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# Formalization of DSN-MUI Fatwa No. 28/DSN-MUI/III/2002 in Electronic Money Transactions

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**ABSTRACT**

**Purpose**: This study aims to assess the compatibility between Bank Indonesia Regulation No. 20/6/PBI/2018 on Electronic Money and DSN-MUI Fatwa No. 28/DSN-MUI/III/2002 on Currency Trading (Al-Sharf), to formulate normative concepts to improve electronic money transactions so that they comply with sharia principles, particularly those governing *sharia* contracts.

**Design/Method/Approach**: The research employs a normative legal method with a deductive qualitative approach. Data are collected through documentary studies and analyzed using normative interpretation, systematization, and synthesis to evaluate the alignment of regulations and fatwas in digital financial transactions.

**Findings**: The analysis shows that the legality of operators and the real-time settlement mechanisms stipulated in Bank Indonesia regulations align with Sharia requirements. However, disparities remain, including the placement of float funds in *ribawi* instruments and the absence of explicit recognition of the *sharf* contract. Furthermore, the effectiveness of DSN-MUI Fatwa guidance is influenced by digital *taqabudh* mechanisms and information-system security standards, which shape fintech compliance with sharia principles.

**Originality/Value**: This study provides a structured framework explaining how fatwas interact with regulatory implementation in the digital financial ecosystem. It highlights the roles of mediators in translating fatwas into technical policies and moderators in determining how effective fatwas remain amid rapid technological changes. The findings contribute to the refinement of sharia-compliant norms for electronic money transactions in Indonesia.

## INTRODUCTION

The development of digital financial technology (fintech) in Indonesia has significantly impacted payment systems, including the introduction of electronic money. Amidst this rapid financial digitalization, there is a need for positive law that is also in accordance with basic Sharia principles. Bank Indonesia Regulation No. 20/6/2018 on Electronic Money serves as the regulatory basis for the technical aspects of electronic money. Still, it does not explicitly accommodate sharia principles in every electronic transaction, particularly in currency trading (*al-sharf*).[1]

On the other hand, DSN-MUI Fatwa No. 28/DSN-MUI/III/2002 concerning Currency Trading (Al-Sharf) emphasizes the importance of implementing contracts in accordance with sharia provisions, such as the requirement that transactions be carried out in cash and free from elements of *gharar and maysir*.[2] In this context, the normative concept of electronic money, as outlined in the DSN-MUI fatwa, addresses the normative void in conventional regulations, especially regarding the legality and conformity of digital transactions with Sharia principles. The imbalance between positive law and Sharia norms can lead to legal uncertainty, affecting the legality and sustainability of Sharia fintech transactions.

Previous articles discussing the legality of sharaf contracts in Sharia electronic money transactions have primarily focused on normative aspects and general Sharia principles. Another gap that has emerged from previous research is that normative studies tend to stop at the interpretive level of fatwas. In contrast, positive law tends to disregard spiritual aspects and Sharia principles in formulating regulations. In terms of methodology, there is still a lack of research that formalizes Islamic law into positive law. In other words, previous articles have not provided a detailed description of the differences between the ideal conditions (*das sollen*) and the reality (das sein) in the implementation of *sharf* electronic money in Indonesia (*sharf*). The focus of the study is also not on a specific type of contract, so it cannot fully answer how the validity of digital transactions, such as electronic money, can be measured from the perspective of the Sharaf contract.

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[1] V Murinde, E Rizopoulos, and M Zachariadis, "The Impact of the FinTech Revolution on the Future of Banking," *International Review of Financial Analysis* 81 (2022): 102103, https://doi.org/10.1016/j.irfa.2022.102103.

[2] Y T Muryanto, D B Kharisma, and A S Ciptorukmi Nugraheni, "Prospects and Challenges of Islamic Fintech in Indonesia," *International Journal of Law and Management* 64, no. 2 (2022): 239–252, https://doi.org/10.1108/IJLMA-07-2021-0162.

This research offers a different focus by specifically addressing one type of *fiqh* contract with strict conditions and pillars, namely the Sharaf contract. Thus, this research approach does not generalize all forms of digital transactions as valid or invalid from an Islamic perspective; instead, it conducts a more detailed and contextual analysis. This study presents a direct comparison between the provisions in DSN-MUI Fatwa No. 28/DSN-MUI/III/2002 concerning al-Sharf and Bank Indonesia Regulation No. 20/6/PBI/2018 concerning Electronic Money. It examines how this potential disharmony affects the Sharia legality of digital transactions, which are now widely used.[3] The normative-juridical perspective also allows researchers to analyze the substance of the law comprehensively, not only from the standpoint of sharia but also from that of state law.

The novelty of this research lies in its normative legal analysis approach, which combines two different legal frameworks, namely Islamic law and national positive law, with a focus on Sharaf contracts as the main case study. This research not only examines compliance and technical aspects but also seeks to develop an integrated legal framework that regulators and players can adopt in the electronic money industry. This approach has not been widely adopted in previous studies, which tend to focus on macroeconomics, product development, or fatwa aspects. Thus, this study helps bridge the regulatory gap between Islamic financial institutions and national financial authorities by providing a more incisive, comprehensive, and contextual legal analysis of Sharia-based electronic money transaction practices in Indonesia.

## RESEARCH METHOD

This study uses a normative legal method with a deductive qualitative approach. The primary focus of this study is to examine the conformity of norms between Bank Indonesia Regulation No. 20/6/2018 concerning Electronic Money and DSN-MUI Fatwa No. 28/DSN-MUI/III/2002 concerning Currency Trading (Al-Sharf), to formulate a concept to improve norms in electronic money transactions in accordance with sharia principles. This study aims to analyze how the principles of *sharf* contracts can be integrated into the national positive legal system through formal legal mechanisms and authoritative regulations.[4]

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[3] C N Sabila and D Paramudia, "Implementation of Syuf'ah and As-Sharf Service Agreement in Modern Digitalization with Shariah Concept," *Jurnal Multidisiplin* 5, no. 2 (2025): 172–192, https://doi.org/10.58471/jms.v5i02.

[4] Isman, "Legal Reasoning Comparative Model of Asy Syatibi and Gustav Radbruch," *Nurani* 20, no. 1 (2020): 49–56, https://doi.org/10.19109/nurani.v20i1.6089.

The objects of this study include norms related to contracts, spot transactions, digital *taqabudh*, and the principle of prudence in the use of electronic money. Primary legal sources include legislation, specifically Bank Indonesia Regulation No. 20/6/2018 and DSN-MUI Fatwa No. 28/DSNMUI/III/2002, while secondary legal sources include Islamic economic law doctrines, *fiqh muamalah* theory, and academic literature on digital transactions and the principles of *maqashid syariah* in modern payment systems.[5]

The legal data collection technique involved documentary studies, including searches and analyses of relevant legislation, fatwas, and academic literature. Data validity was tested through source triangulation by comparing positive norms, *fiqh muamalah* provisions, and doctrinal views related to electronic money transactions. This study also examined the hierarchy of legal standards to assess the possibility of formalizing fatwas within the scope of national law[6].

Data analysis was conducted in three stages: interpretation (of legal and *fiqh* norms), systematization (grouping and structuring aligned norms), and synthesis (combining sharia and positive law principles). The theoretical framework used includes the theory of legal principles, the theory of *maslahah mursalah*, and the theory of integrating Islamic law into the national legal system. This study will discuss: (1) an analysis of the normative concept of electronic money in BI Regulations; (2) analysis of the principles of *sharf* contracts in the DSN-MUI Fatwa; and (3) proposals for the formulation of legal norms that can ensure the conformity of electronic money transactions with sharia principles and support the formalization of fatwas in the national legal system[7].

## RESULT AND DISCUSSION

The development of financial technology has experienced exponential growth and has become a fundamental element in contemporary society. Trust in the financial sector is a major driver of economic growth in Indonesia, given its significant role in spurring the national economy. Financial technology (fintech) is a revolutionary concept designed to provide complements and better solutions to the way financial services are standardized in the business world.[8]

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[5] Ainul Fatha Isman, Abdurrahman Mansyur, and Ali Wardani, "Realizing the SDGs through Zakat: The Maqāsid Al-Syari'ah Perspective at Zakat Institutions in Indonesia," *Muslim Business and Economics Review*, vol. 2, 2023.

[6] Fatha Isman, Mansyur, and Wardani.

[7] Fatha Isman, Mansyur, and Wardani.

[8] Alimatul Farida et al., "The Adoption of FinTech and the Legal Protection of Digital Assets in Islamic Banking," *Jurnal Hukum Unissula* 2, no. 2 (2024): 30–40, https://doi.org/10.35891/ml.v12i2.2659.

Within the scope of positive law, Bank Indonesia Regulation No. 20/6/PBI/2018 provides a normative legal framework for the issuance and operation of electronic money, including requirements for operators.

Bank Indonesia Regulation No. 20/6/PBI/2018 stipulates that any party wishing to become an operator must first obtain a license from Bank Indonesia and meet the eligibility requirements, including institutional, legal, operational readiness, and governance and risk management.[9] The importance of regulation in the development of Sharia fintech is that it ensures fintech services are not only Sharia-compliant but also safe, secure, and accessible to a wide range of consumers. Without proper regulation, sharia fintech could become fragmented, with varying interpretations of Islamic law leading to inconsistencies in compliance standards. This could undermine consumer confidence and hinder industry growth.

The legal subject of this provision is the Electronic Money Operator, which may be a bank or a non-bank institution, such as a limited liability company. The legal object is the operation of electronic money systems and transactions, including issuance, float fund management, information security systems, and risk management. The normative conditions are set out in Articles 4 and 6 of Bank Indonesia Regulation No. 20/6/PBI/2018, which states that any party wishing to become an Operator, must obtain a license from Bank Indonesia (BI), except for closed loops with float funds of less than 1 billion rupiah. The application of these standards includes active supervision, periodic audits, and two-factor authentication for transactions above IDR 2,000,000. In this case, Bank Indonesia acts as a supervisor and regulator, which has the authority to grant or revoke licenses based on the fulfillment of these obligations.

Several concepts can serve as disruptive factors, namely those that cause ambiguity or potential abuse. An example is the exemption from permits for closed-loop operators with float funds below 1 billion rupiah, as stated in Article 4, paragraph 2, of Bank Indonesia Regulation (PBI) No. 20/6/2018 concerning Electronic Money. If supervision in this case is weak, there is a risk that it will be exploited to circumvent regulations. In addition, the complexity of the division of responsibilities between Issuers, Acquirers, Principals, and Switching

[9] G Kilic, "The Emergence of Islamic Fintech and Its Applications," *International Journal of Islamic Economics and Finance Studies*, 2023, https://doi.org/10.54427/ijisef.1328087.

Operators can also be a point of confusion if it is not accompanied by detailed technical and procedural explanations in its implementation.[10]

In the electronic system, delays in top-ups or transaction settlements still frequently occur, especially with bank transfers, offline merchants, and auto-debit mechanisms, because these systems are not designed to meet the provisions of the sharf contract. Regulatively, this is not considered a problem. Still, from a sharia perspective, the delay in the transfer of value may constitute *riba nasi'ah* if the top-up transaction is structured as a currency exchange that requires taqabudh directly. Therefore, in Sharia e-money, delays must be overcome through real-time settlement and system integration to ensure balances can be used immediately without a clearing process. Transactions that do not meet the requirements of the Sharia contract are at risk of being invalidated under Sharia if they still proceed through the clearing process.

The *As-Sharf* contract is a transaction in Islamic law involving the exchange of currency or money, whether of the same or different types, that must be carried out immediately. Thus, the *As-Sharf* contract is an essential foundation in the practice of currency trading that is permitted in Islam, as long as it is carried out in cash and free from elements of speculation or usury in accordance with the provisions contained in Q.S. Al-Baqarah verse 275.[11]

Fatwa DSN-MUI No. 28/DSN-MUI/III/2002 concerning Currency Trading (Al-Sharf) emphasizes that the primary requirement in sharf transactions, especially between currencies of the same type, is that they must be conducted in cash (naqdan) and involve direct delivery (*taqabudh*) between the two parties. This taqabudh requirement aims to avoid *riba nasiah*, an additional charge that arises from a delay in the transfer of ownership in currency transactions. In the context of electronic money transactions, the application of the taqabudh requirement is a central issue because the process of converting cash to digital balances does not involve physical money; instead, it involves the electronic recording of balances by electronic money issuers.[12]

The DSN-MUI fatwa also serves as the basis for developing more comprehensive sharia regulations by emphasizing the requirements of the sharia

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[10] G Elia, V Stefanelli, and G B Ferilli, "Investigating the Role of Fintech in the Banking Industry: What Do We Know?," *European Journal of Innovation Management* 26, no. 5 (2023): 1365–93, https://doi.org/10.1108/EJIM-12-2021-0608.

[11] Farida et al., "The Adoption of FinTech and the Legal Protection of Digital Assets in Islamic Banking."

[12] N A P Wibisono and S M M Mardiananingrum TM, "Transaksi Electronic Money Produk Perbankan Syariah Ditinjau Dari Perspektif Hukum Ekonomi Islam," *JISIP* 7, no. 3 (2023): 2563, https://doi.org/10.58258/jisip.v7i3.5368.

contract in digital transactions, confirming the prohibition of riba and gharar, and regulating dispute-resolution mechanisms in accordance with sharia principles. A concrete recommendation that can be given to Bank Indonesia and the DSN-MUI fatwa is the need to formulate specific regulations or fatwas that explicitly regulate the procedures for implementing sharf contracts in electronic money transactions, including the definition of digital *taqabudh*, supervision of the clearing process, and sharia-based consumer protection to prevent violations of principles and provide legal certainty for all parties in the sharia fintech ecosystem.[13]

In practice, when users top up their electronic money balance, cash is deposited to the issuer, and the digital balance is immediately credited to the user's account. This balance-crediting process can be considered a form of transfer of ownership (taqabudh hukmi), a legal transfer (not physical) recognized in contemporary fiqh, provided the user can use the balance for transactions after the top-up process is complete. This means that, as long as there is no significant time lag between the deposit of funds and the crediting of the balance, and the balance is practical and usable, the taqabudh requirement in sharf can be considered fulfilled in the digital environment. However, if there is a time lag or clearing process that prevents the balance from being immediately available, the taqabudh requirement may be violated, because a delay in transfer is prohibited in sharf contracts.[14]

In this practice, the parties involved include fintech providers, digital consumers, and Islamic financial institutions that have not fully implemented, or are not fully implementing, *sharaf* contracts in digital transactions. Transactions conducted electronically are often only digital records (notional entries) without physical exchange or *qabdh haqiqi*. To overcome this, legal system reform and the application of maslahah *mursalah* are needed, as emphasized in the document, which requires state regulations to balance technological innovation and sharia values. The formulation of rules based on ethics and the principles of *fiqh muamalah* is essential to ensure that electronic money transactions are in accordance with the sharia maqashid, namely protecting property, preventing exploitation, and providing welfare for the people.

In addition to the taqabudh requirement, other requirements that must be present in a sharf contract, such as the prohibition of *riba fadhl* (additional

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[13] S N Azizah, "The Adoption of FinTech and the Legal Protection of the Digital Assets in Islamic/Sharia Banking Linked with Economic Development: A Case of Indonesia," *Journal of World Intellectual Property* 26, no. 1 (2023): 30–40, https://doi.org/10.1111/jwip.12257.

[14] Farida et al., "The Adoption of FinTech and the Legal Protection of Digital Assets in Islamic Banking."

charges on the exchange of similar currencies) and *riba nasiah* (additional charges due to delays), are also relevant. In the context of electronic money, the value of one rupiah in cash must be equal to one rupiah in electronic balance, without any deductions or additions, so that *riba fadhl* does not occur. Electronic money issuers are also prohibited from providing additional benefits to users for deposited funds, except in the form of clear services (e.g., transparent administrative fees), to prevent *riba nasiah*. In addition, there should be no khiyar syarat (unilateral cancellation option after the transaction is complete), so that after the top-up and the balance is credited, the rights and obligations of both parties are considered complete.[15]

From the perspective of the DSN-MUI Fatwa, particularly in Fatwa No. 28/DSN-MUI/III/2002 concerning Currency Trading (Al-Sharf), there are provisions stating that sharf transactions must meet the following conditions: they must not be for speculation, there must be a need for the transaction, the exchange rate must be equal and cash if the currencies are the same, and the exchange rate must be valid and cash if the currencies are different. The model or normative concept of Sharia electronic money to improve existing regulations is to explicitly integrate Sharia principles into Bank Indonesia regulations and the electronic money operational system. This includes the requirement that sharf contracts be carried out in cash (taqabudh), even in digital form, ensuring no delays in the transfer of balances, equivalent exchange rates without additional charges, and transparency and fairness throughout the transaction process.[16]

The real-time settlement provision in PBI No. 20/6/2018 has direct implications for the validity of sharf contracts. If the system cannot process top-ups instantly, there will be a delay in qabdh, which can lead to *riba nasi'ah*. Therefore, electronic money operators are required to adjust their technological infrastructure so that there is no delay between fund deposits and the appearance of balances. Failure to ensure real-time settlement is not only a technical compliance violation against BI, but also has the potential to invalidate transactions from a Sharia perspective. The practical implication is the need for periodic system audits, server reinforcement, and load balancing to ensure the

[15] D B Kharisma, "Urgency of Financial Technology (Fintech) Laws in Indonesia," *International Journal of Law and Management* 63, no. 3 (2021): 320–331, https://doi.org/10.1108/IJLMA-08-2020-0233.

[16] Muhammad Farooq and Amna Noor, "The Impact of Corporate Social Responsibility on Financial Distress: Evidence from Developing Economy," *Pacific Accounting Review* 33, no. 3 (2021): 376 – 396, https://doi.org/10.1108/PAR-10-2020-0196.

qābḍ process occurs instantly.[17] The absence of Sharia norms in this regulation creates a legal vacuum, leading to ambiguity regarding the legality of Sharaf contracts within the Sharia Electronic Money ecosystem.[18]

To assess the extent to which electronic money practices in Indonesia comply with the principles of *Sharaf contracts* in muamalah fiqh, a comparative analysis was conducted between the operational aspects of electronic money as regulated in Bank Indonesia Regulations and the Sharia provisions in DSN-MUI Fatwa No.28/DSN-MUI/III/2002 concerning Currency Trading (*Al-Sharf*). The following table presents four main aspects tested for compliance: the legality of the operator, real-time settlement, *float* fund placement, and contract identification.

Each aspect is tested against the principles of fiqh *sharf*, such as the requirement that transactions be conducted in cash (spot), the prohibition of speculation and usury, and the requirement for a clear contract. The results of the analysis show that two aspects are consistent with Sharia principles. In comparison, the other two aspects are not yet compliant: the placement of funds in non-real instruments that may involve usury, and the absence of an explicit mention of the *shari'ah* contract in the transaction mechanism. These policy adjustments and the reinforcement of Shariah norms are needed so that the electronic money system is truly in line with the maqashid shariah.

**Table 1.** Comparison between PBI No.20/18 vs. DSN MUI No. 28/2008

| No | Aspect | PBI No 20/18 | Fatwa DSN-MUI NO. 28/2002 | State of Contradiction |
|---|---|---|---|---|
| 1 | Legality of the Organizer | Mandatory BI permission & eligibility aspects | not opposite | ✅ Consistent |
| 2 | Real-time Settlement | The system must be secure and real-time | Legal taqabudh is allowed in spot transactions. | ✅ Consistent |
| 3 | Float Fund Placement | Can be used in non-real instruments (ribawi) | Not allowed in ribawi instruments | ❌ Opposite |
| 4 | Contract Identification | Not mentioned explicitly | It is mandatory to use a *safe* contract when exchanging foreign exchange. | ❌ Implicit contradiction |

[17] D Durianto et al., "The Challenges of Sharia Fintech Regulation in Indonesia: A Global Comparative Analysis," *Jurnal Hukum Unissula* 41, no. 1 (2025): 19–30, https://doi.org/10.26532/jh.v41i1.41490.

[18] Farida et al., "The Adoption of FinTech and the Legal Protection of Digital Assets in Islamic Banking."

Based on the table above, several aspects indicate consistency between PBI Regulation No. 20/6/PBI/2018 and DSN-MUI Fatwa No. 28/DSNMUI/III/2002. In terms of real-time settlement, PBI requires that the transaction system run securely and in real time to ensure efficiency and security in the use of electronic money. This provision is also in line with the principle *of taqabudh hukmi* in fiqh muamalah, which allows transactions to be carried out electronically as long as the element *of qabadh* (transfer) is fulfilled legally, even if there is no physical transfer. This consistency shows that technological developments can still be accommodated within the framework of Islamic law, as long as the basic principles of sharia are maintained.

From an analysis of both legal sources, it can be concluded that not all aspects of the PBI regulation contradict the DSN-MUI Fatwa. Several points even show quite strong normative compatibility, such as the legality of the operator and the real-time transaction settlement system. This indicates that there is room for integration between positive state regulations and Islamic legal principles, which could serve as a basis for the development of the sharia fintech ecosystem in the future. Contradictions are seen in the aspects of float fund placement and contract identification.[19]

In this case, PBI regulations allow funds to be placed in instruments that are prohibited under Sharia law and do not explicitly specify the contract, which is an essential element of financial transactions under Islamic law. Conversely, regarding the legality of the organizer and the real-time settlement system, there is no conflict between regulations and fatwas. This shows that, in certain respects, Sharia principles can be applied alongside positive law provisions. To maintain legal certainty, especially in areas related to contracts and fund management, the principle of taqabudh hukmi, which allows transactions to be carried out electronically as long as the element of qabadh (transfer) is legally satisfied, should be emphasized.

This study aims to fill a gap in the literature on the legality of sharf contracts in electronic money transactions by examining two primary sources: Bank Indonesia Regulation No. 20/6/PBI/2018 on Electronic Money and DSN-MUI Fatwa No. 28/DSN-MUI/III/2002 on Currency Trading (AlSharf). The normative concept of Sharia electronic money in Bank Indonesia Regulation emphasizes that electronic money is a means of payment whose value is deposited in advance, stored in electronic media, and is not a bank

[19] Lian Meydina Aulia, Ahmad Syathori, and Muhammad Ali, "Analisis Regulasi Uang Elektronik Syari'ah Sebagai Alat Transaksi Pada Perbankan Digital," *JSEF: Journal of Sharia Economics and Finance* 4, no. 1 (2025): 1–7, https://doi.org/10.31943/jsef.v4i1.48.

deposit, and is strictly regulated regarding issuance, use, and consumer protection.

Based on the findings from the above literature, it can be explained that the *Sharia* contract (currency exchange contract) becomes problematic when faced with the Sharia electronic money system that is developing in the modern digital ecosystem. The main issue is the indirect and delayed exchange of currencies in electronic money transactions, which contradicts the basic principle of the *Sharia* contract that requires transactions to be conducted on *a spot basis* (cash and direct). This issue occurs in fintech systems, including *e-wallets* and other digital financial services, where the conversion process often involves intermediaries and is thus indirect, not complying with Sharia principles.

The DSN-MUI fatwa serves as the basis for developing more comprehensive sharia regulations by emphasizing the requirements of the sharf contract in digital transactions, confirming the prohibition of riba and gharar, and regulating dispute-resolution mechanisms in accordance with sharia principles. A concrete recommendation that can be given to Bank Indonesia and the DSN-MUI fatwa is the need to formulate specific regulations or fatwas that explicitly regulate the procedures for implementing sharf contracts in electronic money transactions, including the definition of digital taqabudh, supervision of the clearing process, and sharia-based consumer protection so that there are no violations of principles. Legal certainty can be provided to all parties in the Sharia fintech ecosystem.[20]

This inconsistency is widespread in the modern digital financial system, particularly in fintech and electronic money services that have developed since 2015. Transactions are carried out through applications that are not subject to the Sharia legal framework or are only governed by general regulations, such as the ITE Law and POJK Number 10/POJK.05/2022, which do not specifically regulate Sharia contracts. This occurs on various peer-to-peer lending and e-wallet platforms that operate without adequate supervision, resulting in currency exchange practices being carried out freely without complying with Sharia provisions, such as cash equivalence and clear exchange rates at the time of contract.

One of the problems that often occurs with fintech service providers in Indonesia is delays in updating balances when users top up through virtual accounts or mobile banking, especially during peak hours or when bank servers experience transaction queues. In some cases, users have already made

[20] Azizah, "The Adoption of FinTech and the Legal Protection of the Digital Assets in Islamic/Sharia Banking Linked with Economic Development: A Case of Indonesia."

payments, but the balance is only credited after 3-10 minutes or even longer, while the funds have already been debited from the sender's account. This problem often arises because money operators use batch posting and queueing mechanisms that do not support instant settlement. In addition, when network disruptions occur, some fintech companies implement a transaction-hold system that prevents users from accessing balances they should have received. This condition is considered normal from an operational perspective by conventional operators. Still, from a sharia perspective, such delays interfere with the fulfillment of the taqabudh principle and open up the possibility of riba (nasi'ah). Cases like this demonstrate a gap between the technical mechanisms of fintech and the need for certainty in transaction timing, which is a primary requirement of the sharf contract.

This is inappropriate because *sharaf* contracts in Islam are stringent in upholding the principles of fairness and equality of value, as well as preventing usury. Current practices in electronic money tend to treat money as a speculative commodity rather than a medium of exchange based on real needs. In addition, the public is often trapped in non-transparent fintech promotions, thereby violating the principle of willingness (*antarāḍin minkum*) in muamalah contracts (Astuti et al., 2024). This is exacerbated by the low level of financial literacy among the public, as indicated by OJK 2018 data, which show that only 29.7% of Indonesians are financially literate. As a result, they do not understand the risks of digital transactions that deviate from the principles *of sharaf*.

Therefore, the urgency of this research lies in establishing a normative framework that bridges the gap between Bank Indonesia's technical regulations and the principles of Islamic law, particularly in the context of digital-based foreign exchange transactions. The theoretical contribution of this study lies in its integrative analysis of national regulations and sharia fatwas, thereby clarifying the position of sharf contract regulations (laws) in digital transactions. This area has previously received little in-depth discussion in the literature. This study confirms that the implementation of sharia contracts (*sharf*) in electronic money is permissible under Sharia law, provided it meets the requirements of digital taqabudh and value equality and does not include elements of usury. It also highlights the need for harmonization between positive regulations and Sharia fatwas to avoid overlap or legal vacuums.

The findings show that the root cause of sharia compliance issues in electronic money transactions lies in the absence of a real-time settlement mechanism that can guarantee taqabudh in sharf contracts. Therefore, a concrete solution that Bank Indonesia can implement immediately is to develop a national technical standard, the Real-Time Taqabudh Standard (RTTS), requiring all top-up processes, balance credits, and sharia e-money transaction settlements to complete within less than two seconds. This standard is accompanied by the obligation to audit system response times, a ban on batch posting, and the establishment of a backup mechanism that maintains the simultaneity of value transfer. By implementing RTTS, BI not only eliminates the potential for *riba nasi'ah*.

In terms of practical contribution, the findings of this study can serve as a reference for regulators such as Bank Indonesia in formulating regulations that are more explicit and more accommodating of the characteristics of sharia contracts in digital transactions, including defining digital taqabudh and sharia-based dispute resolution mechanisms. For Sharia-compliant electronic money issuers, this study provides guidelines so that all transaction processes, from top-up to use to redemption, are carried out in accordance with the principles of Sharia and Sharia prudence, thereby increasing public trust and reducing the potential for disputes or violations of Sharia principles. The Sharia Supervisory Board (DPS) can use the results of this study as a basis for supervising and assessing the compliance of Sharia electronic money products with the principles of Sharia contracts. At the same time, the public, as users, can also obtain legal certainty and guarantees of the halal status of the sharia-compliant electronic money products they use. Thus, this research encourages the development of Sharia-compliant electronic money products while strengthening the foundation of national regulations, ensuring that digital financial innovation is in harmony with Islamic law principles and public needs.

## CONCLUSION

This study shows that most of the provisions in Bank Indonesia Regulation No. 20/6/PBI/2018 do not directly contradict DSN-MUI Fatwa No. 28/DSNMUI/III/2002, especially regarding the legality of operators and real-time settlement, which are in line with *the principle of taqabudh hukmi* in fiqh muamalah. However, there are still two crucial aspects that show inconsistencies: the placement of float funds in non-real instruments that may contain *riba*, and the absence of explicit identification of *sharf* contracts in the electronic currency exchange transaction mechanism. These inconsistencies have the potential to weaken legal certainty and the validity of Sharia in digital-based electronic money transactions. Therefore, formalizing the DSN-MUI fatwa within the national regulatory system is necessary to ensure consistency between digital innovation and Islamic legal principles. This includes clarifying the sharf contract, recognizing the concept of digital taqabudh, and establishing regulations for the placement of funds in accordance with Sharia principles. With the harmonization of positive law and Sharia fatwas, Electronic money transactions can operate legally, ethically, and reliably, while providing legal certainty for regulators, fintech businesses, and users.

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