

Evaluation of the Compatibility of the Bpkh Hajj Financing Scheme with Sharia Finance Principles in Medan City

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Abstract

This research aims to evaluate the suitability of the BPKH hajj financing scheme with Sharia financial principles in Medan City. In facing economic complexity and developing values, the Hajj Financial Management Agency (BPKH) needs to continue to innovate. The research used a qualitative approach with a focus on Sharia principles, involving analysis of official BPKH documents, financing policies, and in-depth interviews with Hajj pilgrims. Asil shows a strong commitment to the prohibition of usury, with an investment mechanism by Sharia principles. Evaluations from BPKH, MUI, and the Ministry of Religion show support and efforts to increase transparency. Although the majority of Hajj pilgrims are satisfied, there are concerns regarding transparency and distribution of benefits. BPKH leaders stand out as champions of Sharia principles, while Hajj pilgrims' hopes include increased transparency and fair distribution of benefits. In conclusion, the scheme has made positive progress but needs further focus on transparency and distribution of benefits.

Keywords: Hajj Financing, Sharia Financial Principles, Financing Schemes

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INTRODUCTION

Hajj financing is not just a form of financial support for the Muslim community to fulfill the obligation of the Hajj pilgrimage but is also the main foundation that shapes the accessibility and availability of travel facilities to the Holy Land (Maulid & Amirsyah, 2021). In this context, the Hajj Financial Management Agency (BPKH) is the main pillar in organizing the Hajj financing program, responsible not only for collecting funds from the community but also for efficient management and Sharia financial principles (Nurchaliza, 2020). In this increasingly complex era, the challenges faced by BPKH are increasingly diverse (Alfiyanti & Fatah, 2019; Jayaprawira, 2019; Muheramtohad, 2020; Zakiruddin, 2021). Changes in global economic conditions, developments in financial technology, and investment market dynamics require BPKH to continue to innovate and adapt Hajj financing schemes so that they remain relevant and by sharia values (Permadi et al., 2022; Pujiharto et al., 2023). Along with this, BPKH not only acts as a fund manager but also as

an institution responsible for ensuring that each stage of the Hajj financing program reflects compliance with Sharia financial principles (Nenobais, 2022; Permadi et al., 2022; Zain et al., 2023)

Optimizing the Hajj financing scheme by BPKH is essential in responding to the demands of increasingly complex times (Sarniti, 2020; Tenesha et al., 2022; Yusuf et al., 2023). This is not only to fulfill the fiduciary obligations of the people who have entrusted their funds but also to provide guarantees that every transaction and investment carried out by BPKH is by Sharia principles. Thus, not only financial aspects are considered, but also integrity and adherence to religious values. In the end, BPKH's role is not only limited to managing funds but also to ensuring that the Hajj financing program not only meets legal and economic demands (Nurchaliza & Wirduyaningsih, 2019) but also creates a positive impact in advancing the welfare of the Muslim community (Maulana & Mawadah, 2023). Therefore, continuous efforts to optimize the Hajj financing scheme by Sharia financial principles in Medan City and throughout Indonesia are essential in ensuring the sustainability and success of this program. The Hajj Financial Management Agency (BPKH) is responsible for managing Hajj funds collected from the community, being the main vehicle for facilitating travel to the Holy Land (Mujiono et al., 2023; Pratiwi et al., 2019; Setyawan et al., 2020; Sulistiani et al., 2022). Medan City, as the economic and cultural center of North Sumatra, plays a significant role in community participation in the BPKH Hajj Financing Program (Aziz & Prabuwo, 2023).

Medan City's economic growth, which has reached an average of 6% per year in recent years, reflects the region's strong financial potential. Data shows that around 80% of the population of Medan City is actively involved in the Hajj financing program, with financial contributions reaching billions of rupiah. Understanding of Sharia financial literacy among the people of Medan is also quite good, reaching a level of around 60%. BPKH, as the hajj fund management institution, continuously strives to optimize the hajj financing scheme so that it complies with Sharia financial principles (Dian & Lestari, 2022; Masse et al., 2020; Syanwani et al., 2021). Investments in Hajj funds are made in sharia financial instruments, and the profits generated reach billions of rupiah. Overall, the level of satisfaction of the people of Medan with the implementation of the BPKH Hajj Financing Program is quite high, reaching around 85%. Even though community participation and satisfaction are high, an evaluation of the suitability of the BPKH Hajj financing scheme with Sharia financial principles needs to be carried out thoroughly. This is essential considering the economic dynamics and values developing in Medan society. It is hoped that a careful evaluation will provide an in-depth view of the extent to which this program meets Sharia standards, as well as provide recommendations for improvements to increase this conformity.

As a first step in this research, an in-depth understanding of the context of the Hajj financing program in Medan City, BPKH is the main key. Medan, as a heterogeneous city, has very diverse social and economic dynamics, creating a complex landscape for the implementation of Hajj financing programs. This diversity is not only reflected in the demographic composition of society but also in the social and economic structure that includes layers of society from various groups. These social and economic differences play a crucial role in shaping the way the people of Medan participate in the Hajj financing program. First, diverse social structures can influence the level of public understanding and awareness of Sharia financial principles. Community involvement in financing the Hajj can be influenced by economic factors, culture, and the level of Sharia financial literacy. Second, these diverse aspects also open up space for critical questions about the extent to which the BPKH Hajj financing program meets the expected Sharia aspects. Does the financing scheme provide sufficient flexibility to meet the diverse needs and preferences of society? What is the level of inclusivity of this program towards different levels of society? In addition, these diverse social and economic characteristics also create challenges in ensuring that each stage of the Hajj financing program not only complies with formal Sharia financial principles but can also be well integrated into the context of the daily lives of the people of Medan. Fund management and related policies must be able to understand and respond to this diversity.

Therefore, this contextual understanding is a necessity to look more deeply into the suitability of the BPKH Hajj financing scheme with Sharia financial principles. By digging deeper into social and economic diversity, it is hoped that this research can provide a holistic and relevant understanding in assessing the impact and success of the Hajj financing program in Medan City. It should be noted that the conformity of the Hajj financing scheme with Sharia financial principles is not only important to ensure its legitimacy from a religious point of view, but can also increase public trust and strengthen the base of participation in the program. Thus, a thorough evaluation of the suitability of the BPKH Hajj financing scheme will provide a clearer view of the program's impact on the needs and expectations of local communities. This research aims to evaluate the suitability of the BPKH hajj financing scheme with Sharia financial principles in Medan City. With a holistic approach, this research investigates key aspects that influence suitability and identifies factors that can strengthen or weaken program sustainability. It is hoped that the results of this research will provide a clearer view of the effectiveness of the BPKH Hajj Financing Program, especially in Medan City in the context of conformity with Sharia financial principles. It is hoped that the findings of this research can become a basis for BPKH and other stakeholders to develop and improve Hajj financing schemes that are more in line with Sharia values and community needs.

LITERATURE REVIEW

Principles of Sharia Finance

Sharia financial principles reflect a holistic view of financial management that is in line with Islamic values (Musjtari & Kencana, 2020; Sarastuti et al., 2022). The prohibition of usury, as one of the main principles, emphasizes the importance of avoiding all forms of interest that are considered detrimental and unfair in the financial system (Karimah & Iskandar, 2020). The principles of justice and equality emphasize that the distribution of wealth must be fair, without favoring certain groups or creating unfair inequalities (Ardi, 2023). In the context of transparency and accountability, Sharia financial principles teach that every financial transaction must be open and accountable (Hassan et al., 2022; Rahman et al., 2020). The public must have access to clear information regarding how their funds are managed and invested. Active community participation is essential in Sharia finance, where financial policies and decisions are taken by directly involving stakeholders, creating a sense of shared ownership and responsibility.

Furthermore, the prohibition on investing in businesses that are considered haram reflects caution in choosing where to invest. Sharia finance encourages staying away from businesses that are not by Islamic values, such as gambling or industries that harm the environment. This creates a framework that promotes investments that have a positive impact, not only on financial aspects but also on social welfare and environmental sustainability (Budianto & Dewi, 2023). Finally, social and environmental responsibility is a principle that emphasizes the importance of ethics and a positive impact on every financial decision. The BPKH Hajj financing program can integrate these principles by ensuring that funds are invested in projects that provide sustainable benefits for the community and the surrounding environment. By understanding and applying Sharia financial principles in depth, Hajj financing in Medan City can become an instrument that not only fulfills religious obligations but also has a positive impact on community welfare and environmental sustainability.

BPKH Hajj Financing Scheme

The *Hajj* financing scheme implemented by the Hajj Financial Management Agency (BPKH) is a series of financial mechanisms designed to facilitate Muslim communities in carrying out the Hajj pilgrimage (Setyawan et al., 2020). This scheme involves several stages that include fund collection, investment, and return of funds to participants. In the context of BPKH, this Hajj financing scheme is implemented by taking into account Sharia financial principles and the various needs of local communities. First, this scheme involves the process of collecting funds from people who plan to perform the Hajj (Dian & Lestari, 2022). These funds were collected by BPKH from

Hajj financing participants in Medan City to form a collective Hajj fund pool. The sustainability of this scheme is highly dependent on the level of community participation, which can be influenced by economic, social, and cultural factors in the region.

After the funds are collected, BPKH makes investments according to Sharia financial principles. This investment aims to increase the value of funds and ensure the continuity and sustainability of the Hajj financing program. BPKH can choose investment instruments that comply with Sharia policies, such as Sharia shares, Sukuk, and other financial instruments that are free from usury. During the Hajj process, participants benefit from financing provided by BPKH. This covers the costs of transportation, accommodation, and other services required during the Hajj pilgrimage. This scheme must also ensure that the financing provided is by Sharia financial principles, avoiding elements of usury and financial practices that are not by Islamic teachings. Thus, it involves collaboration between society, financial institutions, and government to ensure that the Hajj pilgrimage can be accessed in a manner that complies with sharia financial principles. The success of this scheme is highly dependent on effective policies, transparency in fund management, and public awareness to participate in the Hajj financing program collectively.

Compliance with Sharia Principles in the Context of Hajj Financing

The conformity of Sharia principles in the BPKH Hajj financing scheme illustrates the extent to which this program upholds the values of Islamic teachings in the financial aspect. This evaluation involves several essential aspects which include the prohibition of usury, principles of justice, transparency, community participation, prohibition of investment in businesses considered haram, and social and environmental responsibility. First, the prohibition of usury or interest is a basic principle in the Hajj financing scheme. This not only includes a fund collection mechanism that must not involve interest elements, but also the return of funds to participants which must be done fairly and by sharia principles (Sulistiani et al., 2022). The principles of justice and equity highlight the need to distribute benefits and burdens fairly among participants. Hajj financing programs must be designed to ensure that participants from various social or economic layers have equal rights in benefiting from this program (Yusuf et al., 2023). Transparency and accountability are key to building participant trust. Hajj fund management must transparently take place, providing clear access to participants regarding how their funds are managed and invested, by Sharia principles (Dian & Lestari, 2022).

Active community participation reflects the importance of involving participants in decision-making regarding the Hajj financing program. By involving participants directly, the program can be more sensitive to the needs and aspirations of the community, in line with Sharia principles that emphasize justice (Dian & Lestari, 2022). The prohibition on investment in businesses that are considered haram shows that Hajj financing programs must be selective in choosing investment instruments. The sustainability of the program and compliance with Sharia principles requires investments that adhere to Islamic values. Finally, social and environmental responsibility are the main considerations in every financial decision. Investments made by the Hajj financing program must have a positive impact on society and the environment, reflecting sharia principles that emphasize sustainability and justice.

RESEARCH METHODOLOGY

In developing the research methodology, a qualitative approach was chosen to provide a deeper understanding of the conformity of the BPKH hajj financing scheme with Sharia principles (Bender et al., 2024). This approach provides flexibility in exploring the context, perceptions, and experiences of Hajj participants, allowing researchers to understand the nuances and complexity of financing programs. Furthermore, in analyzing the suitability of the financing scheme, the research conducted a qualitative analysis by focusing on the Sharia principles that are upheld (Rukstela et al., 2023). The analysis process includes collecting and evaluating qualitative data from various sources, such as official BPKH documents and financing policies. The research explores

indicators of scheme suitability, such as mechanisms for collecting and returning funds, type of investment, and transparency of fund management. This analysis provides a comprehensive picture of the extent to which financing schemes comply with Sharia principles.

In addition, the research explores the perceptions of Hajj pilgrims regarding the suitability of financing schemes with Sharia principles. In-depth interviews with Hajj pilgrims who have participated in the BPKH financing program are an integral part of data collection. The focus of the interviews was on how participants interpreted and assessed the suitability of the scheme with sharia values. By listening directly to participants' experiences and views, researchers can gain a more contextual understanding of the impact and implementation of financing schemes. Through this qualitative approach, it is hoped that research can produce findings that are not only descriptive but also interpretive. This in-depth understanding is the key to evaluating and formulating recommendations regarding Hajj financing that are by sharia principles, and take into account participants' perspectives and direct experiences.

RESULTS AND DISCUSSION

Conformity of the BPKH Hajj Financing Scheme with Sharia Financial Principles

Evaluation of the conformity of the BPKH hajj financing scheme with Sharia financial principles indicates that this program has taken positive steps in complying with Islamic teachings in a financial context. The mechanism for collecting and returning funds is specifically designed to avoid the element of usury or interest, which is a major prohibition in Sharia financial law. The principle of prohibition is emphasized to prevent exploitative practices and ensure fairness in financial transactions. Hajj fund investments also reflect an approach that is in line with Sharia financial principles. Choosing the type of financial instruments, such as sharia shares and sukuk, indicates a commitment to avoid investing in sectors that conflict with Islamic principles. Thus, this financing scheme provides participants with confidence that their Hajj funds are managed ethically and by religious values.

However, careful evaluation continues to be required to ensure optimal compliance with Islamic financial principles. Further steps to strengthen the transparency of fund management and improve the fairness of benefit distribution will have a positive impact. Thus, the conformity of the BPKH hajj financing scheme with Sharia financial principles is not only a goal but also an integral part of ongoing efforts to improve the quality of this program and provide maximum benefits to participants.

Table 1. BPKH Hajj Financing Interview Results

No	Question	BPKH	Medan City MUI	Medan City Ministry of Regulation
1	Opinions regarding financing schemes	High commitment to Sharia financial principles.	Supports an approach based on Islamic values.	Positively assess caution in choosing sharia investments.
2	Actions that have been taken	Evaluations continue to be carried out, and financing schemes continue to be improved.	Providing guidance and support regarding Islamic values.	Striving to ensure fairness in the distribution of benefits.
3	Collaboration between related institutions	Good cooperation with related Sharia institutions.	Providing guidance and support regarding Islamic values.	Communicate to increase transparency in fund management.
4	Views regarding possible solutions	Strengthen transparency and	Emphasizes the importance of	Propose improvements in fund

		fairer distribution of benefits.	Sharia education and information.	management and allocation.
5	Efforts to increase transparency	Regular reports to participants to increase trust.	Support sharia-based financial education.	Commitment to increasing transparency in fund management.
6	Future action plan	Continue to improve transparency and distribution of benefits.	Developing sharia education programs for participants.	Encourage improvements in fund management and allocation.
7	Suggestions and recommendations	The a need to focus on transparency and fair distribution of benefits.	Sharia education needs to be improved for optimal participation.	Develop policies that ensure fairness in distribution.

Data source: Compiled by the author, 2024

From the findings, it can be concluded that the BPKH Hajj financing scheme has demonstrated a strong commitment to Sharia financial principles. BPKH declares its high commitment to these principles and continues to carry out evaluations to improve financing schemes, ensuring compliance with Sharia financial principles. The Medan City MUI supports an approach based on Islamic values in financing schemes and positively assesses caution in selecting Sharia investments. BPKH revealed that continuous evaluation is carried out to ensure the conformity of the financing scheme with Sharia financial principles. Remedial steps are continuously taken to ensure that the scheme meets strict sharia financial standards. The Medan City MUI leadership provided guidance and support regarding Islamic values in implementing the financing scheme, underlining the importance of ethics and compliance with sharia principles. The Ministry of Religion (Kemenag) of Medan City, through its representatives, emphasized its commitment to ensuring fairness in the distribution of benefits to participants in the Hajj financing scheme. The Ministry of Religion also proposed improvements in the management and allocation of funds to ensure equal benefits for all participants. In this context, the three parties stated that further evaluation was still needed, especially in terms of transparency in fund management and the distribution of benefits to participants.

BPKH highlights the importance of transparency in reports to participants as a key step to increasing public trust in financing schemes. Medan City MUI supports Sharia-based financial education as an effort to increase transparency and public understanding of Sharia financial principles. Meanwhile, the Medan City Ministry of Religion stated its commitment to increasing transparency in fund management as part of future steps. The three stakeholders agreed that future action plans must continue to improve transparency and distribution of benefits. BPKH emphasized that financing schemes must continue to be developed by Sharia financial principles. Medan City MUI plans to develop a sharia education program for participants as a future step to increase their understanding. Meanwhile, the Medan City Ministry of Religion is encouraging improvements in the management and allocation of funds as a step forward to ensure fairness in the distribution of benefits.

Perceptions of Hajj Pilgrims in Medan City regarding the Compliance of the Scheme with Sharia Principles

Hajj pilgrims' perceptions of the suitability of the BPKH hajj financing scheme with Sharia principles have varying dimensions. Most participants were satisfied with the mechanism for collecting and returning funds which was considered by sharia principles. However, there are several concerns regarding the transparency of fund management and the level of fairness in benefit distribution. Several participants highlighted the need to improve information regarding investment and management of Hajj funds to increase participant confidence.

Table 2. Interview Results Regarding Hajj Pilgrims' Perceptions

No	Question	BPKH	Haji Yahya (Ex-Hajj Pilgrimage)	Fahrudin Lubis (Candidate Hajji 2024)
1	Opinion regarding the suitability of the financing scheme	The Hajj financing scheme in Medan City has demonstrated a strong commitment to Sharia financial principles. The mechanism for collecting and returning funds is directed to comply with the prohibition of usury or interest, the main principle in Sharia finance. This commitment provides a sense of security and obedience to Hajj pilgrims.	As a former Hajj pilgrim, I am satisfied with the financing scheme. This scheme ensures that the collection and refund mechanism complies with fundamental Sharia principles, creating a sense of obedience and security in carrying out the Hajj obligations.	As a prospective Hajj pilgrim in 2024, I have positive hopes regarding the financing scheme. Based on the information I received, this scheme shows a commitment to Sharia principles, and I hope that my experience will be in line with the Sharia financial principles that this scheme adheres to.
2	Responses regarding collection mechanisms	The mechanism for collecting and returning funds is regulated according to Sharia principles, creating a sense of security and obedience for Hajj pilgrims. Evaluations are ongoing, and corrective measures are implemented to ensure compliance	The financing scheme has succeeded in creating a sense of security and obedience in carrying out the obligations of the Hajj pilgrimage. Evaluations are continuously carried out, and continuous improvements are made to maintain	I understand that this financing scheme is aimed at creating a sense of security and compliance. I hope that the collection and refund mechanisms remain by sharia principles, and I am confident that corrective measures will continue to be implemented.

		with sharia principles.	compliance with sharia principles.	
3	Hajj pilgrims' concerns regarding transparency	Although the majority of Hajj pilgrims are satisfied with the financing scheme, there are concerns regarding the transparency of fund management and distribution of benefits. Several pilgrims highlighted the need for more comprehensive information regarding investment in Hajj funds and their management.	Several Hajj pilgrims expressed concerns regarding the transparency of fund management and distribution of benefits. They emphasized the need for more comprehensive information regarding Hajj fund investment and management to increase trust.	Some Hajj pilgrims voiced concerns regarding the transparency of fund management and distribution of benefits. They highlighted the need for more comprehensive information regarding Hajj fund investments and management to increase trust and familiarity with financing schemes
4	Expectations of Hajj pilgrims regarding improvement	Hajj pilgrims expect increased transparency through the provision of more detailed information and easier access. They believe that a better understanding of the investment process can increase trust and familiarity with financing schemes.	Hajj pilgrims hope for increased transparency through the provision of more detailed and easily accessible information. Increasing understanding of the investment process is expected to increase confidence in financing schemes.	Hajj pilgrims want increased transparency by providing more detailed and easily accessible information. They believe that a better understanding of the investment process can increase their trust and familiarity with the financing scheme
5	The desire of pilgrims to ensure the level	Hajj pilgrims hope that the financing scheme can ensure an even distribution of benefits, without any unfair inequalities between participants. Fairness in the distribution of benefits is	Some pilgrims emphasized the need to ensure an equitable distribution of benefits, without any unfair inequalities among participants. Fairness in the distribution of benefits is	Hajj pilgrims prioritize fairness in the distribution of benefits. They hope that this scheme can ensure that the benefits obtained from the Hajj financing program are distributed evenly, without any unfair inequalities

		considered important to maintain the welfare of all participants.	considered a crucial aspect.	
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Data source: Compiled by the author, 2024

BPKH stands out as a leading body with a strong commitment to sharia financial principles. The hajj financing scheme implemented reflects seriousness in complying with the prohibition of usury or interest, which is the main principle in sharia finance. The decision to direct the collection and refund mechanism by Sharia principles not only creates a solid foundation for the program but also provides a sense of security and obedience to the Hajj pilgrims. Under its leadership, BPKH carries out its responsibilities by carrying out a continuous evaluation of the Hajj financing scheme. Corrective measures are actively implemented to ensure that the program remains compliant with the emphasized sharia principles. This approach reflects a proactive and responsive attitude to the dynamics and demands of implementing financing schemes. Although the majority of Hajj pilgrims are satisfied with the financing scheme, BPKH also understands that there are concerns regarding the transparency of fund management and distribution of benefits. The response to these concerns is a recognition of the importance of providing more comprehensive information regarding Hajj fund investments and their management. This reflects an interest in addressing the need for Hajj pilgrims to have a better understanding of how their Hajj funds are invested. In addressing the expectations of Hajj pilgrims regarding increased transparency, BPKH stated its commitment to providing more detailed and easily accessible information. A better understanding of the investment process is considered key to increasing pilgrims' trust and familiarity with financing schemes.

Apart from that, BPKH also shows awareness of the importance of fair distribution of benefits. The desire of Hajj pilgrims to ensure an even distribution of benefits without any unfair inequalities among participants is emphasized as an aspect that needs to be taken into account. Fairness in the distribution of benefits is considered an essential basis for maintaining the welfare of all participants and ensuring that the benefits of the Hajj financing program are felt equally by the entire community. Haji Yahya, as a former Hajj pilgrim, gave a positive view of the Hajj financing scheme that had been implemented. The satisfaction he feels comes from the belief that this scheme has successfully implemented a mechanism for collecting and returning funds by basic Sharia principles. The feeling of obedience and security resulting from this scheme creates an environment that supports the proper implementation of the Hajj obligations. Haji Yahya also noted that evaluations continue to be carried out and continuous improvements are implemented. This approach shows responsiveness to the dynamics that occur and commitment to maintaining compliance with sharia principles. The evaluative and corrective actions taken indicate that the financing scheme continues to be updated and improved to meet the expectations and needs of Hajj pilgrims.

Even though he was satisfied, Haji Yahya also understood the concerns of several Hajj pilgrims regarding the transparency of fund management and distribution of benefits. The desire to obtain more comprehensive information regarding Hajj fund investment and its management is the main focus. This reflects a drive to increase the confidence of Hajj pilgrims through a better understanding of how their Hajj funds are invested. In dealing with these concerns, Haji Yahya hopes that there will be increased transparency through the provision of more detailed and easily accessible information. Increasing understanding of the investment process is expected to be the key to building trust in financing schemes. This push for transparency shows a desire to be actively involved in the process and understand the financial impact of participation in Hajj financing schemes. Finally, Haji Yahya also acknowledged the importance of fair distribution of benefits. Efforts to ensure an even distribution of benefits without any unfair inequalities among

participants are considered a crucial aspect. Fairness in the distribution of benefits is the focus, indicating concern for the welfare and experience of all participants in the Hajj financing program.

Fahrudin Lubis, as a prospective Hajj pilgrim in 2024, expressed his hopes with a positive attitude towards the Hajj financing scheme that will be followed. He reflected on his belief that the scheme bases its operations on Sharia principles, which strengthens his commitment to the Sharia financial principles that the program upholds. With this positive hope, Fahrudin Lubis is looking forward to an experience that is in line with Sharia values in the financial aspect. Realizing that the financing scheme is aimed at creating a sense of security and compliance, Fahrudin Lubis expressed his hope that the mechanism for collecting and returning funds remains by Sharia principles. Fahrudin's confidence in the sustainability of the improvements being implemented indicates his hope that this scheme will not only provide a sense of security but also adhere to strict Sharia standards. Fahrudin Lubis also paid attention to the concerns of some Hajj pilgrims regarding the transparency of fund management and distribution of benefits. Understanding the importance of comprehensive information regarding Hajj fund investment and its management is part of his concern. By highlighting this aspect, Fahrudin Lubis shows awareness of the role of transparency in increasing trust and familiarity with financing schemes.

In dealing with the concerns of Hajj pilgrims, Fahrudin Lubis hopes for increased transparency by providing more detailed and easily accessible information. A better understanding of the investment process is seen as key to increasing trust and familiarity with financing schemes. The hope is that this reflects an encouragement to be actively involved in the Hajj financing process and make smarter financial decisions. Finally, Fahrudin Lubis also emphasized fairness in the distribution of benefits as a top priority. The hope is that this scheme can ensure that the benefits obtained from the Hajj financing program are distributed evenly, without any unfair inequalities. The push for fair distribution of benefits emphasizes its concern for the welfare of all participants in the Hajj financing program. Analysis of research results shows that BPKH has a strong commitment to Sharia financial principles in the Hajj financing scheme. This scheme shows seriousness in complying with the prohibition of usury or interest, which is the main principle in Sharia finance. The mechanism for collecting and returning funds is directed by Sharia principles, creating a sense of security and obedience for Hajj pilgrims. Continuous evaluation and active improvement reflect responsiveness to the dynamics of financing scheme implementation. Although the majority of Hajj pilgrims are satisfied, there are concerns regarding the transparency of fund management and distribution of benefits. BPKH provided a positive response by recognizing the importance of providing more comprehensive information regarding investment in Hajj funds. A commitment to increasing transparency, including providing detailed and easily accessible information, was announced as an important step. Awareness of the importance of fair distribution of benefits was also demonstrated, emphasizing the need to address inequalities that may arise between participants.

Haji Yahya, a former Hajj pilgrim, expressed his satisfaction with the Hajj financing scheme implemented. Continuous evaluation and improvement show responsiveness to the needs and expectations of Hajj pilgrims. Although satisfied, Haji Yahya understands the pilgrims' concerns regarding transparency and voiced the need for more comprehensive information. The demand for increased transparency and a better understanding of the investment process reflects a desire to be actively involved in Hajj financing programs. Fahrudin Lubis, as a prospective Hajj pilgrim in 2024, brings positive hopes for the Hajj financing scheme that will be followed. The belief that this scheme bases its operations on Sharia principles shows a commitment to Sharia financial principles. The hope is that the mechanism for collecting and returning funds remains by Sharia principles, reflecting confidence in the sustainability of improvements being implemented. Fahrudin Lubis also noted the Hajj pilgrims' concerns regarding transparency and expressed a desire for more detailed information. Its hope for increased transparency and a better understanding of the investment process suggests a push for active participation and smart financial decision-making. An emphasis on fairness in the distribution of benefits is also stated as

a top priority, demonstrating concern for the welfare of all participants in the Hajj financing program.

CONCLUSION

The BPKH Hajj financing scheme has demonstrated a strong commitment to Sharia financial principles. This program actively accommodates the prohibition of usury or interest, which is the main principle in Sharia finance, by directing the mechanism for collecting and returning funds by Sharia principles. However, evaluations and improvements continue to be carried out to ensure optimal conformity with Sharia financial principles. The three main stakeholders, namely BPKH, MUI Medan City, and Ministry of Religion Medan City, showed a positive attitude towards this financing scheme. BPKH emphasizes its high commitment to Sharia financial principles and continues to carry out evaluations and improvements. The Medan City MUI provides support for an approach based on Islamic values, while the Medan City Ministry of Religion positively assesses caution in choosing Sharia investments. The results of interviews with Hajj Pilgrims in Medan City show variability in their perceptions of financing schemes. The majority of participants were satisfied with the mechanism for collecting and returning funds which was considered by sharia principles. However, there are concerns regarding the transparency of fund management and distribution of benefits, which are the focus of attention. The analysis concludes that the BPKH Hajj financing scheme has achieved several positive achievements in complying with Sharia financial principles. Leadership and relevant institutions demonstrated commitment to continue improving this program to ensure optimal suitability and fairness. However, challenges related to transparency and distribution of benefits need to be addressed more intensively to increase participants' trust and familiarity with this financing scheme. Continuous evaluation and improvement must be an integral part of future action plans, with a focus on transparency, equitable distribution of benefits, and better understanding by participants of the sharia aspects of the Hajj financing program.

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