



Implementation of Musyarakah Mutanaqisah for MSMEs: An Analysis of Potential, Challenges, and Literature Review

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ABSTRACT

Micro, Small, and Medium Enterprises (MSMEs) are a sector that plays a strategic role in driving national economic growth. However, limited access to financing remains a major obstacle hindering business development. Furthermore, Islamic banking financing products are still dominated by sale-based contracts, thus not fully meeting the needs of MSMEs, which require more flexible and partnership-based financing schemes. The study used a qualitative approach with the Systematic Literature Review (SLR) method through a search of scientific articles from Google Scholar, SINTA, and various relevant national journals for the period 2016–2026. Data were analyzed using content analysis techniques by grouping findings into aspects of opportunities and challenges in MMQ implementation. The results of the study indicate that the MMQ contract has great potential to support MSME financing because it applies the principles of partnership, risk sharing, gradual asset ownership, and provides a fairer financing scheme compared to debt-based financing. However, the implementation of MMQ still faces several obstacles, including low Islamic financial literacy, the complexity of the contract mechanism, regulatory aspects and legal certainty, and the high need for supervision and risk management from Islamic financial institutions. Therefore, regulatory strengthening, increased public literacy, product innovation, and optimization of the role of Islamic banking are needed so that the implementation of the MMQ contract can become a more effective and sustainable financing solution for the development of MSMEs in Indonesia.

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in strengthening the foundation of the national economy in Indonesia. This sector has proven to be a key pillar of the national economy due to its highly efficient workforce absorption, accounting for approximately 97.3% of the total workforce throughout Indonesia. Furthermore, the importance of the MSME sector has been historically proven, serving as an economic savior during multidimensional crises, such as those that occurred in 1997 and 2008. To maintain this continued economic stability, the role of Islamic banking as an agent of national development is highly anticipated in encouraging real growth in the MSME sector through the provision of effective working capital financing (Bustam, 2020)

However, in reality, micro, small, and medium enterprises often face a fundamental structural problem: limited access to sufficient capital. This problem is further complicated by the fact that in recent years, the growth of financing disbursed to the MSME sector by Islamic banks has experienced a downward trend, necessitating strategic action. This change is generally influenced by internal factors within the Islamic banks, particularly those related to capital capacity and the level of Third Party Funds (DPK) collection, which significantly impact the amount of working capital financing available. Conversely, the interest of micro, small, and medium enterprises in seeking financing from Islamic financial institutions is largely determined by their perception of available profit-sharing programs and the level of their pressing capital needs.

To date, the Islamic banking sector in Indonesia is still largely influenced by financing products based on natural certainty contracts, particularly murabahah agreements. However, the changing nature of MSME businesses requires a financing model oriented toward partnerships and risk sharing to ensure equitable financial burdens. One socio-economic financial instrument considered to have highly strategic, innovative, and appropriate potential is the Musyarakah Mutanaqisah (MMQ) contract. MMQ is a type of partnership in which asset ownership is gradually reduced between an Islamic financial institution and its clients through a lease (*ujrah*) system until all asset ownership is fully transferred to the client (Siyamto, 2023).

While MMQ theoretically offers financial equity based on joint investment, its implementation in Indonesia has so far been challenging and has not been optimal in boosting the profitability of Islamic banking. The implementation of MMQ in the field is often hampered by various complex issues, ranging from sharia-compliant issues, legal uncertainty, and technical complexities at the bank operational level. Furthermore, core challenges such as low public understanding of Islamic financial literacy, difficulties in understanding the contract structure, and the high need for strict supervision from banking institutions also hinder the development of this partnership agreement. Given that much previous research has focused on the implementation of MMQ in property or home ownership financing, there is a need for an in-depth study that specifically explores the real opportunities and challenges of implementing MMQ contracts as an alternative financing source for working capital for MSMEs in Indonesia. Using the Systematic Literature Review (SLR) method, this study aims to integrate key literature to formulate a strategy for developing responsive partnership financing.

LITERATURE REVIEW

MUSYARAKAH MUTANAQISAH (MMQ)

Definition of Musyarakah Mutanaqisah

Etymologically, Musyarakah refers to collaboration or association, while Mutanaqisah is derived from the word naqasha, which means to reduce gradually. Within the scope of modern muamalah jurisprudence, Musyarakah Mutanaqisah (MMQ) is defined as a type of collaboration or partnership between two or more parties to own an asset or good, where the ownership share of one party (the customer) will gradually increase in line with the decrease in the ownership share of the other party (the Islamic financial institution) through the repurchase of shares or capital. This instrument combines two primary, complementary agreements: a capital partnership agreement (syirkah) and a lease agreement (ijarah) for the utilization of the asset subject to the partnership (Huda, 2025).

Characteristics of Musharakah Mutanaqisah

The main characteristic that distinguishes MMQ from other Islamic financing instruments is its flexible distribution of capital ownership and its focus on equitable asset transfer. Collective investment begins with an initial capital contribution from the Islamic bank and the client to procure the financing object. The client is then required to pay rent for the use of a portion of the asset's ownership rights, which remains with the Islamic bank. Along with these rent payments, the client sets aside a portion of funds to gradually purchase the bank's shareholdings. This financing model upholds the principles of risk sharing and socioeconomic justice, as both parties are legally bound as business partners, not simply debtor and creditor (Mukhlas, 2026).

Operational Mechanism of Musyarakah Mutanaqisah

In the context of sharia banking operations, MMQ implementation takes place through a series of interconnected stages. The initial step begins with a cooperation agreement, where the bank and customer place their respective capital to acquire assets (such as property or business capital). In the second step, the bank rents ownership of the asset to customers based on market value or mutual agreement which generates rental income for the bank. In the third stage, customers make regular payments consisting of a rental element (ujrah) as well as a principal repayment component to gradually obtain ownership rights to bank shares. The final stage occurs when all parts of the bank's capital ownership have been completely purchased by the customer, so that ownership rights to the assets are completely transferred to the customer according to law.

MSME Financing

Definition of Micro, Small, and Medium Enterprises (MSMEs)

Micro, Small, and Medium Enterprises (MSMEs) are business entities owned by individuals or business entities that meet certain standards regarding net worth or annual revenue, in accordance with national regulations. The MSME sector plays a crucial and strategic role in Indonesia's economic progress due to its significant contribution to job creation and its ability to strengthen overall domestic economic resilience. The adaptive structure of MSMEs makes them a key foundation for driving the community economy at the grassroots level. The Need for Working Capital Financing for MSMEs.

In carrying out operational activities and business development, MSMEs significantly require financial assistance, particularly for working capital needs. Sharia-compliant working capital financing aims to provide short-term funds for micro-enterprises to purchase raw materials, inventory, merchandise, or finance receivables. Increasing the provision of working capital financing from Islamic banks has been proven to have a direct positive impact on boosting the real sector of the community economy. Therefore, this growth in financing volume will directly contribute to increased income for small business actors (R. T. A. Bhakti, 2025).

Issues with Access to Capital for MSMEs

Despite the crucial role of MSMEs, access to formal funding sources from banks remains a major structural issue. From an internal Islamic banking perspective, the distribution of funds for operational needs to the MSME sector is significantly influenced by the bank's capacity, particularly in managing capital adequacy and accumulating third-party funds. Furthermore, MSMEs' interest in seeking working capital support from Islamic banks is influenced by competitive profit-sharing rates and perceived ease of bureaucratic processes. This often leads to common conventional financing products (such as *murabahah*) being perceived as burdensome due to their fixed installment obligations and lack of adaptability to real changes in MSME income (Siyanto, 2023).

RESEARCH METHODS

This research was conducted using a qualitative approach using the Systematic Literature Review (SLR) method. SLR is a technique for systematically mapping and assessing existing scientific literature through clear and repeatable steps.¹⁹ Unlike traditional literature reviews, which tend to be subjective, this study used SLR to identify, analyze, synthesize, and interpret all relevant secondary data to answer questions regarding the opportunities and challenges of implementing the MMQ contract scheme in the MSME sector in Indonesia (Paul, 2024).

The secondary data collection process was carried out by searching for academic articles from leading national online sources, including Google Scholar, SINTA, and official journal portals that publish research on Islamic economics and banking. The publication period of the articles set in this study was the last ten years (2016–2026) to ensure information remains up-to-date and relevant to the latest changes in Islamic banking regulations in Indonesia. A detailed search string was created using Boolean operators (AND, OR) as follows: "Musyarakah Mutanaqisah" AND "UMKM"; "Musyarakah Mutanaqisah" AND "Sharia Financing".

To ensure the quality and relevance of the analyzed literature drafts, researchers formulated a selection protocol by defining inclusion and exclusion criteria. Selected articles must have been published between 2016 and 2026, be from indexed national scientific journals, and focus on discussions of MMQ contracts, profit-sharing risks, or issues related to MSME working capital financing. Textbooks, unpublished theses, or articles presenting only abstracts without a complete narrative were excluded from the review.

Data that successfully passed the selection process was then compiled into a draft summary matrix that included information about the researcher, year of publication, journal title, focus variables studied, key findings, and conclusions

drawn. The data analysis process was conducted using a qualitative approach using content analysis techniques and the integration of findings into descriptive narratives. Researchers categorized the data into two main groups: strategic opportunities in banking, which encompass aspects of fairness in profit sharing and MSME market absorption, and challenges in implementation, which encompass sharia issues, legal issues, and operational issues. The results of this integration were used to formulate concrete strategic recommendations for the development of MMQ products in Islamic banking in Indonesia.

RESEARCH RESULT

As a methodological and theoretical basis for implementing this Systematic Literature Review (SLR), the following is a map of several previous research results that are relevant to the variables studied:

Table 1. reviewed articles indexed in Scopus and Google Scholar (2017-2023)

No	Researcher Name & Year	Research Title	Key Research Findings	Similarities and Differences with This Study
1	Sujian Suretno & Bustam (2020)	The Role of Islamic Banks in Improving the National Economy Through Working Capital Financing for MSMEs	The study found that working capital financing from Islamic banks has been proven to increase the turnover of the real sector of the people's economy and maintain the resilience of micro-enterprises during crises.	Similarities: Focus on the MSME sector. Differences: Suretno used a general qualitative study, while this study focuses specifically on analyzing the opportunities of the MMQ contract scheme using the SLR method.
2	Yudi Siyamto (2023)	Working Capital Financing for Micro, Small, and Medium Enterprises (MSMEs) Sector Reviewed from the Internal Influence of Islamic Banking Factors in Indonesia	This indicates that Islamic banks' capital and third-party funds (DPK) have a significant positive effect on the volume of working capital financing for MSMEs in Indonesia.	Similarities: Investigating working capital financing for MSMEs. Differences: Siyamto focused on quantitative analysis of internal macro-bank factors, while this study analyzes micro-contract instruments (MMQ).

3	Abdul Jalil & Sitti Azizah Hamzah (2020)	The Influence of Profit Sharing and Capital Needs on MSME Interest in Applying for Financing from Islamic Financial Institutions in Palu City.	It concludes that fair profit-sharing rates and urgent capital needs simultaneously influence MSMEs' interest in partnering with Islamic banks.	Similarities: Discusses the variables of MSME capital interest and profit-sharing equity. Differences: Jalil's research was based on an empirical survey in Palu, while this study uses a national literature-based SLR approach.
4	R. Ira Laksana Dewi & Sunaryo Mukhlis (2026)	Musharakah Mutanaqisah-Based Financing Development Strategy in Islamic Financial Institutions	Formulating the importance of innovative MMQ partnership-based financing products to ensure Islamic banking remains adaptive and competitive in the financial industry.	Similarities: Examines the development and implementation strategies of the MMQ contract. Differences: While Dewi discusses MMQ from a general institutional perspective, this study specifically addresses its application to the MSME segment.
5.	Sumarni, et al. (2026)	Analysis of Muamalah Fiqh Against Implementation of the Agreement Musyarakah Mutanaqisah in Home Financing in Sharia Banking	Explaining the alignment of the MMQ contract with the provisions of Islamic jurisprudence and its effectiveness in implementing housing asset ownership financing products.	Similarities: Analyzes the Islamic jurisprudence and periodic ownership mechanisms of MMQ. Differences: Sumarni examined property mortgage products, while this study examines the opportunities of MMQ for MSME business capital.

6.	Nuhbatul Basyariah (2018)	Analysis of the Implementation of Musharakah Mutanaqishah Financing in Islamic Banking in Indonesia	Identifying three main obstacles to the implementation of MMQ in national banking: sharia issues, legal issues, and operational issues.	Similarities: Identifying the real challenges and obstacles of MMQ contracts. Differences: Basyariah maps the obstacles in general banking, while this study examines opportunities to solve these problems for MSMEs.
7.	Nur Sarmila H., et al. (2025)	Musyarakah and MMQ contracts (Musyarakah Mutanaqisah): Implementation and Challenges Faced	Highlighting low public literacy and the complexity of understanding contract structures as crucial challenges to expanding partnership financing.	Similarities: Dissecting the challenges of community literacy regarding MMQ. Differences: Sarmila's research was based on a descriptive general literature review, while this study used structured mapping based on SLR.

Source: Compiled by the authors based on a literature review of selected peer-reviewed articles indexed in Scopus and Google Scholar (2017–2023).

RESULTS AND DISCUSSION

Characteristics of Musharakah Mutanaqisah

In the context of Islamic jurisprudence, it is classified as a combined contract (al-uqud al-murakkabah). The characteristic structure of this instrument results from the combination of two primary contracts with distinct but gradually interrelated dimensions: a capital ownership partnership contract (syirkah al-milk) and a lease contract (ijarah). The partnership begins with an agreement between the Islamic bank and the customer to pool their respective investment funds to acquire or construct a specific asset to be financed. This initial pooling of capital commitments reflects the recognition of the partnership's equal legal standing, thus avoiding transaction patterns based on conventional debt-to-credit relationships that are fraught with usury (Huda, 2025).

The most distinctive dimension of MMQ lies in its flexible and diminishing nature of ownership distribution (diminishing partnership). With this capital distribution method, the Islamic bank's ownership interest in the assets under

partnership will gradually decrease (naqasha) over time. This reduction in the bank's capital occurs gradually in line with the increase in share ownership (hissah) by the customer. This periodic change in ownership is driven by the customer's financial obligation to routinely and gradually purchase a portion of the capital or shares owned by the Islamic bank until the contract ends, at which time the full ownership rights of the assets will be transferred to the customer (N. S. H., 2023).

Musyarakah Mutanaqisah (MMQ) is an innovative form of modern Islamic financial product. Philosophically, the operational characteristics of MMQ reflect the pure application of Islamic economic principles, which prioritize proportional risk sharing and fairness. Unlike sale and purchase financing products such as murabahah, which set a fixed profit margin from the outset of the agreement and trap customers in the risk of a fixed debt burden, the bank's income scheme in MMQ is derived from the rental value of the portion of the assets still owned by the bank. This rental rate is dynamic and can be adjusted based on the real profit index or periodic market price evaluations. This feature provides fair financial protection for both parties in the event of economic changes in the business entity being collaborated on.

Based on in-depth research on Islamic financial regulations in Indonesia, the operational framework of MMQ must follow and fully comply with the applicable Islamic economic law standards at the national level, especially the DSN-MUI Fatwa No. 73. In the fatwa document, the criteria for the validity of the MMQ contract are explained, which requires a clear separation between the core of the business capital financing and the accompanying lease provisions to avoid falling into a violation of two contracts in one transaction (ba'atain fi ba'ah). This flexible hybrid structure makes MMQ widely recognized in various conceptual literature studies as an instrument that has high elasticity to be applied outside of property sector financing, including as a financing tool for the real business sector (R. A. Vauziah, 2023).

Financing Needs for MSMEs: Business Capital Needs

Micro, Small, and Medium Enterprises (MSMEs) hold a crucial position as the main foundation of the Indonesian economy, thanks to their capacity to absorb a large workforce and their ability to maintain domestic economic stability. Despite their significant contribution, the growth of this sector is often hampered by a classic structural problem: a lack of access to capital for business. Based on their operational dynamics, capital needs for MSMEs are generally divided into two important categories: long-term investment capital for the purchase of physical production equipment or business premises, and short-term working capital to support inventory turnover, purchase raw materials, and manage daily receivables. The uncertainty of the daily revenue cycle in a free market requires flexible Islamic working capital financing tools that do not impose strict installment burdens on small businesses. The tendency and choice of MSMEs to seek capital facilities from Islamic financial institutions is essentially determined directly by their perception of the fairness of the profit-sharing schemes offered and the level of urgency of their actual capital needs. When financial institutions only offer a single sales contract with inflexible monthly installments, MSMEs with fluctuating incomes are often hesitant to take risks in financing, fearing the possibility of business bankruptcy (A. Hamzah, 2025).

On the other hand, the provision of liquidity for working capital financing by Islamic banks to MSMEs in Indonesia has shown unstable growth and has frequently declined

in recent years. This instability in distribution is a direct result of the internal constraints faced by Islamic banks, particularly related to fluctuations in capital adequacy ratios and the amount of Third Party Funds they can raise from the public. Low third-party fund capacity and limited internal capital require Islamic banks to be extremely cautious and tend to avoid providing financing to the micro-enterprise sector, which is considered to be higher risk.

The gap between the flexible capital needs of MSMEs and the relatively rigid banking products available creates an urgent need to improve Islamic financing products in Indonesia. Many micro-business owners find themselves trapped in a situation where they cannot access banking services due to a lack of collateral with substantial economic value and the inability to prepare formal financial reports in accordance with banking standards. This inability to meet administrative guarantees makes conventional products like *murabahah* less effective for them. Therefore, it is crucial to shift to profit-sharing partnership financing models like MMQ, which can align clients' financial obligations with the realities of their business's operating income (Bustam, 2021).

Opportunities for Implementing MMQ in MSMEs

The implementation of the *Musyarakah Mutanaqisah* (MMQ) contract as an alternative financing method for Micro, Small, and Medium Enterprises (MSMEs) presents a significant strategic opportunity in the Indonesian Islamic financial industry. The primary opportunity is the realization of the principles of Islamic economic justice through a capital-based joint investment model. MMQ provides a solution for MSMEs requiring substantial additional capital but constrained by limited fixed assets that can be used as full collateral at the outset of financing. With a phased ownership system, MSMEs have the opportunity to independently develop their productive businesses while gradually acquiring ownership rights to these assets as their operating profits increase.

From the perspective of Islamic financial institutions, the implementation of MMQ in the productive sector creates an opportunity to optimize bank revenues in a more competitive and sustainable manner. The bank's revenue stream derived from the distribution of rental profits (*ujrah*) in the MMQ model has proven to generate stable, high-value, and long-term income for Islamic banks. The ability to set variable rental rates that are subject to periodic review provides these financial institutions with the flexibility to adjust their internal profitability to the impact of macro-inflation, while upholding the principles of transparency and fairness without exploiting the financial capabilities of micro-customers (Mukhlis O.S., 2026).

The potential for successful implementation of MMQ in the MSME segment is also driven by the efficiency of preventative risk reduction management through multi-tiered assessment tools. Islamic banks can strictly implement and align prudential banking principles by optimizing collateral feasibility analysis following the 5P principle (Party, Purpose, Payment, Profitability, Protection). This measurable risk monitoring implementation has proven effective in reducing the likelihood of default and suppressing fluctuations in the non-performing financing (NPF) ratio in working capital partnership product portfolios, ensuring the protection of public funds.

By mapping the research portfolio using a systematic literature review approach, this opportunity to accelerate MMQ also serves as a powerful tool to increase the market share of Islamic banking in Indonesia, which has historically tended to be stagnant. The MMQ model provides Islamic banks with access to micro-enterprise segments and productive business groups previously underserved by the conventional banking system. By offering contract structures focused on mutually beneficial partnerships, Islamic banks can strengthen MSME customer loyalty, increase access to Islamic finance nationwide, and position themselves as key drivers of growth in the real sector of the community economy (Bhakti, 2025).

Challenges in Implementing MMQ in MSMEs

Despite offering a number of promising strategic opportunities, the development of MMQ contracts to support working capital financing in the MSME sector in Indonesia still faces various complex structural challenges. The main challenge in implementing sharia principles stems from deviations and shortcomings in operational implementation by Islamic banking practitioners in the field, in following the guidelines of DSN-MUI Fatwa No. 73. Several literature studies and empirical analyses indicate a tendency at the bank branch level to implement MMQ in an inauthentic manner. In practice, financing clauses are often modified to resemble conventional debt transactions for administrative convenience, which can compromise Sharia compliance principles (Misbahuddin, 2025).

Another significant external barrier stems from the sociological conditions of the market, namely the low level of Islamic financial literacy among MSMEs and the general public. The combined structure of the MMQ contract requires a thorough understanding of the division of capital ownership (*hissah*) and the dynamic calculation of rental fees (*ujrah*), which are considered too complex and confusing for micro-entrepreneurs. Consequently, consumers tend to choose products that are easier to understand. Furthermore, the nature of partnership financing requires a commitment to stricter business oversight and regular audits of customers' actual financial statements by banks, which directly impacts operational costs (transaction costs) for banks.

The greatest challenges in the field arise from differences or inconsistencies between the legal and technical aspects of managing the valuation of partnership assets. Several practices in Islamic financial institutions demonstrate a lack of attention to the principle of prudence, where the process of verifying the validity and objective market value of client assets used as objects of MMQ partnerships often relies solely on photocopied civil documents without conducting on-site physical inspections. These technical deficiencies create a very high risk of fraud, disputes over collateral ownership, and serious violations of existing banking standard operating procedures (SOPs) (T. Rahmat, 2025).

Institutionally, macro regulations in Indonesia are still not fully prepared to provide legal certainty in phased ownership transactions related to MMQ. Currently, national security laws and agrarian regulations lack specific regulations that address the gradual transfer of land or building rights from banks to individual customers.

This means that any change in capital ownership can potentially lead to a double burden of taxes and transfer fees. Difficulties in internal bank accounting and bookkeeping, which require regular adjustments to asset book values, make Islamic banks hesitant to offer MMQ products widely to MSMEs.

CONCLUSION

Based on the results of the evaluation and discussion using the Systematic Literature Review (SLR) methodology on 12 relevant scientific articles, this study found several important points that are interconnected:

Characteristics of Musyarakah Mutanaqisah (MMQ): MMQ is a hybrid instrument that combines a capital partnership agreement with a lease. Its main characteristics lie in a profit-sharing system and gradually diminishing asset ownership, where the Islamic bank's capital portion gradually decreases as customers purchase shares, emphasizing proportional equity and risk sharing as the operational basis of Islamic economics.

Capital Needs for MSMEs: MSMEs often face difficulties in accessing capital, both for long-term investments and short-term liquidity needs. The inflexibility of traditional financing systems makes micro-enterprises increasingly hesitant, due to fixed installment obligations during unstable market conditions, coupled with internal banking issues that widen the financing gap to unbanked segments.

Implementation Opportunities: MMQ provides a significant strategic opportunity to expand the productive MSME sector in Indonesia. The reduced ownership pattern eliminates the need for full collateral at the outset of the agreement, provides a regular income stream to the bank through an inflation-adjustable rental scheme, and prevents a high Non-Performing Loan ratio by integrating risk management based on the 5P principles.

Challenges in Implementation: The acceleration of MMQ products is hampered by various internal and external challenges. These challenges include deviations from Sharia practices according to DSN-MUI Fatwa No. 73, low levels of understanding of Sharia finance among MSMEs, high supervisory transaction costs, unclear valuation of physical assets in the field, and immature national agrarian law regulations regarding the gradual transfer of ownership rights, which increases the tax burden.

SUGGESTIONS

To improve the efficiency of downstreaming and implementation of the Musyarakah Mutanaqisah (MMQ) contract as a financing model for working capital for MSMEs in Indonesia, several academic and practical recommendations are introduced:

For the Financial Services Authority (OJK) and the Government: Accelerate more flexible and integrated macro regulations between Islamic banking regulations and agrarian/land law at the national level. It is recommended that the government create incentives in the form of eliminating or reducing double taxation on the transfer of asset certificates in MMQ (Money Laundering) staged ownership transactions, so that Islamic banks have the legal guarantee to offer this product widely.

For Islamic Banking Practitioners: Islamic bank management needs to improve Sharia compliance in accordance with DSN-MUI Fatwa No. 73 by stopping the

practice of pseudo-MMQs that mimic conventional loans. Banks should also make changes to their Standard Operating Procedures (SOPs) by requiring objective physical verification to reduce the risk of fraud in joint asset valuations, and utilizing financial technology (fintech) to reduce the high costs of monitoring MSME business transactions.

For MSMEs: Micro-businesses are expected to actively improve their internal management capacity, particularly regarding transparency in financial bookkeeping and the separation of personal assets and business capital. This increased managerial challenge is crucial for building trust with Islamic banks as partners in providing working capital through equity-based investment schemes.

For Future Researchers: Given that this study utilized a systematic literature review (SRB) method, future researchers are advised to conduct quantitative empirical research or in-depth case studies at Islamic banking branches that have implemented MMQ in the productive sector. This activity is crucial for testing the accuracy of the profit-sharing model, its effectiveness in determining variable rental rates (*ujrah*), and its direct impact on MSMEs' operating profit growth after obtaining financing.

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