

**SETTLEMENT OF DEFECTS IN MURABAHAH FINANCING AT  
BANK ACEH SYARIAH REGIONAL BIREUEN, INDONESIA**

**Cut Afra**

Universitas Islam Negeri Ar-Raniry Banda Aceh, Indonesia  
Email: cut.afra@ar-raniry.ac.id

**Nahara Eriyanti**

Universitas Islam Negeri Ar-Raniry Banda Aceh, Indonesia  
Email: nahara.eriyanti@ar-raniry.ac.id

**Nasr Mohamed Arif**

Qairo University of Egypt  
Email: Nasr.Arif@zu.ac.ae

**Abstract**

This research aims to investigate the procedure for addressing problems in murabahah finance resulting from debtor default. This study uses empirical juridical research methodology, which involves gathering data through interviews, document and report analysis, and other secondary sources. The research findings indicate that default is primarily caused by external factors, including the deteriorating business condition or failure of the customer's business, the customer's unfavourable character, and issues in the installment payment process such as delayed debt payments. The second cause pertains to an internal issue when the debtor fails to fulfil the promised payment within the agreed timeframe. In order to address this default, Bank Aceh Bireuen Branch conducted deliberations guided by the principle of justice (*al-ilah*) between the bank and the member responsible for the default, in accordance with the muamalah concept and relevant rules.

**Keywords:** Murabahah Financing, Sharia Banking, Credit, and Dispute Settlement

## Abstrak

Penelitian ini ditujukan untuk mengetahui proses penyelesaian pembiayaan *murabahah* bermasalah karena adanya tindakan wanprestasi dari debitur. Ini adalah penelitian juridis empiris, dimana data diperoleh dari wawancara, kajian dokumen dan laporan serta berbagai sumber sekunder lainnya. Hasil dari penelitian menunjukkan bahwa faktor yang menjadi penyebab wanprestasi, pertama adanya faktor *eksternal*, yaitu kondisi usaha nasabah yang sedang menurun atau usaha yang gagal, karakter nasabah yang tidak baik, atau permasalahan dalam proses pembayaran angsuran seperti telat bayar hutang. Kedua faktor internal dimana, debitur terlambat dalam menepati pembayaran yang dijanjikan. Untuk menyelesaikan wanprestasi ini, Bank Aceh Cabang Bireuen melakukan musyawarah dengan didasarkan pada asas keadilan (*al-adalah*) antara pihak Bank dengan anggota yang melakukan wanprestasi yang sudah sesuai dengan konsep *muamalah* serta aturan yang berlaku.

**Katakunci:** Pembiayaan Murabahah, Perbankan Syariah, Kredit, dan Penyelesaian Sengketa

## INTRODUCTION

The banking sector plays a crucial role in fostering national economic growth and development.<sup>1</sup> Banks play a crucial role in stimulating economic growth and national development by allocating cash to the real sector. Sharia banking mostly relies on financing as its main source of income. Financing, in the context of sharia banking, involves the process of directing funds towards the community. Hence, he asserted that banks must diligently address many issues and factors that necessitate consideration while determining community finance.<sup>2</sup>

Sharia Banks offer a range of financing options that can be categorised under three main principles: profit sharing, rental or service, and buying

---

<sup>1</sup> Rachmadi Usman, *Aspek Hukum Perbankan Syariah Di Indonesia* (Jakarta: Sinar Grafika, 2022).

<sup>2</sup> M. Guffar Harahap et al., *Perbankan Syariah: Teori, Konsep & Implementasi* (Jakarta: Sada Kurnia Pustaka, 2023).

and selling using contracts such as murabahah, salam, and istishna.<sup>3</sup> Currently, sharia banking continues to be primarily characterised by the prevalence of murabahah contracts, which involve the practice of buying and selling. Murabahah is a commercial transaction involving the sale and purchase of items, where the price includes both the cost of purchase and an agreed-upon profit.<sup>4</sup>

The prevalence of murabahah finance over other forms of financing can be attributed to various factors. Islamic banks, who provide murabahah financing, perceive it as less hazardous compared to profit sharing financing.<sup>5</sup> In addition, predetermined returns also facilitate banks in forecasting their anticipated earnings. The National Sharia Council Number 04/DSN-MUI/IV/2000 stipulates that in murabahah transactions, the commodities involved must comply with Islamic law and should not be prohibited items. According to National Sharia Council Number 04/DSN-MUI/IV/2000, banks are obligated to transparently disclose to consumers both the price of items and the associated expenses. Subsequently, the buyer remunerates the cost of the merchandise in accordance with the mutually agreed upon duration and mode. It is stated in the Koran that Allah SWT has permitted buying and selling and prohibited usury. As Allah SWT says:

وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا

“even though Allah has permitted buying and selling and forbidden usury” (QS. Al-baqarah:275).

One method of transferring monies to the public involves providing finance through sales and buy agreements, resulting in the creation of murabahah financial products. Nevertheless, murabahah financing is inherently associated with the danger of problematic murabahah financing. Financing difficulties may arise when consumers are unable to meet their obligations to the bank owing to internal causes on the customer's side, internal factors within the bank, or external circumstances affecting both the bank and the customer.<sup>6</sup>

---

<sup>3</sup> Adiwarmaz Azwar Karim, *Islamic Banking: Fiqh and Financial Analysis*, 3rd edition (Jakarta: PT RajaGrafindo Persada, 2008).

<sup>4</sup> Yusnedi Achmad, *Aspek Hukum Dalam Ekonomi* (Yogyakarta: Deepublish, 2015).

<sup>5</sup> Jarmanisa et al., 'ANALYSIS OF RISK COVERAGE AGREEMENT BETWEEN PT. J&T AND AN INSURANCE COMPANY FOR DELIVERY OF CONSUMER GOODS IN THE CONTEXT OF KAFALAH CONTRACT', *JURISTA: Jurnal Hukum Dan Keadilan* 5, no. 2 (1 October 2021): 1-20, <https://jurista-journal.org/index.php/jurista/article/view/11>.

<sup>6</sup> Chairul Fahmi, 'TRANSFORMASI FILSAFAT DALAM PENERAPAN SYARIAT ISLAM

Banks that have problematic funding, particularly in amounts near or beyond the threshold set by Bank Indonesia, are deemed to have failed in effectively managing their financing. If money is not provided, the bank's capacity to fulfil the requirements or responsibilities of different stakeholders will be diminished.<sup>7</sup>

Banks provide financing with the objective of attaining rewards or income, among other purposes. The bank will utilise the money acquired to offer incentives to customers who deposit funds, cover operational expenses, establish reserves for any losses, and distribute dividends to shareholders. If this failure occurs, the purpose of this financing is to provide benefits to both banks and clients who conserve monies, while also causing a disruption in national economic growth. Hence, if the management and resolution of problematic financing are not executed optimally, it will constitute a significant challenge in relation to the intended purpose and advantages of offering this funding.<sup>8</sup>

Bank-provided financing adhering to sharia rules entails inherent risks. The potential drawback of financing payments is the possibility that the client may fail to make payments, either partially or in full, as per the agreed payment schedule. Therefore, banks must diligently adhere to the principles of finance that are grounded on sound sharia principles during their implementation. In order to mitigate this risk, the financing provider's guarantee is rooted in sharia principles, emphasising the utmost importance of the bank's confidence in the debtor customer's capacity and willingness to fulfil their commitments as agreed upon.<sup>9</sup>

In order to proactively address potential financial losses, banks are required to develop rules at the earliest feasible stage. This involves examining the provision of credit, particularly by taking into account the customer's collateral. Sharia banking institutions provide financing with guarantees to safeguard against potential disruptions caused by borrowers facing business failure, which may lead to decreased business revenue and default by debtors with poor ethical conduct.<sup>10</sup>

---

(Analisis Kritis Terhadap Penerapan Syari'at Islam Di Aceh)', *Al-Manahij: Jurnal Kajian Hukum Islam* 6, no. 2 (2012): 167-76.

<sup>7</sup> La Ode Alimusa, *Manajemen Perbankan Syariah Suatu Kajian Ideologis Dan Teoritis* (Yogyakarta: Deepublish, 2020).

<sup>8</sup> Abdul R Saliman, *Hukum Bisnis Untuk Perusahaan Teori Dan Contoh Kasus* (Jakarta: Kencana, 2020).

<sup>9</sup> Fathurrahman Djamil, *Hukum Ekonomi Islam: Sejarah, Teori, dan Konsep* (Jakarta: Sinar Grafika, 2023).

<sup>10</sup> Chairul Fahmi, 'The Dutch Colonial Economic's Policy on Natives Land Property of

Murabahah finance is applicable for acquiring consumer items, including motor vehicles, houses, and other residential properties, as well as fulfilling various household requirements. Murabaha finance for property can be categorised into three forms: acquiring a completed house, procuring building supplies along with construction expenses for constructing a house from scratch, and undertaking the construction of an unfinished house or the renovation of an existing one. Similarly, in the context of murabahah financing involving property, if the borrower fails to meet their commitments, the bank will seize the house that serves as collateral in order to settle the borrower's debts to the bank.<sup>11</sup>

In the case of the Bank Aceh Bireuen Branch, murabahah transactions were not executed flawlessly. This issue typically pertains to margins and the potential for clients to encounter future financing difficulties. Financing is conducted through the customer making periodic payments. Issues may develop from the installment approach, particularly from the customer's perspective. These issues might manifest as payment delays or the customer's failure to fulfil installment obligations. Some consumers may fail to make payments due to a lack of understanding and responsibility. Consequently, the rise in troublesome funding adversely affects the robustness of bank liquidity and diminishes client confidence. Given these issues, it is imperative for banks to take decisive measures in addressing instances of non-payment in murabahah funding.<sup>12</sup>

## RESEARCH METHOD

The research approach and method used in this thesis research is a qualitative approach. A qualitative approach is a research approach carried out based on qualitative paradigms, strategies and implementation of models.<sup>13</sup> The qualitative approach or method seeks to reveal the various uniqueness that exists in individuals, groups, communities or organizations in daily life in a comprehensive, detailed, deep and scientifically accountable manner. The type of research used in this research is field

---

Indonesia', *PETITA: Jurnal Kajian Ilmu Hukum Dan Syariah (PJKIHdS)* 5, no. 2 (2020): 105, <https://doi.org/10.22373/petita.v5i2.99>.

<sup>11</sup> Chairul Fahmi, *HUKUM DAGANG INDONESIA* (Banda Aceh: Bandar Publishing, 2023), <https://bandarpublishing.com/hukum-dagang-indonesia/>.

<sup>12</sup> Ismail Ismail, *Perbankan Syariah* (Jakarta: Kencana, 2017).

<sup>13</sup> Muhammad Siddiq-Armia, *Penentuan Metode Dan Pendekatan Penelitian Hukum*, ed. Chairul Fahmi (Indonesia: Lembaga Kajian Konstitusi Indonesia (LKKI), 2022).

research. Field research is essentially a method for finding specifically and realistically what is happening at any given time in society. The results of data analysis are in the form of an explanation of a situation being researched and presented in the form of words or narrative descriptions, then the main ideas of the existing phenomena are taken according to the research topic. In essence, the data presentation answers the questions of why and how the phenomenon occurred.<sup>14</sup>

## RESULT AND DISCUSSION

The term "default" originates from the Dutch word "wanprestatie," which translates to a poor or inadequate performance. Default refers to a circumstance in which the debtor is unable to fulfil the obligations outlined in the agreement owing to neglect or error. As per the legal lexicon, breach of contract refers to the act of negligence, neglect, or failure to fulfil one's obligations as agreed upon in a contract. Subekti defines default as the failure to execute an agreement within the specified timeframe, improper execution, or complete non-implementation.<sup>15</sup> As defined by A. Ridwan Halim, default refers to the failure of one party to fulfil its duties towards another party, as specified in the agreement.<sup>16</sup>

Default refers to the failure or neglect to fulfil responsibilities. As per Ahmadi Miru, violation of contract might manifest in the following ways: (1) complete non-fulfillment of obligations, (2) imperfect execution of obligations, (3) delayed fulfilment of obligations, and (4) engaging in activities banned by the agreement.<sup>17</sup>

Default and subpoena are closely interconnected. A debtor is considered to be in default only when they have received a summons from a creditor or bailiff. The creditor or bailiff has served the summons on at least three occasions. The regulation of subpoenas can be found in Article 1238 and Article 1243 of the Civil Code. If the recipient of the summons fails

---

<sup>14</sup> A.K.F.M. Strijbosch, 'Methods and Theories of Dutch Juridical-Ethnological Research in the Period 1900 to 1997', in *Folk Law: Essays in the Theory and Practice of Lex Non Scripta*, ed. Alison Dundes Renteln and Alan Dundes (Univ of Wisconsin Press, 1995).

<sup>15</sup> Achmad, *Aspek Hukum Dalam Ekonomi*.

<sup>16</sup> RIDWAN, 'STATE CONTROL OF LAND PERSPECTIVE OF INDONESIAN LAND LAW AND ISLAMIC LAW', *Russian Law Journal* 11, no. 2 (31 March 2023), <https://doi.org/10.52783/rlj.v11i2.508>.

<sup>17</sup> Horas Abadi Klinton Nim A1011161037, 'ANALISA HUKUM PELAKSANAAN PERJANJIAN INVESTASI BODONG DI KOTA MEMPAWAH', *Jurnal Fatwa Hukum* 4, no. 2 (21 June 2021), <https://jurnal.untan.ac.id/index.php/jfh/article/view/47488>.

to comply, the creditor possesses the legal entitlement to escalate the issue to a court of law, where a determination will be made regarding the debtor's adherence to their obligations. If you notify the debtor to complete their obligations, it is necessary to provide the debtor with a written notice specifying that they are required to accomplish their obligations within the designated timeframe.<sup>18</sup> If the debtor fails to do so within this timeframe, they will be deemed to be in default.

Default refers to the failure or neglect to fulfil responsibilities as defined in the agreement, whether it is intentional or unintentional. Here is a brief overview of the legal principles concerning breach of contract. The content described in article 1235 of the Civil Code states that in any agreement to transfer an item, the debtor is obligated to both provide the object in issue and responsibly care for it until the time of delivery, as a prudent individual would.<sup>19</sup>

Submission, as stipulated in article 1235 of the Civil Code, can be accomplished through either physical surrender or legal submission. The debtor's failure to fulfil his obligations as required indicates a breach of the agreement between the creditor and the debtor. This breach may involve negligence and misconduct, leading to legal consequences and potential claims against the debtor by the creditor.

According to Article 1236 of the Civil Code, if the debtor fails to deliver the object or neglects to take good care of it, they are obligated to compensate the creditor for all expenses, damages, and interest incurred.

According to Article 1238 of the Civil Code, the debtor is considered negligent if they are proclaimed such through a warrant, a similar document, or if it is evident from the agreement itself that they are in default after the stipulated period has passed.

According to Article 1243 of the Civil Code, reimbursement for expenses, losses, and interest resulting from the failure to fulfil an agreement will only be demanded if the debtor, after being found negligent in fulfilling the obligation, continues to neglect it, or if something that needs to be given or done can only be provided or completed after the specified time limit has passed.

---

<sup>18</sup> Chairul Fahmi, 'The Impact of Regulation on Islamic Financial Institutions Toward the Monopolistic Practices in the Banking Industrial in Aceh, Indonesia', *Jurnal Ilmiah Peuradeun* 11, no. 2 (30 May 2023): 667-86, <https://doi.org/10.26811/peuradeun.v11i2.923>.

<sup>19</sup> Djumikasih et al., *Hukum Perdata: Buku Ajar* (Surabaya: Universitas Brawijaya Press, 2022).

In Islamic jurisprudence, failure to fulfil the duty of respecting others' rights is considered a forbidden act. This applies when there is a pre-existing agreement between parties, and those who fail to fulfil their obligations will be subject to penalties in the form of compensation payments. The individual may face losses to creditors and/or incarceration as a form of collateral for the sum they have pledged. In the realm of interpersonal relations, Islamic law places great importance on the fulfilment of commitments, known as muamalah.<sup>20</sup> Those who fail to fulfil their agreements or intentionally breach them are considered hypocrites.

Defaulting on a contract in Islamic law can lead to the termination of the contract (*fasakh al-'aqad*). In the event of contract termination due to default, the parties revert to their initial status as if the contract had never taken place, and each party is obligated to reinstate the performance to its original condition if it has been executed by one or both parties. If the benefits of these accomplishments cannot be obtained, compensation may be enforced. This compensation can be established by a judicial ruling, a mutual agreement between the persons involved, or in accordance with the principles of Islamic law (*syar'i*).<sup>21</sup>

The failure to fulfil obligations in a contract, known as default, is referred to as the doctrine of substantial performance in contract law. From an Islamic legal standpoint, it may constitute grounds for contract termination. In the event of contract termination due to default, both parties are required to revert back to their original positions, and each party must restore the performance to its original state if it has been executed by either or both parties. If the benefits of these accomplishments cannot be obtained, compensation can be enforced. This compensation may be established by a court ruling, an agreement between the persons involved, or in accordance with the principles of Islamic law (*syar'i*).<sup>22</sup>

The debtor is responsible for compensating the entitled party, specifically the creditor, through the payment of interest. When a debtor fails to fulfil their obligations under an agreement with a creditor, this is when the debtor's responsibility as a consumer becomes apparent. The duty arises when a creditor incurs significant losses due to the actions of a debtor who is incapable of meeting their obligations. Article 1267 of the Civil Code

---

<sup>20</sup> Alexander Thian, *Hukum Dagang* (Jakarta: Penerbit Andi, 2021).

<sup>21</sup> Chairul Fahmi, 'Revitalisasi Penerapan Hukum Syariat Di Aceh (Kajian Terhadap UU No.11 Tahun 2006)', *TSAQAFAH* 8, no. 2 (30 November 2012): 295–310, <https://doi.org/10.21111/tsaqafah.v8i2.27>.

<sup>22</sup> Panji Adam, *Hukum Islam: Konsep, Filosofi dan Metodologi* (Jakarta: Sinar Grafika, 2021).

governs the entitlements of creditors, providing them with an alternative legal recourse to recover their rights.<sup>23</sup>

The consequences of default in the Compilation of Sharia Economic Law (KHES) articles 38 and 39 are clearly outlined. According to Article 38 of KHES, parties who fail to fulfil their contractual obligations may face sanctions, such as paying compensation, fines, or terminating the risk transfer contract.<sup>24</sup> Additionally, they may be required to cover the costs of legal proceedings. There are two methods for addressing default cases, specifically:

### 1. Settlement through litigation

Statutory laws do not explicitly define litigation. However, Article 6, paragraph 1 of Law 30 of 1999 on Arbitration states that civil disputes can be addressed through alternative dispute resolution, with an emphasis on good faith, and excluding the possibility of resolving the issue through legal proceedings in state courts. Therefore, it may be inferred that dispute resolution can be achieved through the legal system, wherein the involved parties possess both the entitlement and responsibility to initiate a lawsuit or respond to a lawsuit by means of an answer.<sup>25</sup>

Fahmi states that litigation is a common method of resolving conflicts in various sectors of the business world, including commerce, banking, mining projects, oil and gas, energy, and infrastructure.<sup>26</sup> The litigation procedure involves the parties opposing each other, and the lawsuit settlement is the last and only option if all other attempts to resolve the disagreement have been unsuccessful.<sup>27</sup>

Litigation refers to the legal process of resolving disputes through a formalised litigation, where the actual disagreement between the parties is replaced by presenting a decision maker with two opposing choices.

---

<sup>23</sup> Soedharyo Soimin, *Kitab Undang-Undang Hukum Perdata*, 12th ed. (Jakarta: Sinar Grafika, 2013).

<sup>24</sup> Soedharyo Soimin.

<sup>25</sup> Zamir Iqbal and Abbas Mirakhor, *An Introduction to Islamic Finance: Theory and Practice* (John Wiley & Sons, 2011).

<sup>26</sup> Chairul Fahmi and Wira Afrina, 'ANALYSIS OF LEGAL ASPECTS ON DEBT TRANSFER FROM CONVENTIONAL BANK TO SHARIA BANK POST THE APPLICATION OF QANUN ACEH NO. 11 OF 2018', *Al-Mudharabah: Jurnal Ekonomi Dan Keuangan Syariah* 4, no. 1 (23 July 2023): 28–39, <https://www.journal.ar-raniry.ac.id/index.php/mudharabah/article/view/3047>.

<sup>27</sup> Karim, *Islamic Banking*.

Utilising a lawsuit system entails both benefits and drawbacks when it comes to resolving a conflict. The benefits include:

- a) By assuming control over decision-making from the involved parties, litigation, to a certain degree, safeguards against the impact of power and secures the preservation of social order.
- b) Litigation is highly effective in uncovering a multitude of mistakes and issues in the other party's stance.
- c) Litigation establishes a benchmark for equitable processes and offers abundant chances for the parties to present their arguments prior to reaching a verdict.
- d) Litigation facilitates the incorporation of society ideals into the resolution of individual conflicts.
- e) Within the litigation system, judges utilise the principles and standards established by the law to settle conflicts.

On the other hand, the drawbacks of the litigation system include:

- a) The necessity of providing a defence or advocate for any intention that could potentially impact the outcome.
- b) Litigation comprehensively addresses all the pertinent aspects of a case, including both substantive and procedural matters, in order to promote shared interests and motivate the parties to explore even the most extreme and peripheral facts.
- c) Requires a significant amount of time and leads to higher financial expenses.
- d) Empirical evidence establishes the foundation of the matter, however the involved parties may not always be capable of articulating their genuine worries.
- e) Litigation does not aim to mend or reinstate the connection between the parties involved in the conflict.
- f) Litigation is not appropriate for polycentric disputes, which are disagreements that involve multiple parties, multiple issues, and several potential alternative solutions.<sup>28</sup>

## 2. Settlement through non-litigation channels

---

<sup>28</sup> J. G. Merrills, *International Dispute Settlement* (Cambridge University Press, 2017).

Settlement by non-litigation refers to resolving disputes outside of court, commonly known as Alternative Dispute Resolution (ADR).<sup>29</sup> ADR methods encompass negotiation, mediation, and arbitration as means of resolving disputes. The regulations pertaining to Alternative Dispute Resolution (ADR) are governed by Law number. 30 of 1999, which specifically addresses arbitration and other options for resolving disputes outside of court.<sup>30</sup> Dispute resolution necessitates optimal, prompt, effective, and efficient settlement. When addressing issues arising from defaults in debt and receivable agreements within the community, it is preferable to choose for non-litigious methods.<sup>31</sup> This approach represents an ideal framework and offers a mutually beneficial solution for all parties involved. The aforementioned solution pattern is regarded as optimal because to its informal nature, cost-effectiveness, expeditious resolution, ability to address issues, and capacity to enhance relationships between the people involved. Furthermore, the decisions made through this approach are mutually beneficial. There exist four distinct forms of alternative conflict resolution that take place outside of a court setting, specifically: The act of engaging in discussions and reaching agreements through mutual compromise and dialogue.

#### 1) Negotiation

Negotiation is a process aimed at resolving conflicts between parties outside of court, with the goal of achieving mutual agreement through a more cooperative and innovative approach.

#### 2) Mediation

Salim H.S. suggests that one form of mediation involves initially resolving disagreements through mediation and subsequently, if needed, addressing unsettled matters through arbitration. Mediation is a method of resolving conflicts by engaging in a negotiation process with the aid of a mediator, in order to reach a mutually acceptable agreement amongst the involved parties.

#### 3) Conciliation

Conciliation is a form of alternative dispute resolution that can be accomplished without involving the legal system. This dispute resolution method bears numerous resemblances to arbitration, since it involves the

---

<sup>29</sup> Fahmi, *HUKUM DAGANG INDONESIA*.

<sup>30</sup> Susanti Adi Nugroho, *Penyelesaian Sengketa Arbitrase dan Penerapan Hukumnya* (Jakarta: Kencana, 2017).

<sup>31</sup> Adi Nugroho.

involvement of a neutral third party to render their judgement on the filed disagreement.

#### 4) Arbitration

Arbitration refers to the process of resolving a dispute between two parties through the use of a neutral third party, known as an arbitrator. According to Law Number 30 of 1999 on Arbitration and Alternative Issue Resolution, as cited by Miru, arbitration is a process for settling a civil disagreement outside of the regular court system. It relies on an agreement between the parties involved in the issue. Arbitration offers the benefit of providing an immediately conclusive result that possesses enduring legal authority and compels compliance from the involved parties. Nevertheless, arbitration as a method of resolving conflicts also has drawbacks, specifically: a) Substantial expenses, as the expenditures associated with settling disputes through arbitration are nearly equivalent to those incurred in litigation.<sup>32</sup>

### **Factors Causing Murabahah Financing Defaults at Bank Aceh Syariah Bireuen Branch, Indonesia**

Murabaha, also known as difficult financing, refers to financing that is not smooth and can range from being poor to non-performing. If a business ceases operations, it is considered to be in default. However, if the installment payments are consistent, it is not considered to be in default. Conversely, if a customer fails to pay on time, it will result in an automatic default or non-payment, leading to complications.<sup>33</sup> According to Mr. Rusdi, the bank offers a 15-year term for murabahah financing for consumer items and a 20-year term for KPR (home purchase), based on the customer's requirements.

Within the murabahah contract agreement, it is imperative that all aspects are explicitly stated and thoroughly outlined in the contract.<sup>34</sup> This

---

<sup>32</sup> Amelia Haryanti, 'PENYELESAIAN SENGKETA PEMBATALAN PERNIKAHAN KARENA ADANYA PENIPUAN STATUS ISTRI', *Jurnal Pendidikan Kewarganegaraan* 4, no. 2 (28 September 2017): 121-34, <https://doi.org/10.32493/jpkn.v4i2.y2017.p121-134>.

<sup>33</sup> Chairul Fahmi et al., 'The Role of Local Government in Maintaining Coffee Prices Volatility in Gayo Highland of Indonesia', *PETITA: Jurnal Kajian Ilmu Hukum Dan Syariah (PJKIHDs)* 8 (2023): 40, <https://heinonline.org/HOL/Page?handle=hein.journals/petita8&id=48&div=&collection=>.

<sup>34</sup> Sri Wahyuni et al., 'THE ROLE OF COURTS IN RESOLVING CASES OF BANKRUPTCY OF ISLAMIC BANK CUSTOMERS', *JURISTA: Jurnal Hukum Dan Keadilan* 7, no. 1 (10 June 2023): 1-23, <https://doi.org/10.1234/jurista.v7i1.42>.

agreement is irrevocable and cannot be superseded by any subsequent agreement during the duration of the financing. The contract is exclusively applicable to a single financing deal. Every type of funding, whether it be for consumers, consumptive purposes, or even productive purposes, necessitates a contractual arrangement. The contract designates the bank as the first party and the customer as the second party. The key aspects are that the second party surrenders the collateral and commits to providing financing for the specified duration and installments. It is crucial to have an agreement or contract in place, as financing would be deemed invalid without one.

Defaulting on Murabahah financing frequently arises inside financial institutions. Murabahah, as defined by Bank Aceh Bireuen branch, is a contractual arrangement between a sharia bank and a customer. Under this agreement, the bank provides funding for the acquisition of essential resources or working capital needed by the customer. The customer is obligated to repay the bank within a predetermined timeframe. Murabahah finance arises from a decline in sales turnover and/or other circumstances, such as fire incidents. Hence, it is imperative to exercise careful deliberation and adhere to the principle of prudence when executing financing activities in a suitable manner. External factors contribute to the occurrence of default at Bank Aceh Bireuen Branch.<sup>35</sup>

In the context of murabahah financing, there are various reasons that can be identified as follows: Firstly, the customer's business condition deteriorates or fails, leading to the customer or member defaulting on their financing obligations due to the poor performance of their business. Furthermore, the customer's reputation is unfavourable according to the *mudharib*. Furthermore, issues arise in the installment payment procedure, notably the occurrence of delinquent payments that might lead to automatic default.<sup>36</sup>

Default might arise as a result of impediments and hindrances. Customers that encounter payment delays will be automatically classified as being in default. This is a common occurrence in the murabahah finance system, involving either the bank or the customer.<sup>37</sup>

---

<sup>35</sup> Ismail, *Perbankan Syariah*.

<sup>36</sup> Jarmanisa et al., 'ANALYSIS OF RISK COVERAGE AGREEMENT BETWEEN PT. J&T AND AN INSURANCE COMPANY FOR DELIVERY OF CONSUMER GOODS IN THE CONTEXT OF KAFALAH CONTRACT', 1 October 2021.

<sup>37</sup> Danty Listiawati, 'Klausula Eksonerasi dalam Perjanjian Standar dan Perlindungan Hukum Bagi Konsumen', *Privat Law*, no. 7 (2015): 26604,

Murabahah financing is a form of financing that operates on the basis of a sale and purchase agreement between a Sharia Bank, acting as the capital provider, and the customer, who is the borrower. The occurrence of a loan default at the Bank Aceh Branch of Bireuen is typically not abrupt, but rather preceded by deviations like as payment delays or congestion by the client (debtor), which subsequently results in financing difficulties. Problematic financing can hinder the smooth flow of money, leading to disruptions in the liquidity and stability that the Bank should maintain.

The Bank Aceh Branch of Bireuen regularly experiences non-performance in the form of blocked financing or blocked credit. Credit blockage arises when the customer either makes timely payments or delays payments. As previously stated, the timely execution of payment is a requirement if it has been specified in the agreement. The adherence to this timeframe is crucial for ensuring the bank's desired level of performance. Other variations arise when the debtor fails to fulfil their obligations as agreed upon in relation to the payment made. Consequently, debtors frequently exhibit tardiness in meeting their commitments. The payment blockade, or credit blockade, is a result of a customer's failure to fulfil their obligations at the Bank Aceh Branch Bireuen.

Not all borrowers are capable of timely repayment of the borrowed monies. Among the several inaugural borrowers from the Bank Aceh Shariah Branch of Bireuen, it is highly likely that at least one individual failed to fulfil their obligation of repaying the borrowed funds. If the customer is unable to repay the amount, however demonstrates a strong dedication to fulfil their financial obligations, they will be eligible for either compensation or a reworking of the repayment terms, which may include an extension of the repayment period.<sup>38</sup>

The loss of compensation occurs when a debtor fails to fulfil their obligations owing to default. The default arises when one of the defaulting parties fulfils an obligation of performance. If a customer fails to pay the payment on time due to negligence or inability, the Bank has the right to impose compensation (ta'widh) on the customer for their negligent behaviour in making the payment.<sup>39</sup>

The Bank of Aceh provides compensation to customers for damages only once, provided that a restructuring (extension of time) takes place. The

---

<https://www.neliti.com/publications/26604/>.

<sup>38</sup> R. Serfianto D. Purnomo, *Penyelesaian Sengketa Bisnis* (Jakarta: Gramedia Pustaka Utama, 2018).

<sup>39</sup> Abdul R Saliman, *Hukum Bisnis Untuk Perusahaan Teori Dan Contoh Kasus*.

compensation can be paid based on three options: upfront payment, payment at the end, or monthly scheduled payments. According to Mr. Rusdi, customers who fail to make their financing contributions on time will be subject to damages. This occurs after a restructuring process that aligns with the initial agreement reached at the beginning of the academic year.

### **Settlement of Murabahah Financing Defaults at Bank Aceh Syariah Bireuen Branch**

Bank Aceh Branch Bireuen encounters losses due to financing issues experienced by certain customers in the realm of low-cost lending. The method to prevent malfunctions is triggered when the consumer neglects to make payment or when the financing process encounters an obstacle. While not all cases experienced finance difficulties or failed to make payments, a significant number of members demonstrated obedience and successfully implemented the arrangement to its fullest extent. The Bank of Aceh Branch Bireuen can take the following measures to address funding misconduct:

#### **1. Excessive invoicing**

Intensive billing involves notifying the client or member that the payment has been received. Typically, the bank will notify the consumer beforehand via telephone to inform them that the payment is due. The warning will be issued thrice within a span of three weeks in order to comply with the requirement of performance failure.<sup>40</sup>

#### **2. Notice of Warning**

As per the regulations stated in article 9 of PBI No. 8/21/PBI/2006, which pertains to the asset quality of General Banks operating under Sharia principles and has been modified by PBI no. 9/9/pBI/2007 and PBI n. 10/24/pbi/2008, the assessment of financing quality is conducted considering the following aspects: The Bank will issue a Delayed Delay Warning Letter (SPKT) within 10 days to fulfil the discharge in the short term after executing the guarantee step. If a member fails to make payment or does not provide a response, a Warning letter (SP1) is issued for a period

---

<sup>40</sup> Iwandi Iwandi, Rustam Efendi, and Chairul Fahmi, 'THE CONCEPT OF FRANCHISING IN THE INDONESIAN'S CIVIL LAW AND ISLAM', *Al-Mudharabah: Jurnal Ekonomi Dan Keuangan Syariah* 4, no. 2 (29 September 2023): 14–39, <https://doi.org/10.22373/al-mudharabah.v5i2.3409>.

of two weeks. If the member still does not reply or does not meet the requirements of SP1, a second warning letter (SP2) is given for a duration of two weeks. If there is still no response, a Warn Letter (SP3) is issued for a period of one month. Speaker.

### 3. Deliberation Method

Instances of default in murabahah finance initiated by customers typically do not occur abruptly, but rather are frequently preceded by anomalies such as customer (debtor) delays or failures to make installment payments, subsequently resulting in financing complications. Problematic financing can hinder the efficient flow of capital, leading to disruptions in liquidity, which is crucial for maintaining stability within the Bank.<sup>41</sup>

Customers who are in default are not subject to immediate confiscation or sale of the collateral. Instead, Bank Aceh Bireuen Branch initiates contact with the consumer to inquire about the reasons for their non-payment. If the consumer maintains a positive level of trust, the bank provides the customer with a restructuring option. Priority is given to clients. If the customer is unable to fulfil their payment commitments and really attempts to repay, the Bank will proceed to sell the collateral, either through a contractual agreement or by an auction. The Bank retains ownership of the collateral until the debt is fully repaid, and the customer has given the Bank permission to sell it.<sup>42</sup>

In this scenario, the default resolution can be achieved through careful consideration and agreement among the involved parties. Bank Aceh Bireuen Branch addresses defaulting members through a process of constructive deliberation between the Bank and the member in question. Bank Aceh adopts a familial approach by offering flexibility in terms of time, based on a mutually agreed upon arrangement.<sup>43</sup> Nevertheless, in the event that deliberation other kinship procedures prove ineffective, the Bank will be compelled to seize the collateral from the member who has

---

<sup>41</sup> Sarah Sarah, *Pelaksanaan Transfer Utang dari Perbankan Konvensional Ke Perbankan Syariah*, 2022.

<sup>42</sup> Nabila Afriola and Cecep Sholeh Kurniawan, 'PROVISION OF SAHARA SAVINGS BONUSES AT BANK ACEH SYARIAH BANDA ACEH BRANCH', *JURISTA: Jurnal Hukum Dan Keadilan* 7, no. 1 (30 June 2023): 64–85, <https://doi.org/10.1234/jurista.v7i1.67>.

<sup>43</sup> Ayla Natasya and Sayed Mohammad Reza Yamani, 'THE VALIDITY OF TRANSACTIONS ON THE ACTION MOBILE APPLICATION OF BANK ACEH SYARIAH, INDONESIA', *JURISTA: Jurnal Hukum Dan Keadilan* 7, no. 1 (20 June 2023): 37–63, <https://doi.org/10.1234/jurista.v7i1.68>.

defaulted. This action is in line with the principle of muamalah and complies with the relevant rules. Fulfilling one's promises entails adhering to the principle of justice (al-ilah), which requires the side making the promise to act ethically and honour the agreement.

**Tabel 1**  
**Number of Problematic Murabahah Financing Customers in PT. Bank Aceh Syariah Bireuen Branch**

Year	Amount of Problematic Murabahah Financing
2020	25
2021	32
2022	30
<b>Total</b>	<b>87</b>

*Source: PT. Bank Aceh Syariah Bireuen Branch, 2023*

According to the author's data, it is evident that the most significant occurrence took place in 2021 as a result of the Covid-19 factor. This led to a substantial number of customers defaulting in the loss category. Financing might be considered problematic if it fits into the collectibility categories of special attention, substandard, uncertain, or halted.<sup>44</sup>

Based on the clients that utilised murabahah financing, it can be inferred that the main issue encountered was the delay in making installment payments.<sup>45</sup> To address this, the Bank Aceh Bireuen Branch employed a deliberative strategy. If an interview or agreement does not lead to a resolution, legal action ensues. Essentially, the collection of non-performing financing is necessary to discontinue the Bank's profit sharing. Financing benefits are provided to consumers in need of finances, including investment funds and working capital funds. By utilising these money, the debtor will have the capacity to enhance and broaden its business

<sup>44</sup> Saifullah Ali, Zalva Amalia, and Yusriaina Yusuf, 'THE APPLICATION OF MURABAHAH CONTRACTS IN THE INSTALMENT SERVICES OF DHUAFa PARTNER COOPERATIVES IN INDONESIA', *JURISTA: Jurnal Hukum Dan Keadilan* 7, no. 2 (17 November 2023): 119-43, <https://doi.org/10.1234/jurista.v7i2.70>.

<sup>45</sup> Jarmanisa et al., 'ANALYSIS OF RISK COVERAGE AGREEMENT BETWEEN PT. J&T AND AN INSURANCE COMPANY FOR DELIVERY OF CONSUMER GOODS IN THE CONTEXT OF KAFALAH CONTRACT', *JURISTA: Jurnal Hukum Dan Keadilan* 5, no. 2 (1 October 2021): 1-20, <https://doi.org/10.1234/jurista.v5i2.11>.

operations. Bank Aceh aspires for the funds to be utilised by clients in productive endeavours for business expansion.

## CONCLUSION

The default occurrences at Bank Aceh Syariah Bireuen Branch are primarily attributed to external sources, including the deteriorating business state or failure of the customers, unfavourable customer behaviour, and issues with the installment payment procedure, such as delayed debt payments. The common manifestations of default at the Bireuen Branch of Bank Aceh typically involve instances of poor financing or adverse credit. Other variations arise when the debtor fails to fulfil their promised obligations in a timely manner, resulting in delayed payments. Additionally, it refers to a type of reparation provided by the bank to clients who fail to make timely payments for financing installments as per the terms agreed upon at the inception of the murabahah contract. The Bank Aceh Bireuen Branch is working towards resolving defaults in murabahah financing by careful consideration and consensus, guided by the principles of justice (al-ilah) and in compliance with the muamalah concept and relevant rules.

## REFERENCES

- A1011161037, Horas Abadi Klinton Nim. 'ANALISA HUKUM PELAKSANAAN PERJANJIAN INVESTASI BODONG DI KOTA MEMPAWAH'. *Jurnal Fatwa Hukum* 4, no. 2 (21 June 2021). <https://jurnal.untan.ac.id/index.php/jfh/article/view/47488>.
- Abdul R Saliman. *Hukum Bisnis Untuk Perusahaan Teori Dan Contoh Kasus*. Jakarta: Kencana, 2020.
- Achmad, Yusnedi. *Aspek Hukum Dalam Ekonomi*. Yogyakarta: Deepublish, 2015.
- Adam, Panji. *Hukum Islam: Konsep, Filosofi dan Metodologi*. Jakarta: Sinar Grafika, 2021.
- Adi Nugroho, Susanti. *Penyelesaian Sengketa Arbitrase dan Penerapan Hukumnya*. Jakarta: Kencana, 2017.
- Afriola, Nabila, and Cecep Sholeh Kurniawan. 'PROVISION OF SAHARA SAVINGS BONUSES AT BANK ACEH SYARIAH BANDA ACEH BRANCH'. *JURISTA: Jurnal Hukum Dan Keadilan* 7, no. 1 (30 June 2023): 64–85. <https://doi.org/10.1234/jurista.v7i1.67>.
- A.K.F.M. Strijbosch. 'Methods and Theories of Dutch Juridical-Ethnological Research in the Period 1900 to 1997'. In *Folk Law: Essays in the Theory and Practice of Lex Non Scripta*, edited by Alison Dundes Renteln and Alan Dundes. Univ of Wisconsin Press, 1995.

- Alexander Thian. *Hukum Dagang*. Jakarta: Penerbit Andi, 2021.
- Ali, Saifullah, Zalva Amalia, and Yusriaina Yusuf. 'THE APPLICATION OF MURABAHAH CONTRACTS IN THE INSTALMENT SERVICES OF DHUAFa PARTNER COOPERATIVES IN INDONESIA'. *JURISTA: Jurnal Hukum Dan Keadilan* 7, no. 2 (17 November 2023): 119–43. <https://doi.org/10.1234/jurista.v7i2.70>.
- Alimusa, La Ode. *Manajemen Perbankan Syariah Suatu Kajian Ideologis Dan Teoritis*. Yogyakarta: Deepublish, 2020.
- Djamil, Fathurrahman. *Hukum Ekonomi Islam: Sejarah, Teori, dan Konsep*. Jakarta: Sinar Grafika, 2023.
- Djumikasih, Rachmi Sulistyarini, Yenny Eta Widyanti, Rumi Suwardiyati, and Setiawan Wicaksono. *Hukum Perdata: Buku Ajar*. Surabaya: Universitas Brawijaya Press, 2022.
- Fahmi, Chairul. *HUKUM DAGANG INDONESIA*. Banda Aceh: Bandar Publishing, 2023. <https://bandarpublishing.com/hukum-dagang-indonesia/>.
- — —. 'Revitalisasi Penerapan Hukum Syariat Di Aceh (Kajian Terhadap UU No.11 Tahun 2006)'. *TSAQAFAH* 8, no. 2 (30 November 2012): 295–310. <https://doi.org/10.21111/tsaqafah.v8i2.27>.
- — —. 'The Dutch Colonial Economic's Policy on Natives Land Property of Indonesia'. *PETITA: Jurnal Kajian Ilmu Hukum Dan Syariah (PJKIHdS)* 5, no. 2 (2020): 105. <https://doi.org/10.22373/petita.v5i2.99>.
- — —. 'The Impact of Regulation on Islamic Financial Institutions Toward the Monopolistic Practices in the Banking Industrial in Aceh, Indonesia'. *Jurnal Ilmiah Peuradeun* 11, no. 2 (30 May 2023): 667–86. <https://doi.org/10.26811/peuradeun.v11i2.923>.
- — —. 'TRANSFORMASI FILSAFAT DALAM PENERAPAN SYARIAT ISLAM (Analisis Kritis Terhadap Penerapan Syari'at Islam Di Aceh)'. *Al-Manahij: Jurnal Kajian Hukum Islam* 6, no. 2 (2012): 167–76.
- Fahmi, Chairul, and Wira Afrina. 'ANALYSIS OF LEGAL ASPECTS ON DEBT TRANSFER FROM CONVENTIONAL BANK TO SHARIA BANK POST THE APPLICATION OF QANUN ACEH NO. 11 OF 2018'. *Al-Mudharabah: Jurnal Ekonomi Dan Keuangan Syariah* 4, no. 1 (23 July 2023): 28–39. <https://www.journal.ar-raniry.ac.id/index.php/mudharabah/article/view/3047>.
- Fahmi, Chairul, Rahmi Putri Febrani, Laila Muhammad Rasyid, and Ahmad Luqman Hakim. 'The Role of Local Government in Maintaining Coffee Prices Volatility in Gayo Highland of Indonesia'. *PETITA: Jurnal Kajian Ilmu Hukum Dan Syariah (PJKIHdS)* 8 (2023): 40. <https://heinonline.org/HOL/Page?handle=hein.journals/petita8&id=48&div=&collection=>.
- Harahap, M. Guffar, Evriyenni Evriyenni, Asep Dadang Hidayat, Ratna

- Mutia, Abdul Roni, Fitri Yani Jalil, Rika Anggraini, et al. *Perbankan Syariah: Teori, Konsep & Implementasi*. Jakarta: Sada Kurnia Pustaka, 2023.
- Haryanti, Amelia. 'PENYELESAIAN SENGKETA PEMBATALAN PERNIKAHAN KARENA ADANYA PENIPUAN STATUS ISTRI'. *Jurnal Pendidikan Kewarganegaraan* 4, no. 2 (28 September 2017): 121-34. <https://doi.org/10.32493/jpkn.v4i2.y2017.p121-134>.
- Iqbal, Zamir, and Abbas Mirakhor. *An Introduction to Islamic Finance: Theory and Practice*. John Wiley & Sons, 2011.
- Ismail, Ismail. *Perbankan Syariah*. Jakarta: Kencana, 2017.
- Iwandi, Iwandi, Rustam Efendi, and Chairul Fahmi. 'THE CONCEPT OF FRANCHISING IN THE INDONESIAN'S CIVIL LAW AND ISLAM'. *Al-Mudharabah: Jurnal Ekonomi Dan Keuangan Syariah* 4, no. 2 (29 September 2023): 14-39. <https://doi.org/10.22373/al-mudharabah.v5i2.3409>.
- Jarmanisa, Siti Mawar, Chairul Fahmi, and Azka Amalia Jihad. 'ANALYSIS OF RISK COVERAGE AGREEMENT BETWEEN PT. J&T AND AN INSURANCE COMPANY FOR DELIVERY OF CONSUMER GOODS IN THE CONTEXT OF KAFALAH CONTRACT'. *JURISTA: Jurnal Hukum Dan Keadilan* 5, no. 2 (1 October 2021): 1-20. <https://jurista-journal.org/index.php/jurista/article/view/11>.
- — —. 'ANALYSIS OF RISK COVERAGE AGREEMENT BETWEEN PT. J&T AND AN INSURANCE COMPANY FOR DELIVERY OF CONSUMER GOODS IN THE CONTEXT OF KAFALAH CONTRACT'. *JURISTA: Jurnal Hukum Dan Keadilan* 5, no. 2 (1 October 2021): 1-20. <https://doi.org/10.1234/jurista.v5i2.11>.
- Karim, Adiwarman Azwar. *Islamic Banking: Fiqh and Financial Analysis*. 3rd edition. Jakarta: PT RajaGrafindo Persada, 2008.
- Listiawati, Danty. 'Klausula Eksonerasi dalam Perjanjian Standar dan Perlindungan Hukum Bagi Konsumen'. *Privat Law*, no. 7 (2015): 26604. <https://www.neliti.com/publications/26604/>.
- Merrills, J. G. *International Dispute Settlement*. Cambridge University Press, 2017.
- Natasya, Ayla, and Sayed Mohammad Reza Yamani. 'THE VALIDITY OF TRANSACTIONS ON THE ACTION MOBILE APPLICATION OF BANK ACEH SYARIAH, INDONESIA'. *JURISTA: Jurnal Hukum Dan Keadilan* 7, no. 1 (20 June 2023): 37-63. <https://doi.org/10.1234/jurista.v7i1.68>.
- Purnomo, R. Serfianto D. *Penyelesaian Sengketa Bisnis*. Jakarta: Gramedia Pustaka Utama, 2018.
- RIDWAN. 'STATE CONTROL OF LAND PERSPECTIVE OF INDONESIAN LAND LAW AND ISLAMIC LAW'. *Russian Law Journal* 11, no. 2 (31 March 2023).

- <https://doi.org/10.52783/rlj.v11i2.508>.
- Sarah, Sarah. *Pelaksanaan Transfer Utang dari Perbankan Konvensional Ke Perbankan Syariah*, 2022.
- Siddiq-Armia, Muhammad. *Penentuan Metode Dan Pendekatan Penelitian Hukum*. Edited by Chairul Fahmi. Indonesia: Lembaga Kajian Konstitusi Indonesia (LKKI), 2022.
- Soedharyo Soimin. *Kitab Undang-Undang Hukum Perdata*. 12th ed. Jakarta: Sinar Grafika, 2013.
- Usman, Rachmadi. *Aspek Hukum Perbankan Syariah Di Indonesia*. Jakarta: Sinar Grafika, 2022.
- Wahyuni, Sri, Chairul Fahmi, Riadhus Sholihin, and Laila Muhammad Rasyid. 'THE ROLE OF COURTS IN RESOLVING CASES OF BANKRUPTCY OF ISLAMIC BANK CUSTOMERS'. *JURISTA: Jurnal Hukum Dan Keadilan* 7, no. 1 (10 June 2023): 1-23.  
<https://doi.org/10.1234/jurista.v7i1.42>.