



Legal Cartainty in Digital Sharia Business Contracts: Problems of Validity, Sharia Compliance and Dispute Resolution in Makassar

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ABSTRACT

This study examines legal certainty in digital sharia business contracts in Makassar, focusing on three dimensions: contract validity, sharia compliance, and dispute resolution mechanisms. Employing empirical legal research with a qualitative approach and purposive sampling of nine key informants comprising judges of the Religious Court of Makassar, sharia compliance officers, Islamic economics academics, OJK Regional 6 officials, DSN-MUI/MUI Sulawesi Selatan members, and Religious Court judiciary the research reveals three principal findings. First, digital sharia contract validity is not fully synchronized between Indonesian positive law (UU ITE) and Islamic economic law (KHES/fiqh muamalah), with critical normative gaps in electronic ijab-qabul standards, digital KYC adequacy, and the formal legal status of DSN-MUI fatwas. Second, sharia compliance operates under a multi-layered normative structure but suffers from serious regulatory lag, disharmony between POJK provisions and DSN-MUI fatwas, and limited digital competency among Sharia Supervisory Boards (DPS). Third, dispute resolution through Religious Courts faces structural barriers including inconsistent judicial interpretation, the absence of a Supreme Court Regulation (Perma) specifically governing digital sharia contract disputes, and inadequate electronic evidence standards. The study concludes that Indonesia requires a comprehensive Digital Sharia Economic Law integrating UU ITE, UU Perbankan Syariah, and fiqh muamalah principles, accompanied by revised KHES provisions on digital akad, a joint OJK-DSN-MUI regulatory committee, and an integrated national shariah digital regulatory portal.

Kata Kunci

Digital Sharia Contract, Legal Certainty, Sharia Compliance, Electronic Ijab-Qabul, Dispute Resolution, Fintech Syariah.

INTRODUCTION

The rapid digitalization of economic transactions in the last two decades has fundamentally transformed how business contracts are formed and executed, including in the sector of Islamic economics and finance. Digital platforms encompassing fintech syariah, e-commerce with sharia-based contracts (akad), digital wallets, and blockchain-based smart contracts have enabled transactions to occur swiftly, efficiently, and without face-to-face interaction (Lestari et al., 2025). This transformation has made digital contracts the primary instrument of modern business activity.

From the perspective of Islamic economic law, digital contracts present dual implications: opportunities for broadening sharia financial inclusion while simultaneously generating novel legal challenges. Sharia contracts (akad) such as murabahah, mudharabah, wakalah, and ijarah can theoretically be adapted to digital systems, provided they maintain transparency, justice, and remain free from riba (usury), gharar (ambiguity), and maisir (speculation) (Saputra & Trisnawati, 2025). However, the practical integration of digital technology with fiqh muamalah principles has proven far more complex than theoretical frameworks suggest.

Makassar, as the economic center of Eastern Indonesia, has experienced significant growth in digital financial services and technology-based economic platforms. This growth has opened space for the proliferation of digital sharia business contracts across various economic transactions. Yet it has simultaneously generated a range of legal problems pertaining to: (1) the validity of electronic contracts under both Indonesian positive law and Islamic economic law; (2) the consistency of sharia compliance implementation in digital platforms; and (3) the effectiveness of dispute resolution mechanisms when conflicts arise from digital sharia transactions.

Three interconnected problematic dimensions are identified in the existing landscape. First, the validity of digital sharia contracts is complicated by the use of click agreement mechanisms, electronic signatures, and automated systems such as smart contracts all of which raise questions about the authenticity of consent, identity verification, and evidentiary strength (Aulia et al., 2026). Second, sharia compliance in digital transactions is threatened by potential information asymmetries and systemic opacity that may introduce gharar into the akad (Fadhlurrohman et al., 2025). Third, dispute resolution for digital sharia contracts requires an approach integrating both positive law and fiqh muamalah, particularly in determining akad validity and the liability of transacting parties (Sukma et al., 2023).

Prior research has addressed aspects of digital contracts or fintech akad implementation but without specific focus on the intersection of all three dimensions validity, compliance, and dispute resolution in the context of a specific regional setting such as Makassar. This constitutes a significant research gap, given that local socioeconomic and institutional dynamics can substantially shape the practical application of digital sharia contracts. The present study addresses this gap by employing in-depth field research with key informants representing the judicial, regulatory, academic, and industry perspectives in Makassar.

RESEARCH METHOD

Research Design

This study employs empirical legal research with a qualitative approach. Empirical legal research focuses on the reality of legal implementation in society how legal norms are applied, understood, and practiced by actors in the field (Sukmawan & Damayanti, 2025). The qualitative methodology enables deep exploration of perceptions, experiences, and understandings of digital sharia contract practices among business actors, regulators, and legal practitioners (Ishtiaq, 2019). A field research (studi lapangan) approach was adopted to observe the gap between normative law (das sollen) and practical reality (das sein) in Makassar's digital sharia business landscape (Yanova et al., 2023).

Informant Selection

Informants were selected through purposive sampling, targeting individuals with direct knowledge of or involvement in digital sharia business contract practice, sharia compliance, or digital contract dispute resolution (Moleong & Surjaman, 2014). Nine key informants were selected, organized into three research clusters corresponding to the three research questions, as follows:

Table 1.
Research Informant Matrix

Code	Role/Position	Institution	Research Focus
R.1.A	Hakim Pengadilan Agama	Pengadilan Agama Makassar	Validitas Kontrak
R.1.B	Sharia Compliance Officer	BSI / Bank Muamalat	Validitas Kontrak
R.1.C	Dosen Hukum Ekonomi Syariah	UIN Alauddin Makassar	Validitas Kontrak
R.2.A	Kepala/Staf OJK Regional 6	OJK Regional Sulawesi	Kepatuhan Syariah
R.2.B	Hakim Pengadilan Agama	Pengadilan Agama Makassar	Kepatuhan Syariah
R.2.C	Anggota DPS / MUI Sulsel	DSN-MUI / MUI Sulsel	Kepatuhan Syariah
R.3.A	Akademisi Hukum Ekonomi	Perguruan Tinggi Makassar	Penyelesaian Sengketa
R.3.B	Pengawas OJK / BPRS	OJK / BPRS Makassar	Penyelesaian Sengketa
R.3.C	Hakim Pengadilan Agama	Pengadilan Agama Makassar	Penyelesaian Sengketa

Data Collection

Data collection employed three complementary techniques. In-depth interviews were the primary instrument, conducted with all nine informants to elicit detailed information on contract validity, sharia compliance, and dispute resolution mechanisms in practice. Observation was conducted to directly examine digital contract usage in sharia business transactions, including platform systems. Documentation involved the collection of digital contract documents, platform policies, and relevant regulations. Data triangulation cross-validating information across informants within each cluster and across clusters was systematically employed to enhance credibility and validity.

Data Analysis

Data analysis followed the (Miles et al., 2014) qualitative framework, consisting of three iterative stages: (1) data reduction selecting and condensing data relevant to the research focus; (2) data presentation organizing data into systematic narratives and analytical summaries; and (3) conclusion drawing interpreting data to answer the research questions. Analysis proceeded continuously from data collection through final reporting. Cross-informant and cross-cluster triangulation was applied to identify convergent themes and divergent perspectives.

RESULTS AND DISCUSSION

Validity of Digital Sharia Business Contracts

Normative Gap: Positive Law and Islamic Economic Law Not Fully Synchronized

All three informants in the first research cluster consistently acknowledged that the legal validity of digital sharia business contracts in Makassar has not achieved adequate synchronization between positive law and sharia principles. R.1.A (Religious Court Judge, Pengadilan Agama Makassar) articulated the core tension:

"Validitas kontrak syariah digital di Makassar belum sinkron penuh. UU ITE mengakui kontrak elektronik, tapi KHES tidak mengatur digital. Gap utama: status ijab-qabul digital dan verifikasi elektronik yang belum jelas." (Informan R.1.A)

This finding reflects a fundamental normative gap: UU ITE recognizes electronic contracts through click agreement and OTP mechanisms, but KHES the primary codification of Islamic economic law does not regulate the digital dimension of akad. R.1.C (Islamic Economic Law Academic, UIN Alauddin Makassar) identified the most critical point of weakness as the absence of convergence rules between electronic consent under UU ITE and the rukun akad in fiqh. Many platforms in Makassar disregard the principle of ittihadul

majlis (unity of session) required under fiqh muamalah. This aligns with Kelsen's Stufenbau theory: two simultaneously operative normative systems positive law and Islamic economic law each apply different standards of validity that have yet to be harmonized in a single comprehensive regulation.

Deficiency in Agreement and Legal Capacity Elements

Regarding the four validity conditions under Article 1320 KUHPerdata consent, legal capacity, specific object, and lawful cause the first two elements were found to be most vulnerable to deficiency in digital sharia contracts. R.1.A reported that digital contracts typically exhibit defects in consent and legal capacity: many customers click agreement without understanding the contract content, while weak KYC (Know Your Customer) mechanisms limited to ID card photographs fail to adequately establish the legal capacity of contracting parties (Behroozi, 2022). Object and lawful cause are generally satisfied, but opacity in profit margin disclosure remains a recurring problem.

From an industry perspective, R.1.B (Sharia Compliance Officer, BSI/Bank Muamalat) acknowledged that efforts have been made to address these issues through *ijab* via digital offer, *qabul* through click and OTP, supplemented by a 10-minute cooling-off period and a mandatory product explanation video. However, not all customers utilize these mechanisms, as digital akad literacy remains the primary challenge:

"Ijab via penawaran digital, qabul via klik + OTP. Ada cooling-off period 10 menit dan video wajib tonton. Tapi tidak semua nasabah baca, literasi tetap tantangan." (Informan R.1.B)

R.1.C reinforced these findings with the concept of constructive consent where customers are deemed to have agreed to a contract they did not actually understand. This is a fundamental problem for akad validity in the sharia perspective, as valid *ijab-qabul* requires both free will (*ikhtiyar*) and genuine consent (*ridha*) from both parties.

Electronic Ijab-Qabul: Formal Validity versus Fiqh Requirements

The validity of *ijab-qabul* conducted electronically through click-and-OTP mechanisms constitutes one of the most critical findings. R.1.A confirmed that while click-and-OTP mechanisms are formally valid under UU ITE, fiqh requires *ittihadul majlis* the unity of contractual session. The time separation between offer (*penawaran*) and acceptance (OTP confirmation) frequently raises questions about validity. Crucially, KHES contains no explicit standards governing digital *ijab-qabul*. R.1.C further argued that click-and-OTP mechanisms do not satisfy the *ittihadul majlis* requirement; classical fiqh demands simultaneous direct communication (*mujarasah*). The ideal standard

recommended is real-time transactions reinforced by video calls to ensure virtual unity of session.

Electronic Evidence Validity and Identity Verification

The Religious Court of Makassar (R.1.A) accepts electronic evidence under Articles 5 and 12 of UU ITE, applying a *prima facie* standard encompassing metadata, transaction logs, and electronic certificates. However, screenshots are deemed weak without digital forensic support. A critical finding is that many local fintech platforms in Makassar lack adequate audit trails, complicating evidentiary processes in litigation. On identity verification, R.1.A disclosed that Pengadilan Agama Makassar has previously invalidated akad due to unclear party identity – specifically an account accessed by a third party. KYC based solely on mobile phone number is insufficient to establish legal capacity. This contrasts with R.1.B's practice of biometric KYC with liveness detection and real-time Dukcapil verification, a significantly higher standard.

Gharar in Digital Contracts: Implications and Mitigation

Gharar (contractual ambiguity) was identified as a primary concern by all three cluster-one informants. R.1.A explained that severe gharar (*ghaliz*) can automatically invalidate akad according to *fiqh*, though courts must still examine the degree of uncertainty (Abdelrahman & ElTayeb, 2025). Cases before Pengadilan Agama Makassar have seen akad invalidated due to non-transparent digital contract clauses under Article 18 KUHPerdata and the prohibition of *ghabn* (value deception). R.1.B described industry mitigation measures including product design review by the sharia team, legal review, and user testing simplified language, tooltips, and restrictions on products with unclear objects while noting that commodity-linked *murabahah* price fluctuations remain a persistent source of potential value ambiguity. R.1.C highlighted a significant legislative gap: KHES does not address gharar in the digital context, while UU ITE accommodates electronic transactions without consideration of the gharar dimension, creating a legal vacuum potentially harmful to consumers.

DSN-MUI Fatwas and Positive Law-Sharia Synchronization

All three cluster-one informants agreed that DSN-MUI fatwas carry significant normative influence but lack formal legal force equivalent to legislation. R.1.B confirmed that digital products must reference relevant DSN-MUI fatwas for instance, digital *murabahah* references Fatwa DSN-MUI No. 04/2000 with updates coordinated through internal DPS. New products without existing fatwas cannot be launched before obtaining a preliminary fatwa from DSN-MUI, a process requiring three to six months. R.1.C assessed DSN-MUI fatwas as having pre-legal or soft law status morally and

professionally binding but without clear legal sanctions. The urgent recommendation is codification of fatwas into POJK or legislation to confer formal legal force. Ideal synchronization requires intermediary regulation in the form of a Digital Sharia Economic Law or integrated POJK acknowledging electronic sharia ijab-qabul, anti-gharar transparency standards, and legal-capacity-based identity verification. R.1.C noted that Indonesia lags behind Malaysia (IFSA 2013 with a binding Shariah Advisory Council) and the UAE (DIFC Laws for digital sharia), pointing to the dual compliance model as the most relevant international best practice.

Sharia Compliance in Digital Sharia Business Contracts

Level of Legal Certainty: Moderate

R.2.A (OJK Regional 6) assessed the level of legal certainty in digital sharia business contract implementation as moderate. While UU ITE, KHES, and POJK provide a regulatory framework, it remains inadequate: KHES does not address the digital dimension, POJK on sharia fintech remains general in nature, and no mandatory minimum technical standards exist.

"Kepastian hukum masih moderat. UU ITE, KHES, POJK beri kerangka, tapi belum memadai. KHES tidak atur digital, POJK fintech syariah masih umum, tidak ada standar teknis minimum." (Informan R.2.A)

R.2.B (Religious Court Judge, Pengadilan Agama Makassar) reinforced this from a judicial perspective: KHES does not govern electronic evidence, UU ITE does not address sharia substance, and no Peraturan Mahkamah Agung (Perma) specifically regulates digital sharia contract dispute examination. Parties frequently experience uncertainty about case outcomes because judicial assessment standards vary across judges.

Legal Vacuum in Digital Contract Regulation

One of the most significant findings is the identification of a legal vacuum (kekosongan hukum) that materially affects the legal certainty of digital sharia business contracts. OJK (R.2.A) identified real legal vacuums for at least three product categories: sharia P2P fintech lending, e-commerce based on digital salam/istishna akad, and sharia digital assets including asset tokenization (Martin, 2025). Business actors are forced to operate in legal grey areas due to the absence of specific regulations.

On the sharia side, R.2.C (DPS/MUI Sulsel) identified a corresponding fatwa vacuum for these new digital products. DSN-MUI has formed a Financial Product Fatwa Team in response, but its capacity is limited. Fatwa issuance takes three to twelve months, while digital innovation proceeds on a weekly cycle. This creates a fundamental temporal imbalance between sharia norm production and market innovation speed. Pengadilan Agama Makassar (R.2.B)

experiences the direct consequences: judges frequently encounter difficulties in deciding cases involving unregistered OJK fintech, cryptocurrency transactions claimed to be sharia-compliant, digital salam akad with unclear objects, and sharia crowdfunding disputes between users all requiring qiyas-based reasoning that prolongs case resolution.

Electronic Signatures and Akad Validity

OJK (R.2.A) confirmed that electronic signatures are recognized under Article 11 of UU ITE and Government Regulation No. 71/2019, equivalent to handwritten signatures when supported by recognized electronic certificates. However, many Makassar platforms use only PIN or OTP without electronic certificates, producing weaker evidentiary force. Pengadilan Agama Makassar (R.2.B) accepts electronic signatures as evidence when supported by transaction logs and metadata, but judges question the akad validity dimension of ikhtiyar (free choice) and ridha two sharia conditions for valid akad that cannot currently be verified electronically. DPS/MUI Sulsel (R.2.C) confirmed that no specific DSN-MUI fatwa yet governs electronic signature standards for sharia akad, noting that ideal standards should encompass identity authenticity, data integrity, and non-repudiation consistent with sharia principles of clarity and honesty.

Inconsistent DSN-MUI Fatwa Implementation

All three cluster-two informants agreed that consistency in DSN-MUI fatwa application in digital business contract practice remains variable and concerning. OJK (R.2.A) documented cases where fatwas were formally cited in institutional documents but operational practice did not conform to fatwa substance for example, tawarruq practices not meeting Fatwa DSN-MUI No. 03/2000. OJK's current fatwa compliance verification mechanism is limited to DPS internal reports on a self-regulatory basis, without direct OJK verification:

“Ditemukan kasus fatwa dicantumkan formal tapi operasional tidak sesuai, seperti tawarruq tidak sesuai Fatwa DSN-MUI No. 03/2000.” (Informan R.2.A)

R.2.C identified three recurring patterns of deviation: akad not conforming to fatwa, product modification after fatwa issuance without re-submission, and fatwa used only as formal reference without substantive implementation. Correction mechanisms currently operate only through internal DPS audit without firm sanctions, creating insufficient deterrence. R.2.C also identified that in Makassar, very few DPS members possess adequate digital technology competency a limitation preventing effective and thorough sharia oversight of digital platforms.

Disharmony Between National Regulations and Sharia Principles

Research identified concrete disharmony between national regulations and sharia principles in digital contract practice. OJK (R.2.A) found that click-wrap agreements permitted by UU ITE frequently fail to meet sharia akad transparency requirements. POJK provisions permitting certain cashback and rewards potentially conflict with DSN-MUI fatwas restricting practices resembling riba. Pengadilan Agama Makassar (R.2.B) faces disharmony between browse-wrap agreements (implied consent) permitted by UU ITE and the explicit consent requirement (sighat) mandated by sharia. Judges have developed a harmonization approach: UU ITE as formal electronic basis and KHES/fatwa as sharia interpreter. When harmonization is impossible, consumer protection under the Consumer Protection Law is prioritized. DPS/MUI Sulsel (R.2.C) cited the most frequent field obstacle: POJK permits certain administrative fees while fatwas categorize them as resembling riba – forcing Islamic financial institutions to choose between POJK compliance for operating licenses or fatwa compliance for sharia validity (Purnama et al., 2025).

Factors of Inconsistency and Recommended Strategies

Based on triangulation across three cluster-two informants, four primary factors driving sharia compliance inconsistency in Makassar's digital sharia business contracts were identified: (1) unharmonized regulation – UU, POJK, and DSN-MUI fatwas operate partially without an integrative framework; (2) limited human resource capacity among business actors, DPS, and judicial officers lacking adequate digital competency; (3) limited OJK Regional 6 oversight capacity covering the vast Sulawesi-Maluku-Papua territory; and (4) low consumer awareness and literacy regarding digital akad rights and obligations. Strategic recommendations from OJK (R.2.A) include implementing a sharia fintech regulatory sandbox, strengthening OJK-DSN-MUI cooperation in POJK, implementing real-time supotech monitoring, measurable digital consumer literacy programs, and developing a Shariah Digital Standard as industry reference.

Dispute Resolution Mechanisms for Digital Sharia Business Contracts

Digital Sharia Contracts in the Norm Hierarchy: Stufenbau Perspective

R.3.A (Legal Academic) explained that within Kelsen's Stufenbau framework, digital sharia business contracts constitute individual norms at the lowest level of the hierarchy, their validity dependent on conformity with all superior norms. The operative norm hierarchy is: UUD 1945 (Grundnorm) → UU Perbankan Syariah and UU ITE → POJK → KHES → Fatwa DSN-MUI → Internal SOP → Individual Contract.

“Kontrak digital syariah = norma individual tunduk hierarki: UUD → UU → POJK → KHES → Fatwa → SOP → Kontrak. Validitas kontrak bergantung kesesuaian dengan norma di atasnya.” (Informan R.3.A)

The vertical relationship between these norms is governed by *Lex Superior Derogat Legi Inferiori* – higher norms supersede lower ones. Interpretive conflicts remain possible, particularly for technical norms evolving rapidly in response to digital innovation.

DSN-MUI Fatwas in the Norm Hierarchy: Between Soft Law and Binding Norm

One of the most fundamental issues in dispute resolution is the position of DSN-MUI fatwas in Indonesia's legal norm hierarchy. R.3.A assessed DSN-MUI fatwas as having pre-legal or soft law status lacking formal binding force in Kelsen's hierarchy because they are not state-authority products. Despite this, their influence is substantial: sharia business actors voluntarily adhere to them, OJK requires compliance with them, and Religious Courts use them as adjudicatory consideration (Suaidi, 2025). OJK/BPRS (R.3.B) acknowledged that DSN-MUI fatwas have *de facto* regulatory force: OJK can sanction non-compliant actors through GCG-related administrative sanctions, license revocation where consumer harm results, and sharia certification revocation recommendations to DSN-MUI an indirect enforcement mechanism not formally derived from the fatwa's own normative force. Pengadilan Agama Makassar (R.3.C) confirmed that fatwas are used as sharia interpreters, not formal legal bases with rare cases of fatwa-only arguments being rejected by judges because fatwas lack formal hierarchical standing.

Conflict of Norms: UU ITE versus Sharia Principles in Litigation

Pengadilan Agama Makassar (R.3.C) regularly encounters tensions between UU ITE's general accommodation of electronic means and KHES's regulation of sharia akad on conventional bases. Judges apply a harmonization approach: UU ITE as formal electronic basis; KHES as sharia substance. When harmonization is impossible, the norm providing the strongest consumer protection without contravening UUD 1945 is prioritized. R.3.A explained that theoretical resolution can draw on UUD 1945 Article 33 regarding just and equitable national economy as the basis for a restrictive interpretation of UU ITE to prevent conflict with sharia principles. In practice, however, no Perma guides norm priority judges rely on their own jurisprudence and expert consideration.

Judicial Inconsistency: A Genuine Threat to Legal Certainty

Pengadilan Agama Makassar (R.3.C and R.2.B) acknowledged inconsistency in judicial interpretation across judges deciding digital sharia

contract disputes. Some judges prioritize formal positive law; others prioritize sharia substance. Coordination efforts through coordination meetings, judgment templates, and IT training have not achieved adequate consistency because no binding jurisprudence exists:

"Ada perbedaan penafsiran antar-hakim. Beberapa utamakan hukum positif formal, yang lain substansi syariah. PA Makassar upayakan konsistensi via rapat koordinasi, template pertimbangan, pelatihan TI. Tapi belum tercapai sepenuhnya karena tidak ada yurisprudensi mengikat." (Informan R.2.B)

Electronic evidence standards are similarly non-uniform: some judges accept screenshots as evidence while others reject them as easily manipulated. A stricter standard requires digital forensic reports, but not all litigants have access to such services. This non-uniformity creates what Kelsen described as the gradual erosion of legal certainty.

Regulatory Weakness and Multi-Layered Norm Constraints

OJK/BPRS (R.3.B) identified four primary constraints faced by business actors in consistently applying the norm hierarchy: (1) interpretive complexity, as UU, POJK, fatwas, and SOPs employ different languages and priorities; (2) high compliance costs; (3) lengthy synchronization time, since UU revision takes years while technological innovation proceeds monthly; and (4) the absence of a single reference platform integrating all norms. Field findings revealed two recurring patterns of inconsistency among business actors: some comply with POJK while disregarding fatwas creating sharia invalidity risk; others reference fatwas without attending to POJK risking invalid operating licenses. This reflects a pragmatic understanding: POJK for business licensing, fatwa for sharia reputation without holistic comprehension of the full norm hierarchy.

Regulatory Reform Recommendations

All cluster-three informants recommended systemic and comprehensive regulatory reform. R.3.A prioritized three measures: explicit recognition of electronic ijab-qabul in a revised KHES; mandatory sharia fintech certification; and special protection for digital sharia consumers. OJK/BPRS (R.3.B) recommended establishing a Syariah Digital Regulatory Framework as a norm integration roadmap, a Joint OJK-DSN-MUI Committee for regulatory harmonization, a regulatory sandbox with clear sharia standards, and a national syariah digital portal integrating all regulations, fatwas, and SOPs. Pengadilan Agama Makassar (R.3.C) identified the most urgent legislative change as the enactment of a Digital Sharia Economic Law integrating UU ITE, UU Perbankan Syariah, and fiqh principles; a dedicated Perma governing digital sharia contract norm hierarchy in case examination; establishment of a special

chamber for digital sharia economic cases; and intensive judicial training on blockchain, smart contracts, and digital forensics.

Table 2.
Summary of Research Findings Across Three Dimensions

Research Focus	Core Finding	Key Informants
Contract Validity	Not fully synchronized between positive law (UU ITE) and sharia (KHES/fiqh). Critical gaps in ijab-qabul electronic standards and KYC adequacy.	R.1.A, R.1.B, R.1.C
Sharia Compliance	Moderate consistency level. Regulatory lag (3–12 months fatwa issuance vs. weekly digital innovation), disharmony POJK–fatwa DSN-MUI, and limited DPS digital competency.	R.2.A, R.2.B, R.2.C
Dispute Resolution	Structurally available via Religious Court, but hampered by inconsistent judicial interpretation, absent Perma on digital sharia disputes, and weak electronic evidence standards.	R.3.A, R.3.B, R.3.C

In terms of Sharia compliance, this study shows that the level of legal certainty remains moderate. This is due to the existence of an existing legal framework that is not yet sufficiently operational to regulate rapidly evolving digital innovations. DSN-MUI fatwas hold moral, professional, and de facto authority in the Islamic finance industry, but they do not yet possess the full formal binding power of legislation. Consequently, some business actors cite fatwas as formal references but do not necessarily apply them substantively in product design, transaction workflows, or digital systems (Ahmad, 2025). This situation highlights a gap between Sharia labeling and Sharia compliance. If not addressed, Sharia digital contracts risk becoming merely Sharia-labeled digital products without substantive adherence to contractual principles.

Inconsistencies in fatwa implementation are also influenced by the limited digital competencies of the Sharia Supervisory Board, business operators, and legal authorities. Contract digitization requires the ability to analyze platform business models, authentication systems, approval algorithms, digital cost structures, asset tokenization, smart contracts, and data security (Arshadi & Dombrowski, 2026; Sunyaev et al., 2021). If the Sharia Supervisory Board (DPS) only understands contracts normatively but lacks understanding of

technological architecture, Sharia oversight will lag behind product innovation (Ibrahim, 2025). Conversely, if industry players only understand technology without understanding fiqh muamalah, digital products are prone to practices that contradict Sharia principles (Ahdar et al., 2025). These findings indicate that digital Sharia compliance must be built through collaboration between fiqh scholars, regulators, technology law experts, digital security experts, and industry practitioners. In other words, Sharia compliance in the digital age is no longer sufficient if based solely on fatwas but must be grounded in an integrated oversight ecosystem.

Regarding dispute resolution, this study indicates that Religious Courts possess structural authority but lack adequate technical tools. The absence of specific court regulations on digital Sharia contract disputes leads judges to adopt varying interpretive approaches (Yasardin et al., 2025). Some judges place greater emphasis on the formal aspects of the ITE Law, while others emphasize Sharia substance through the KHES and DSN-MUI fatwas. These differing approaches can lead to uncertainty in rulings, particularly in cases involving electronic evidence, platform-based contracts, unregistered fintech, cryptocurrency claimed to be Sharia-compliant, or Sharia crowdfunding. From a legal certainty perspective, this situation is problematic because the outcome of disputes may depend on a judge's interpretive preferences rather than on uniform legal standards. Therefore, the harmonization of norms must be accompanied by the harmonization of judicial procedures.

Theoretically, the findings of this study reinforce the relevance of Kelsen's theory of the hierarchy of norms in explaining the challenges of digital Sharia business contracts (Kelsen, 1990; Kraevsky, 2025; McLeod, 1999). Sharia digital contracts, as individual norms, can only possess strong validity if they consistently submit to higher-ranking norms. However, this study also indicates that the theory of the hierarchy of norms must be interpreted more dynamically within the context of digital society, as technological innovations often advance faster than the establishment of formal norms. This is where the tension between legal certainty and regulatory responsiveness arises. If the law moves too slowly, industry practices operate in a gray area. If the law is too formalistic, then the principles of justice, consumer protection, and Sharia compliance may be neglected (Defilania et al., 2025). Therefore, this study offers a conceptual contribution that the validity of digital Sharia contracts must be understood as the result of an interaction between legal validity, Sharia validity, technological reliability, and consumer protection.

The practical implications of this study point to the need for more systemic regulatory reform. Revisions to the KHES must include explicit

provisions regarding electronic ijab-qabul, virtual contract assemblies, digital consent standards, Sharia-compliant electronic evidence, and digital consumer protection. The OJK and DSN-MUI need to develop a Sharia Digital Standard that can serve as a technical reference for fintech, Sharia banks, Sharia e-commerce, and contract-based digital platforms. A special judicial regulation is also required so that judges have uniform guidelines for assessing the validity of contracts, the admissibility of electronic evidence, the role of fatwas, and conflicts between positive law and Shariah principles. Additionally, digital contract literacy for consumers must be a top priority, as legal protection will not be effective if users continue to agree to contracts without understanding their contents and consequences. Thus, the reform of digital Sharia contract law must proceed simultaneously on three levels: regulation, institutional framework, and public literacy.

Based on these findings, this study affirms that the future of digital Sharia business contracts in Indonesia depends on the ability of the state, financial authorities, the DSN-MUI, religious courts, and industry players to establish an integrated dual-compliance model. This model must ensure that every contract is not only valid under positive law but also compliant with Sharia principles, digitally verifiable, and fair to consumers. Without this integration, the digitalization of the Sharia economy has the potential to expand the market but simultaneously increases the risks of legal uncertainty, gharar, deviations from fatwas, and weak consumer protection. Therefore, this study fills a critical gap in the legal analysis of the digital Sharia economy by demonstrating that the primary issue is not whether digital contracts are permissible or not, but rather how to build a legal architecture capable of operationally uniting technology, legal certainty, and the maqashid of Sharia.

CONCLUSIONS

This study yields three principal conclusions, each directly corresponding to the three research questions. First, the validity of digital sharia business contracts in Makassar is formally grounded in UU ITE's recognition of electronic contracts through click agreement and OTP mechanisms, but substantive legal certainty has not been achieved due to a significant normative gap between positive law and Islamic economic law. Four critical validity deficiencies were documented: (1) defects in consent and legal capacity due to low customer literacy and inadequate digital KYC; (2) electronic ijab-qabul mechanisms not meeting the ittihadul majlis standard under fiqh muamalah, with KHES lacking explicit digital ijab-qabul standards; (3) DSN-MUI fatwas retaining only soft law status without formal legal force equivalent to

legislation; and (4) a legal vacuum (*rechtsvacuum*) at the statutory level for smart contracts, sharia digital assets, and sharia P2P lending.

Second, sharia compliance in digital business contracts in Makassar operates under a multi-layered normative structure, but implementation is characterized by four primary problems: (1) serious regulatory lag – fatwa issuance takes three to twelve months while digital product innovation occurs in weeks; (2) disharmony between POJK and DSN-MUI fatwas – regarding cashback, administrative fees, and minimum payments – forcing Islamic financial institutions to choose between competing compliance obligations; (3) self-regulatory verification mechanisms through internal DPS reports, without direct OJK verification or uniform digital sharia audit standards; and (4) limited DPS digital competency in Makassar, preventing effective sharia oversight of digital platforms.

Third, dispute resolution for digital sharia business contracts in Makassar is structurally available through the Religious Court. However, its effectiveness in providing legal certainty is hampered by four structural barriers: (1) inconsistent judicial interpretation due to the absence of a Perma specifically governing digital sharia contract norm priority; (2) the unintegrated norm hierarchy DSN-MUI fatwas outside formal hierarchy and KHES in an ambiguous position; (3) execution constraints for digital or intangible asset disputes; and (4) cross-jurisdictional challenges against operators beyond OJK authority.

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