The Impact of Financial Inclusion and Islamic Fintech on the Challenges of the SDGs *(Sustainable Development Goals)*

Mufaidah
Universitas Airlangga, Indonesia
Mufaidah-2020@feb.unair.ac.id, Mufaidahfae@gmail.com

Abstract

Islamic fintech has the potential to encourage financial inclusion by meeting the needs of the non-bankable market segment. Therefore, the role of fintech in accelerating financial inclusion for the community is very significant because fintech has various approaches to assessing creditworthiness or financing for its customers. the role of financial inclusion will lead to the achievement of the challenges of the Sustainable Development Goals (SDGs). Poverty alleviation is one of Indonesia's development priorities. This is in line with the first commitment to the Sustainable Development Goals (SDGs), namely reducing poverty and hunger. The results show that Islamic Fintech and financial inclusion have a significant influence on the SDGs.

I. Introduction

The Financial Technology (Fintech) industry in Indonesia is experiencing significant development with the addition of several fintech startups with Sharia and conventional financing systems. Technological advances characterized by disruptive innovation have facilitated the development of FinTech in the financial services industry. Fintech itself is not new in the financial services industry, it has been around since 1866 (Buckley et al., 2016).

Based on data published by the Financial Services Authority (OJK) in August 2021, there are 9 Sharia Fintech operating companies in Indonesia with total assets of 116 billion Rupiah. The remaining 107 companies are controlled by conventional fintech companies with assets of 4.241 billion. During the 7 months between February 2021 and August 2021, there were 749,175 *Accumulated Lender Accounts (entity units).* Intech Syariah is an integral part of the country's fintech industry, and also plays a role in encouraging the development of MSMEs in Indonesia. FinTech Syariah also encourages the distribution of Sharia-based financing in various regions of Indonesia, where almost all clients are MSMEs (Prestama et al., 2019). Based on data from the Financial Services Authority (OJK), over the past 3 yea, rs there has been a significant development in *peer-to-peer lending (P2P lending)* in Indonesia, this is seen in the total number of fintech assets and players in the Fintech Industry (OJK, 2020a). The existence of Islamic fintech is still relatively new, but the growth is relatively progressive when compared to conventional fintech.

Financial performance is a measuring instrument to know the process of implementing the company's financial resources. It sees how much management of the company succeeds, and provides benefits to the community (Ichsan, R. et al. 2021).

The growth of Sharia Fintech is due to the number of MSME entrepreneurs who do not have access to banking. As we know that MSMEs make a great contribution to GDP and job creation. The contribution of MSMEs to GDP ranges from 52-to 57%, while the

contribution is 61% to the absorption of labor in developing countries (Abor, 2010). According to a world bank report in 2020, MSMEs account for about 40% of GDP, and as much as 90% of the total business available, as many as 50% of jobs are obtained from the MSME sector. So the world's population gets a lot of jobs from the MSME sector. In addition, MSMEs are more important and more relevant to development in Islamic countries because as many as 53.2 MSMEs are developing in Muslim-majority countries compared to the total average MSMEs globally which is only around 25.2 per 1000 population (IDB, 2020).

In addition, the government's efforts to build infrastructure that can encourage people to reach financial facilities throughout Indonesia also encourage the increasing trend of Fintech, not least Sharia Fintech. It is also in line with the government's goal of increasing financial inclusion. Islamic fintech has the potential to encourage financial inclusion by answering the needs of the non-banking segment. Therefore, the role of fintech in accelerating financial inclusion for society is very significant because fintech has various approaches to assessing creditworthiness or financing for its customers (Fenwick et al., 2017). Fintech Syariah offers solutions for MSMEs in reducing the gap between financial institutions and those who need project financing (Mukhlisin, 2019). Fintech supports financial inclusion programs where two-thirds of Indonesia's population does not yet have access to financial institutions and the majority of these two-thirds are MSMEs. The lack of access is because MSMEs have not been able to reach banking services and the presence of fintech can bridge the needs of MSMEs who do not have these capabilities (Fenwick et al., 2017; Jagtiani & Lemieux, 2017; Saripudin et al., 2021). In addition, the role of financial inclusion will lead to the achievement of the Sustainable Development Goals (SDGs) challenges. Poverty alleviation is one of Indonesia's development priorities. This is in line with the first commitment of the Sustainable Development Goals (SDGs), which are to reduce poverty and hunger.

II. Review of Literature

2.1 Islamic Financial Technology (Islamic Fintech)

Financial technology or FinTech is a new term for the interconnectedness of finance and technology. Financial and technological interrelationships have a long history, but the latest wave of developments poses new regulatory challenges due to the unprecedented pace of technological developments including Big Data, Artificial Intelligence, enhanced connectivity, and storage technologies such as Blockchain and cloud services. FinTech brings not only great opportunities to positively transform finance, but also new big risks that have the potential to impact regulatory goals. According to Leong & Sung (2018), fintech is a formative idea for improving financial services operations by providing solutions in the form of technology that is by business scenarios. While Maier (2016) explained that fintech is a combination of finance and technology with more innovative solutions and sustainable business models.

Arner, et al (2020) to redesign finance to support sustainability through the UN SDGs, said they are focused on one significant path: digital financial transformation in support of financial inclusion and financial development. Strategies focused on digital financial transformation support financial inclusion, new financial resource generation,n and direct achievement of the SDGs, for example through a combination of digital identification systems, simplified account opening processes, easilyoperatablee electronic payment systems, and government services to citizens can be provided through core financial infrastructure.

2.2 Financial Inclusion

Financial inclusion involves providing financial services at affordable costs to all parts of society. Financial inclusion allows a person to manage their finances more efficiently, reduce poverty and support broader economic growth. In addition, the benefit of First Financial Inclusion is to reduce future risks. For example, by making savings someone can reduce the risk in the event of a decrease in income or future needs, and invest in their education, health, and business. Second, increase the level of efficiency in everyday life: for example, bills can be paid electronically without taking time off work. Third, financial inclusion enables the socialization and diversification of public financial risk through the financial system. For example, breadwinner insurance can prevent a person from falling back into poverty if there is a risk of losing their job. Fourth, financial inclusion supports economic growth through increasing financial resources to support real economic activities, especially for individuals and small and medium-sized enterprises (MSMEs).

2.3 Small and Medium Enterprises (MSMEs)

According to Henry (2013:46), income is the inflow of assets or other increases in assets or settlement of an entity's liabilities (or a combination of the two) from the delivery of goods, services, or other assets that are the main operations or central operations of the company.

Based on Law No. 20 of 2008 on Small and Medium Micro Enterprises, UMK is defined as follows:

a. Micro Enterprises are productive businesses owned by individuals and/or individual business entities that meet the criteria of Micro Enterprises as stipulated in this Law

b. Small Business is a stand-alone productive economic venture, conducted by individuals or business entities that are not subsidiaries or are not branches of companies owned, controlled, or become part of either directly or indirectly from Medium Enterprises or Large Businesses that meet the criteria of Small Businesses as referred to in this Law

Based on the wealth and the results of the sale of UMK criteria based on article 6 of Law No. 20 of 2008 are as follows:

Micro Business Criteria are as follows:

1. Have a net worth of at most Rp 50,000,000.00 (fifty million rupiahs) excluding land and buildings where the business is

2. Have the most annual sales result of Rp 300,000,000.00 (three hundred million rupiahs)

The criteria for small business are as follows:

a) Have a net worth of more than Rp 50,000,000.00 (fifty million rupiahs) up to a maximum of Rp 500,000,000.00 (five hundred million rupiahs) excluding land and buildings where the business is

b) Have annual sales proceeds of more than Rp 300,000,000.00 (three hundred million rupiahs up to a maximum of Rp 2,500,000,000.00 (two billion five hundred million rupiahs)

2.4 Sustainable Development Goals (SDGs)

The concept of Sustainable Development Goals (SDGs) was born at the Sustainable Development Conference held by the United Nations in Rio de Janeiro in 2012. The purpose of the meeting was to achieve a universal common goal that could maintain a three-dimensional balance of sustainability. Development: environmental, social, and economic. In maintaining this balance, the SDGs have 5 main foundations namely human,

planetary, prosperity, peace, and partnership that want to achieve three noble goals by 2030 in the form of alleviating poverty, achieving equality, and tackling climate change. Poverty remains an important and important issue.

The World Bank in its publication, World Development Report 2000/2001: Attacking Poverty, defines poverty as a condition in which a decent standard of living is not achieved. In addition, the World Bank uses inadequate clothing, food, and shelter; inability to access health care; and low access to education, as an indicator to mark someone categorized as poor or not. Meanwhile, the United Nations (UN) in its publication, The World Situation Report 1997, described poverty as a condition related to the inability to meet basic needs. BPS measures poverty using standards and concepts applied in many countries, namely the basic needs approach.

2.5 Theoretical Framework
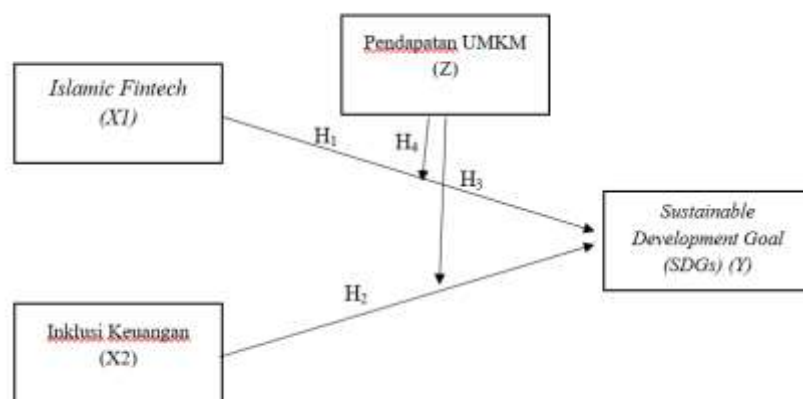
Figure 1. Theoretical Framework

2.6 Islamic Fintech's Relationship with Financial Inclusion

In his writing (Yulianasari & Marina: 2021) *the use of financial technology* has an impact on financial literacy and financial inclusion in Micro Small and Medium Enterprises (MSMEs) in Bengkulu City. FinTech will help the Islamic finance industry to be more competitive, encourage financial inclusion by serving poorer segments of society,mprovemproving customer experience, and trust. For example, Todorof (2018) argues that FinTech will increase competitiveness, cut service costs, and reduce credit gaps in the Islamic finance industry. In addition to the World Bank (2020), the FinTech revolution has made a promising and dynamic impact on Islamic finance in the form of the Islamic FinTech ecosystem. In addition, Miskam et al. (2019) argue that FinTech will reposition the Islamic financial system through increased reach, cost-effectiveness Sharia compliance, efficient processes, and financial inclusion.

2.7 Islamic Fintech's Relationship to MSME Revenue

Research of Winarto, Wahidwachyu adi (2020) with the title of Financial Technology Position in Small and Medium Micro Enterprises (MSMEs) stated that the improvement of Financial technology carried out by financial organizations be it banking, savings and loan cooperatives, and other financial organizations can foster financial literacy and financial inclusion in Small and Medium Micro Enterprises (MSMEs))

2.8 Relationship of Financial Inclusion to MSME income

Based on Nugroho's dissertation, 2021 with the title Of Islamic Banking Financial Inclusion Role on The Performance of Small and Medium Micro Enterprises (MSMEs) revealed that the Availability of banking services of Islamic banks has a positive and significant effect on the performance of MSMEs, both performance measured by the number of MSMEs and measured by the number of workers in MSMEs. From this, research it was found that financial inclusion as measured from the services of Islamic banks influences MSME income which is one of the indicators of MSME performance. In line with research conducted by Idawati & Pratama (2020) conducted in Denpasar City where the results of the study revealed that there is a significant influence between financial literacy on the performance and sustainability of MSMEs. The interpretation in this study is that with a good understanding of financial literacy, it is expected that MSMEs can make appropriate financial decisions and financial management so that they can affect the improvement of performance and business continuity.

2.9 Islamic Fintech's Relationship with the SDGs

Digital finance and FinTech play three core roles inabouthe achievement of the SDGs. First, increase the allocation of existing financial resources to support sustainable development. This occurs through business models, incentives, policies, and regulations to direct financial resources globally and in individual countries to provide SDG-related financing. Examples include LST (environmental, social, and governmental) and Green investment strategies, and rapid growth in the EU, China, and Japan, particularly in LST-related financing. The second involves expanding resources in the financial system in general which in turn can support the SDGs. This happens through financial inclusion and the development of the financial sector, which together can increase the number of financial resources available globally and particularly in developing countries and with increased savings, investments, and inclusion resulting in potentially large amounts of new money available. China's digital financial transformation may be the best example of this. The third involves using digital finance and FinTech to directly achieve the SDGs themselves. This is happening through the use of new technologies and regulatory technologies (RegTech) to design better financial and regulatory systems to achieve policy objectives, with the India Stack strategy demonstrating the dramatic potential on offer.

2.10 Financial Inclusion relationship with the SDGs

Financial inclusion is essential to addressing current global challenges as outlined in the UN SDGs. Arner et al (2020) "Financial inclusion involves delivering financial services at an affordable cost to all parts of society". In addition, arner et al (2020) also stated that

"Financial exclusion takes from people the opportunity to think, plan and act long-term Where risks that could be avoided, hedged or socialized through the financial system materialize we force the excluded to think and act short-term, often unsustainable. Financial inclusion and sustainability are two sides of the same coin, aimed at the UN SDGs core objective: promoting prosperity while balancing risks"

In addition, Arner et al (2020) conveyed that financial inclusion has a relationship with the SDGs because of the following:

"Financial inclusion involves delivering financial services at an affordable cost to all parts of society. It enables people to manage their financial obligations efficiently, reduces poverty, and supports wider economic growth. First, it reduces individuals' vulnerability. For instance, facilitating saving allows people to weather shocks and invest in their

education, health, and micro-businesses. Second, it increases the efficiency of daily life: bills can be paid electronically without time of woof. Third, financial inclusion allows the socialization and diversification of peoples' financial risks through the financial system. For instance, breadwinner insurance can prevent people from falling back into poverty. Fourth, financial inclusion supports economic growth through increasing financial resources to support real economic activity, particularly for individuals and small and medium enterprises (SMEs)"

2.11 MSME Income Relationship to SDGs

MSME income has a role and relationship with SDGs although not easily explained in the UN SDGs with the increase in MSME income or micro business, will increase the ability or purchasing power of the community so that the economy will grow. This economic growth will reduce the poverty rate which is one of the goals of the UN SDGs. Arner et al (2020) *mentions that "financial inclusion supports economic growth through increasing financial resources to support real economic activity, particularly for individuals and small and medium enterprises (SMEs)"*

2.12 Hypothesis

The hypotheses in this study are:

H_1: Islamic Fintech affects SDGs

H_2: Financial inclusion affects SDGs

H_3: MSME revenue strengthens the influence of financial inclusion on SDGs

H_4: MSME revenue strengthens Islamic Fintech's influence on SDGs

III. Research Method

The method used in this qualitative method. The data sample tested was Sharia Fintech in Indonesia. The type of data used in the study was a time series that reflected changes in the subjects of the time. Periodic data (time series) is data arranged in the order of time or data collected over time. The time used can b12 months between 2018 and 2021. The analytical method used in this study is the linear regression analysis method. The analysis in this study to see if there is a direct and indirect influence by using regression and cholera so that it can be known to arrive at the final dependent variable must be through direct routes or intervening variables or moderators. In this study, linear regression analysis was used to prove the extent of the relationship between the influence of Islamic Fintech (X1) and Financial Inclusion (X2) variables on SDGs (Y2) with msme revenue moderator variables.

Table 1. Operational Definition

Variabel	Konsep	Sumber
Islamic FinTech	Islamic fintech is defined as a segment of financial technology that follows sharia principles, which prohibit profiting from debt, interest payments, and investments in businesses related to alcohol, tobacco, and gambling.	Karadima, Sofia (2021)
Financial inclusion	Accessibility to financial institutions is called financial inclusion.	Amidzic et al, (2014)

MSME Income	Revenue is the receipt of the results obtained in conducting economic activities related to the company's activities and the results of the sale of factors of production owned by the company.	(Boediono, 2000)
Sustainable Development Goals (SDGs)	The Sustainable Development Goals (SDGs) are a global action plan agreed upon by world leaders, including Indonesia, to end poverty, reduce inequality and protect the environment.	SDG United Nation (2021)

Table 2. Indicator

| Variabel	Indikator
Islamic FinTech (IF)	Total Outstanding Financing at Sharia Fintech
Financial Inclusion (FI)	Amount of outstanding loan (Borrower)
Pembiayaan UMKM	Total contribution of MSMEs to GDP
Sustainable Development Goals (SDGs)	Number of poor people

IV. Results and Discussion

The study used time series from 2018 to 2021. With a sample collected of as many as 48. Data will be analyzed using Linear regression with SPPS 28 program.

Table 3. Descriptive Statistics

	N	Mean	Std. Deviation	Variance
Islamic Fintech	48	3.0525	1.66940	2.787
Financial Inclusion	48	16.6573	12.31275	151.604
MSME Income	48	2.1756	.26875	.072
SDGs	48	10.8688	.91766	.842
Islamic Fintech, MSME Income	48	6.4050	2.78555	7.759
Financial Inclusion, MSME Income	48	36.1202	27.30274	745.439
Valid N (listwise)	48			

4.1 Analysis of Research Results

Before linear regression, it is necessary to test the classic assumptions, namely the Normality Test, Multicollinearity Test, Autocorrelation Test, and Heteroskedasticity Test. The normality test is performed to test whether the variable is free, variable bound, or both in a normally distributed regression model. The best model is normal or close to normal data distribution (Judges 2001: 254). Data that can be said to be normal distribution has at least 30 data (N), so the research is said to be completed because it consists of 48 free variables. Normality can be detected by looking at the distribution of data on the diagonal axis, graphing by looking at the residual histogram, and looking at the NPP (normal probability plot). When the histogram forms a bell pattern and does not trend to the left.
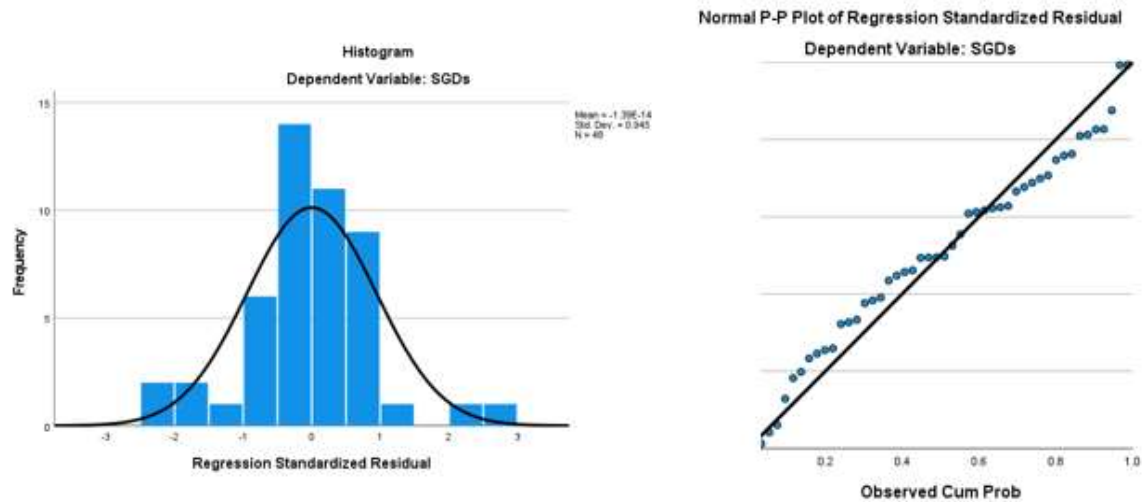
Figure 2. histogram

Based on the pattern formed shows that the data is distributed normally by looking at the bell-shaped pattern. Thus it can be said that based on histograms the research data meet the assumption of normality. In addition, to support the results of this study's normality test, please review the Normal Probability Plot (NPP) chart mode. The rule used in normal probability plots is that normal plots appear as the distribution of dots around the diagonal and follow diagonal directions, indicating that the regression model meets the assumption of normality.

Table 4. Coefficients

| Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIEW
1	(Constant)	13.147	.658		19.973	<,001		
	Islamic Fintech	.025	.047	.045	.533	.596	.517	1.933
	Financial Inclusion	.056	.005	.752	10.920	<,001	.787	1.270
	MSME Income	-1.511	.267	-.443	-5.664	<,001	.611	1.637
a. Dependent Variable: SGDs								

According to Widarjono (2010:75), multicollinearity is a linear relationship between free variables in multiple regressions. If there is a correlation between free variables, then there is a multicollinearity problem. The absence of multicollinearity can be known by the statistical identification of tolerance values and variance inflation factors (VIFs). Based on the results obtained by VIF Islamic Fintech 1,933, financial inclusion 1,270, and MSME revenue 1,637. Variance Inflation Factor (VIF) greater than 1 and less than 10 results in the so-called absence of multicollinearity. The results showed that the value of tolerance is not the same as zero. Based on the conclusion of VIF and Tolerance values there is no colinearity between free variables. Subsequent testing uses the Durbin-Watson (DW) test to test autocorrelation.

Table 5. Durbin Watson (DW) Autocorrelation Test

Durbin-Watson	Result	Description
1.049	DW, in the range 0-1.421	There is a positive autocorrelation

The results are shown in the Durbin Watson Autocorrelation Test table (DW) that the Durbin-Watson value is 1,049 which means the value is in the range between 0-1,421. Thus it can be concluded that there is a positive autocorrelation. So that the correlation between the error of the shake in period t and the error of the shake in period t-1 or the previous period may exist because it is timed series data. The heteroskedasticity test aims to test whether in the regression model there is a variant inequality from residual one observation to another. A good research model does not occur heteroskedasticity.
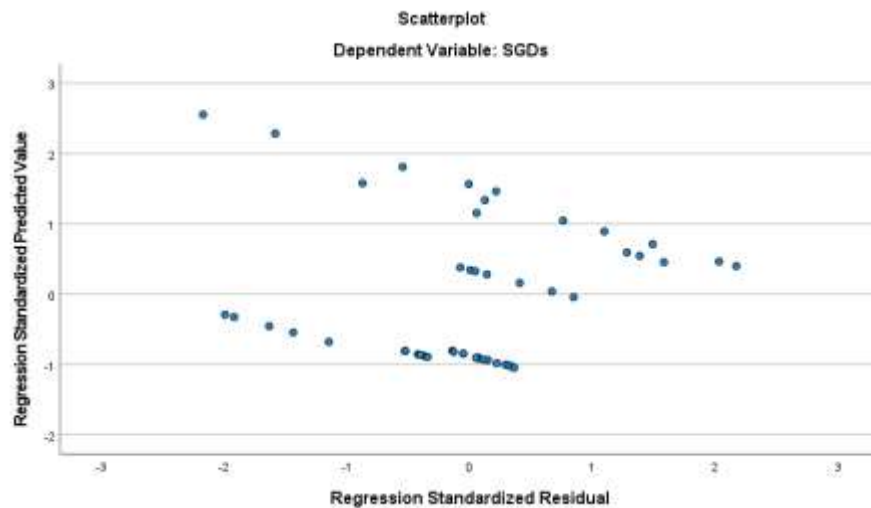
Figure 3. *Scatterplot Data*

Based on the scatterplot data, it shows that the data is spread out and does not form a certain pattern, so it can be concluded that there is no heteroscedasticity.

Linear regression analysis is an analytical model to determine the effect of Islamic Fintech, Financial Inclusion, and MSME Income variables on the SDGs variable. In this study the linear regression equation obtained through the results of the SPSS 28 test.

4.2 Hypothesis Testing
a. Islamic Fintech affects the SDGs

Linear regression analysis is an analytical model to determine the influence of Islamic Fintech independent variables on SGDs dependent variables. In linear regression analysis, some equations show the regression model. The equation reflects the nature of regression between variables.

$$Y_{it} = \beta + \beta_1 X1$$
$$Y_{it} = 9.862 + 0.330 X1$$

Table 6. Summary of R Square Results and Hypothesis Testing (F Test)

Independent Variable	R Square	t Value Calculate	t Value Table	(α)	Sig.	Description
Islamic Fintech	.360	5.086	3.290	5%	0.001	t count > t tabel then H_0 is rejected sig < α then H_0 rejected

Regression results show that the value of the coefficient of determination (R^2) is 0.360 or 36.0% meaning that Islamic Fintech can explain the dependent variable SDGs only by 36.0% and the remaining 64% is explained by other variables. to prove whether independent variables individually affect dependent variables then performed Partial Significant (Test t) with the following hypothesis

H_0: Islamic Fintech does not affect the SDGs

H_1: Islamic Fintech affects SDGs

The *Islamic Fintech* variable has an at-count of 5,086 with a significance of 0. 001. While t-Tabel with a significance value of 0. 05 is 3,290, then t-count > t Tabel (5,086> 3,290) and significance value 0. 001<0.05 it can be concluded that H0 was rejected so that Islamic Fintech significantly affects the SDGs.

b. Financial inclusion affects the SDGs

In linear regression analysis, some equations show the regression model. The equation reflects the nature of regression between variables.

$$Y_{it} = \beta + \beta_1 X2$$
$$Y_{it} = 9.895 + 0.058X2$$

Table 7. Summary of R Square Results and Hypothesis Testing (F Test)

Independent Variable	R Square	t Value Calculate	t Value Table	(α)	Sig.	Description
Financial Inclusion	.616	8.583	3.290	5%	0.001	t count > t tabel then H_0 is rejected sig < α then H_0 rejected

Regression results in the table above show that the coefficient of determination (R2) is 0.616 or 61.6% meaning that Financial Inclusion can explain the dependent variable SDGs by only 61.6% and the remaining 38.4% is explained by other variables not discussed in this study. Partial Significant (t-test) with the following hypotheses:

H_0: Financial inclusion does not affect the SDGs

H_2: Financial inclusion affects SDGs

The *Islamic Fintech* variable has an at-count of 8,583 with a significance of 0. 001. While t-Tabel with a significance value of 0. 05 is 3,290, then t-count > t Tabel (8,583 > 3,290) and significance value 0. 001<0.05 it can be concluded that H0 was rejected so that Islamic Fintech significantly affects the SDGs.

c. MSME revenue strengthens the influence of financial inclusion on SDGs revenue

In linear regression analysis, some equations show the regression model. The equation reflects the nature of regression between variables.

$$Y_i = \beta_0 + \beta_1 X2Z$$
$$Y_{it} = 10.054 + 0.023X2Z$$

Table 8. Summary of R Square Results and Hypothesis Testing (F Test)

Independent Variable	R Square	t Value Calculate	t Value Table	(α)	Sig.	Description
Financial Inclusion, MSME Income	.451	6.144	3.290	5%	0.001	t count > t tabel then H$_0$ is rejected sig < α then H$_0$ rejected

Regression results in the Table above show that the value of the coefficient of determination (R2) of Financial Inclusion with moderator variables of MSME Income of 0.451 or 45.1% means that financial inclusion and MSME income can explain the dependent variable SDGs by only 45.1%. Partial Significant (t-test) with the following hypotheses:

H0: MSME revenue does not strengthen the influence of financial inclusion on SDGs revenue

H3: MSME revenue strengthens the influence of financial inclusion on SDGs revenue

The Variable of Financial Inclusion and Income of MSMEs has an at-count of 6,144 with a significance of 0. 001. While t-Tabel with a significance value of 0. 05 is 3,290, then t-count > t Tabel (6,144> 3,290) and significance value 0. 001<0.05 it can be concluded that H0 is rejected so that Financial Inclusion and MSME Income significantly affect the SDGs.

d. MSME revenue strengthens Islamic Fintech's influence on SDGs revenue

In linear regression analysis, some equations show the regression model. The equation reflects the nature of regression between variables.

$$Y_i = \beta_0 + \beta_1 X1Z$$
$$Y_{it} = 9.757 + 0.174X1Z$$

Table 9. Summary of R Square Results and Hypothesis Testing (F Test)

Independent Variable	R Square	t Value Calculate	t Value Table	(α)	Sig.	Description
MSME Income, Islamic Fintech	.278	4.204	3.290	5%	0.001	t count > t tabel then H$_0$ is rejected sig < α then H$_0$ rejected

Regression results in the table above show that the value of the coefficient of determination (R2) of Islamic Fintech with moderator variables of MSME Income of 0.278 or 27.8% means that Financial Inclusion and Islamic Fintech are only able to explain the SDGs dependent variables only by 27.8%. Then to prove whether independent variables individually affect dependent variables then performed a Partial Significant (T-test) with the following hypothesis:

H0: MSME revenue does not strengthen the influence of Islamic Fintech on SDGs revenue
H4: MSME revenue strengthens Islamic Fintech's influence on SDGs revenue

Variable Income of MSMEs strengthening the influence of Islam has an at-count of 4,204 with a significance of 0. 001. While t-Tabel with a significance value of 0. 05 is 3,290, then t-count > t Tabel (4,204> 3,290) and significance value 0. 001<0.05 it can be concluded that H0 is rejected so that MSME and Islamic Fintech Revenue significantly affects the SDGs.

V. Conclusion

The results of the study showed that there is a significant influence of Islamic Fintech variables and financial inclusion on the SDGs evidenced by the rejecting of H0 from each hypothesis. And against the variable moderator of MSME Revenue that should strengthen the variables of Islamic Fintech and Financial Inclusion. Produces a smaller influence value than the variable without being influenced by the MSME Revenue moderator variable. This research is in line with previous research by Arner et al (2020) which stated that financial inclusion has the highest or most significant influence.

References

Abor, J., Quartey, P. 2010. Issues in SME development in Ghana and South Africa. International research journal of finance and economics, 39(6), 215-228.

Ali, A. M. D., & Yusof, H. (2011). Quality and qualitative studies: The case of validity, reliability, and generalizability. Issues in Social and Environmental Accounting, 5(1/2), 25-26

Arner, Douglas W., Buckley, Ross P., Zetzsche Dirk A. & Veidt, Robin. 2020. Sustainability, FinTech, and Financial Inclusion. European Business Organization Law Review (2020) 21:7–35

Arner DW, Barberis JN, Buckley RP (2016) The evolution of FinTech: a new post-crisis paradigm? Georgette J Int Law 47(4):1271–1319 Arner DW, Barberis JN, Buckley RP (2017) FinTech, RegTech and the reconceptualization of financial regulation. Northwestern J Int Law Bus 37(3):371–413

Arner DW, Buckley RP, Zetzsche DA (2018) FinTech for financial inclusion: a framework for digital financial transformation. Alliance for Financial Inclusion (AFI) Special report. https://www.afglobal.org/publications/2844/FinTech-for-Financial-Inclusion-A-Framework-for-Digital-FinancialTransformation. Accessed 15 Nov 2019

Arner DW, Zetzsche DA, Buckley RP (2019a) FinTech, RegTech, and systemic risk: the rise of global technology risk, ch 4. In: Schwarcz L, Avgouleas E, Busch D, Arner DW (eds) Systemic risk in the financial sector: ten years after the global financial crisis. CIGI Press, Waterloo

Arner DW, Zetzsche DA, Buckley RP, Barberis J (2019b) The identity challenge in finance: from analog identity to digitized identification to digital KYC utilities. EBOR 20(1):55–80

Buckley, R., Arner, D., & Barberis, J. (2016). 150 Years of FinTech: An Evolutionary Analysis. JASSA - The FINSIA Journal of Applied Finance, 3, 22–29.

Creswell, J.W. (2007). Qualitative inquiry & research design choosing among five approaches. Second Edition. Sage Publications – California.

Gill, P., Stewart, K., Treasure, E., & Chadwick, B. (2008). Methods of data collection in qualitative research: interviews and focus groups. British Dental Journal Volume 204 No.6. DOI: 10.1038/bgj.2008.192

Haris, Muhammad, Iqbal, Muhammad, & Hadiyati, Puji. 2020. Synergy Of Sharia Banks And Financial Technology In The Development Of Micro, Small And Medium Businesses In Indonesia. Jurnal Review Akuntansi dan Keuangan, vol 10 no 1, p. 115-126

Ichsan, R. et al. (2021). Determinant of Sharia Bank's Financial Performance during the Covid-19 Pandemic. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)*. P. 298-309.

Ishartono & Raharjo, S.R. (….). Sustainable Development Goals (SDGs) and Poverty Reduction. Share: Social Work Journal Volume 6 No 2, pages: 154 - 272

Kasinath, H. M. (2013). Understanding and using qualitative methods in performance measurement. Journal of Educational Studies, Trend and Practices, 3(1), 46-57.

Khan, S., Rabbani, M.R. 2020a. Artificial Intelligence and NLP-based Chatbot as Islamic Banking and Finance Expert. International Conference on Computational Linguistics and Natural Language Processing (CLNLP 2020), Seoul, South Korea on July 20-22.

Leong, K., & Sung, A. (2018). FinTech (Financial Technology): What is It and How to Use Technologies to Create Business Value in Fintech Way? International Journal of Innovation, Management, and Technology, 9(2), 74–78.

Minerva, R. (2016). The potential of the Fintech industry to support the growth of SMEs in Indonesia. Management Strategy and Industry Evolution

Muzdalifa, I., Rahma, I. A., & Novalia, B. G. (2018). Peran Fintech Dalam Meningkatkan Keuangan Inklusif Pada UMKM Di Indonesia (Pendekatan Keuangan Syariah). Jurnal Masharif al-Syariah: Jurnal Ekonomi dan Perbankan Syariah, 3(1), Article 1.

Mobin, M.A & Ahmad, A.U.F. (2016). Achieving sustainable economic development through Islamic microfinance and the potential of the proposed two-tier mudarabah waqf business model. Handbook of empirical research on Islam and economic life.

Mohamed, Hazik and Ali, Hassan. 2019. Blockchain, Fintech, and Islamic Finance. Boston/Berlin. Walter de Gruyter Inc.

McKinsey and Company. (2018). Synergy and disruption: Ten trends shaping fintech. McKinsey and Company. McKinsey Global Institute. (2016). How digital finance could boost growth in emerging economies. McKinsey

Nugroho, Muh. Awal Satrio. (2021). Peran Inklusi Keuangan Perbankan Syariah Terhadap Kinerja usaha Mikro dan Menengah (UMKM). Disertasi Program Pasca Sarjana Fakultas Ekonomi Universitas Islam Indonesia

Oseni, Umar A. & Ali, S. Nazim 2019. Fintech In Islamic Finance: Theory and Practice. London & New York. Routledge

Pandya, V.M. 2012. Comparative analysis of the development of SMEs in developed and developing countries. International Conference on Business and Management, 6-7

Rabbani, Mustafa Raza., Bashar, Abu., Nawaz, Nishad, dkk .2021. Exploring the Role of Islamic Fintech in Combating the Aftershocks of COVID-19: The Open Social Innovation of the Islamic Financial System. *J. Open Innov. Technol. Mark. Complex.* 2021, 7(2), 136;

Saripudi, Nadya, P.S., & Iqbal, Muhammad (2021). Upaya Fintech Syariah Mendorong Akselerasi Pertumbuhan UMKM di Indonesia. Jurnal Ilmiah Ekonomi Islam, 7(01), 41-50

The World Bank. (2020). Leveraging Islamic Fintech to Improve Financial Inclusion. World Bank Report

Yulianasari, Nina. & Mahrina, Helvony. (2021). Pengaruh Penggunaan Fintech Terhadap Perkembangan Literasi dan Inklusi Keuangan pada UMKM di Kota Bengkulu. Creative Research Management Journal Volume 4 Nomor 1 Hal. 92-105

Iqbal, M., Nadya, P.S. & Saripudin. 2021.Islamic Fintech Growth Prospects in Accelerating MSMEs Growth during the Covid-19 Pandemic: Evidence in Indonesia. International Journal of Islamic Economics and Finance Studies, 2021/2: 126-140