

From an Economic Perspective, Implementation of KPR IB Financing Syar'iyah at Bank Muamalat's Palembang Main Branch Office

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Abstract: The goal of this research is to discover: (1) what must be prepared before financing KPR IB Muamalat. (2) To understand how Bank Muamalat addresses these financial challenges. This research method employs a qualitative description approach. Specifically, through collecting, synthesizing, and summarizing a large number of observations, documentation, and interviews. IB Muamalat KPR Financing, according to the study's findings, is a housing financing organization that aids consumers in conducting housing transactions such as residential houses, flats, apartments, and home renovations, as well as taking over from other banjs. Second, there is a discrepancy between the researchers' estimate of musyarakah mutanaqisah and the computation of musyarakah mutanaqisah found at Bank Muamalat in the IB Muamalat KPR financing package.

Keywords: Implementation of Muamalat KPR IB, Syari'ah Economy, Financing.

INTRODUCTION

People have requirements that must be addressed in their daily lives, including primary and secondary demands. However, not everyone is capable of meeting these requirements. As a result, as the community's economy grows, many finance services, including those provided by Islamic banking organizations, are available. Banking institutions are financial entities of strategic relevance in a country's global economy (Munawarah, 2020). The institution acts as a go-between for parties that lack cash and parties who have excess funds (surplus of funds).

Islamic financial institutions (LKS) are quickly expanding in Indonesia at the moment to accommodate the growing demand for sharia-based financing among Indonesia's Muslim majority (Ali, Niswatin & Panigoro, 2023). The growth of Islamic banking in Indonesia is an expression of the people's yearning for banks that can provide reliable financial services based on Sharia principles (Nada, 2021). Islamic financial institutions (banks and non-banks) also require a set of procedures and methodologies for identifying, measuring, monitoring, and controlling risks associated with business activities (Halik, 2021). In an effort to address the demands of the community, Sharia banking has supplied comprehensive services (Munandar, 2020).

In addition to the aforementioned functions, the bank serves as a channel for disseminating monetary policy. Monetary policy is implemented, among other things, by managing the money supply in order to maintain price stability and encourage economic growth. The central bank can influence economic liquidity and banks interest rates through various instruments owned, which will then effect the amount of bank lending, and thus the amount of investment and economic activity overall.

Banking institutions in Islamic Shari'ah are based on the rule of ushul fiqh that states that "maa laa yatimm al-wajib illa bi hi fa huwa obligatory" which implies that something must exist in order to perfect what is compulsory, and it must be held. Making a living, which includes carrying out economic activities, is required, because economic activities will not be flawless without a banking institution, which is also required.

KPR IB Muamalat is a home financing product developed by Muamalat Bank. Buying a house for household requirements can be done using the premise of buying and selling in installments, with monthly payments. The profit margin has been calculated and agreed upon by the customer and the Syari'ah Bank. With the high amount of funding at banks, a significant credit risk will occur. In most Islamic banks, the mortgage deal is a murabaha contract, which is a sale and purchase agreement between the bank and the consumer (Indriani, 2021).

The engagement of the banking industry, both conventional and Islamic banking, in financing home ownership is critical, given that not everyone has the financial means to own a home outright (Aditya, 2020).

iB Muamalat KPR is a financing product that assists the general public or customers in owning houses, flats, apartments, and condotels, including renovation and construction, as well as transferring (taking over) mortgages from other banks with two options, namely a murabahah contract (sale and purchase) or musyarakah mutanaqishah (Wicaksana, 2021).

METHODS

This is a qualitative study whose goal is to establish the concept of sensitivity to the topic at hand, explain the reality of tracing the theory from below, and develop an understanding of one or more of the phenomena encountered. The research report will include extracts to demonstrate how the study will be presented.

The data gathered from the information is presented in a suitable manner while maintaining its scientific nature. The purpose of this study is to be able to clearly and in depth describe the implementation of KPR IB Financing at Bank Muamalat Palembang Main Branch Office in terms of Syar'iah Economics. Inductive or qualitative data analysis is used, and study findings stress meaning rather than generalization (Moleong, 2017).

Data collection methods used are observation, interviews and documentation. And data analysis by reducing data and presenting data.

RESULTS AND DISCUSSIONS

How Bank Muamalat Palembang's Main Branch Office Overcomes Financing Issues

It questions how bank muamalat deals with problematic financing based on the formulation of the problem in financing Home Ownership Loans (KPR). So the researcher said, "for customers who are late paying, Bank Muamalat will first communicate with the customer via WhatsApp to remind the customer of the bill that must be paid before it is due." If the customer has not paid within one week, the bank muamalat will visit the customer's home to remind and question the consumer about the late installments. If the consumer states he can only pay half, bank muamalat will make things easier by adjusting the customer's financing.

Sharia banks must provide guidance and regular monitoring to avoid the risk of funding failure, using both active and passive monitoring. Active monitoring entails visiting customers on a regular basis, reviewing financial reports on a regular basis, and submitting customer visit or call reports to the financing committee or supervisors, whereas passive monitoring entails checking the payment of customer obligations to Islamic banks at the end of each month. And also by offering guidance and information or technical coaching in order to minimize finance failures (Affandi, 2021).

Bank Muamalat requires good financing management to anticipate the risk of financing failure, beginning with planning the amount of financing, determining interest rates, procedures for providing financing, analyzing financing provision, and controlling and supervising problematic financing. Financing management is the administration of existing financing by banks, which includes planning, organizing, implementing, and supervising to ensure that existing financing meets expectations and agreements between banks and clients (Hasanah, 2019).

Bank Muamalat Indonesia restructured their problem finance management in an effort to tackle the issue. The implementation of financing restructuring is carried out at the customer's request or following the submission of a proposal from the bank, so that it is not burdensome and customer financing returns to normal. Banks use restructuring as one of their default-handling strategies. This is done because certain customers' ability to pay has decreased due to a fall in the customer's own economy. The restructuring policy is not automatically granted to every customer who suggests a restructuring, but the bank first goes through several processes before approving restructuring. The restructuring is carried out by looking at the customer's position; the bank has the right to determine if the customer is prospective, cooperative, and has good faith to pay his obligations or not. As a prerequisite for financing restructuring, the client must also provide papers such as the most recent salary slips and financial reports, which are not considered as non-performing financing at BI. Customers who have a decline in their ability to pay but still want to meet their responsibilities are eligible for restructuring (Khatimah & Kasmiah, 2020).

What is the Sharia Economic Perspective on KPR IB Loan Implementation at Bank Muamalat Palembang Main Branch Office?

Muamalat IB KPR Financing is being implemented at Bank Muamalat Palembang City. Financing, according to the notion, is funding provided by one party to another to support planned investments, whether carried out individually or by an institution. As a result, cash issued to support the projected investment can be construed as financing. Financing is a sort of Islamic bank business activity that includes both *mudharabah*, *musyarakah*, *ijarah*, *murabahah*, *salam*, *istishna*, *qard*, and *ijarah Rompiiya bitamlik* transactions. So researchers can draw conclusions that the initial method for bank financing in this study is to carry out an analysis in the principle of prudential financing and 5C analysis in making decisions. This financing contract includes *musyarakah mutanaqisah* as the main contract, as well as an *ijarah* contract as a supporting contract. The end result of this financing is the transfer of a portion of bank ownership to the customer who is undertaking the financing as a result of monthly installments paid by the customer and the house being in the customer's name.

Banks can conduct financing assessments in a variety of ways to acquire confidence in their customers. In evaluating the standards that have been established as the standard assessment of each bank. The evaluation criteria are general and must be carried out by banks in order to obtain customers who are truly eligible to be carried out by analyzing the 5C principle (Collateral, character, capital, capacity, condition), in which this principle is carried out before providing loans to debtors, and by monitoring to test the debtor's feasibility in receiving financing (Makarau, 2023).

The more sharia banking evolves, the more it fosters product development. A housing financing product, also known as a Home Ownership Loan (KPR), is one of the most popular sharia banking products among the general public. Bank Muamalat Indonesia uses *murabahah* and *musyarakah mutanaqishah* contracts in its implementation to provide home ownership finance to customers, yet *murabaha* contracts are regarded improper for mortgage financing in Islamic banking (Andriani, 2019).

The use of a *musharakah mutanaqisah* contract at a sharia bank in the form of housing ownership financing (KPR) is one of the joint venture mechanisms by the bank and the customer in home ownership, in which the bank contributes funds to the customer based on an agreement and the customer includes a minimum capital of 10% of the projected price sell the house that is the object of the contract (Wahab, 2021).

In this study, researchers looked at Sharia Economics from the contract side, specifically the monthly installments to clients. In the installment document obtained from one of the customers in monthly calculations at the *musyarakah mutanaqisah*, the researcher obtained a distribution on the *syirkah* which is the percentage between the customer's and the bank's capital composition, namely the bank with 71.428% and the customer with 28.57%. This is calculated by dividing capital installments by the percentage of bank ownership and raising the percentage of consumer ownership. This is calculated by dividing capital installments by the percentage of bank ownership and raising the percentage of consumer ownership. In this calculation, the researcher obtains the difference in calculation results between the customer's installment documents and the researcher's calculations, where the results for reducing bank ownership and increasing customer ownership differ in the following month with the same percentage

of capital composition for the first and the difference between bank calculations and calculations performed by researchers for the second month.

CONCLUSION

According to the findings of the study: 1) Implementation of iB Muamalat KPR finance the initial process of bank funding in this study uses 5C analysis (Character, Capacity, Capital, Collateral, Condition) to make decisions. This financing contract includes musyarakah mutanaqisah as the main contract, as well as an ijarah contract as a supporting contract. For the end of this financing, namely the transfer of the portion of bank ownership to the customer who makes the financing due to the installments paid by the customer and the house becomes in the name of the customer himself, 2) In practice, the bank in perspective Islamic economics in terms of installments on profit sharing ratios from rents leased by the bank to the client with the appropriate share of KP iB Muamalat finance, particularly in partnership contracts. However, there is a calculating debate between the bank and the researcher on the percentage of monthly installments.

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