ANALYSIS OF MURABAHAH FINANCING IN SHARIA BANKING

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ABSTRACT

The formation of Islamic banking was initiated by the thoughts of Islamic banking and economics experts and Muslims both at home and abroad who wanted banks to use practices by those regulated by the Qur'an and Hadiths which do not allow usury. Regarding the provision of financing to customers, most Islamic banks use Murabahah contracts or commonly called bai'al-murabahah. The contract contains some rights and obligations for the parties, namely the Islamic Bank and the customer as the applicant for the Murabahah Financing Agreement. The financing is carried out through the customer first buying goods from the supplier and then selling it to the customer by adding the cost of profit and this is done through prior negotiations between the bank and the customer concerned.

Keywords: Islamic Banking; Contract; Murabahah

INTRODUCTION

Islamic economics has developed so rapidly that it has influenced Islamic banking to develop. This also indirectly has an impact on people's understanding of interest and capital whose results have been determined in advance, it is usury that has been prohibited by Islamic law.

Based on this understanding, since 1950 many Muslim scholars and Islamic economic theorists have departed and desired the existence of a bank that is free from interest or usury. Banking institutions are one of the financial institutions in Indonesia described according to Law no. 7 of 1992. An Islamic bank is a bank that in its activities both in raising funds and in the context of distributing funds provides and charges on the basis of sharia principles. Banking has two main functions, namely in the form of fund collection and distribution of funds. The distribution of funds in conventional banks with those in Islamic banks has essential differences, both in terms of names, contracts, and transactions (Chairul A. Hadi, 2011).

The distribution of funds in conventional banking is known as credit, while in Islamic banking it is financing. Law No. 21 of 2008 concerning Sharia Banking has formulated the purpose of “Akad”, that “Akad” is a written agreement between a Sharia Bank or Sharia Business Unit and another party that contains rights and obligations for each party in accordance with Islamic Sharia Principles”. Based on the formulation of the contract, it is clear that the Akad contains a number of rights and obligations for the parties, namely the Islamic Bank and the customer as the contract applicant (Rahmahaw, 2007).

Murabaha is a sale and purchase contract for certain goods. In the sale transaction, the seller clearly states the goods to be purchased including the purchase price of the goods and the profit to be taken (Kusmiyati, 2007).

In Islamic banking, Murabahah is a sale and purchase contract between a bank as a provider of goods and a customer who orders to buy goods. From this transaction, the bank gets a mutually agreed sale and purchase profit. In addition, murabahah is also a financing service by banks through buying and selling transactions with customers by way of installments. In this case, the bank finances the purchase of the goods needed by the customer by buying the goods from the supplier and then selling them to the customer by adding the cost of profit, and this is done through prior negotiations between the bank and the customer concerned (Prabowo, 2009).

From the explanation above, the following problems can be formulated: What is Murabahah Financing in Sharia Banking?

RESEARCH METHOD

This assessment uses normative legal research methods which refers to the research of library materials or secondary data. These library materials are based on legal norms contained in statutory regulations or positive law as well as other legal materials related to the problem (Erica Gita Mogi, 2021). The object of this research is murabahah financing in sharia banking. The legal materials used are statutory regulations and legal sources related to this research. The material used to consider this issue is the one that makes it possible to explain important laws, such as draft laws, survey results, or expert opinions related to the concept of land review for the public use. Data collection method used is literature tracing or document study where this technique studies, records and reads the doctrines of literary records, and after the data is collected, data processing is carried out by systematizing written legal materials.

FINDINGS AND DISCUSSION

Financing is a very important activity because, with financing, the main source of income will be obtained and will support the continuity of the bank's business. On the other hand, if the management is not good, it will cause problems and the bank's business will stop. Financing is said to be successful if the principal and profit sharing can be returned by the agreed period and the debtor's business is progressing.

To be successful, the financing provided must also be in the right amount, at the right time, and in an appropriate manner. Financing based on sharia principles is the provision of money or an equivalent claim based on an agreement or agreement
between the bank and another party that requires the party being financed to return the money or claim after a certain period with compensation or profit sharing. The land acquisition process must be carried out by prioritizing the principles of humanism, equality, navigation, security, openness, harmony, involvement, welfare, sustainable and equilibrium according to the quantity listed in the 1945 Constitution of the Republic of Indonesia, which is implemented by the Government in the context of these principles by renouncing or renouncing land rights. This method is achieved by buying and selling, exchanging, or other means agreed between the government or agency that needs the land and the landowners who vacate or donate the land (Yazid, Suryanto, 2016).

The financing that applies to Islamic Banking with a murabahah contract is a sale and purchase agreement between the bank as the provider of goods and the customer who orders to buy goods. From the transaction results, the bank gets a mutually agreed sale and purchase profit (Mansyur, 2011). Then murabahah is a financing service by banks through buying and selling transactions with customers by way of installments. In this case, the bank finances the purchase of the goods needed by the customer by buying the goods from the supplier and then selling them to the customer by adding the cost of profit, and this is done through prior negotiations between the bank and the customer concerned (Syuaibun, 2014).

Murabaha is the principle of buying and selling where the selling price itself and the cost of goods plus the agreed profit. The delivery of goods is carried out at the time of the transaction while the payment is made in cash, deferred, or installments (Syukron, 2013).

Murabaha also has certain requirements:
1. The buyer must already know the capital of an item to be purchased.
2. The seller and the buyer have wished and agreed with the level of profit or additional price set without any coercion whatsoever.
3. The goods being traded are not goods that contain elements of usury.
4. If the goods have been purchased from another party, the first sale and purchase must be legal according to Islamic law.

Murabahah can be made for purchases by order and is commonly referred to as murabahah to purchasers (KKP) or with purchases without orders. In Murabahah with orders, the seller purchases goods after orders are received from the buyer, murabahah orders can be binding or non-binding for the buyer to buy (Suhartini, 2020). If it is binding, it means that the buyer must buy the goods ordered and cannot cancel the order.

If the murabahah asset that has been purchased by the seller, in a binding murabahah, experiences a value order that has not been handed over to the buyer, the decline in value becomes the seller’s material and will reduce the value of the asset (Suhartini, 2020). For Murabaha without orders (non-binding) means that there is an order or not, the seller (Islamic bank) provides the merchandise. The provision of goods at the murabahah has no effect or is directly tied to whether or not the order or the buyer (Masyithoh, 2014).

The implementation of the murabahah contract is inseparable from the legal basis of the Qur’an and Hadith. In addition, there is also a fatwa from the Indonesian Ulema Council through the National Sharia Council. According to the National Sharia Council, the murabahah contract has 5 general provisions, namely:
2) Murabahah Provisions to Customers.
3) Guarantee in Murabaha.
4) Debt in Murabaha.
5) Postponement of Payment in Murabaha.

One of the benefits of murabahah financing for Islamic banking is the profit that arises from the difference between the purchase price from the seller and the selling price to the customer. In providing Islamic banking financing, it is necessary to apply the precautionary principle to avoid risks arising from such financing. This confidence is obtained from the results of the financing assessment before the financing is disbursed.

However, banks also have risks that must be anticipated, negligence, such as a customer intentionally not paying installments. Comparative price fluctuations occur if the price of an item in the market rises after the bank buys the item. The possibility of customer rejection of the goods to be sent due to various things such as damage, or the specifications of the goods desired by the customer are not the same as the goods ordered. Another risk is that the goods that have been received by the customer are then sold after signing the contract (Anggadini, 2011).

To anticipate these risks, it is necessary to have high credibility among Islamic banking and customers. The credibility of Islamic banks includes, among others, the following elements:

a. Honesty in dealing with customers.
b. Willingness to be in a win-win position with customers.
c. Obedience in complying with or fulfilling the applicable legal aspects.
d. Openness in informing the position/development of the institution.
e. Wisdom in dealing with or solving specific problems.
f. The health of the institution’s capital structure.

The mudharib side (recipients of fees) must also meet the conditions that have been mutually agreed upon with the Islamic bank as the financier (shahibul maal). To avoid disputes in the future, it is necessary to have proof. Written evidence should be written by a clerk who writes down the contents of the agreement that has been agreed upon by both parties. The witness is also required to see and know the occurrence of an incident or event (Lathif A, 2013).
CONCLUSION

Islamic banking financing with a murabahah contract is a financing activity by which banks buy goods from suppliers and then sell them to customers by adding profit costs. Of course, this is done through prior negotiations between the bank and the customer concerned. In addition to negotiations, murabahah contracts, recordings, and witnesses are also needed to anticipate possible disputes in the future. Banks as financiers (shahibul maal) also need to apply various prudential principles through several assessments in providing financing. Careful assessment is carried out on the character, capacity, capital, collateral, and business prospects of the debtor.

REFERENCES


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