



Fixed return green *sukuk ijarah*: Normative-philosophical analysis *hifdz al-mal* and *hifdz al-bi'ah* for ecological stability

Ai Rahmawati^{1,*}, Shofiyatul Ummah², Ahmad Rifat Mathar³,

¹ Master of Sharia Economics Law, Faculty of Sharia and Law, UIN Syarif Hidayatullah Jakarta, South Tangerang, Banten 15412, Indonesia;

² Department of Sharia Economics Law, Faculty of Sharia, Nurud Dhalam Islamic College, Sumenep, East Java 69252, Indonesia;

³ Master of Sharia Economics Law Student, Faculty of Sharia and Islamic Economics, Institute of Qur'anic Sciences Jakarta, South Tangerang, Banten 15417, Indonesia.

*Correspondence: rahmawatai119@gmail.com

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ABSTRACT

Background: Green sukuk has emerged as a strategic Islamic financial instrument that integrates economic development with environmental preservation while reflecting the contemporary application of Sharia principles in sustainable finance. This study aims to examine the normative and philosophical validity of fixed return guarantees in *ijarah*-based green sukuk through the perspectives of *hifdz al-māl* (protection of wealth) and *hifdz al-bi'ah* (protection of the environment), building on prior studies that discuss green Islamic finance, sukuk structures, and maqasid-oriented investment models. **Methods:** Using a normative-philosophical approach, this research analyzes classical jurisprudential principles, contemporary regulatory frameworks, and conceptual discourse on Sharia-compliant sustainability finance. **Findings:** The study finds that fixed return guarantees can reduce market volatility risks and enhance the continuity of renewable energy and climate-related projects, thereby aligning with Sharia objectives of safeguarding assets through accountable fund management and promoting environmental sustainability through support for green initiatives. The results also demonstrate coherence between the theoretical framework of maqasid al-sharia and the practical structure of *ijarah* green sukuk. **Conclusion:** Fixed return guarantees in *ijarah*-based green sukuk are normatively acceptable and philosophically compatible with the goals of economic resilience and ecological balance in Islamic finance. **Novelty/Originality:** This article offers an integrative assessment of fixed return mechanisms in green sukuk through a dual maqasid lens, establishing a new theoretical linkage between asset protection and environmental preservation within Sharia-compliant investment structures.

KEYWORDS: fixed return; green sukuk; *hifdz al-mal*; *hifdz al-bi'ah*; *ijarah*.

1. Introduction

Environment-based economic growth (green economy) is currently one of the economic principles being promoted in various countries. This green-based economy is believed to be a new direction that can create better economic stability. Economists are now focusing their attention on examining the concept of a green economy. This environment-oriented economy is believed to be able to improve people's welfare, create more jobs, not cause damage to nature, and of course be sustainable (Ge & Zi, 2016).

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In addition to having significant economic advantages, as a new economic concept that focuses on clean and renewable energy, the development of this green economy concept is accompanied by its own challenges, including in terms of funding. One of the funding schemes offered in the green economy system is the development of financial instruments in the form of green bonds and green sukuk (Yaniza, et al., 2022). Green sukuk is a financial instrument in the field of sharia investment that applies the principles of *muamalah syar'iyah* and sustainable financing while taking into account environmental health aspects. The issuance of green sukuk as an investment method is an innovation of the sukuk investment model itself, where the allocation of investment funds focuses on halal aspects and environmental protection aspects (Alam et al., 2023). In historical records, Indonesia became the first country in the world to issue green sukuk after several other countries had previously issued green bonds, such as Fiji and Poland. The issuance of green sukuk was carried out in 2018 through the Ministry of Finance as a form of the country's commitment to protecting the world from extreme weather and climate change (UNDP, 2018).

Since its release, green sukuk has received a positive response from the public, as shown by data released by the National Commission for Sharia Finance and Economics (KNEKS) that since its inception, sharia green sukuk has routinely added to its instruments, with details in 2018 worth USD 1.25 billion, in 2019 worth USD 750 million, in 2023 worth USD 1 billion, and in 2024 worth USD 600 million with a 10-year tenor (KNEKS, 2025). This condition is certainly inseparable from driving factors, including the large national market share and environmental awareness among investors (Sekar et al., 2021).

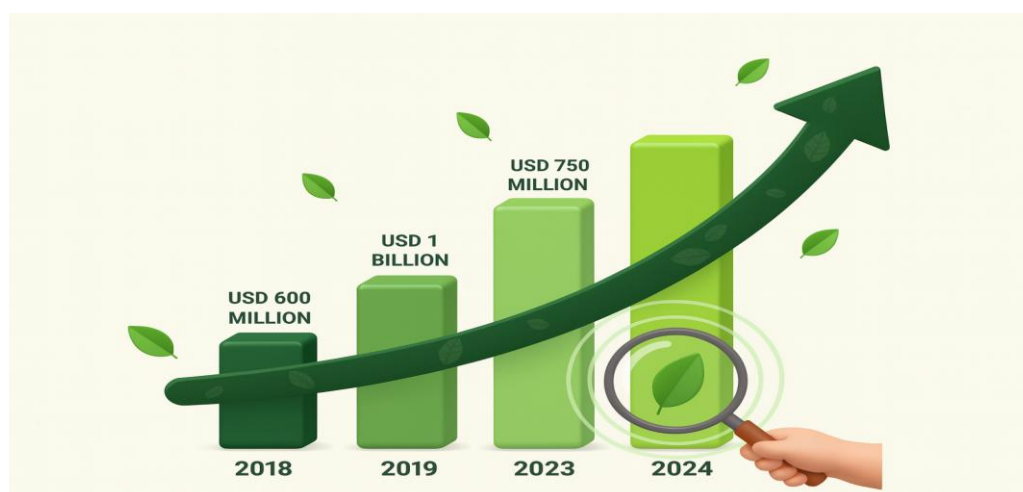


Fig 1. Development of green sukuk issuance (2018-2024)
[KNEKS, 2025]

In its development, the contracts used in the issuance of green sukuk are very diverse, including *ijarah*, *mudharabah*, *musyarakah*, and *wakalah* contracts. However, the main contracts most often used in the issuance of green sukuk are *ijarah* and *wakalah* contracts. The *ijarah* contract in the issuance of green sukuk then has three innovative structures, including the State Sharia Securities (SBSN) *Ijarah Sale and Lease Back*, *SBSN Ijarah asset to leased*, and *SBSN Ijarah al-khadamat*, while green sukuk with a *wakalah* scheme is based on the *wakalah* contract (Qu'an & Ahmadi, 2025).

Green sukuk with an *ijarah* contract scheme is a contract that positions the service provider to promise the service user to transfer the right to use and utilize an object without including the right of ownership, accompanied by the payment of *ujrah* (Angelia, 2020). This contract scheme offers the advantage of a fixed return, which means that the amount of profit to be obtained by investors is rigidly determined in the contract. Obtaining a fixed return as intended can be problematic because, in the world of investment, the market does not always move in a profitable direction; sometimes it also moves in the direction of loss. Therefore, a guarantee of certainty regarding the return promised at the time of the contract

is needed so that the transaction is free from legal uncertainty related to cash flow through the underlying asset that has been determined. In addition, a common problem faced by Indonesian green sukuk is the lack of a specific mechanism to ensure the accountability of investment funds allocated to the green economy itself. This issue cannot be viewed solely as a technical contractual issue, but is related to the broader context of the urgency of green financing in the Islamic capital market architecture amid the global ecological crisis. Although the issuance of green sukuk has shown a positive trend in the global Islamic capital market, its urgency does not stem solely from the innovation of instruments, but from the global ecological crisis that demands large-scale green financing whose capacity exceeds conventional financing. Therefore, the author is interested in researching “Fixed Return Guarantees in Ijarah-based Green Sukuk: A Normative-Philosophical Analysis based on *Hifdz al-Maal* and *Hifdz al-Bi'ah* for Ecological Stability” as an effort to comprehensively and holistically understand the mechanism of return and potential losses, as well as their impact on environmental preservation guarantees. Based on the arguments and data mentioned above, in this study, the author is interested in examining how the fixed return mechanism in ijarah-based green sukuk is positioned within the framework of *maqashid sharia*, particularly *hifdz al-maal* and *hifdz al-bi'ah*, and whether the certainty of returns contributes to strengthening or potentially weakening ecological stability, which is the normative mandate of sharia-based green financing instruments?

2. Methods

2.1 Research design and approach

This study employs a normative-philosophical legal research design, which examines the compatibility of green sukuk ijarah with provisions of positive law (Marzuki, 2016; Efendi & Ibrahim, 2018). The analysis is centered on two principal dimensions of *maqashid sharia*, namely *hifdz al-mal* (protection of property) and *hifdz al-bi'ah* (protection of the environment), both of which emphasize the balance between economic benefit and ecological sustainability as mandated in Islamic law (Nasution, 2020). This research applies three complementary approaches: the statute approach, the conceptual approach, and the philosophical approach (Cambell, 1992). The statute approach is used to examine relevant legal regulations governing sukuk and sustainable finance, while the conceptual approach explores legal doctrines and theoretical perspectives concerning fixed return guarantees in Islamic financial instruments. Furthermore, the philosophical approach is utilized to analyze the underlying values of justice, sustainability, and public welfare embedded within *maqashid sharia*. Through these approaches, the study aims to construct a comprehensive understanding of the legitimacy of fixed return guarantees in green sukuk ijarah within the broader framework of economic and ecological stability.

2.2 Data sources and data analysis

The primary sources of this study consist of laws and regulations, DSN-MUI fatwas, and official state documents, including the Green Bond and Green Sukuk Framework (Ministry of Finance, 2018) and the Green Sukuk Allocation and Impact Report (Ministry of Finance, 2024). Secondary sources include books, legal literature, scholarly journals, academic articles, and other relevant references related to the research problem. In addition, expert opinions relevant to Islamic finance and environmental legal studies are also utilized to strengthen the analytical framework of this study (Efendi & Ibrahim, 2018). Data analysis is conducted using a normative qualitative method through descriptive, interpretative, and evaluative stages. The descriptive stage explains the legal and conceptual framework of green sukuk ijarah, while the interpretative stage examines the meaning and application of fixed return guarantees within Islamic legal principles. The evaluative stage assesses the compatibility of such guarantees with the principles of justice and ecological sustainability. The findings are presented descriptively and analytically, with conclusions drawn

deductively to formulate a normative-philosophical synthesis regarding the legitimacy of green sukuk within the framework of economic and ecological stability.

3. Results and Discussion

3.1 The dimensions of *maqashid sharia* in the philosophical foundations of green sukuk *ijarah*

The issuance of green sukuk as a new economic *ijtihad* is nothing less than an effort to innovate in economic development that is responsive to the needs and challenges of the times. *Ijtihad*, as referred to in Islam, is encouraged as a mechanism for contextualizing Islamic values in human life, but it must be carried out based on basic principles that do not violate sharia provisions or deviate from the objectives of sharia itself. *Maqasid sharia*, as the philosophical values of Islamic law, must be upheld in various new legal decisions. In detail, there are at least five elements of *maqasid syariah* that must be achieved in every legal ruling, namely protecting religion (*hifdz al-diin*), protecting life (*hifdz al-nafs*), protecting reason (*hifdz al-aql*), protecting offspring (*hifdz al-nasl*), and protecting property (*hifdz al-maal*). Contemporary scholars have added a sixth *maqasid* to these five, namely protecting the environment (*hifdz al-biah*) (Asyur, 2019).

Each of the six *maqasid* is closely interrelated with the others for the sake of creating a good and quality life for humanity. However, if these *maqasid* are linked to the existence of green sukuk, then *hifdz al-maal* and *hifdz al-biah* are the most important standards to be used as philosophical values in this discussion. *Hifdz al-maal* is a principle that emphasizes the importance of safeguarding, controlling, and maintaining wealth from the moment it is generated until it is spent (Abdulatif & Shabagh, n.d.). Izzudin bin Abdissalam asserts that in every allocation of wealth, Allah prescribes that humans pay attention to the basic objectives and benefits therein (Izzudin, n.d.). The development of wealth, known in *fiqh* as *istismar*, must pay attention to the aspect of value preservation and fulfill the principle of economic justice as a public activity.

Thus, the position of *maqashid syariah* as a philosophical foundation is not only an instrument for assessing which economic activities are in accordance with sharia and which are not, but also a tool for controlling economic policies and decisions that favor the welfare of society at large (Al-Ghifari & Andrini, 2024). This is because in Sharia, wealth is only considered a means to support the creation of a better and decent life, not merely for the sake of extravagance. Ibn Asyur, in his view, emphasizes that the *maqashid sharia* in wealth can be divided into at least five important elements, namely those related to its circulation and distribution (*ar-Rawajj*), the clarity of wealth so that no transactions occur that are detrimental and dangerous (*al-Wuduh*), the preservation of wealth (*al-Hifdzu*), and the certainty of the status of ownership of wealth (*al-Tsubut*) (Asyur, n.d.). The management of wealth, which is one of the major needs of the state and the public interest in general, must respect the objectives of Sharia as a form of holistic Sharia compliance, both in terms of management accountability and transparency of fund allocation. This means that *maqasid sharia* has a very comprehensive economic framework in promoting the growth of an economy that is fair, sustainable, and based on environmental preservation.

According to scholars -especially contemporary scholars- environmental protection (*Hifdz al-Bi'ah*) as an additional framework in the basic needs of human life must begin to be recognized as an important point in *maqashid sharia*. This is because a good and supportive environment has a significant correlation with the ability to survive and the quality of life, which are factors that drive humans to continue serving Allah SWT (Al-Bashili, n.d.). Theoretically, this concept is in line with the leadership (*istikhlaf*) of humans on earth, whose main task is not to destroy and to preserve nature.

Basically, the concept of loving nature and being environmentally friendly has been taught by Allah SWT since the beginning in Sharia law, which is linked to various Sharia teachings, starting from the teaching of not disturbing plants while in *ihram*, the motivation to revive vacant land, the encouragement to maintain soil fertility and cultivate crops, as well as other Sharia rules (Al-Qharadhawi, n.d.). Nature conservation amid increasingly

unstable and unpredictable weather due to technological and industrial advances is a matter of urgent concern for the safety of humankind. Therefore, protecting the environment is tantamount to protecting the interests of humankind as a whole, because the environment and the earth, which are projected to be humankind's main home, must be at an adequate level of ecological stability. The concept of *hifdz al-bi'ah* is one of the contemporary *fiqh* discourses that is projected to become a beacon and an invitation to consciously love nature, whether grounded in religious or scientific awareness.

Hifdz al-bi'ah has advantages that differ from other environmental theories because its philosophical basis is linked to human spiritual awareness (Al Ghifari & Andrini, 2024). *Hifdz al-bi'ah*, which in the modern world is manifested in the concept of green economy, must be able to guarantee improved environmental quality, reduced carbon emissions, and the prevention of other forms of natural destruction. In order to achieve ecological stability, economic growth must continue to take into account the public interest (*maslahah ammah*). Al-Ghazali used this principle as the basic standard for the legality of an action, whereby actions that are clearly beneficial are legal according to sharia, while destructive actions that are harmful and damaging cannot be justified. The perspectives of *hifdz al-Maal* and *hifdz al-bi'ah* must absolutely be the basic illustration in all forms of sharia-based business based on the green economy, in order to fulfill the philosophical basis of sharia itself.

Table 1. Comparison of *hifdz al-māl* and *hifdz al-bi'ah* contributions in green sukuk ijarah

Aspect	<i>Hifdz al-Māl</i>	<i>Hifdz al-Bi'ah</i>
Primary Objective	Protecting, maintaining, and developing wealth	Preserving ecological sustainability and preventing environmental harm
Relevance	Ensures investor funds are backed by real assets	Ensures allocation of funds to qualified green projects
Functional Benefit	Fixed return ensures stable cash flow	Supports clean energy and climate adaptation projects
Philosophical Basis	Istitsmar (ethical wealth development)	Khilafah mandate to protect the environment
Sharia Implications	Reduces gharar and promotes transparency	Achieves public benefit and sustainability

(Source: Abdulatif & Shabagh (n.d.); Al-Bashili (n.d.); Ahmed & Mollah (2023))

3.2 SDGs number 7 (affordable and clean energy) and sdgs number 13 (climate action) in the normative-philosophical framework

The Sustainable Development Goals (SDGs) are 17 global development goals agreed upon by member states of the United Nations (UN) in 2015 as part of the 2030 Agenda, with the aim of ending poverty, protecting the environment, and ensuring fair and sustainable prosperity for all humankind (UNDP, 2015). The SDGs are universal and emphasize the principle of leaving no one behind, covering three main dimensions of development: social, economic, and environmental (UNDP, 2015) Two of these goals -SDGs No. 7 (Affordable and Clean Energy) and SDGs No. 13 (Climate Action)- are normatively consistent with the principles of Islamic finance. Financing renewable energy and climate mitigation projects is not merely a technocratic policy, but is in line with sharia requirements to prevent damage (*dar' al-fasad*) and preserve the order of the earth as a mandate of the caliphate. Therefore, the involvement of Islamic instruments such as green sukuk ijarah in financing environmentally friendly projects cannot be categorized solely as an economic contribution, but rather as the fulfillment of a normative Islamic mandate that demands the preservation of the environmental order. It departs from the Islamic worldview that views the order of nature as part of the order of law (Harahap et al., 2023; Aldhaheri, 2025).

Within this framework, green sukuk ijarah instruments link SDGs goals with the legal structure of sharia transactions. Through the ijarah mechanism, contributions to SDG No. 7 and SDGs No. 13 are made in a manner that is free from *riba*, *gharar*, and *maisir*, so that environmental preservation is not achieved through instruments that contradict sharia principles. On the other hand, the existence of a fixed return in the ijarah structure provides

financial certainty, which is a prerequisite for the continuity of large-scale and long-term green projects. With the certainty of returns, market volatility risks can be reduced so that renewable energy and climate adaptation projects can run sustainably. Thus, the protection of wealth (*hifdz al-mal*) through return stability is not an end in itself, but rather a normative instrument to ensure environmental protection (*hifdz al-bi'ah*) as targeted by SDGs No. 7 and SDGs No. 13.



Fig 2. The three core dimensions of green sukuk ijarah

Philosophically, the integration of green sukuk ijarah with the SDGs shows that sharia does not place the economy as a value-free activity, but rather as a cosmic device to uphold justice through the simultaneous preservation of capital and the earth (Kol & Tekdogan, 2024; Aassouli et al., 2018). In other words, Sharia-based green financing provides normative justification that global environmental goals can only be achieved ethically if the financing is subject to Sharia principles of justice -and it is in this configuration that fixed-return green sukuk ijarah works as a form of harmonization between global development goals and the principles of Islamic economic law philosophy.

3.3 Legal certainty in sharia-based green sukuk returns

Legal certainty is one of the main characteristics of law itself, meaning that law without the principle of certainty will lose its function in regulating, guaranteeing, and organizing society. Legal certainty in classical theory is defined as a guarantee of clear and consistent law enforcement that is not influenced by subjective matters. According to Maria SW. Sumardjono, certainty in law is a concept that normatively requires the availability of regulatory instruments that can operationally support the implementation of a law. Not only that, but empirically, the existence of the law is carried out by adequate and supportive human resources (Manan & Magnar, 2017). In Indonesia, legal certainty in the issuance of green sukuk by the state or corporations is regulated by Law No. 19 of 2008 concerning State Sharia Securities (SBSN), which essentially contains the rights, obligations, and binding rules for investors and issuers. Among the core discussions in the law are those related to the management system of these securities and the guarantee of accountability and transparency principles. In addition, the law discusses various contract schemes that may be used, such as *ijarah*, *wakalah*, and *istishna'*.

The *ijarah* scheme with the most widely used contract scheme in sharia sukuk investment has different aspects compared to other contract schemes, which is the main reason investors use this contract scheme. Its characteristics, which offer clarity and certainty, are one of the basic characteristics that attract many investors (Fitri, 2023). This certainty can be seen from several elements, namely: first, the certainty of the maturity date of the lease agreement, in this case, when the investor's assets will be returned to them. Second is the certainty of the fees/returns obtained. The certainty of the return has a

significant impact on investment allocation, where the existence of clear and certain returns makes investors consider this as a major factor in making their investment decisions (Adrianto, 2021). With clear guarantees, investors can measure the profits and risks they may face.

Table 2. Market risks and protection mechanisms for fixed return in sukuk ijarah

Risk Type	Risk Description	Protection Mechanism
Primary Objective	Protecting, maintaining, and developing wealth	Preserving ecological sustainability and preventing environmental harm
Relevance	Ensures investor funds are backed by real assets	Ensures allocation of funds to qualified green projects
Functional Benefit	Fixed return ensures stable cash flow	Supports clean energy and climate adaptation projects
Philosophical Basis	Istitsmar (ethical wealth development)	Khilafah mandate to protect the environment

(Source: DSN-MUI (2000); Ministry of Finance (2018, 2024); SBSN Law No.19/2008))

3.4 Legal structure and construction of green sukuk ijarah

Sukuk is one of the financial instruments that has developed in the Islamic capital market. It serves as proof of ownership of certain benefits or portions of the assets that form the basis for its issuance (underlying assets). Conceptually, sukuk can be understood as Islamic financial certificates that indicate partial ownership of underlying assets or income generated from those assets. Unlike conventional bonds, which are debt-based, the structure of sukuk is based on the principles of asset-based or asset-backed financing, where investors obtain returns from real economic activities in accordance with the underlying contract, such as *ijarah*, *murabahah*, or *mudarabah* (Abdullah & Nayan, 2020). As the global Islamic finance market develops, the concept of sukuk has undergone innovation to become an instrument that is not only oriented towards economic profit, but also has social and environmental sustainability dimensions. This development gave rise to green sukuk, which are Islamic financial instruments based on environmentally friendly projects that combine ethical investment principles with sustainability goals (Hamouda & Bouhssane, 2025). The government, through the Ministry of Finance of the Republic of Indonesia, officially defines green sukuk as State Sharia Securities (SBSN) issued to finance or refinance eligible green projects that provide environmental benefits and support the achievement of climate change mitigation and adaptation targets (Kemenkeu RI, 2018). This instrument has two main dimensions: the Islamic finance dimension, which ensures that the contract structure is free from *riba*, *gharar*, and *maysir*; and the ecological dimension, which ensures that the funds are used for projects that support the Sustainable Development Goals (SDGs), particularly goal number 7 (affordable and clean energy) and number 13 (climate action) -(Afandi & Khanifa, 2022).

In the context of contract implementation, green sukuk in Indonesia generally use *ijarah* contracts, which are contracts for the lease of asset benefits. This contract is chosen because it has a simple, measurable structure and is in accordance with the principles of asset-based financing as stipulated in DSN-MUI Fatwa No. 69/DSN-MUI/VI/2008 concerning SBSN Ijarah (Romadhon & Mutmainah, 2023; Maulida et al., 2023). However, not all green sukuk in Indonesia use the *ijarah* contract alone. In some issuance structures, the government also uses *wakalah* contracts and other contracts as long as they do not conflict with sharia principles (Syahroni & Restiasanti, 2019). This variation in contracts demonstrates the flexibility of sharia law in adapting modern financial instruments to sustainable development goals, without abandoning the basic principles of *maqashid sharia*. The *ijarah* contract in green sukuk must fulfill the pillars and conditions of validity, namely the existence of a *lessee (musta'jir)*, a *lessor (mu'jir)*, a *leased object (ma'jur)*, and a *clear lease price (ujrah)* (DSN-MUI, 2000. Indonesian Ministry of Finance, 2018). Clarity of the object and benefits is key to avoiding elements of *gharar*. Therefore, the assets underlying

the sukuk must have real economic value, such as buildings, infrastructure, or public facilities used in green projects.

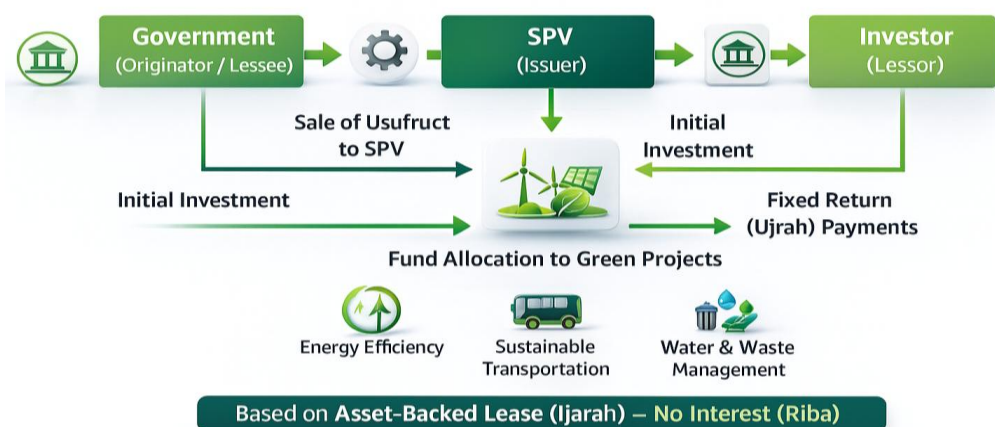


Fig 3. Fixed return green sukuk ijarah: Transaction structure and fund flow

In practice, the structure of green sukuk ijarah consists of several main parties, namely: the originator/lessee (usually the government), the Special Purpose Vehicle (SPV/issuer), and the investor/lessor -one of four variations of the ijarah structure- (Sa'ad, 2019). The government or corporation as the originator sells the usufruct rights of a state-owned asset or specific project to the SPV. The SPV then issues sukuk to investors as proof of ownership of the benefits of the asset. The proceeds from the issuance are used to finance green projects that meet the criteria in the Green Sukuk Framework. For example, the Indonesian government, through the Ministry of Finance, has issued Global Green Sukuk series SNI1133 and Domestic Wholesale Green Sukuk-PBSG 001 using ijarah contracts as the basis for financing contracts, and the proceeds from the issuance are allocated to green projects such as energy efficiency, sustainable transportation, and water and waste management (Ministry of Finance of the Republic of Indonesia, 2024). Furthermore, the SPV leases the assets back to the government through an ijarah contract with periodic rental payments (*ujrah*). At the end of the period, the assets are returned or repurchased through a purchase undertaking (repurchase agreement) to the originator.

The periodic returns received by investors come from rental payments, not interest, and are therefore in accordance with sharia principles. This model creates a fixed return that is legally valid under Islamic law because it originates from real economic activities in the form of leasing assets, not from debt transactions. Thus, this structure fulfills the principle of no money for money, as emphasized by El-Gamal that Islamic finance rejects capital growth without involvement in real activities (Gamal, 2006). This principle shows that green sukuk ijarah is not merely a profit-oriented investment instrument but a representation of moral values and justice in Islamic economic law, in which capital growth is always linked to productive and beneficial economic activities. From this perspective, green sukuk acts as a bridge between Sharia ethics and modern economic practices oriented towards sustainable development.

The integration of ethical values and economic functions then took legal form in the national legal system. This normative basis was accommodated through Law No. 19 of 2008 on State Sharia Securities (SBSN), which stipulates SBSN as a state financing instrument based on sharia principles. Further provisions are outlined in Government Regulation No. 56 of 2008 and Minister of Finance Regulation (PMK) No. 60/PMK.08/2018 concerning the Issuance and Sale of Green SBSN (Green Sukuk). Legally, the SPV acts as the issuing entity that separates asset ownership from the issuer in order to comply with the principle of asset-based financing. However, because the payment of rewards and principal repayment are guaranteed by the government (Article 10 of Law No. 19 of 2008 concerning SBSN), legally these sukuk are classified as asset-based rather than asset-backed. This means that

investors' rights are not directly attached to the assets, but to the cash flow generated by those assets. The legal construction of green sukuk ijarah in Indonesia also takes into account the harmonization between national legal provisions and sharia fatwas. DSN-MUI Fatwa No. 69/2008 legitimizes the mechanism for leasing state-owned assets. In addition, the Financial Services Authority (OJK) plays a role in supervising sharia aspects and compliance with the principles of transparency and accountability as mandated by OJK Regulation No. 18/POJK.04/2015 concerning the Issuance of Sharia Securities.

3.5 Normative justification of fixed return in ijarah

In Islamic economics, one of the alternative investment instruments based on sharia principles is green sukuk (Suwanan, 2021). Green sukuk is considered to play an important role in supporting the 2030 Sustainable Development Goals (SDGs) agenda and is in line with the principles of *maqashid sharia*, as it supports environmental preservation, social welfare, and sustainable development (Araminta et al., 2022). However, in the context of modern sukuk, the existence of fixed returns often raises normative debates regarding their compatibility with sharia principles. The term fixed return refers to a rate of return that is set at the beginning of the contract and remains fixed throughout the investment period, as is commonly applied in ijarah contracts through agreed rental payments (*ujrah*) (Iqbal & Mirakhor, 2011; AAOIFI, 2017). Although economically it appears to resemble fixed interest (Fitrah & Soemitro, 2022), in terms of law and contract substance, fixed returns on sukuk ijarah have a valid sharia basis (DSN-MUI, 2020). As Muhammad Syafi'i Antonio states in his book *Bank Syariah: Dari Teori ke Praktik* (Islamic Banking: From Theory to Practice) (2001), the ijarah contract is a form of exchange contract that balances the rights and obligations of the parties without speculation (Antonio, 2001). In the context of sukuk ijarah, this is based on the understanding that the returns received by investors do not come from money lending, but from *ujrah* or rent for the use of assets that are the underlying assets in the structure. In the context of sukuk ijarah, this is based on the understanding that the returns received by investors do not come from money lending, but rather from *ujrah* or rent for the use of assets that are the underlying assets in the ijarah structure (Masumah, 2024).

In addition, sukuk ijarah has characteristics that distinguish it from conventional financial instruments. One of the main differences is that sukuk ijarah is based on real assets that are leased, thus providing legal and sharia certainty for the parties involved. This makes sukuk ijarah an investment instrument that is in accordance with sharia principles, as it does not contain elements of usury or excessive speculation. Therefore, certainty of returns does not necessarily mean usury, as long as the ijarah contract is made on a real *object* (*'ayn maujudah*) and the lease rate is agreed upon from the outset and does not change during the contract period (Sa'ad, 2019; Linda, 2023). Sukuk ijarah also has flexibility in setting lease rates that can be adjusted to market conditions and agreements between the parties involved. This allows for adjustments to changes in economic and market conditions, providing room for the parties to reach agreements that are fair and beneficial to all parties (Syarif et al., 2022). This flexibility is in line with the principle of *hifdz al-mal* (protection of property) in *maqashid sharia*, which provides philosophical legitimacy for providing fixed returns to investors. The certainty of these returns serves as a protection mechanism for investors' assets, encouraging them to participate in investments without violating sharia principles (Rabani, 2025). Thus, the application of the principle of *hifdz al-mal* in the sukuk ijarah structure not only provides certainty of returns for investors but also supports the objectives of *maqashid syariah* in maintaining and protecting assets so that they remain productive and are not lost.

3.6 Philosophical synergy and ecological stability

Within the framework of fixed-return green sukuk ijarah, there is a strong philosophical synergy between Islamic financial objectives and a commitment to environmental sustainability. The fixed-return structure in this instrument is not only a

technical contractual form, but also reflects the basic values of sharia that emphasize the importance of balance, justice, and sustainability in maintaining economic stability while serving ecological interests. Through this approach, the principles of *hifdz al-Maal* (protection of wealth) and *hifdz al-Bi'ah* (protection of the environment) are intertwined, forming an integral and mutually supportive system of values in contemporary Islamic finance practices.



Fig 4. Philosophical synergy: Hifdz al-mal and hifdz al-bi'ah in fixed return ijarah

The certainty of returns offered by fixed-return instruments makes green ijarah sukuk attractive to investors, especially for financing green projects that require large amounts of funding and long-term financing. This is in line with the view in the Guidance on Green, Social and Sustainability Sukuk, which emphasizes that fixed-return instruments such as Ijarah Sukuk can increase investor confidence and broaden the global participation base due to the high degree of certainty regarding capital returns (ICMA, 2024). The certainty of the rate of return (*ujrah*) eliminates the element of uncertainty (*gharar*) and market volatility that is generally inherent in profit-sharing contracts such as *mudharabah* or *musharakah*. From a Sharia economic law perspective, a contract structure that establishes proportionality of risk and reward from the outset actually reinforces the principle of justice (*'adl*), as it provides a balance of rights and obligations between the parties. Thus, fixed returns not only serve as a secure financial mechanism, but also as a means of maintaining transaction fairness and ensuring risk distribution in accordance with Sharia objectives.

From a philosophical perspective, the financial certainty created by fixed returns also has significant social implications for the ability of countries or corporations to mobilize funds. When market risk is reduced and investor confidence increases, the ability of governments or issuers to mobilize funds also increases. This stability paves the way for large-scale capital raising for environmentally-oriented projects. This shows that fixed returns have a dual appeal: on the one hand, they guarantee financial security for investors; on the other hand, they serve as a medium for financing high-benefit projects that contribute to ecological welfare (Damayanti, 2025). In other words, the fixed return structure not only guarantees economic stability, but also connects the dimension of profit with the dimension of benefit, as per the main principle of *maqashid syariah* which requires the integration of material and moral benefits. This is because the ultimate goal of Islamic economics is not only growth and stability, but also the achievement of *falah* (holistic welfare) which includes a balance between individual interests and social benefits (Chapra, 2000).

Table 3. Comparison between conventional ijarah sukuk and green sukuk ijarah

Aspect	Conventional ijarah sukuk	Green sukuk ijarah
Underlying Asset	General public/commercial assets	Assets related to environmental projects
Financing Purpose	General financing needs	Financing eligible green projects
Reporting	Standard financial reporting	Impact Report (energy, emissions, water, waste)
Maqasid Orientation	Focused on <i>Hifdz al-Māl</i>	Integrates <i>Hifdz al-Māl</i> & <i>Hifdz al-Bī'ah</i>

In addition to attracting investors, fixed returns also play an important role as an ecological bridge connecting financial certainty with environmental sustainability. Environmentally friendly projects such as renewable energy, forest conservation, and low-carbon infrastructure require long-term financing stability. Fluctuations in capital costs due to changes in financial markets often threaten the sustainability of these projects. With fixed returns, issuers (both governments and corporations) have predictability regarding capital costs for issuers or governments, enabling them to develop long-term plans without worrying about changes in market conditions. Pun M. Ahmed and S. Mollah in their writing emphasize that the success of green financing in the Islamic financial system is highly dependent on the stability of the yield structure that allows environmental projects to operate sustainably (Ahmed & Mollah, 2023). In this context, fixed returns are not only an instrument of economic efficiency, but also a means of ecological justice (*al-'adl al-bi'i*), as they guarantee the sustainability of funding for projects oriented towards environmental preservation. The principle of ecological justice in Islamic economic law emphasizes that balance between humans and nature cannot be achieved without financial stability that supports activities to preserve the earth (*'imarat al-ardh*). This is because stability in the Islamic financial system is a prerequisite for the creation of a just social and ecological order (Cattelan, 2013). This ecological justice demands a balance between financial stability and environmental sustainability, two aspects that cannot be separated in the paradigm of Islamic economic law. This is because, in the view of *maqashid syariah*, justice and sustainability are a single normative goal that places humans as caliphs responsible for maintaining harmony between wealth and nature. Therefore, the relationship between fixed returns and ecological objectives in green sukuk ijarah does not stop at the technical aspects of financing, but continues at the philosophical level of *maqashid*.

The synergy between *hifdz al-Maal* and *hifdz al-Bi'ah* is a concrete manifestation of the integration of means and ends in *maqashid syariah*. *Hifdz al-Maal* serves as an instrument for protecting wealth and capital through the certainty of a reasonable return on investment, while *hifdz al-Bi'ah* is an orientation that emphasizes the importance of environmental preservation as a form of worship and human social responsibility towards God's creation. The two complement each other: the protection of wealth becomes a means of achieving protection of nature, while environmental preservation becomes the moral legitimacy for the use of wealth in the perspective of sharia. This integration reflects a holistic view of *maqasid* that not only protects the interests of individuals but also upholds social and ecological balance (IWMR, 2025).

This integration gives rise to what can be called ecological stability, which is a condition where the Islamic financial system not only maintains economic sustainability but also ensures environmental sustainability through stable, fair, and *maslahat*-oriented financial instruments. Thus, fixed-return green sukuk ijarah can be seen as a concrete manifestation of ecological stability in the Islamic economic system. Through financial certainty combined with an environmental orientation, this instrument creates harmony between the protection of wealth and the protection of nature. This is because the balance between the material and ecological dimensions is at the core of the Islamic value system, where economic law not only regulates the exchange of wealth but also ensures the preservation of a just and civilized cosmic order (Muslimin, 2022).

Table 4. Alignment of fixed return mechanism with maqasid al-shariah

Maqasid Principle	Alignment	Explanation
<i>Hifdz al-Māl</i>	Aligned	Protects investor wealth through predictable cash flow
<i>Hifdz al-Bī'ah</i>	Aligned	Supports ecological preservation through green investments
Justice (<i>al-'Adl</i>)	Aligned	Contractual clarity ensures fairness
Maslahah	Highly aligned	Strengthens sustainable development outcomes
Amanah	Aligned	Funds are managed transparently and responsibly

4. Conclusions

Based on the above description, it can be concluded that the fixed return guarantee in ijarah-based green sukuk not only obtains legitimacy at the normative level through the validity of the ijarah contract as a real asset-based financing instrument, but at the philosophical level it is also a strategic mechanism that is inherently necessary within the framework of *maqashid sharia*.

The resulting financial stability -as an operational manifestation of *hifzd al-mal*- serves as a functional prerequisite for the sustainability of large-scale green projects that require long-term financing with low market volatility. This means that the stability of returns indirectly supports the goal of environmental protection (*hifzd al-bi'ah*), as it ensures that the flow of funds to ecologically-oriented projects continues until measurable environmental impacts are achieved. Thus, fixed returns in green sukuk ijarah are not merely a contractual feature, but a conceptual instrument that ensures the integration of asset protection and environmental protection as two normative mandates that complement each other in the architecture of contemporary Islamic finance.

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During the preparation of this work, the author used Grammarly to improve language quality, grammar, clarity, and academic writing style throughout the manuscript. The tool was used solely to support the editing process and not to generate original ideas, interpretations, or conclusions. After using this tool, the author carefully reviewed and revised the entire manuscript and takes full responsibility for the accuracy, integrity, and originality of the final content.

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Biographies of Authors

Ai Rahmawati, Master of Sharia Economics Law, Faculty of Sharia and Law, UIN Syarif Hidayatullah Jakarta, South Tangerang, Banten 15412, Indonesia.

- Email: rahmawatai119@gmail.com
- ORCID: 0009-0009-7002-1142
- Web of Science ResearcherID: N/A
- Scopus Author ID: N/A
- Homepage: N/A

Shofiyatul Ummah, Department of Sharia Economics Law, Faculty of Sharia, Nurud Dhalam Islamic College, Sumenep, East Java 69252, Indonesia.

- Email: shofiyatulummah12@gmail.com
- ORCID: 0009-0001-7702-7709
- Web of Science ResearcherID: N/A
- Scopus Author ID: N/A
- Homepage: N/A

Ahmad Rifat Mathar, Master of Sharia Economics Law Student, Faculty of Sharia and Islamic Economics, Institute of Qur'anic Sciences Jakarta, South Tangerang, Banten 15417, Indonesia.

- Email: Ahmad.rifat.mathar@mhs.iq.ac.id
- ORCID: N/A
- Web of Science ResearcherID: N/A
- Scopus Author ID: N/A
- Homepage: N/A