
REFINANCING IMPLEMENTATION IN PRO HAJJ PRODUCT FINANCING IN BANK PANIN DUBAI SYARIAH MALANG

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ABSTRACT

DSN-MUI is an institution that handles issues related to the activities of financial institutions and has stipulated Fatwa Number 89/DSN-MUI/XII/2013 concerning Sharia Refinancing. This fatwa is stated in the OJK Circular Letter as a reference or guideline for implementing sharia refinancing products. This study aims to determine how to implement or apply Refinancing products in Pro Hajj financing at Bank Panin Dubai Syariah Malang. The research method uses a qualitative approach with data collection techniques using interviews, observation, and documentation. The results of the study found that Bank Panin Dubai Syariah Malang Branch applies Refinancing products to Hajj Financing using the *Musyarakah Mutanaqisah* contract or what is known as the MMQ contract. The contract used is by DSN-MUI Fatwa Number 89/DSN-MUI/XII/2013, which explains Refinancing. Bank Panin Dubai Syariah has fulfilled its obligations as an Islamic financial institution by applying Sharia principles. In implementing Refinancing product marketing at Panin Dubai Syariah Bank using the Telemarketing method, this method is used to attract customers. Using telephones and sending posters via WhatsApp can help banks market this product.

Keywords: DSN MUI Number 89/DSN-MUI/XII/2013, Panin Dubai Syariah Bank, Islamic banking, Pro Hajj, Sharia Refinancing, Telemarketing

INTRODUCTION

In the Fatwa of the National Sharia Council-Indonesian Ulema Council (DSN-MUI) Number 89/DSN-MUI/XII/2013 Concerning Sharia Refinancing (DSN-MUI, 2013), it is stated that Sharia refinancing is a gift new financing facilities for new customers and customers who have not paid off their previous financing based on sharia principles. This Fatwa will be poured into the SEOJK as a guideline for implementing Sharia refinancing products.

Sharia refinancing is included in two different circumstances. The first is financing provided to prospective customers who already have total assets. Second, financing is provided to prospective customers who have received unpaid financing (Fatuzzahro, 2019). Furthermore, several provisions can be used in refinancing in the Fatwa, including the *musyarakah mutanaqisah* contract, the *al-bai wa al-isti'jar* contract, and the *bai* contract in the context of *musyarakah mutanaqisah* (OJK, 2014).

Islam has pillars of Islam; within the pillars of Islam itself, there are pillars of performing the Hajj for every able and willing Muslim. In the Al-Quran Surah Ali Imran: 96-97, which reads: "There are clear signs (among them) of the station of Ibrahim. Whoever enters it (Baitullah) is safe. And (among) the obligations of humans towards Allah is to carry out the pilgrimage to the House of Allah, that is, for people who can travel there. Whoever denies the (obligation) pilgrimage then knows that Allah is Rich (does not need anything) from all nature" (Q.S Ali Imran:96-97).

The fragments of the verses above are the basis and foundation that explain the obligation to perform the pilgrimage. The pilgrimage is the perfect and last pillar after the Creed, prayer, fasting and zakat. The implementation of the pilgrimage is intended for those who are able both spiritually and physically, and nothing else from an economic point of view. For Muslims and Muslim women who strongly desire to go to the Holy Land of Mecca, various kinds of efforts have been made. Conventional and Islamic banks offer various kinds of products. Religion is the main factor that motivates them to use products and services in Islamic banking (Anam, 2016).

Indonesia itself is included as a country with a majority Muslim population; Indonesia is also included as the country with the largest Muslim population in the world (Fathoni, 2020). Departure to the holy land for worship also requires quite expensive costs; this is a very basic problem in performing the pilgrimage. every year (Budianita et al., 2021). Who wants to get their pilgrimage portion immediately to accommodate the pilgrims. The Islamic Banking sector has many offers for people who wish to perform the pilgrimage, but the money still needs to be collected. Several Islamic banks are now starting to launch haj bailout products incessantly.

The Hajj bailout financing product can help all people who wish to go on pilgrimage register themselves through the bank so that they can easily be registered as prospective pilgrims. According to Law No. 10 of 1998 concerning Banking, "Financing based on Sharia principles is the provision of money or bills that are equivalent to it based on agreements or agreements between banks and other parties that require the party being financed to return the money or bills after a certain period, which has been determined with compensation or profit sharing.

With the emergence of a global phenomenon that had never happened before, namely Covid-19. Require Bank Panin Dubai Syariah Malang Branch to refinance (Refinancing) the hajj portion of Panin Dubai Syariah customers. This refinancing product has just been emphasized to be implemented at the Panin Dubai Syariah Bank. The purpose of implementing refinancing Financing for the hajj portion is to help customers who need funds, especially customers who want to carry out business activities. So the purpose of this article is to describe how the implementation or application of Refinancing products in ProHajj financing at Bank Panin Dubai Syariah Malang.

LITERATURE REVIEW

Sharia Refinancing

Sharia refinancing or refinancing is carried out on Sharia principles. Refinancing is the provision of new financing facilities or additional financing for customers who have yet to pay off their previous financing (DSN-MUI, 2013). Refinancing has long been implemented in the conventional financial business and is one of the superior products to attract customers. In contrast to Sharia refinancing, the application of refinancing itself was new when the Financial Services Authority (OJK) issued a circular letter in SEOJK No. 36/SEOJK.03/2015 "Concerning Products and Activities of Sharia Commercial Banks and Sharia Business Units" (OJK, 2015). In refinancing (refinancing), the bank owns a portion of the collateral assets (*hishah*). Therefore, the bank can lease assets owned by customers based on an *ijarah* contract. In this case, it is possible, as stated in the DSN-MUI fatwa regarding *musyarakah mutanaqisah*, which allows these assets to be *ijarah* to *syarik*. Based on the *ijarah* contract, the customer is obliged to pay *ujrah*, wherein the *ujrah* payment results can be distributed according to the agreed *nisbah* in the *musyarakah mutanaqisah* contract.

Musyarakah Mutanaqisah Financing

In language, *musyârahah mutanâqisah* consists of 2 (two) words, namely *musyârahah* and *mutanâqisah*. Musyarakah is also commonly referred to as *syirkah*, which means cooperation. *Mutanâqisah* comes from *naqasa*, which means reduced; reduced gradually. Thus *syirkah mutanâqisah* is also called decreasing or diminishing participation (Ridwan & Syahrudin, 2013). In DSN Fatwa No 73/2008, it is stated that what is meant by *musyarakah mutanâqisah* is the ownership of assets (goods) or capital of one party (*syarîk*) decreases due to gradual purchases by other parties (Ridwan & Syahrudin, 2013). *Musyarakah Mutanaqisah* Financing (MMQ) is one of the developments of *Musyarakah* contract sharia financing products. *Musyarakah Mutanaqisah* Financing (MMQ) is applied to Islamic banking financing products; this financing is based on the *syirkah 'inan* principle, where the portion of capital (*hishah*) in one of the sharia (partners) namely the Bank is reduced due to gradual returns or commercial transfers (*naqlu hishah bil ' iwadh mutanaqisah*) to other *shariks*, namely customers.

METHODS

This research was conducted at Bank Panin Dubai Syariah Malang Branch on Jl. MGR Sugiyopranoto No.7 Kiduldalem, Kec.Klojen, Malang City, East Java 65119. Several products owned by Panin Dubai Syariah Bank vary. However, based on the decision of the central Panin Dubai Syariah Bank, it emphasizes Panin Dubai Syariah Bank Malang Branch for more focus on Hajj financing. This decision made Bank Panin Dubai Syariah Malang Branch have to apply Refinancing products to Hajj financing customers. The main purpose of implementing this Refinancing product itself is none other than to maintain bank profitability.

The research method is qualitative (Cresswell & Poth, 2016). To find out the condition of Bank Panin Dubai Syariah Malang, which is used as the object. The data collected in this study were using in-depth interviews, participant observation, and documentation during the implementation of Field Work Practices. Furthermore, the data obtained were processed and interpreted using qualitative data analysis techniques. Furthermore, the technique of checking the validity of the data was carried out by extending participation and triangulation.

RESULTS

Sharia Refinancing Provisions

Another term for Refinancing is refinancing, but in its sense, Refinancing can be interpreted as providing new financing facilities for new customers or customers who have yet to pay off their previous financing. The basis or foundation of Refinancing is Sharia principles. As for some instructions in the use of Sharia Refinancing products, namely in the DSN MUI fatwa No: 89/DSN-MUI/XIII2013 regarding Sharia Refinancing (DSN-MUI, 2013):

First Provisions:

Refinancing Refinancing is the provision of new financing facilities for new customers or customers who have yet to pay off their previous financing; *Sharia refinancing (Sharia refinancing)* is refinancing based on Sharia principles; *Islamic refinancing (Sharia refinancing)*, which includes two circumstances: Financing provided to prospective customers who already have full assets; And financing is given to prospective customers who have received financing that has not been paid off; *Taqwim al-'urudh* is an interpretation of the price of goods/asset estimates in a certain currency which has been agreed upon by the parties.

Second Provision:

Namely, the provisions concerning the Law of Refinancing may be carried out by Islamic Financial Institutions by following the provisions in the fatwa.

Third Provision:

Musyarakah mutanaqisah contract:

All pillars and provisions, and guidelines contained in the *musyarakah mutanaqisah* fatwa contract of DSN-MUI Number: 73/DSN-MUIIXI/2008 concerning *Musyarakah Mutanaqisah*, apply in the refinancing agreement;

Syirkah capital in *musyarakah mutanaqisah*, may be in the form of money according to the agreement and may be in the form of goods ('*urudh*'); And *Syirkah* capital is in the form of *urudh* goods, so it must be done with *taqwm al-'urudh*.

Al-bai' wa al-isti'jar contract:

The terms and conditions in the *al Bai' ma'a al-isti'jar* contract (Fatwa Number: 71/DSN-MUIVII2008 concerning Sale and Lease Back) apply in refinancing;

The terms and conditions contained in the *ijarah muntahiyah bit tamlik* contract (DSN-MUI fatwa Number: 27/DSNMUIIIIII/2002 concerning *al-Ijarah al-Muntahiyah bi al-Tamlik*) apply if the *al-isti'jar* used is an *ijarah* contract *muntahiyah bi al-tamlik*; And *Al-bai'* in the framework of *musyarakah mutanaqisah* contract: All pillars, terms and conditions

contained in the alBai' Agreement (among others Fatwa Number: 71/DSN-MUI/II/2008 concerning Sale and Lease Back) apply to refinancing; All pillars, terms and conditions and guidelines contained in the *musyarakah mutanaqishah* contract (DSN-MUI fatwa Number: 73/DSN/II/2008 concerning *Musyarakah Mutanaqishah*), apply in the refinancing contract;

Legal Basis of Sharia Refinancing

The DSN fatwa states that the law regarding Sharia refinancing is "Maybe". Sharia, namely as follows: Surah Al-Baqarah [2]: 275: "Those who eat (take) usury cannot stand but are like the standing of a person possessed by a devil due to (pressure) madness. Their situation is like that because they say (opinion) that buying and selling are the same as usury, even though Allah has justified buying, selling, and forbidding usury. Those who have received a prohibition from their Lord then stop (from taking usury), then for him what he has taken before (before the prohibition comes) and his business (is up to) to Allah. Returning person." (Q.S Al-Baqarah [2]:275).

"O you who believe, do not eat each other's wealth in a vanity way, except by way of trade that applies with mutual consent between you. Moreover, do not kill yourselves; Allah is Most Merciful to you." (QS an-Nisa' [4] : 29).

In the practical aspect (to implement) that is expected to be achieved from the application of the principles/elements/pillars of sharia financing, namely:

Customer honesty and openness (Character) in providing data and information is the basis for using mutually beneficial/beneficial financing cooperation.

Implementation of Mudarabah financing by requiring down payment from customers to be an effective way to minimize financing risks.

Sharia Refinancing Implementation

Panin Dubai Syariah Malang Bank has a variety of products to offer customers. The business activities of the Panin Dubai Syariah Bank are in the field of fundraising (Funding) and Distribution of funds (Lending), as well as Business (Hajj Savings Financing). With the Covid-19 outbreak, Panin Dubai Syariah Bank is prioritizing its operations in Hajj financing, especially at the Malang branch. As competition between Islamic banks is getting tighter, Bank Panin Dubai Syariah is diversifying its products by implementing refinancing products for haj program financing customers.

In implementing Refinancing product marketing at Panin Dubai Syariah Bank using the Telemarketing method, this method is used to attract customers. Using telephones and sending posters via WhatsApp can help banks market this product. Implementing the Telemarketing method is very effective and efficient because marketing the Refinancing product itself can make it easier for the marketing team because the Marketing Team can promote this product to more than 100 contact persons in one day.

Based on figure 1, Panin Dubai Syariah Bank is one of the banking sectors included in the banking sector that can accept deposits for the costs of organizing the Hajj (BPS BPIH). Panin Dubai Syariah Bank has a superior product, namely "PROHAJJ" Hajj financing. Starting in 2019, the business activities of Bank Panin Dubai Syariah Malang focused on hajj financing. Prohajj product financing is offered to prospective pilgrims with an initial deposit of IDR 800,000. Of course, prospective pilgrims must meet various requirements, one of which is depositing a returned instalment of IDR 675,000 per month for 60 months or five years.



Figure 1. Telemarketing Refinancing Financing Poster

The implementation of refinancing itself is none other than Hajj financing. SPPH is used as a customer guarantee to the Bank. The purpose of MMQ Financing at Panin Dubai Syariah Bank is to facilitate Customer needs with a legal refinancing pattern that has owed the Bank due to the Customer's obligations arising under the MMQ contract. Based on the author's experience during the UIN Malang street vendors at Bank Panin Dubai Syariah, the Bank gave us the task of contacting customers via telephone and the Whatsapp application. We contacted approximately 1,000 contacts, but only a few pilgrims were interested in taking this refinancing product. The main reason for the lack of interest in this refinancing product was that the congregation still needed to learn about it. Refinancing financing at Bank Panin Dubai Syariah is only given to congregations or customers who can meet bank qualifications.

Terms and conditions for refinancing Refinancing at Bank Panin Dubai Syariah:
 Customers who already have a portion of Hajj or SPPH at the Panin Dubai sharia bank;
 The request for refinancing financing submitted does not coincide with the departure schedule of the pilgrims;
 Complete administrative requirements, including: Administration fee of IDR 800,000/portion;
 Jama'ah is willing to enter into an MMQ contract on refinancing
 Have SKU (Business Certificate);
 Funding that can be disbursed from Refinancing financing is in the amount of the portion of the Hajj owned;

The installment schedule is vulnerable to refinancing financing. This installment schedule is included in a single contract. For this reason, nothing is covered by the bank because before entering into a contract, the congregation is welcome to read and study and affix signatures to each attached contract sheet.

Some of the pillars in the MMQ contract for Refinancing products at Panin Dubai Syariah Bank are as follows:

Party 1 / Panin Dubai Syariah Bank explains to the customer the position of the head office of Panin Dubai Syariah Bank; Party 2/Customer completes personal data, including Name, TTL, KTP No; MMQ objects are goods that the bank has assessed to determine the capital of the MMQ contract; The profit-sharing object is the rental income for the MMQ object; The ratio for profit sharing between the bank/*syarik* one and the customer/*syarik* two is agreed on in an agreement stated in the agreed schedule to become an agreement that is inseparable from the contract process; Ownership of assets (goods) or bank capital on MMQ objects is reduced due to gradual purchases by customers. The bank leases these assets to customers, which have been agreed upon and stated in the schedule paid in the contract;

Refinancing the portion of this pilgrimage, customers are asked to submit goods that will be valued by the bank as MMQ contract capital, besides that the bank also provides

financing to customers, namely by the total MMQ capital, not only the bank and the customer agree and improves each other during the validity of the MMQ contract. The customer must pay the bank; with this agreement, the bank has a "Collection Right" to the customer for several obligations as agreed in the MMQ contract.

In the MMQ contract for Refinancing products, there are several rights and obligations for the parties, including the following: The Customer has the right to take advantage of the financing received from the Bank if it does not conflict with Sharia principles; The Customer is fully responsible for implementing the MMQ contract, including the obligation to pay instalments and costs incurred due to this financing.

If the collateral owner leaves for Hajj before the end of the MMQ financing period, the Customer must: Pay off the financing before the departure or providing other guarantees deemed sufficient by the PDSB and continuing installment payments with a separate power of attorney which constitutes an integral part of this MMQ Agreement, the Customer or Guarantor grants irrevocable power of attorney to the Bank to request cancellation of the Hajj Portion in order to pay off the financing obligation MMQ Customer to the Bank.

The Customer is fully aware that the risk of default is to pay off all of the Customer's obligations to be paid off immediately and in full, as referred to in letter (a) number 1 (one) of this article, and negative records of customer payments will be reported to OJK which all providers can access—other financial services for analysis of credit/financing applications submitted by the Customer to him.



4. PEMBIAYAAN MMQ

No	Kode Pola Pembiayaan dan Jadwal Angsuran *)	Jangka Waktu (Bulan)	Nilai Asset Refinancing	Jumlah Pembiayaan
1	A1	24	15.750.000	15.000.000
2	A2	24	31.500.000	30.000.000
3	B1	36	15.750.000	15.000.000
4	B2	36	26.250.000	25.000.000
5	B3	36	31.500.000	30.000.000
6	B4	36	52.500.000	50.000.000
7	C1	60	26.250.000	25.000.000
8	C2	60	52.500.000	50.000.000
9	C3	60	78.750.000	75.000.000
10	C4	60	105.000.000	100.000.000
11	D1	60	26.250.000	25.000.000
12	D2	60	52.500.000	50.000.000
13	D3	60	78.750.000	75.000.000
14	D4	60	105.000.000	100.000.000

*) pilih salah satu dengan cara memberi tanda "✓"

ant tanda checklist ✓ pada kotak pilihan)

tu	Jumlah Pembiayaan	Angsuran	Biaya Administrasi
	15.000.000	780.000	800.000
	30.000.000	1.560.000	1.600.000
	15.000.000	572.000	800.000
	25.000.000	938.000	800.000
	30.000.000	1.144.000	1.600.000
	50.000.000	1.876.000	1.600.000
	25.000.000	675.000	800.000
	50.000.000	1.350.000	1.600.000
	75.000.000	2.025.000	2.400.000
	100.000.000	2.700.000	3.200.000

Untuk dilakukan :
 k Saya oleh Bank Panin Dubai Syariah untuk pembayaran angsuran dan/atau kewajiban lainnya terkait
 mpai dengan dinyatakan lunas oleh Bank Panin Dubai Syariah.
 entransfer sejumlah dana sebesar Rp. _____ ke Bank _____ nomor rekening :
 tas nama _____

Figure 2. Refinancing Installments in the MMQ contract
 Source: National Sharia Council Fatwa No: 89/DSN-MUI/XII/2013

To guarantee the implementation of all provisions in this MMQ Agreement, the customer or guarantor has provided guarantees to the bank in the form of a Hajj Portion, namely the Initial Deposit for the Hajj Implementation Fee (SA BPIH) and the Hajj Registration Letter (SPPH) on behalf of the Customer or Guarantor as stated in statement letter and guarantor power which is an attachment to the MMQ contract. The end of the MMQ contract agreement is because the customer has paid off any of the customer's obligations according to the timeframe based on the MMQ contract to the bank. Implementing the MMQ contract is subject to the laws and regulations in Indonesia and Sharia provisions for Banks, including but not limited to the Sharia Banking Act, Bank Indonesia Regulations, OJK Regulations and the Fatwa of the National Sharia Board of Indonesian Ulema Council (DSN-MUI).

CONCLUSION

In this study, Bank Panin Dubai Syariah Malang Branch applies Refinancing products to Hajj Financing using the Musyarakah Mutanaqisah contract or what is known as the MMQ contract. The contract used is by DSN-MUI Fatwa Number 89/DSN-MUI/XII/2013, which explains Refinancing. Panin Dubai Syariah Bank has fulfilled its obligations as an Islamic financial institution by applying Sharia principles. In implementing Refinancing product marketing at Panin Dubai Syariah Bank using the Telemarketing method, this method is used to attract customers. Using telephones and sending posters via WhatsApp can help banks market this product.

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