



Ojk And Dps Supervision From Sharia Economic Law Perspective

Taufik Hidayat¹, Rijah Muhammad Majdidin², Efa Rodiah Nur³
 Postgraduate Program Students, UIN Raden Intan Lampung, Indonesia^{1,2}
 Lecturer at the Faculty of Shari'a, UIN Raden Intan Lampung, Indonesia³

*Corresponding email: hidayat434@gmail.com

Received : Juli 2023 Accepted: November 2023 Published: Desember 2023

Abstract: *The Financial Services Authority is an independent institution responsible for regulation, supervision, and protection. Consumer protection is governed by specific regulations, including those related to alternative dispute resolution. This study examines how the Financial Services Authority in the handles consumer complaints in the Islamic banking sector from an Islamic economic perspective. In this research, researchers will use the Library Research method or library research. This research uses a normative study approach with positive norms and sharia. This research aims to analyze the OJK supervision system for Sharia banking in Islamic law. In order upholding Islamic principles that must be run by Islamic banks, it needs supervision that run by the Sharia Supervisory Board (DPS). DPS task as the supervisory board on Islamic banking is the attribution of authority. DPS is authorized by the original authority derived directly from law, Article 27 PBI No. 6/24 / PBI / 2004, which outlines the duties, powers and responsibilities of DPS, DPS Presence is what differentiates it from conventional banks. DPS is independent and equal position with BOC.*

Keywords: *Financial Services Authority, Sharia Supervisory Board (DPS), Islamic banking*

Abstrak: Otoritas Jasa Keuangan adalah lembaga independen yang bertanggung jawab atas pengaturan, pengawasan, dan perlindungan. Perlindungan konsumen diatur oleh peraturan khusus, termasuk yang terkait dengan alternatif penyelesaian sengketa. Penelitian ini mengkaji bagaimana Otoritas Jasa Keuangan dalam menangani pengaduan konsumen di sektor perbankan syariah dari perspektif ekonomi syariah. Dalam penelitian ini, peneliti akan menggunakan metode Library Research atau penelitian kepustakaan. Penelitian ini menggunakan pendekatan kajian normatif dengan norma positif dan syariah. Penelitian ini bertujuan untuk menganalisis sistem pengawasan OJK terhadap perbankan Syariah secara hukum Islam. Dalam rangka menegakkan prinsip-prinsip syariah yang harus dijalankan oleh bank syariah, maka diperlukan pengawasan yang dijalankan oleh Dewan Pengawas Syariah (DPS). Tugas DPS sebagai dewan pengawas perbankan syariah adalah atribusi kewenangan. DPS disahkan oleh otoritas asli yang berasal langsung dari undang-undang, Pasal 27 PBI No. 6/24/PBI/2004, yang menguraikan tugas, wewenang dan tanggung jawab DPS, Kehadiran DPS inilah yang membedakannya dengan bank konvensional. DPS independen dan sejajar dengan Dewan Komisaris.

Kata Kunci: Otoritas Jasa Keuangan, Dewan Pengawas Syariah (DPS), perbankan syariah

Introduction

Indonesia is a country with the majority of its population embracing Islam. The

community carries out all its activities based on an understanding of religion and Islamic rules. In Islamic teachings,

humans are considered caliphs who are given the mandate to manage the earth and carry out activities and activities necessary to meet their living needs. The basis of Islamic law always refers to the Koran which regulates all aspects of human life in the world. The procedures for implementation and other matters are regulated through the hadiths of the Prophet Muhammad. If there are new things that are not regulated in the hadith history, Islamic scholars use the "*ushul fiqh*" method in exploring Islamic laws from the Koran and hadith, which is called "ijtihad".¹

Indonesia, as a country with the largest Muslim population in the world, needs financial institutions that carry out activities by Sharia principles. To meet this need, in 1992 Law Number 7 was issued concerning profit sharing activities. In 1998, the term "Sharia Principles" was openly used in Law Number 10 of 1998. Then, on July 16, 2008, Law Number 21 of 2008 concerning Sharia Banking was issued which more firmly regulates banking based on principles. sharia. Banks are financial institutions that provide a place for individuals, private companies, state-owned companies, and even government institutions to store funds, provide credit and financing, and facilitate payment mechanisms for all economic sectors.²

In 1999, the Indonesian government issued Law Number 23 concerning Bank

Indonesia which explains the duties and authority of Bank Indonesia to ensure the stability of the value of the rupiah. Several amendments were then made, namely Law Number 3 of 2004 and Law Number 2 of 2008, where Bank Indonesia was given the task of regulating and supervising banks. In 2011, the Indonesian government introduced the Financial Services Authority (OJK) through Law Number 21 of 2011. OJK is an independent institution that has functions, duties, and authority in regulating, supervising, examining, and investigating the financial services sector. On December 31, 2013, Bank Indonesia transitioned regulatory and supervisory duties in the banking sector to OJK. Since that.³

Banking is one of the financial services sectors that fall under the authority of the OJK in regulation, supervision, and investigation. Banking includes institutions, business activities, as well as methods and processes for carrying out business activities both conventionally and sharia. Regulations related to Sharia banking are not explained implicitly in the law concerning OJK but are only mentioned once in the general provisions in the first chapter of Article 1 paragraph 5. This raises doubts and uncertainty regarding the OJK's authority and system in supervising Sharia banking so that it does not there is a guarantee for the implementation of OJK's duties and

¹ Sutan Remi Sjahdeini, *Sharia Banking (Products and Legal Aspects)*, vol. I, Cet; I (Jakarta: Prenada Media Group, 2014), 4-5.

² Panji Adam Neneng Nurhasanah, *Sharia Banking Law Concepts And Regulations*, vol. 1, Cet.1 (Jakarta: Sinar Graphics, 2017), 3.

³ Bank Indonesia, Undang-Undang Republik Indonesia Nomor 23 Tahun 1999 tentang Bank Indonesia, vol. 7, Chapter III (Jakarta, 1999).

authority in supervising Sharia banking by Sharia principles.⁴

In 2018, total Sharia banking assets reached IDR 477 trillion, or an increase of 12.5% compared to 2017 which reached IDR 424 trillion. However, the Sharia banking market share as of May 2019 was still relatively slow, reaching only 5.85% of total banking industry assets nationally. One of the factors influencing the slow growth of Sharia banking in Indonesia is the lack of optimal regulation and supervision of Sharia banking, resulting in a lack of public trust and awareness of Sharia banks. This has an impact on national economic development and the conformity of bank implementation with sharia principles.⁵

In this research, researchers will use the Library Research method or library research. This research uses a normative study approach with positive norms and sharia. This research aims to analyze the OJK supervision system for Sharia banking in Islamic law.⁶ Data and reference collection will be carried out through written literacy published by the OJK and published in the media explaining institutional developments and supervisory mechanisms implemented in Sharia banking. The data obtained in this research will be analyzed qualitatively with a descriptive nature, namely an effort to process the data into information so that the characteristics or properties of

the data can be easily understood and are useful for answering problems related to research activities.⁷ Then, data from the OJK supervision system is analyzed and concluded descriptively to answer research problems. The description carried out includes the content and structure of positive law and Islamic law which is used as a reference in resolving supervisory system problems by the Sharia Financial Services Authority in Sharia Banking as a research object.

▪ Discussion and Research Results

1. OJK (Financial Services Authority) in the Supervisory System

The Financial Services Authority (OJK) is an institution established based on Law Number 21 of 2011 concerning the Financial Services Authority (UU OJK) on 22 November 2011 to carry out integrated supervision of the financial services industry. Previously, banking was under the supervision of Bank Indonesia, but now it has shifted to the OJK. Juridically, it is formulated that the OJK is an institution that is independent and free from interference from other parties, with duties and functions to regulate, supervise, examine, and investigate the financial services industry, except for the rights that are expressly regulated in this law. This form of banking supervision aims to separate the banking supervision function from the central bank to an

⁴ Indonesia, pasal 8.

⁵ A Djazul, *Rules of Jurisprudence*, t.t., 16.

⁶ Andi Nurhani Mufrih, "Financial Services Authority Supervision System in Sharia Banking in the Perspective of Islamic Law," *Journal: Iqtishaduna* Volume 1, no. Number 3 (April 2020): 183.

⁷ Sri Dewi Anggraini, "Supervision Mechanism of the Sharia Supervisory Board and Bank Indonesia on Sharia Banks," *Journal: UNIKOM* Vol. 12, no. Vo.1 (2017): 77.

independent body or institution outside the central bank.⁸

The following are the results of the transition of supervision based on Article 34 of Law Number 3 of 2004 concerning Amendments to Law Number 23 of 1999 concerning Bank Indonesia: a) The task of bank supervision will be carried out by an independent financial services sector supervisory institution and established by law -invite. b) The establishment of a supervisory institution as intended in paragraph (1) shall be implemented no later than 31 December 2010.⁹

The regulation and supervision of Sharia banking are also included in the transfer of functions from Bank Indonesia to the OJK, as regulated in the Sharia Law. The development and supervision of Sharia banks are regulated in Article 50 of Law Number 21 of 2008 concerning Sharia Banking, which covers institutional aspects, ownership, management (which includes fit and proper tests), business activities, reporting, and other aspects related to operational activities of sharia banks and UUS.¹⁰

Supervision carried out by Bank Indonesia on Sharia banks and UUS includes indirect supervision through off-site supervision based on bank reports, and direct supervision through on-site

supervision. After the transfer of regulatory and supervisory duties from Bank Indonesia to OJK, it became important to determine the authority of the Financial Services Authority in carrying out regulation and supervision of sharia banking, which is regulated in Law no. 21 of 2011 as follows: a. Determine the criteria for the level of soundness and conditions that must be fulfilled by sharia banks; b. Check and retrieve data/documents from every place and party related to the bank; c. Ordering banks to block certain accounts, both savings accounts and financing accounts, who are suspected of committing criminal acts in the financial services sector of the OJK carried out by certain Civil Servant Investigators whose scope of duties and responsibilities include supervision of the financial services sector within the OJK; d. Assign a public accounting firm and/or other parties to carry out examinations and determine whether Sharia banks can be made healthy or not, and submit the decision to LPS to be saved or not saved; e. Revoke business permits of Sharia banks that cannot be saved at the request of LPS, and revoke business permits of Sharia banks that have carried out regulation and supervision at the request of the bank concerned; f. Carrying out supervisory actions based on Law No. 21 of 2011, which includes various actions, such as carrying out follow-up supervision.¹¹

In carrying out its supervisory duties, OJK has several general authorities overall banking institutions, both directly and indirectly. Direct supervision includes

⁸ Indonesia, "Undang-Undang Republik Indonesia Nomor 23 Tahun 1999 tentang Bank Indonesia," pasal 2.

⁹ Indonesia Republic, "Law Number 3 of 2004 concerning Amendments to Law Number 23 of 1999," in the 2004 Bank Indonesia Law" (Badan Perundang-Undangan Republik Indonesia, 2004), Artikel 34.

¹⁰ Indonesia Republic, "Republic of Indonesia Law Number 21 of 2008 concerning Sharia Banking" (Jakarta, 2008), artikel 50.

¹¹ Neneng Nurhasanah, *Sharia Banking Law Concepts And Regulations*, 1:290-92.

general inspections and special inspections to obtain an overview of the bank's financial condition, monitor the level of bank compliance with applicable regulations, and identify unhealthy activities that could endanger the continuity of the bank's business. Meanwhile, indirect supervision is carried out through monitoring tools in the form of periodic reports submitted by the bank, audit results reports, etc.¹²

OJK carries out integrated supervision of all activities in the Financial Services Sector by Article 5 of Law no. 21 of 2011 by implementing the following steps: First, forming units tasked with carrying out integrated regulatory, licensing, and supervisory tasks. Second, integrating the regulations of all Financial Services Institutions (LJK) from the banking sector. OJK has, is, and will continue to make efforts to integrate regulations, both conventional and sharia, such as POJK No.27/POJK.03/2016 concerning fit and proper test for sharia banks and POJK No.13/POJK.03/2017 concerning use of public accounting services and public accounting firms in financial services activities. Third, integrating licensing for the entire Financial Services Sector through one door. Integrated supervision of all LJKs by the OJK has begun with the implementation of supervision of several LJKs that are members of one conglomerate. In this regard, OJK has issued the following provisions: a. POJK Number 17/POJK.0/2014 concerning the implementation of integrated risk management for financial conglomerates. b. POJK Number 18/POJK.03/2014

concerning the implementation of integrated governance for financial conglomerates; and c. POJK Number 26/POJK.03/2015 concerning the obligation to provide integrated minimum capital for financial conglomerates. 0/2014 concerning the application of integrated risk management to financial conglomerates. b. POJK Number 18/POJK.03/2014 concerning the implementation of integrated governance for financial conglomerates; and c. POJK Number 26/POJK.03/2015 concerning the obligation to provide integrated minimum capital for financial conglomerates. 0/2014 concerning the application of integrated risk management to financial conglomerates. b. POJK Number 18/POJK.03/2014 concerning the implementation of integrated governance for financial conglomerates; and c. POJK Number 26/POJK.03/2015 concerning the obligation to provide integrated minimum capital for financial conglomerates.¹³

OJK has a supervisory system in carrying out supervisory duties in Sharia banking using two approaches, namely: First, supervision based on Sharia banks' compliance with provisions related to the operations and management of Sharia banks according to prudential principles. Second, risk-based supervision uses a risk methodology that allows supervision to detect significant risks early and to take appropriate and timely supervisory action.¹⁴

In implementing Sharia banking activities, OJK provides special authority to carry out supervision of compliance and risks

¹² OJK, "Indonesian Banking Booklet," *OJK Department of Banking Licensing and Information* Volume 4 (Maret 2017): 22.

¹³ OJK, "Indonesian Banking Booklet," *OJK Department of Banking Licensing and Information* Volume 5 (Maret 2018): 41–42.

¹⁴ OJK, "Indonesian Banking Booklet," Maret 2017, 25.

in Sharia banking. The implementation of supervision in question is to monitor the compliance of Sharia banking with Sharia values which are the basic principles of Sharia banking and the level of risk of conformity with Sharia law on the implementation of activities in Sharia banking. The granting of special authority is actualized by collaborating with institutions that have special capabilities, namely the National Sharia Council (DSN). DSN collaborates with OJK in forming a special department that every Sharia bank must-have, namely the Sharia Supervisory Board (DPS) which is tasked with supervising the implementation of business activities in Sharia banking.¹⁵

2. OJK (Financial Services Authority) in Islamic Sharia

Zakat institutions in Indonesia are already mandated in the management of zakat management that needs to be improved again is professionalism in zakat management. Issuing zakat through a zakat institution can be realized seen from a perspective survey has a very good value than being issued directly by individuals or individuals.¹⁶ This can be to realize that muzakki feels that issuing zakat through institutions is a manifestation of Islamic sharia teachings in carrying out mahdhoh worship and strengthens trust in zakat institutions given the mandate and responsibility supported by the

government and amil zakat institutions in Indonesia.

The Financial Services Authority (OJK) is an institution that is independent and free from interference from other parties, it has functions, duties, and authority in regulating, supervising, examining, and investigating financial services institutions, both conventional and sharia, including sharia banking. The OJK aims to organize institutions in an orderly, fair, transparent, and accountable manner, and to create a financial system that grows sustainably and stably, to protect the interests of consumers and society.

In carrying out its duties as regulator and supervisor of the financial services sector, OJK must pay attention to the public benefit or interest. As a government institution or leader responsible for stabilizing the economy in Indonesia, OJK must uphold the rules of fiqh which state that everything good for society must be given the best possible attention and consideration. The rules of fiqh are as follows:

تصرف الإمام على الرعية منوط بالمصلحة

*"The policy actions of the imam (head of state) towards his people must be following the benefit (public interest)."*¹⁷

The explanation of the rule above is: "The position of an Imam towards the people is like the position of a guardian towards an orphan", which is a fatwa that came from Imam Asy-Shafi'i. According to him, the fatwa was taken from the statement of Umar bin Khattab RA which was told by Sa'id bin Mansur from Abu

¹⁵ OJK, 27.

¹⁶ Harmaini, Yuswar Zainul Basri, and Willy Arafah, "Determinant of Interest in Paying Zakat with Age as a Moderating Variable (Study on Minang Society)," *APTISI Transactions on Management (ATM)* 7, no. 2 (February 2, 2022), p. 92–104, <https://doi.org/10.33050/atm.v7i2.1821>.

¹⁷ Abdul Mudjib, *Rules of Fiqh Science* (Jakarta: Kalam Mulia, 2001), 61.

Ahwash from Abi Ishaq from Barro' bin 'Azib. That is:

Meaning: *"Indeed, I place myself in the hands of Allah's treasures like the position of a guardian over an orphan. If I need it, I take it from it, and if there is anything left over I give it back. And when I don't need it, I stay away from it (refrain from it)."*¹⁸

These rules can be applied in various fields involving government and policy about the people. This explains that every action or policy related to people's rights must be directed at gaining benefits rather than harming the people. Therefore, the actions of leaders who only follow their desires and interests and do not bring benefits to the people cannot be justified.¹⁹

In line with the rules contained in the hadith, the head of state takes policy actions by prioritizing the public interest or the interests of the people through the OJK, in carrying out supervision in the Sharia banking sector. As an authority institution, OJK has the function of carrying out an integrated regulatory and supervisory system for all activities in the financial services sector, including the task of regulating and supervising several other sectors such as banking, capital markets, insurance, pension funds, financial institutions, and financial institutions. other financial services.²⁰ In this context, supervision is also carried

out on financial service institutions labeled Sharia, including Sharia banking.

By the duties and functions previously mentioned, the Financial Services Authority (OJK) collaborates with the National Sharia Council (DSN) to form a Sharia Supervisory Board for each financial services institution labeled Sharia. This collaboration aims to maintain stability and consistency in the application of Sharia principles in every Sharia financial services sector, as well as maintain the trust and welfare of the people. As a result, the implementation of the Sharia Supervisory Board brings the concept of Sharia following the rules of fiqh:

الْأُمُورُ بِمَقَاصِدِهَا

Meaning: *"Everything depends on its purpose."*

As the rule is based on the hadith: Translation: From Amirul Mukminin Bu Hafsh Umar Bin Al Khatthab he said: I heard the Messenger of Allah. Said: Deeds depend on the intention. And each person will only be rewarded based on what he intended. So whoever migrates to Allah and his Messenger, his migration is to Allah and his Messenger. But whoever emigrates to obtain the world or a woman he wishes to marry, then his emigration is for what he intends to do. (Narrated by two imams, hadith experts, Abu Abdullah Muhammad bin Isma'il bin Al-Mughirah bin Bardizbah Al-Bukhari and Abdul Husain Musim bin Al-Hajjaj bin Musim Al-Qusyairu An-Naisaburi in their two authentic books, both of which are the

¹⁸ Mudjib, 67.

¹⁹ OJK, "Indonesian Banking Booklet," Maret 2017, 14.

²⁰ OJK, "Indonesian Banking Booklet," Maret 2017; OJK, "Indonesian Banking Booklet," OJK Department of Banking Licensing and Information Volume 2 (Mei 2015): 17.

most authentic book among the existing books.²¹

The meaning of the rule above is that every legal decision relating to a person must be adjusted to their intention to carry it out so that a person can carry out their work following the intentions, goals, and objectives they desire to produce a law. Therefore, with the task and function of providing regulation and supervision to financial service institutions, especially in the Sharia banking sector, the Financial Services Authority (OJK) has indirectly become a supervisory institution or Al-Hisbah for financial services institutions in the Sharia banking sector.

The authority of the Financial Services Authority (OJK) is regulation and supervision which is divided into five points. Three of them have authority in the form of supervision, namely supervising, imposing sanctions, and conducting investigations. The supervisory authority is divided into two parts. First, through direct examinations consisting of general and specific examinations to obtain an overview of the bank's financial condition, monitor the bank's compliance with applicable regulations, and identify unhealthy practices that could endanger the bank's continuity. Second, indirect supervision using monitoring tools such as periodic reports submitted by banks, audit results reports, and other information.²² That is:

- a. The authority of the Financial Services Authority (OJK) includes the ability to impose sanctions by statutory

regulations on banks that do not comply with the provisions or do not comply with the provisions. This action includes an element of guidance so that banks can operate by sound banking principles. OJK a

- b. Iso has the authority to conduct investigations in the financial services sector, including the banking sector. The investigation process was carried out by investigators from the Indonesian National Police and Civil Servant officials within the OJK. The results of the investigation will be submitted to the prosecutor for prosecution.

The authority of the Financial Services Authority (OJK) includes establishing policies related to supervision and determining the continuity of the implementation of banking business activities. 1. To carry out these duties, the OJK requires reports and other information. The reports required include reports on the implementation of banking business activities and the level of bank compliance with the rules and concepts that have been applied to banking. For sharia banking, the OJK also requires reports that are similar to conventional banking as well as reports from sharia supervisors or the sharia supervisory board which will report on a bank's business activities, including the bank's compliance in implementing sharia concepts in sharia banking.²³

The authority of the Financial Services Authority (OJK) in carrying out supervision consists of direct and indirect supervision, which in Islam is known as external supervision. The government or institution

²¹ Arifin Hamid, *Sharia Economic Law in Indonesia* (Bogor: Ghalia Indonesia, 2007), 76.

²² Abdul Ghofur Anshori, *The Umbrella of Sharia Banking Law* (Yogyakarta: UII Press, 2009), 78.

²³ Hamid, *Sharia Economic Law in Indonesia*, 79.

mandated to carry out supervision in this case the OJK by controlling the activities carried out by banks in carrying out their business activities to prevent fraud and things that hinder the continuity of the bank. This action is in line with the aim and function of the AlHisbah institution in Islam to command good behavior (*ma'ruf*) and prevent bad actions (*munkar*).

3. DPS (Sharia Supervisory Board)

DPS acts as a supervisor of Sharia financial institutions that supervises every operational Sharia banking activity, be it Sharia banks, Sharia insurance, Sharia capital markets, and others, so that all Sharia financial institutions can run by the demands of Islamic Sharia. The supervisory mechanism of the Sharia Supervisory Board, The Sharia Supervisory Board conducts an operational analysis of the Sharia Bank and assesses the bank's activities and products, ultimately The Sharia Supervisory Board can ensure that the operational activities of the Sharia Bank are by the fatwa issued by the National Sharia Council (DSN). Indonesian Ulama Council (MUI).²⁴

In the consideration of the Decision of the Supreme Court of the Republic of Indonesia Number KMA/080/SK/VII/2006 letter (a) it is explained that supervision is one of the main functions of management to maintain and control so that the tasks that must be carried out can run as they should by plans and rules. applicable. Therefore, this decision letter was issued which is intended as a guideline

for the implementation of supervision within the judiciary. The issuance of the Supervision Implementation Guidelines is intended to: a) obtain information on whether the technical administration of justice, the management of justice administration, and the implementation of general judicial duties have been carried out by plans and applicable laws and regulations; b) obtain feedback for policy, planning, and implementation of judicial duties; c) prevent irregularities, maladministration, and inefficiency in the administration of justice; and d) assessing performance.²⁵

The Sharia Supervisory Board (DPS) is an independent body placed by the National Sharia Council (DSN) in Sharia banking and financial institutions. DPS members must consist of experts in the field of muamalah sharia who also know the field of banking economics. In this case, Sharia Bank has appointed DPS members, who are appointed based on the results of the general meeting of shareholders and directors. In carrying out its daily duties, DPS is obliged to follow the DSN fatwa which is the highest authority in issuing fatwas regarding the conformity of bank products and services with sharia provisions and principles. The main task of DPS is to supervise bank business activities so that they do not deviate from the provisions and principles of sharia that have been fatwa by DSN. The role of DPS is very strategic in implementing Sharia principles in Sharia banking institutions.

²⁴ Muhammad, *Sharia Bank Management*, Revised Edition (Yogyakarta: AMK YKPN Publishing and Printing Unit (UPP), 2005), 67.

²⁵ Muhammad Syaf'i Antonio, *Sharia Banking from Theory to Practice* (Jakarta: Gema Human, 2005), 57.

Banks that will form a Sharia Supervisory Board (DPS) in the context of changing business activities or opening a Sharia branch office for the first time can submit a request for placement of DPS members to the National Sharia Board (DSN). Briefly 1, it can be said that the supervision mechanism of the Sharia Supervisory Board is at least once every six months, where the Sharia Supervisory Board will analyze the operations of Sharia Banks and assess the bank's activities and products. Ultimately, the Sharia Supervisory Board can ensure that Sharia Bank operational activities are by the fatwa issued by the National Sharia Board, and then submit the results of the supervision to the directors, commissioners, National Sharia Board, and Bank Indonesia.²⁶

In essence, Bank Indonesia as the Central Bank has three areas of duty, namely (1) determining and implementing monetary policy, (2) regulating and maintaining the smooth running of the payment system, and (3) regulating and supervising banks. To carry out the task of regulating and supervising banks, according to the provisions of Article 24 of Law No. 23 of 1999 concerning Bank Indonesia, Bank Indonesia establishes regulations, grants, and revokes permits for certain institutions and business activities from banks. In addition, according to the provisions of Article 29 paragraph (1) of the Banking Law, bank development and supervision activities are carried out by Bank Indonesia.²⁷

The definition of guidance is efforts made by establishing regulations concerning institutional aspects, ownership, management, business activities, reporting, and other aspects related to bank operational activities. To carry out supervision, Bank Indonesia establishes regulations, grants, and revokes permits for certain bank institutions and business activities, carries out bank supervision, and imposes sanctions on banks by statutory regulations (Article 24). In addition, Bank Indonesia has the authority to establish banking regulations that contain the principle of prudence (Article 25) which aims to provide guidelines for the implementation of banking business activities, to create a healthy banking system. Therefore, Banking regulations set by Bank Indonesia must be supported by the application of fair sanctions. Regarding authority in the field of supervision, by the provisions of Article 26 of Law no. 23 of 1999 concerning Banking, Bank Indonesia carries out bank guidance and supervision to ensure that these banks carry out their business activities by the provisions of laws and regulations in the banking sector.²⁸

▪ Closing

Some of the main problems in the management of zakat management in Indonesia are problems related to the organization of zakat collection management and the demlematics of Muslim participation, and the role of methods in zakat management is not at all directed. In providing solutions to zakat management, appropriate designs must be made in order to be free from obstacles that can disrupt zakat management and correct deficiencies in internal zakat

²⁶ Antonio, 65.

²⁷ Indonesia, "Undang-Undang Republik Indonesia Nomor 23 Tahun 1999 tentang Bank Indonesia," Article 24.

²⁸ Indonesia, Article 25.

receiving organizations from central to regional management, there must be new breakthroughs, especially in the era of the industrial revolution 4.0. Prioritize the regulations that have been made and take firm action for those who do not want to issue zakat for Muslim communities who have reached nisab issuing zakat who do not want to issue zakat.

The OJK supervision system for Sharia banking resembles the supervision system for the banking financial services sector in general. Especially for sharia banking, the implementation of supervision is added with special authority to the Sharia Supervisory Board (DPS) which collaborates with the National Sharia Council (DSN) to provide special supervision on the application of sharia concepts in sharia banking institutions.

As for the duties of the Sharia Supervisory Board (DPS) as stipulated in Article 27 of PBI no.6/24/PBI/2004, are to ensure and supervise the conformity of bank operational activities to fatwas issued by DSN;

1. Assess sharia aspects of operational guidelines, and products issued by banks;
2. Provide opinions from sharia aspects on the overall implementation of bank operations in bank publication reports;
3. Reviewing new products and services for which there is no fatwa to ask DSN for a fatwa;
4. Deliver the results of the sharia supervision report for at least 6 months to the dissidents, commissioners, DSN and BI (now OJK).

OJK (Financial Services Authority) acts as an Al-Hisbah institution, while the

Sharia Supervisory Board in each Sharia banking sector acts as a supervisor for Sharia banks. The supervision system carried out by OJK in collaboration with DPS is a form of effort to implement the sharia mandate as is the aim of the Al-Hisbah institution, namely to prevent evil and always carry out good deeds in every business activity carried out in the sharia banking sector. The form of action taken by the OJK in collaboration with the National Sharia Council to form the DPS is known as *sadd al zari'ah*, so the OJK has given special authority to the DPS to prevent damage or harm from occurring in the future. The results of this research can be a consideration for the growth of the OJK supervision system in the financial services sector, especially in Sharia banking. This is important considering that Sharia banking requires significant special supervision, especially on the use of the term "sharia" in Sharia banking institutions.

▪ Bibliography

- Anshori, Abdul Ghofur, 2009, *The Umbrella of Sharia Banking Law*, Yogyakarta: UII Press,
- Antonio, Muhammad Syafi'i, 2005. *Sharia Banking from Theory to Practice*. Jakarta: Gema Human
- Department of Religion, Ministry, Al-Qur'an and its Translations, (Jakarta: Foundation for Organizing Translations/Tafsir of the Al-Qur'an, 2002)
- Djazuli, A., 2017, *Rules of Jurisprudence*, Cet. VII, Jakarta: Kencana
- Hamid, Arifin, 2007, *Sharia Economic Law in Indonesia*, Bogor: Ghalia Indonesia
- Harmaini, Yuswar Zainul Basri, and Willy Arafah. "Determinant of Interest in

- Paying Zakat with Age as a Moderating Variable (Study on Minang Society).” *APTISI Transactions on Management (ATM)* 7, no. 2 (February 2022): 92–104.
<https://doi.org/10.33050/atm.v7i2.1821>.
- National Sharia Council Decree Number 3 of 2000 concerning Implementation Guidelines for Determining Members of the Sharia Supervisory Board
- Indonesian Ulema Council Decree Number Kep.754/MUI/II/1999 concerning the Establishment of the National Sharia Council
- Mudjib, Abdul, 2001, *Rules of Fiqh Science*, Jakarta: Kalam Mulia
- Muhammad, 2005, *Sharia Bank Management*, Revised Edition, Yogyakarta: AMK YKPN Publishing and Printing Unit (UPP)
- Nurhasanah, Neneng, 2017, et al., *Sharia Banking Law concepts and regulations*, Jakarta: Sinar Graphics
- Sjahdeini, Sutan Remi, 2014, *Sharia Banking; Products and Legal Aspects*, Cet; I, Jakarta: Prenada Media Group
- Syarifuddin, Amir, 2008, *Ushul Fiqh*, Volume 2 Jakarta: Kencana Prenadamedia Group
- Legislation**
- Republic of Indonesia Law Number 21 of 2008 concerning Sharia Banking
- National Sharia Council Fatwa Number: 14/DSN-MUI/IX/2000
- National Sharia Council Fatwa Number: 15/DSN-MUI/IX/2000
- Republic of Indonesia, Law Number 23 of 1999 concerning Bank Indonesia
- Republic of Indonesia, Law Number 21 of 2011 concerning the Financial Services Authority
- Republic of Indonesia, "Law Number 3 of 2004 concerning Amendments to Law Number 23 of 1999," in the 2004 Bank Indonesia Law.
- Republic of Indonesia, Law Number 21 of 2008 concerning Sharia Banking.
- Bank Indonesia Regulation Number: 11/3/ PBI/2009 dated 29 January 2009 concerning Sharia Commercial Banks.
- Journal**
- Andi Nurhani Mufrih, Financial Services Authority Supervision System in Sharia Banking in the Perspective of Islamic Law, Alauddin State Islamic University Makassar, *Journal: Iqtishaduna*, Scientific Student Department of Sharia Economic Law 138 Volume 1 Number 3 April 2020, p.183
- OJK Department of Banking Licensing and Information, Indonesian Banking Booklet Volume 2 Number ISSN L 1858 4233 (May: 2015) p. 75
- OJK Department of Banking Licensing and Information, Indonesian Banking Booklet Volume 4 Number ISSN L 1858 4233 (March: 2017) p. 25
- OJK Department of Banking Licensing and Information, Indonesian Banking Booklet Volume 5 Number ISSN L 1858 4233 (March 2018) p. 34
- Sri Dewi Anggraini, Supervision Mechanism of the Sharia Supervisory Board and Bank Indonesia on Sharia Banks, *Journal: UNIKOM*, Vo.12. Vo.1, p.77