Revisiting Public Microfinance Institutions through Ibn Bayyah's Maqāṣidic Framework

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Abstract

This study, entitled "Regional Regulation No. 8/2020 concerning the Bangkalan Public Credit Bank from the Perspective of Maqasid Khas Al-Muamalah Abdullah Bin Bayyah," aims to analyze the suitability and application of the Regional Regulation with the principles of Maqasid Khas Al-Muamalah according to Abdullah bin Bayyah. This study is important because there is still minimal research linking regional regulations with the principles of Islamic economic law that emphasize justice, transparency, and asset maintenance. The method used is qualitative with a normative juridical approach through interviews, observations, and documentation at BPR Bangkalan. The results of this study are expected to provide recommendations for improving regulations so that they are in line with sharia values and support the local economy. This study also contributes to the body of Islamic economic law, provides the community with an understanding of sharia BPRs, and serves as a reference for further research.

Keywords **:** *Abdullah bin Bayyah, Local Regulations, Rural Credit Bank*

INTRODUCTION

Rural Credit Banks are business entities that play a role in the community's economy by collecting excess funds from the community and lending them to the community by accepting excess funds from the community and then lending them to people who are short of funds (Debora & Tipa, 2024). Rural Credit Banks play an important role in driving local economic growth by facilitating access to financial services for small and medium enterprises and rural communities (Farida & Qomaro, 2023).

In order to improve community welfare and encourage local economic growth, Bangkalan Regency has enacted Regional Regulation No. 8 of 2020 concerning Public Rural Credit Banks), which aims to create good governance and effective operations in support of regional regulations. This reflects the local government's efforts to ensure effective and transparent financial management for the welfare of the community (Rochmawati & Hisyam, 2023).

As an integral part of Islamic legal structure, the existence of maqasid syariah is an important part and therefore there is a specific justification from sharia for humans to continue studying it (Musadad et al., 2024). The harmony between regulations and

Islamic legal principles, particularly Maqasid Khas al-Mu'amalah developed by Abdullah Bin Bayyah, has not been explored comprehensively.

Previous studies have examined Maqasid al-Shariah in various contexts. For example, Sutanto (Sutanto, 2021) Discussing the theoretical framework of Maqasid Syariah in fiqh muamalah, Ahmad Budiman (Budiman, 2024) researching maqashidi ijtihad in modern transactions, and Lutfi Ahsanudin (Ahsanudin, 2020) analyzing its relevance to contemporary Islamic economic issues in Indonesia. However, none of these studies focus on the integration of Maqasid Khas al-Mu'amalah in local government regulations or its implementation in regional financial institutions such as the People's Credit Bank. This creates a significant research gap, especially regarding the practical application of Abdullah Bin Bayyah's five principles: Ar-Rawaj (wealth circulation), Al-Wudhuh (transparency), Al-Hifdz (wealth protection), At-Tsabat (stability), and Al-Adl (justice) in regulating the local economic system.

The uniqueness of this study lies in its attempt to link regional financial regulations with Islamic jurisprudence through the Maqasid Khas al-Mu'amalah framework. This study provides an analytical perspective on the extent to which Bangkalan Regional Regulation No. 8/2020 is in line with ethical and legal objectives in Islamic law, as well as how these principles are reflected in the practices of BPR Syariah SPM Bangkalan.

Therefore, this study aims to (1) analyze the conformity of Bangkalan Regional Regulation Number 8/2020 with the principles of Maqasid Khas al-Mu'amalah according to Abdullah Bin Bayyah, and (2) examine the implementation of these principles among people involved in financial transactions with BPR Syariah SPM Bangkalan.

LITERATURE REVIEW

Regional Regulation

The legal basis for the implementation of Regional Regulations gained new momentum after the amendment of Article 18 of the 1945 Constitution relating to regional governance. One of the most significant results of this amendment was the establishment of regional autonomy. This reform created a new pattern of relations between the central government and regional governments, as well as redefining the division of authority between the two. Each region now has the right to regulate and manage its own internal affairs, except for matters that are explicitly assigned to the central government. Regional regulations are issued within the framework of implementing regional autonomy at the provincial, regency, and city levels, as well as to carry out delegated governmental functions. Basically, Perda serve as further elaboration of higher-level legislation while taking into account the characteristics and specific needs of each region.

Image 1.
Hierarchy of Legislation



Source: Hierarchy of Legislation in Indonesia

Local regulations must not conflict with the public interest or with higher laws and regulations. The formulation of local regulations must comply with the basic principles of regulation formulation. As citizens, you have the right to provide verbal or written input during the process of drafting and discussing local regulations. The stages of drafting, discussing, and ratifying local regulations are guided by applicable laws (Isroji et al., 2024).

The mechanism for drafting and enacting regional regulations is governed by several legal instruments, including Law No. 12 of 2011 on the Formation of Legislation, Law No. 23 of 2014 on Regional Government (as amended by Law No. 9 of 2015), Presidential Regulation No. 87 of 2014 concerning the Implementation of Law No. 12 of 2011, and Minister of Home Affairs Regulation No. 80 of 2015, as amended by Regulation No. 120 of 2018 concerning the Formation of Regional Legal Products.

Substantively, the process of forming Regional Regulations (Perda) follows stages similar to those for forming legislation in general, namely planning, drafting, deliberation, ratification, and announcement (Roky & Firdausiah, 2022). These five stages differ from those stipulated in Law No. 10 of 2004 on the Formation of Legislation, which includes an additional stage of dissemination as part of the legislative process.

Regional Regulation No. 8 of 2020 on the Public Enterprise Bank Perkreditan Rakyat Bangkalan

To strengthen the local economy in accordance with regional conditions, characteristics, and potential, it is essential to optimize capital distribution for micro businesses and cooperatives, while providing safe and accessible financial services for the community. In line with this objective, the Bangkalan Regency Government established a Regional Owned Enterprise in the form of a Regional People's Credit Bank based on Regional Regulation Number 4 of 2004 concerning the Bangkalan Regency

Market Bank People's Credit Bank.

The government issued Regional Regulation No. 8 of 2020 to adjust and improve the institutional and operational aspects of rural credit bank. The contents of the regulation are summarized as follows:

Table 1.
Regulation Regional Law No. 8 of 2020 Bangkalan

Regulation Regional Law No. 8 of 2020 concerning the Regional Public Company Bank Perkreditan Rakyat Bangkalan		
Chapter	**Sub Chapter**	**Subject Matter**
Chapter 1	General Provisions	General definitions and terms
Chapter 2	Adjustment of Company Form	Company form, name, and domicile
Chapter 3	Purpose and Objectives	The intent and goals of the institution
Chapter 4	Business Activities	Scope of financial operations
Chapter 5	Term of Establishment	Duration of company operation
Chapter 6	Capital	Provisions on capital and funding
Chapter 7	Organizational Bodies	General provisions, roles of the Regent, Directors, and Supervisory Board
Chapter 8	Organizational Structure	Institutional hierarchy
Chapter 9	Employees	Employment and staff regulations
Chapter 10	Planning and Reporting	Long-term plans, annual budgets, and reports
Chapter 11	Fiscal Year and Profit Allocation	Financial period and profit utilization

Regulation Regional Law No. 8 of 2020 concerning the Regional Public Company Bank Perkreditan Rakyat Bangkalan		
Chapter 12	Guidance and Supervision	Monitoring and control mechanisms
Chapter 13	Cooperation	Inter-institutional partnerships
Chapter 14	Dissolution	Procedures for company liquidation
Chapter 15	Transitional Provisions	Implementation adjustments
Chapter 16	Closing Provisions	Final legal clauses

Source: Local Regulation No. 8 of 2020 of Bangkalan Regency

Maqasid Khas According to Abdullah Bin Bayyah

Abdullah bin Mahfudh bin Bayyah, born in 1935 in Timbedra, Mauritania, is a prominent contemporary Islamic scholar who is widely recognized as one of the most influential thinkers in the modern Muslim world. He was raised in the religious family of his father, Sheikh Mahfudh bin Bayyah, who served as a qadi (judge) and chairman of the Mauritanian Conference established after the country's independence. From his

Literature Review (written in Garamond font, 13 pt), contains a review of various theories that underlie the emergence of research that contains various theoretical foundations of the variables used in this study. The literature review also contains research hypotheses for quantitative research. father, the young Bin Bayyah learned the basics of Islamic fiqh, while he studied Arabic under the guidance of al-'Allamah Muhammad Salim bin al-Shin, the science of the Qur'an from his grandfather al-Shaykh Bayyah bin Salik al-Masumi, and other Islamic disciplines such as fiqh, hadith, and rhetoric at al-Mahzarah, a traditional educational center in Mauritania (Arif, 2020).

In his monumental work Maqasid al-Mu'amalat wa Marashid al-Waqi'at, Abdullah Bin Bayyah argues that maqasid are not merely the normative objectives of Islamic law, but must also be a method of thinking and an analytical framework for formulating law (manhaj fiqh al-waqi'). Thus, maqasid does not stop at the theoretical level, but functions as a practical approach that is able to connect between nash (shar'i text) and social reality (waqi' al-nas) (Bayyah, 2013).

In the field of fiqh al-mu'amalah (Islamic transactional law), Bin Bayyah classifies maqasid into two categories: general objectives (maqasid 'ammah) and specific objectives (maqasid khasah). General objectives cover all branches of Islamic law, including commercial law and civil law. In maqasid 'ammah, he identifies four main objectives: maqsad al-'ibadah (the objective of worship), maqsad al-ibtala' (the objective of testing),

maqsad al-istikhlaf (the objective of stewardship), and maqsad al-'adl (the objective of justice) (Ahsanudin, 2020).

Meanwhile, in fiqh al-mu'amalah, he formulated five specific objectives (maqasid khasah), namely:

1. Ar-Rawaj, is the circulation of wealth, ensuring economic dynamics,
2. Al-Wudhuh, related to wealth transparency, preventing fraud or ambiguity,
3. Al-Hifdz, related to wealth preservation, protecting assets from misuse,
4. At-Tsabat, to maintain wealth stability, ensure continuity and resilience,
5. Al-Adl, for fairness in transactions, ensuring fairness and mutual satisfaction. In addition, Abdullah Bin Bayyah emphasized that fiqh al-mu'amalah must be based on the principles of productivity (idkhar) and ethical behavior between producers and consumers, as well as encouraging mutual agreement (at-taradhi). Ethical behavior is very important to ensure economic balance and prevent prohibited practices such as fraud, hoarding, or exploitation (Bayyah, 2013).

Abdullah Bin Bayyah also emphasized that Islam's concern for protecting property stems from its primary goal of ensuring human welfare (maslahah). Its legal approach does not rely solely on Islamic legal sources, but also considers social phenomena and contextual realities as essential factors in determining legal rulings. As a result, his thinking offers a dynamic framework for harmonizing contemporary financial systems with the moral and spiritual objectives of Islamic law (Ahsanudin, 2020).

RESEARCH METHOD

This study uses a qualitative approach with a normative juridical method. This approach was chosen because it aims to examine the compatibility between the legal norms in Regional Regulation Number 8 of 2020 concerning the Bangkalan Regional Credit Bank and the principles of Maqasid Khas al-Mu'amalah according to Abdullah Bin Bayyah's view. Qualitative research allows researchers to gain a deep understanding of social and legal phenomena, while the normative juridical approach focuses on analyzing the substance of positive law in comparison with Islamic legal values. Thus, this method is descriptive-analytical in nature, describing and analyzing legal and empirical data holistically (Abdussamad, 2021)

The research was conducted at the Sarana Prima Mandiri Sharia Rural Credit Bank Bangkalan Branch, located at Jalan Trunojoyo No. 56, Pejagan, Bangkalan Regency, East Java. This location was chosen because it is a regional financial institution that is the direct object of the implementation of Local Regulation No. 8 of 2020. The subjects in this study included two groups, namely the internal institution, which consisted of employees and managers of BPR Syariah SPM Bangkalan, and the external institution, which consisted of the community or customers who used BPR Syariah SPM services, both in the form of savings, financing, and deposits.

The sampling technique was conducted using purposive sampling, which is the

selection of informants based on certain considerations that are deemed to be directly related to the research object (Hardani, Helmina Andriani, 2020). The research sample consisted of six groups of respondents, including employees of BPR Syariah SPM and active customers (savings, financing, and loan customers). The selection of respondents was based on criteria such as experience, direct involvement in the institution's operations, and understanding of sharia principles in muamalah activities.

The data collection methods used consisted of three main techniques, namely observation, interviews, and documentation. Observation was carried out by directly observing the operational activities of the institution during the period from August to October 2025, covering financing practices, customer service, and financial reporting systems. In-depth interviews were conducted with the six respondents to explore their understanding of the implementation of Local Regulation No. 8 of 2020 from the perspective of Maqasid Khas al-Mu'amalah. Documentation was used to obtain secondary data from internal documents of the institution, such as annual reports, organizational profiles, management structures, and Islamic financial products offered by BPR Syariah SPM Bangkalan.

RESULTS AND DISCUSSION

Implementation of Local Regulation No. 8/2020 on Sharia Rural Banks from the Perspective of Maqasid Khas Abdullah Bin Bayyah

Bangkalan Regency Regulation Number 8 of 2020 concerning the Bangkalan Regional Credit Bank is a regional regulation that serves as the legal basis for the operation of local government-owned microfinance institutions. The main objectives of this regulation are to strengthen the regional financial sector, improve public services in the financial sector, and realize a fair and sustainable community economy.

The results of the study show that BPR Syariah Sarana Prima Mandiri (SPM) has comprehensively implemented the provisions of Local Regulation No. 8 of 2020, both in terms of institutional, operational, and supervisory aspects. From an institutional perspective, BPR Syariah SPM functions as a regional financial institution that is oriented towards the welfare of the community, not merely profitability. This institution has an organizational structure that reflects the principles of good corporate governance with a clear division of functions between management, supervisors, and the Sharia Supervisory Board.

In the context of governance, the institution applies the principles of transparency, accountability, and prudence as mandated in Local Regulation Chapter X on planning and reporting. Every financial activity is accompanied by periodic reports submitted to the local government and supervisory authorities. Interviews with internal officials of the institution show that a digital-based financial reporting system and annual audits have been consistently implemented to ensure openness and public trust.

From a business perspective, the implementation of local regulations is evident in the orientation of institutions towards productive financing and community economic empowerment. Based on internal data, around 70% of total fund distribution is focused on the Micro, Small and Medium Enterprises (MSME) sector, while the rest is distributed to the consumptive sector under strict supervision to ensure compliance with sharia

principles. This shows that BPR Syariah SPM has carried out the mission of the local regulation in supporting economic equality through the distribution of capital to small community groups.

The application of the principle of ar-rawaj (circulation of wealth) in maqasid syariah is evident in the institution's efforts to maintain the circulation of funds in the productive sector. Public funds are not only saved, but also processed and circulated back to the community for economic activities that provide broad benefits. Thus, the institution not only performs a financial function, but also acts as an agent of regional economic development.

Table 2.

Monthly Deposit Data Recap

No	Year	Description	Deposito Amount	Nominal Deposit
1.	2020	1 Month Deposit	29	Rp. 1.905.075.000
	2020	3 Month Deposit	37	Rp. 2.088.205.000
	2020	6 Month Deposit	52	Rp. 2.715.615.000
	2020	12 Month Deposit	15	Rp. 340.000.000
2.	2021	1 Month Deposit	28	Rp. 834.401.000
	2021	3 Month Deposit	45	Rp. 3.725.686.000
	2021	6 Month Deposit	65	Rp. 5.339.493.000
	2021	12 Month Deposit	10	Rp. 298.500.000
3.	2022	1 Month Deposit	8	Rp. 472.650.000
	2022	3 Month Deposit	27	Rp. 3.959.493.000
	2022	6 Month Deposit	45	Rp. 2.128.380.000
	2022	12 Month Deposit	8	Rp. 313.000.000

No	Year	Description	Deposito Amount	Nominal Deposit
4.	2023	1 Month Deposit	5	Rp. 213.000.000
	2023	3 Month Deposit	16	Rp. 3.716.551.000
	2023	6 Month Deposit	52	Rp. 4.595.380.000
	2023	12 Month Deposit	2	Rp. 54.000.000
5.	2024	1 Month Deposit	1	Rp. 50.000.000
	2024	3 Month Deposit	7	Rp. 1.992.930.000
	2024	6 Month Deposit	14	Rp. 919.250.000
	2024	12 Month Deposit	6	Rp. 127.000.000
6.	2025	1 Month Deposit	0	-
	2025	3 Month Deposit	6	Rp. 923.000.000
	2025	6 Month Deposit	5	Rp. 195.650.000
	2025	12 Month Deposit	1	1.000.000.000

Source: Data from Bangkalan Sharia Rural Bank

Based on deposit data from 2020 to 2025, there appears to be fluctuations in the number and total value of deposits at BPR Syariah SPM Bangkalan. Although there was a decline in 2022–2023, the trend in 2024–2025 shows a positive recovery with an increase in the number of time deposits. This reflects the continued turnover of assets (ar-rawaj), while also indicating public trust in this Islamic financial institution. The application of the principle of maqasid al-mu'amalah, particularly fair economic distribution, can be seen from the BPR Syariah SPM success in productively distributing and collecting public funds.

Table 3.

Deposit Data Recap

No.	Year	Code	Description	Nominal Savings	Effective Balance
1.	2020	11	Multi-purpose savings account	233	Rp. 273.269.556
2.	2021	11	Multi-purpose savings account	125	Rp. 169.661.273
3.	2022	11	Multi-purpose savings account	92	Rp. 164.920.094
4.	2023	11	Multi-purpose savings account	52	Rp. 136.174.673
5.	2024	11	Multi-purpose savings account	60	Rp. 314.306.991
	2024	13	Ibadiah Savings	6	Rp. 1.305.118
	2024	15	Mudharabah Savings Account IB	4	Rp. 174.593
6.	2025	11	Multi-purpose savings account	87	Rp. 312.890.967
	2025	15	Mudharabah Savings Account IB	1	Rp. 60.015.000

Source: Data from Bangkalan Sharia Rural Bank

Furthermore, the principle of al-wudhuh (transparency) is also an important aspect in the implementation of this Regional Regulation. In every financing transaction, the institution explains in detail the contract used, the margin amount, the financing tenor, and the rights and obligations of each party. This prevents the practices of usury, gharar, and tadlis, which are contrary to sharia values.

Image 2.
Financial Statement Transparency



Source: SPM Bangkalan Sharia BPR Office

This transparency is regulated in Chapter X of Local Regulation No. 8 of 2020 concerning Planning and Reporting, which stipulates that BPR Syariah SPM are required to submit periodic activity and financial reports to local governments and relevant authorities. From a maqasid perspective, this implementation reflects the value of Al

Wudhuh, which is an important foundation for public trust in financial institutions. Good transparency also ensures that every transaction is accountable, thereby maintaining the stability and credibility of BPR Syariah SPM as local public institutions.

In addition, the principle of al-hifz (preservation of assets) is realized through the implementation of a multi-layered transaction security and internal audit system. BPR Syariah SPM uses an information technology system to monitor fund movements and ensure that all financial activities comply with regulations and sharia principles. Supervision by the Sharia Supervisory Board is an important element in maintaining the purity and halal nature of the institution's activities.

BPR Syariah SPM maintains its assets through strict supervision of incoming and outgoing funds, as well as a risk management system based on prudence. All financial transactions at BPR Syariah SPM are controlled using the cash ratio principle. The cash ratio is a financial ratio used to measure a company's liquidity level (Adzhari & Oktaviani, 2024). To maintain the stability of funds entering BPR Syariah SPM, funds are stored in a safe deposit box. In addition, BPR Syariah SPM also provides special accounts at Bank

Syariah Indonesia.

The application of the Al-Hifz principle is in line with Chapter VI of Local Regulation No. 8 of 2020 concerning Capital and Chapter XI concerning the Use of Profits, which emphasizes that every asset management activity must be carried out with the principles of prudence, efficiency, and usefulness.

Then, in terms of at-tsabat (integrity and stability), the institution showed good resilience amid the dynamics of the national economy. Based on interviews with employees of the SPM Sharia BPR Institution, financial stability has been maintained thanks to strict risk management and portfolio diversification policies. Support from the local government through adaptive regulations has also strengthened the position of SPM Sharia BPR as a stable and trusted pillar of regional finance.

From the interview results, it was also found that if there is a cash shortage at a branch, funds will be immediately sent from the head office through an inter-institutional transfer system using Bank Syariah Indonesia accounts. This step demonstrates the existence of a fast and accurate control mechanism in maintaining the stability of the institution's capital. Thus, the principle of At-Tsabat is implemented through the sustainability of the capital management and profit supervision system, as stipulated in Chapter VI and Chapter XI Article 12 of Local Regulation No. 8 of 2020.

In terms of al-'adl (fairness), the institution upholds the principle of fairness in profit sharing and treatment of customers. The profit sharing system in mudharabah and musyarakah contracts is applied proportionally based on a clear agreement at the beginning of the contract. There is no discrimination against customers based on capital amount or social status. All parties receive fair and balanced treatment in accordance with sharia principles.

The determination of returns is carried out proportionally so that it remains fair and does not put pressure on customers. Based on the interview results, the financing

margin is determined based on a business feasibility analysis and agreement between both parties. In sharia contracts such as murabahah and musyarakah, the profit-sharing system is clearly determined at the beginning of the contract.

This policy shows that BPR Syariah SPM strives to apply the principle of fairness in determining returns and margins, in line with Chapter III of Local Regulation No. 8 of 2020 concerning Purpose and Objectives and Chapter II concerning Profit Utilization.

Application of Maqasid Khas Al-Muamalah in Communities Conducting Transactions at SPM Sharia Rural Banks

Abdullah bin Bayyah developed the concept of Maqasid Khas al-Mu'amalah as specific objectives of Sharia law in the field of economics and financial transactions. These five objectives are derived from the general objectives of Sharia law and aim to

protect human welfare in economic activities (Bin Bayyah, 2013).

In addition to being applied in the structure and operations of the institution, the values of Maqasid Khas al-Mu'amalah are also reflected in the behavior and experiences of people who conduct transactions at BPR Syariah SPM Bangkalan. Based on interviews with three groups of customers (savings, financing, and loans), it is known that the community has felt the direct benefits of applying the maqasid principle in Islamic financial services.

In terms of ar-rawaj, the community stated that the existence of BPR Syariah SPM greatly helped to boost local economic activity. Through sharia-based financing, many MSME players were able to expand their businesses without being burdened by high interest rates as in conventional institutions. The nominal interest rate from BPR Syariah SPM is lower than that of conventional banks or cooperatives, which is less than Rp. 500 per day for Rahn contracts. This principle of wealth circulation not only creates economic equality, but also fosters a sense of social solidarity because the community's funds are recirculated for the benefit of the community itself.

In terms of al-wudhuh, institutional transparency is a key factor in increasing public trust. The contract process is always clearly communicated, whether it relates to profit-sharing mechanisms, time frames, or business risks. According to customer testimonials, the institution never hides information and always provides explanations before the contract is signed. This openness is in line with the maqasid, which rejects all forms of uncertainty (gharar).

In every transaction process, whether it be murabahah, musyarakah, or mudharabah contracts, customers are given a copy of the contract and a detailed explanation of the amount of financing, profit margin, term, and legal consequences of late payment. The application of this system is in line with the principle stated in QS. Al

Baqarah verse 282, which requires the recording of every debt so as not to cause disputes in the future. Through this policy, BPR Syariah SPM not only upholds the principle of prudence (prudential principle) in financial activities, but also creates a culture of openness and mutual trust between institutions and the community. This kind of transparency is part of the maqasid syariah to maintain social stability and avoid elements of gharar (uncertainty) and tadlīs (deception) in transactions.

Furthermore, the principle of asset preservation (al-ḥifẓ) is also clearly evident in BPR Syariah SPM policies. Asset preservation in maqasid syariah covers two aspects:

maintaining the existence of assets so that they remain productive and protecting assets from damage or misuse. To maintain the existence of assets, BPR Syariah SPM conducts a feasibility study on each prospective recipient of financing to ensure that the funds disbursed are actually used for beneficial activities. The institution also implements a periodic monitoring system and provides education to customers on the management and safeguarding of customer goods. In this context, customers feel secure in entrusting their money and collateral (pawn) to BPR Syariah SPM. Most respondents

stated that the collateral storage system (such as gold or vehicles) is carried out under strict supervision and in a secure storage location.

Furthermore, the principle of at-tsabat is evident in the stability of the relationship between customers and the institution. The community considers BPR Syariah SPM to have consistent, friendly, and responsive service to customer needs. This relationship is not only transactional but also emotional and social. In the context of maqasid, this kind of ongoing relationship reflects integrity (tsabat) in economic practices that maintain the sustainability of the system and public trust.

The principle of justice (al-'adl) is the highest goal in all economic activities. Abdullah bin Bayyah emphasizes that justice in the economic sphere does not only mean a balance between rights and obligations, but also includes justice in the acquisition, expenditure, and management of wealth (Solikin, 2021). In the context of BPR Syariah SPM Bangkalan, this fairness is manifested in the form of policies that favor small communities and the application of contracts based on the principle of mutual consent (taraḍin). There are no elements of coercion or interest practices that harm customers, as all transactions are based on the principle of profit sharing and mutually agreed upon returns.

In general, the application of maqasid khas al-mu'amalah at BPR Syariah SPM Bangkalan has shown compliance with sharia principles and Islamic legal objectives as proposed by Abdullah bin Bayyah. This institution not only functions as a financial service provider but also as an agent of social change that plays a role in strengthening the economic independence of the people. However, there are still several challenges that need to be addressed, such as low public literacy regarding Sharia contracts, limited innovation in maqasid-based financial products, and the need to strengthen the supervisory system so that the application of maqasid can be more measurable. Nevertheless, it can be concluded that BPR Syariah SPM has performed its role well in realizing maqasid al-mu'amalah, namely promoting justice, benefit, and the blessing of wealth.

Thus, people who conduct transactions at BPR Syariah SPM Bangkalan not only enjoy material economic benefits, but also obtain spiritual values in the form of a sense of security, fairness, and peace in their transactions. This institution has succeeded in presenting an economic model that does not merely pursue profit, but also fosters moral and social responsibility among economic actors. The maqasid values applied make BPR Syariah SPM not only a financial institution but also a forum for the formation of Islamic economic ethics at the local level. This is in line with the vision of maqasid syariah formulated by Abdullah bin Bayyah, that every economic transaction must be directed towards achieving the benefit of the people, maintaining justice, and avoiding all forms of injustice in wealth (Bin Bayyah, 2013). Therefore, the application of maqasid khas al-mu'amalah at BPR Syariah SPM Bangkalan can be said to be a form of actualization of

sharia principles in the regional economy that is oriented towards a balance between the world and the hereafter, between individual benefits and social welfare.

CONCLUSION

This study concludes that Regional Regulation No. 8 of 2020 concerning the Bangkalan Regional Credit Bank has been effectively implemented by BPR Syariah Sarana Prima Mandiri (SPM) based on the principles of Maqasid Khas al-Mu'amalah according to Abdullah Bin Bayyah. The application of the values of ar-rawaj (circulation of wealth), al-wudhuh (transparency), al-hifz (preservation of wealth), at-tsabat (stability), and al-'adl (justice) is evident in the governance of institutions and community economic practices. The integration of regional regulations and maqasid sharia creates a financial system that is fair, sustainable, and oriented towards social welfare.

This study has limitations in terms of its scope, which only involves one institution, so further studies are recommended to expand the object and use a quantitative approach for more comprehensive results. The implications of this study emphasize the importance of applying maqasid as the basis for formulating regional sharia economic policies. The government and financial institutions are expected to continue to strengthen maqasid literacy and develop welfare-based financial products to achieve sustainable economic justice.

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