading and securities transaction settlement functions.	1.20	2	0.39
26		In Phase 3, it is proposed to invest in SRIA in	0.52	1	0.12

		the form of a Temporary Syirkah Investment Certificate issued by a sharia bank and then purchased by investors based on their risk appetite and investors have the right to obtain information on the valuation of the investment value because SRIA is not counted as a Bank's Non-Performing Financing (NPF).			
27		Islamic banks need to make an agreement with investors that funds cannot be withdrawn before the financing period ends and create an exit mechanism for investors to mitigate liquidity risks	0.52	1	0.12
28		Operational risks in the implementation of SRIA must use special provisions on customer due diligence (CDD) in the form of identification, verification and monitoring efforts carried out by banks to ensure that transactions are carried out in accordance with the profile of bank service users.	0.42	0	0.10
29	Literacy, Market Potential, and Characteristics of SRIA Investors Code: PAS 6	In phase 1, SRIA requires massive literacy and outreach to potential investors from within and outside the country	0.53	1	0.12
30		In phase 2, prospective SRIA investors should be professional investors who have experience as investors in the Islamic capital market	0.52	1	0.12
31		In phase 3, SRIA investors should have a risk profile characteristic of moderate-aggressive	0	0	0
32		In phase 4, the crowdfunding platform to collect SRIA investor funds that reaches individual professional investors is tradeable over the counter between fellow investors	0.63	1	0.17
33		SRIA product offerings are carried out using a private placement scheme such as sukuk issuance with a limited offer first to several parties	0.52	1	0.11
34	SRIA Product Guarantee Code: 7 O'CLOCK	Banks as managers of SRIA may guarantee the return of capital at their own will without requests from investors as per DSN MUI fatwa No. 105 concerning Guaranteed Return of Capital for Mudharabah, Musyarakah and Wakalah Bil Istitsmar Financing	1.27	1	0.51
35		SRIA based on a Mudharabah agreement can be included in the Mudharabah Madhmunah category, which is a deposit based on a mudharabah agreement applied in sharia banking (mudharabah mashrafiyyah) which is guaranteed by LPS as DSN MUI fatwa no. 118 concerning	0.67	1	0.18

		Guidelines for Guaranteeing Sharia Bank Customer Deposits			
36		SRIA guarantees may be made on capital (ra's al-mal) in accordance with the mudharabah madhmunah agreement and profit sharing which has become the customer's right but has not been paid	0.67	1	0.18
37		LPS as the guarantor of SRIA has the right to determine the amount of premium that must be paid by Sharia Bank if SRIA as an investment product is included in the mudharabah madhmunah contract.	0	0	0
38		Sharia savings guarantee by LPS is carried out based on the kafalah principle of SRIA which uses a mudharabah madhmunah contract	0.63	1	0.15

Based on the table above, all statements reached consensus, nothing that there were 25 statements that reached the best consensus because they had an SD value = 0 or an IQR value = 1. Meanwhile, the remaining 13 statements did not reach the best consensus. The two criteria for which all statements reached consensus were the SRIA risk criteria (RIS 5) and the SRIA product guarantee criteria (JAM 7). These two criteria are additional criteria that have just appeared in the second round of the Delphi questionnaire.

5. Conclusion

This study attempt to analyze how the implementation design of SRIA as a product innovation in Islamic banking refers to PSIA products in synergy with macroprudential policy instruments in Indonesia. Against the background of the relatively stagnant growth of the islamic banking market share over the last five years, this indicates a problem in the form of limited islamic banking products. Apart from that, as mentioned on law 4 year 2023 on financial sector development and strengthening (P2SK) about separation of a UUS into a BUS must be carried out if the UUS asset value reaches at least 50% of the total asset value of the parent bank makes competition between banks more competitive so that the drive for innovation in islamic banking products becomes higher. No less important, the issue of appropriate regulation of macroprudential policy instruments for SRIA product innovation in its implementation in Indonesian islamic banking needs to be studied scientifically so as not to trigger systemic risks that could disrupt the stability of the financial system, especially in the banking sector.

The results of the Systematic Literature Review analysis obtained 509 articles published in reputable international journals from 4 databases such as Scopus, ProQuest, JSTOR, and EBSCOHost. These articles were filtered in such a way based on predetermined analysis eligibility criteria until finally 23 articles were suitable for analysis. The current condition of PSIA in several countries shows ambiguity and lack of clarity in profit sharing schemes which still present major risks such as credit risk, investment risk, and Displaced Commercial Risk (DCR), which is a special risk in Islamic banks. Apart from that, the presentation of financial reports regarding PSIA has not yet been adapted to international standards from AAOIFI, which has resulted in the lack of uniformity in recording PSIA in the financial reports of various islamic banks, especially in Asia. Meanwhile, research articles discussing macroprudential policy instruments lead to conclusions regarding macroprudential policy in Islamic banks stating that regarding the urgency of these policies, they are able to bring about market discipline among customers in Islamic banks for PSIA.

Lastly, research on product innovation in Islamic banking emphasizes analysis of the obstacles experienced by Islamic banks in carrying out innovation, including high innovation costs; lack of customer awareness; differences in schools of thought among members of the sharia council; incompatibility between the product design department and sharia board members; lack of research and development; the inadmissibility of the concept of Islamic banking; lack of training on new products; imitation of new products by competitors; and limited use of new product development tools.

Complementing the findings of the SLR method, the author uses the Delphi method by analyzing the results of the first round and second round of the Delphi questionnaire from several experts based on criteria. In general, the answers obtained can be concluded that the three macroprudential policy instruments GWM, RIM, and PLM reached consensus through the results of the 2 round Delphi method validation with criteria GWM 2-7.5%, RIM 82-94% and PLM 4.5%. Specifically, RIM and PLM adapt their respective Islamic banking flexibility. Returning to the ideal concept of SRIA, it can be concluded that SRIA is an investment product with typical Islamic banking characteristics which is able to increase bank intermediation with *mudharabah muqayyadah* agreements and is implemented in 4 development phases with various scenarios according to the readiness of Islamic banks and regulators. Apart from that, there are risk priorities that need to be considered when implementing SRIA products, namely liquidity risk, investment risk, credit risk and operational risk. The SRIA market potential includes professional investors with a moderate risk profile that tends to be aggressive and special contracts for SRIA products can be adjusted to become *mudharabah madhmunah* so that they are guaranteed by Indonesia Deposit Insurance Corporation (Lembaga Penjamin Simpanan).

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