

The Significance of the ISLAMIC Law (Shari'a) Supervision of the Islamic Banks: The Jordan Islamic Bank as a Model

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Abstract

The financial transactions are among the major dealings introduced by the Islamic law or (shari'a), presented with strong rules and laws and deeply rooted principles to establish justice, bringing forth prosperity and righteousness for all human being..Therefore, Islamic shari'a compliant financing banks have been established in Muslim countries, committing themselves to avoid usury and other similar prohibited financing services. There are nearly 390 Islamic banks in 48 countries throughout the world. This study examines the significance of the concept of the Islamic law, or Shania's supervision of the Islamic banking. It shows the areas of the Islamic sharia's supervision of financing services. The study also addresses the extent of Jordan Islamic bank (JIB) compliance with the Islamic law principles pertaining to finance services extended to customers, individuals or organizations in all its branches in the Hashemite kingdom of Jordan.

Key words: Islamic law. Shari'a, financing, Islamic banking.

1. Introduction

The Islamic finance system is among the major fields introduced by the Islamic law (shari'a) .that has been introduced with clear rules and provisions. It has been introduced with unprecedented structure, strong regulations, and watertight rules establishing justice. It is based on sound rules of attaining prosperity for all human beings according to verse 3 of surah 5 of the holey Quran (translated by Arberry 1934); "This day, I have perfected your religion for you, completed my favor upon you, and have chosen for you Islam as a religion."

There are nearly 390 Islamic financial establishments and banks in 48 countries throughout the world. The value of their assets exceeds one trillion US. Dollars with a growth ratio of(5.23.%) according to the reports of the Growth Bank (2008)as quoted by the report of the general counsel of the Islamic financial establishments and banks in 2008. Now, the most serious .challenge is controlling the services of these banks and preventing them from deviation lest they lose the gains achieved in such a short period though there is only way of achieving this i.e., through Islamic law supervision corps .

Problem of the study: The main concern of this study is the extent of the conformity of the Islamic banking with the provisions of the Islamic law in their financing investment services according to official fat was. The following questions reflect elements of the problem:

- What role do the Islamic advisory (fatwa) boards have in the Islamic banks?
- Is there a need for the Islamic supervision in the Islamic banks?
- Do the financial and investing services need an opinion of the Islamic advisory board?
- How obligatory are the opinions of the Islamic boards in the Islamic banks?

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- What is the impact of the existence of the Islamic boards in the Islamic banks?
- How far does Jordan Islamic bank comply with the Islamic supervision?
- What is the impact level of the Islamic law supervision on the Jordanian Islamic Bank?

1.1. Importance of the study:

The importance of this study stems from the following:

- The significance of the existence of the advisory boards in the Islamic banks.
- The importance of the conformity of the Islamic banking services with the Islamic law supervision.
- The importance of customer's confidence in the Islamic banks and the increase of their demands on these services.
- The importance of the banks' staff knowledge with Islamic law provisions pertaining to the bank services

1.1.1. Objectives Of The Study :

1.1.2. the study attempts to achieve the following goals :

1. Determining the importance of having fatwa boards (bodies of the Islamic legal opinions) in the Islamic banks.
2. Determining the importance of Islamic banks commitment to the Islamic law supervision, Jordan Islamic Bank in particular.
3. Determining the importance of the customer' confidence in Sharia's supervision of the services of the Islamic banks to attract more customers
- 4- Determining the importance of the level of the bank Staff's knowledge of the Islamic Sharia banking provisions pertaining to the financial services extended to the customers of the bank.

1.2.1. Sweet Review of Related Literature:

The Researcher reviewed The Islamic jurisprudence books pertaining to the subject of the study , he reviewed the Islamic jurisprudence topics, and found that scholars had not specified dependent studies of this topic. The most important books on the subject handled by the ancestor scholars are: the Book of Money by Abu Obeid bin Salam, the book of al-kharaj(land tax), by Abu Yousef, the books of politics, , such as Ahkkam Sultaniyah , Provisions of the Ruler, by Abu ya'la, and as-siyassah al shari'ayah, the Religious Government, by Ibn Taymiyyah.

The most important studies of modern writes are:

1. Management and Supervision of Banking Operations, by Prof.. Ahmed Sobhi Al-ayyadi, the first edition, 2010, the House of Thought, Amman Jordan.
2. Financial Supervision in Islamic shari'a' supervision, Dr. Hussein Ratteb Yusuf Rayyan, the first edition, 1999, Dar al-nafayes, Amman, Jordan.
3. The supervision and control of the Islamic banks, by Mohammad Omar Shabra and Taalq Allah Khan, a publication of the Islamic Development Bank, Jeddah, Saudi Arabia, 2000.

What distinguishes the present study from previous studies is that it delves into the reality of Jordan Islamic Bank, and the extent of its conformity to the shari'a supervision, this research is divided into

- First topic: the Concept of the Shari'a Supervision.
- The second topic: the Importance of the Shari'a Supervision.
- The third topic: the required qualities of the staff of Shari'a supervision boards
- The fourth topic: the areas of the Shari'a supervision
- The fifth Section Shari'a supervision in Jordan Islamic Bank.
- Conclusion: includes the study results and recommendations.

The concept of the Shari's (Islamic Law) Supervision

This section consists of three topics

First: the linguistic meanings of the Arabic term for supervision:

The word *raqabah* in Arabic denotes; conservation, waiting for in anticipation of something, guarding, and taking care of. It also means keeping, maintaining, guarding something; it also means prudence, precaution, taking care of, and adherence to supervise, or overlook a place, look out, oversee. A noun indicating a place of watching; overseeing: a watch tower or observatory. A noun can be derived from this word; *Rageeb*: monitor or can mean: watchman, supervisor (zubeidi, pp 274-276).

The second requirement: the Technical definition of *f raqabah*: supervision

Scholars of administration management give various definitions to management supervision:

1. It is the process of verifying the extent of accomplishing the objectives and detecting the obstacles hindering the accomplishment of the goals, and overcoming these obstacles in the shortest possible time (madjzub, 525-9).
2. It is an ongoing process designed to ensure the legality of the management's activities, and the extent of its conformity to the targets drawn within the time assigned, and the costs designated and the desired results, as part of the justifications for the existence of the administration, namely, the public interest (Hubeish, 1987, p. 69).
3. The assessment of the staff achievements to find out the extent of the objective they have accomplished, pertaining causes for success and failure to achieve the goals as a prelude to tackle the causes of failure.
4. It is a tool of verifying the extent of the achievement of goals effectively and competently in the fixed time (Shobaki. 1989, p.31)

The definition, the researcher finds plausible is the last one which is concise and limiting the nature of supervision, whereas the other definitions are either **inadequate** or they might be specific or prolonged ones.

Third: The concept of The Islamic legal supervision

The concept of Islamic supervision is one of the new terms; therefore, it has different definitions of its nature. The most important is definition of Al-Rajhi Banking for Investment:

They define the Islamic supervision as the process of ensuring the implementation of the fatwas. *ra qabah shari'yah'* is ensuring the compatibility of the services of the Islamic financial organizations with the provisions of Islamic Sharia fatwas issued by the fatwa board (www.alrajhibank.com, retrieved 2nd february 2 2016.). The searchers believe that the preponderant definition is al- Rajhi's definition because It is clear, comprehensive and concise. It uses (ensuring the compatibility of the services of Islamic financial organizations with the provisions of Islamic Sharia fatwas issued by the fatwa board) which is a concise statement that makes up for all other details mentioned in the other definitions. It clearly distinguishes between the auditing panel and the advisory one

Third; The concept of Shari'a advisory consultant

FIRST: A Historical Overview of the Shari'a Supervision

The Sharia Supervision, in general, is an extension of the office of the *muhtasib* or *comptroller* in the Islamic States in the past ages, (The Role of Islamic Supervision (first episode) journal of Islamic economy NO186. P. 4. Print). It is known that the Prophet, peace be upon him had monitored and held accountable those governors whom he appointed in districts of the Islamic state.

Thus, the Prophet, peace be upon him had been the first to implement the function of auditing. One day he passed by a heap of food; he inserted his hand in it and took it out with his fingers wet. Then, he asked the seller about the reason for the wetness of food. The seller said it was wet because of the rain that had fallen on it. Then, the prophet said: " why had not you exposed it so that people could see it had been wet; he whoever cheats us is not one of us. (First episode) journal of Islamic economy No. 182. P. 43 . Print) Muslim p. 133 . 7 forbidding governor's gifts saying: 1832))

The orthodox caliphs followed the Sunnah (act) of the Prophet, peace be upon him in auditing and holding people accountable for their duties. Islamic supervision, nowadays, makes it imperative for Islamic banks to abide by the stipulations of Shari' a in their transactions, to ensure their customer confidence of banks' services. This is important for the continuity of the bank services (Ibn Arabi, 1957. P292).

Third; The importance of the Islamic supervision

The Islamic supervision of the Islamic banks is extremely important for more than one reason;

1-The rationale for establishing Islamic banks is introducing a legal substitute for the usury banks that are illegal from an Islamic perspective. Because the Islamic supervisory board is the body that watches, monitors and puts the work of banks and their compliance with the Islamic law provisions under surveillance.

2- At present, banking has various complicated forms with the widespread of new transaction gadgets such as credit cards, various kinds of accounts, and electronic dealings that have no relevant stipulations in the old references of the Islamic law.

4-The banking operations in investments , financing , in particular require the opinion of the Islamic advisory (fatwa) board , because these operations are changing constantly they rarely occur again in a new project case financed by the bank. Therefore, the staff of the bank need to keep in touch with the Islamic supervisory board for getting the proper fatwa (opinion) related to the unprecedented cases they face during work.

5- The presence of the Islamic supervisory board gives the bank an Islamic character which gives Muslim customers a sense of satisfaction and confidence

Third: Legal Importance

This section consists of two parts:

- 1-The legal importance:
- 2- Islamic law supervision or Islamic consultant?

The first issue; the legal importance of the Islamic law supervision of banks:

Most of the Islamic banks charters emphasize the importance of subjecting the services of these banks to the Islamic supervision to ensure their compliance with the carina's provisions, though they adopt different mechanisms of implementing this supervision. Some of these banks, like the Baraka Bank in The Sudan,). (Hasan, pp.18-19) have a shari'a consultant, others have a supervisory board , e.g Fiasal Islamic Bank of The Sudan(FIBS, ragabah shrai'yah, 1982. P.14) , al-Rajhi banking for Investment (Hassan , p.19) and Qatar International Islamic Bank.(QIIB, 1990.p 16) There are other banks that stated their general compliance with the Islamic law provisions without any reference to the mechanisms of their commitment; examples are the Islamic Bank for Development in Jeddah, the Islamic Bank of Luxemburg(Hassan. P.18) and Dubai Islamic Bank (Baali, 1991, p.262) . Kuwait financing house has fulltime working members of the Islamic advisory board.(Hassan , P.18)

Second; Islamic law supervision or Islamic consultant?

It is advisable that the supervisory board to consist of two panels; the advisory (fatwa) panel and Islamic auditing panel; supervisions should not be taken up by one Islamic consultant for several reasons:

- 1- One consultant cannot oblige the bank to adhere to his opinions, and this brings down the importance of the Islamic supervision and deprives it of its essence. Many issues need dialogue, discussion, exchange of opinions; collective opinions are better than an individual opinion (faiadh., 1999, p.186).
- 2- Nowadays many rapid changes and developments are taking place in the banking services to the extent that they are so swift that it is too difficult for one person cope with them all

The discussion above is related to the name, but for the number, the researcher gives preponderance to the number which is not less than three for important matters such as:

- Realization of the cognitive integration of the members: The panel of three members allows for the opinions of the majority rule(personal communication with Kurdi Azdaz. (www Islamic -fatwa net)
- Banking services are diverse, ever changing; the board consisting of at least three members makes various opinions obtainable and allows for the stipulations of analogy.
- According to Baali (n.d.) , the panel with three members ensures more of the customers' confidence in the bank services(pp 218-19).

- In Faiadh's opinion(1999) the banking services and the ever changing dealings have become too complicated for one member to cope with and give proper Islamic opinion(fatwa) of them(P.18)

The Choice Approach:

This requirement consists of two topics:

The first Topic: Who chooses the advisory board and the Islamic -law auditor?

The second topic: basics of choosing the advisory board

The first Topic: Who chooses the advisory board and the Islamic -law auditor? The Islamic banks have been following two approaches of choosing the members of the Islamic boards of the Islamic law supervision:

A; The management boards of directors sometimes choose the advisory panel or Islamic consultant as the case of the Jordan Islamic Bank (dawood, p.18)

B: the general assembly may choose the advisory panel as the case of Faisal Islamic bank in the Sudan.

The second topic: Basics of Choosing the Advisory Panel: Because of the high importance and the vital need for Islamic supervision in the Islamic banks, the process of choosing the members of the advisory board must be precise and truthful; the authorized body choosing the advisory board must check the extent of the fulfillment of the provisions of the advisory board members they are choosing , because such an office is a trust that entails the fear of God Al-Mighty in the selection process lest the place a person in the position when there is another one who is more qualified for the job. The prophet(PUH) warned against this action by saying :'he who places a person in an office , when he knows that there is another person more acquainted with the Quran and the Sunnah , then the employer betrays God, His messenger, all Muslims .' buqayhi adab el-qadhi *saying no. 206436*).

Qualifications of staff of Islamic supervisory board:

The first Provision

First: personal qualities:

There are certain conditions for the advisory board have to fulfill, because they are concerned with the new developments in the banking services which need thorough consideration and continuous search that cannot be done except by the persons having the qualifications set by the Muslim scholars.

1- Knowledge of the holy Quran: the Quran is the main source of the Islamic legislation, this knowledge allow the members to understand thoroughly the meanings or the messages of the Quran,

2- Knowledge of the Sunnah or Prophet Muhammad's tradition: it is imperative for the member of the board to be familiar with the various aspects of the the Sunnah such as the reasons for the occurrences of hadiths or the prophet's sayings; this knowledge facilitates grasping the intended message and eliminates ambiguity of some sayings. The scholars of the Islamic jurisprudence stressed the importance of differentiating the abrogated from the abrogating instances in the prophet's tradition (his acts, his sayings and approvals) so that the scholar will not adopt the abrogated or the abandoned. The scholar needs to be acquainted with the celebrated books of Hadith and how they were composed and how to find out the relevant sayings therein; he must also read the books of the modern famous scholars, (Ghazali/vol2., p. 384).

3- Knowledge of the points of consensus: The member of the fatwa board should be familiar with the approaches of the ancestors or the previous Islamic supervision literature; he should know consensus points besides knowing the texts lest he comes up with fatwa contrary to them.

4- Knowledge of Arabic: A member of the body should be highly skilled in the Arabic language: grammar, because Arabic is the language of the Quran, the main source of legislation... If the scholar does not understand Arabic with its methods of communication and cannot recognize the secrets of the language, he/she will never infer any judgment from the words of God or the language of His prophet,.

5- Knowledge of the sayings of scholars and their evidence and the reasons for their differences:

6- knowledge of the fundamentals of jurisprudence(Fiqh): Shawqani In his book (irshad elfuhul)concludes that knowledge of the fundamentals of jurisprudence is vital for the scholars , because it is the foundation of fat was

or judgments, the grounds for a judgment that enable the member of the advisory board to recognize the qualifications of the judgments as orders, commands, or forbidding, general or specific (vol.2 p297).

7- Knowledge of the purposes of shari'a: they are meanings and messages intended by the law maker for the benefits of people. (Youbi 1989 p.37).

8. It is imperative for the members to be objective, transparent, evenhanded and they should not issue biased decisions, (Ashqar 1999, p.416).

The second requirement: Qualities of the Islamic Law Auditing Board:

These qualities consist of two parts:

The Behavioral Manners:

The Islamic law auditor is in direct contact with both the bank's staff and the customers. Therefore, he must fulfill a set of good qualities:

A- Being humble: he should treat the customers with respect, clemency and forbearance; good manners and openness have great impact and they create amicability among the members of the auditing board and the customers or the people they deal with.

B- credentials:

The auditing member has to be familiar with some issues, the most important of which are the following:

a- To understand and to be familiar with the services of the Islamic bank he works for so that he can convey the image of the bank to the advisory board and to recognize the real nature of the questions to be considered by the advisory board.

b- To understand and to be familiar with bank services the forbidden, or the allowed; he should also be familiar with their conditions and provisions.⁷⁰

b- He should know the hierarchical provisions pertaining to the position of the advisory board member:

a- **Independency:** The member of the advisory board should be able to practice his work independently from the departments and the parties he audits their work.

b- **Objectivity:** It is the assessment of the compliance of the bank services with Islamic law provisions according to the organization resolutions. This assessment should be independent from subjective traits or personal benefits. Objectivity **entails** that the members of the auditing board should not be assigned to carry out any executive tasks or any tasks subject to the auditing of the members of the auditing board themselves.

c- **Comprehensiveness:**

It means that the auditing with its Islamic law concept has been carried out extensively, i.e. it should not be exclusive to checking that the bank services are free of riba, usury. But auditing should involve that all the services of the bank are permitted by Islamic law and are not forbidden such as selling in kind. (qala'dji 1985 p326) comprehensiveness may include the consideration of the negative impacts of financing and investment services. The fourth Topic the scopes of the function of Advisory board and their role in developing the banking services;

This section consists of:

1. The scientific fields 2 -The executive fields 3- The impact of the advisory board on developing the banking services:

1. The scientific field:

The advisory board has a major role in the scientific fields such as:

- Originating the Islamic jurisprudence in the field of banking financial services, and disclosing the Islamic point of view in the investments services and applying the Islamic law rules to the bank investment services besides other banking services.
- Answering the questions and inquiries of the customers seeking to obtain an Islamic point of view of their questions; lot of questions are raised about the banking services and the Islamic law opinions of them. It is the duty of the advisory point to give clear-cut Islamic opinions of customers' concerns.

- Educating and conducting awareness programs for the staff of the Islamic banking: the Islamic bank needs employees with a reasonable level of understanding of the Islamic law jurisprudence laws specifically the laws relate the Islamic banking services.
- Conducting symposiums, and conferences and seminars: there are serious challenges encountering the Islamic banking systems, besides new developments and urgent needs for development, creativity and providing solutions. all these instances need discussion , dialogue and brain storming which entail several meetings , seminars and conferences .74
- Publishing the works of the advisory board: there is an urgent need for enlightening the Muslim public opinion with the banking and commercial services from an Islamic perspective However. Some banks have exerted some effort in this field:

Dubai Islamic Bank:fatawa sharai'yah fi a'amal al – masriffiyaha: Islamic opinions pertaining to banking services:

Kuwaiti House for Financing: the published Islamic law questions about the economic issues.

Sudan Fiasal Islamic Bank: They published: The Islamic law opinions(fatawas) of the supervisory board of Sudan Fiasal Islamic Bank. 75

The second requirement;

The Executive Areas:

To control the work details and contribute solutions or substitutes for the usury banking, the supervisory board embraces a heavy load after the investments have been executed in the real world . This is a tougher job than giving theoretical opinions of a certain issues. The role of the advisory board is represented in three axes:

They steer the Islamic banks towards the he Islamic law permission of banking services that need a lot of provisions, outstandingly

- 1- Taking The Islamic law provisions into consideration in the bank charter, draft law and the basic regulations
- 2- Supervision of preparing and formulating contract forms, banking services, agreements with others, discussing project an feasibility studies from an Islamic law perspective. Examples of these:
 - a- The forms of opening credit accounts for all kinds of Banking deposit(scientific encyclopedia for islmic banks. 1982 part 5 shari'a part, VOL1/ VOL1[IAOI B]V. p.122)
 - b- Services forms like selling or buying currencies, documentary credit(scientific encyclopedia for islmic banks. 1982 part 5 shari'a part, VOL1[IAOI B] V.1 P465)
 - c- Forms of different kinds of investments like all kinds of selling , mudaraba (And custom order or istisna'a forms
 - d- Policies and procedures of final accounts,, revenues , profit and loss account(Hassan, 2001,P. 233).
 - e- Creating more Islamic formulas proper for the Islamic banking to cope with developments in banking services(Rabei'ah transformation of usury bank. Vol 2, p. 368)
 - f- Reviewing from an Islamic point of view, all the proposals of new investment projects(
 - g- Setting all the required bases controlling dealings with non- Islamic banks,(zugheiyer the norms of the supervision performance , Islamic economy journal no 209, p38)S
 - h- Preparing an Islamic technical manual involving various services of the bank from opening the current accounts, the investment accounts, up to the financing services like murabaha and mudarabah , and ending with opening banking services like money remittance and opening credit accounts .

Second: the remedial supervision:

During its operations the bank may violate the Islamic law several times , or it may encounter some issues and ambiguities that need an Islamic opinion, at this point the role of the advisory board presents itself in controlling or rectifying the course of operations and straightening it by presenting the Islamic opinion of the problems and ambiguities. The role of the advisory board during the execution of the operations of the bank can be summarized as follows (zughayyer , Islamic economy journal no. 209, p46):

- 1- stating their opinion of the bank services referred to them.
- 2- Conducting an Islamic review of all the stages of the investment processes and stating their remarks and monitoring the rectification process step by step.
- 3-The stipulation of the supervisory board approval of carrying out the investment projects before taking the final step in executing the project.
- 4-Presenting what the board deems proper Islamic law advice to the bank about any banking services
- 5- Carrying out timely investigations, according to the Islamic law of the complaints during executing the work and taking necessary actions for them.
- 6 Advising against and straightening any errors resulting of misunderstanding affect the executing the project, errors that make the bank deviate from its objectives and goals.
- 7-reviewing the reports of the Islamic law auditing pertaining the Islamic review of the bank services and stating their opinion of the report.

Third; The complementary supervision (after the execution):

By the end of every year, the advisory board has to carry out an appraisal the bank's work according to Islamic perspective. Because the rationale of establishing the bank is the bank compliance with the Islamic law provisions. This entails that the advisory board carry continuous review of the bank services. The review can be done in several methods :((shehata, management organization, the Islamic economy journal, [first episode], pp 46-47).

- Reviewing the file of the investment projects after execution.
- Checking the general balance and the report of the credit superintendent.
- Review of the reports of the external supervisory bodies such as the Central bank. In light of this review , the board presents a regular report in which the state their opinion of the services of by the bank has extended and the extent of its compliance with the Islamic law. To carry the supervision idealistically, the board has to perform certain tasks notably:
- Setting up an Islamic law supervision pogram that includes;
 - b- Monitoring all the bank services.
 - c- A Time table that includes the timing of the monitoring process.
 - d- Preparing the forms of data collection. Information to facilitate the supervision process.

Preparing the forms of the Islamic law supervision that include:

- The services that have been reviewed according to th Islamic law. The notes made during the review process. And what have been done for these notes.
- Recommendations and directives, advice needed for rectifying and handling the violations and breaches of the Islamic law provisions.
- Planning the structure of the work of the Islamic auditing panel, convening regular meetings between the advisory board and the auditing panel to monitor the work progress and improving
- section five;

The Islamic supervision in Jordan Islamic Bank:

To know the level of the Islamic supervision of Jordan Islamic Bank, the researcher visited the headquarters of the bank in Amman several times and made a lot of interviews with the concerned people ;they familiarized themselves with the publications , leaflets and printed material pertaining to the Islamic services of the bank. the researcher has found out that Jordan Islamic bank has been complying with the Islamic law provisions since the establishment of the bank. All the issues pertaining to the services of the bank had been presented the ex- consultant of the bank, Shake Abudl Hamid el-Sahi'h , before executing any contracts , dealings or new contracts to have the Islamic fatwas pertaining to them to ensure the bank's compliance with Islamic law provisions and they are free of usury.

There are two bodies of the Islamic supervision in the bank:

First the Islamic supervisory board; it consists of four members holding at least B.A .degrees in the Islamic law.

Second; the internal auditing department; they help and assist the Islamic supervisory board; the supervisory board publishes a half yearly reports based on the t reports presented to them by this department. The department consists of four members headed now by a doctor of Islamic jurisprudence, and another member is a certified accountant. There is a liaison between the bank and Al- Baraka banking Group, which consists of twelve Islamic banks throughout the world. This group has a system for a unified Islamic panel and the Islamic auditing department.

They pay regular visits to the banks once a year and they present reports about the group's banks compliance with the Islamic law; moreover, Jordan Central Bank seconds delegates qualified for Islamic auditing to make sure of the Islamic law compliance by Jordan Islamic Bank. The members of supervisory board are placed in Jordan Islamic bank by the shareholders of the bank according a recommendation by of the management team of the bank. ,and with the recommendation of the nomination and awards committee , the performance of the advisory board is assessed yearly and the nomination and the award committee analyze the results of the appraisal and they send results to the management board who take the necessary positive or negative measures ; the period of advisory membership is four renewable years

- The qualities of the member of the Islamic supervisory board:
- The member should possess a jurisprudent aptitude a and be able to deduct judgments by analogy and intellectual inference and be familiar with the people circumstances, traditions and customs.
- He should hold at least a B.A. In the Islamic jurisprudence or the Islamic economy.
- He should have at least a three –year experience in fawata or Islamic statutes, or minimum four year-experience teaching or academic research after graduation.
- The member should not be a manger of one the bank's branches, or he has substantial number of shares in the bank that have considerable effect on the bank's operations; he should have any shares in the Islamic bank profits.
- He or one of his first or second relatives shouldn't have got murabaha or financing project from the bank at the time of placement in the bank.

The Islamic supervision Board's jurisdiction:

- Supervising the bank's services and making sure of the bank's compliance with the Islamic law before and after carrying out the services to make sure that the services are of free of all kinds of usury.
- Giving opinions and approving of all the contracts , agreements and products and the services of the bank
- Holding awareness and educational meetings with bank's staff and the customers.
- Preparing semi-yearly or yearly statement issued for share holders. about the banks compliance with the Islamic law,
- Answering the inquiries and questions pertaining to the Islamic services or procedures, or the tasks executed by the bank.
- The decisions and resolution of the supervisory and the advisory boards are obligatory for services of the bank.

The bank's Academy of Training and Development of Human Resources bank holds Islamic law courses to qualify the staff of the bank's branches.

In case of violation of the Islamic law in one of the executed projects, its referred along with the regular report to the Islamic supervisory board who look into the matter to see whether the violation had been grave. If the violation is grave and cannot be rectified, the panel takes a decision abrogating the service and its profits. in cases of correctable violations, the panel gives the proper directives and recommendations preventing similar future violations.

Thus, it is clear that Jordan Islamic Bank is compliant with the Islamic law provisions in its services. This compliance is manifested in the two volumes of opinions (fatawas) by the Islamic law consultant, printed in 2010, presented to the shareholders.

This is also manifested on the yearly reports, 1979, 1980, 1981, 1982, the fatwas of the symposiums al- Baraka held in Medina in Ramadhan, A.H 1403, ,and Tunisia In safar 1405 , and the symposium held by the same group in Algeria in 107, the Islamic fatwas of the second conference and the first jurisprudent symposium held in Kuwait in 1407A.H. Jordan Islamic Bank participated in all of the symposiums , (fatawi1431,, pp.21-51). Jordan Islamic bank got the award of the best Islamic Bank in Jordan and the Levant (<https://www.maannews.net/Content.aspx?id=812451> retrived 3-21-2016).

Conclusions and Recommendations:

First: the results:

- The capitalist financial system which depending on usury or interest has created international financial crisis that harmed large sectors of human beings throughout the world.
- The Islamic banks represent a substantial section of the economic activities of the Arab and Islamic countries, contributing greatly in building the economies of these countries.
- Raqaba in Arabic denotes conservation, waiting for in anticipation of something, guarding, and taking care of. It also means keeping, maintaining, guarding something, prudence, precaution, taking care of, and adherence to.
- The word Raqaba in the Quran means conservation, waiting, lurking.
- Thus we see that the meaning of raqabah in the Sunnah are ; conservation , and watching , with anxiety or fear that something may go wrong, or taking care of some body or something
- The predominant definition of the Islamic supervision of the Islamic banks is the one by el-rajihi for investments: They define the Islamic supervision as t he process of ensuring the implantation of the fatwas (ra qabah shari'yah' is ensuring the compatibility of the services of Islamic financial organizations with the provisions of Islamic Sharia fatwas issued by the fatwa board (rajihi web page).

The technical definition of the Islamic supervision raqabah(Supervision) :

- It is a means of verifying the extend of the achievement of goals effectively and competently in the fixed time. The Islamic supervision of the Islamic banks is an extension of the muhtasib office that had been adopted in the past Islamic states. It enjoins the good and forbids the evil deeds if they take place it is communal task and it may an individual or private according the case.
- The Islamic law supervision is very important for the Islamic banks because they are the legitimate substitutes for the usury banks,it is also important because the majority of staff of the banks are not familiar with the Islamic law provisions as well as the principles of the banking Islamic services especially with the proliferation of a lot of new types of banking that have no precedents in the Islamic banking.
- In their basic laws and internal policies, the majority of the Islamic banks emphasized subjecting the banking services to the Islamic law supervision to ensure their compliance with the Islamic law provisions.
- Either the management team or the general Assembly chooses the advisory board and the Islamic law auditor.
- Knowledge of the Holey Quran and the prophet's Sunneh (says, acts and approvals) are the most important qualities of the members of super vision board
- The supervisory board of Jordan Islamic Bank consists of two panels:
 - Th Islamic law supervisory panel and the internal auditing panels.
 - Jordan Islamic Bank is complaint with the Islamic law provisions in all its services.
 - Jordan Islamic Bank is a member of the Barak Banking group.
 - Jordan Islamic bank is under the supervision of Jordan central bank through delegated staff specialized in Islamic law auditing to check the services of the bank and its compliance with the Islamic law provisions.

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