Indonesian Interdisciplinary Journal of Sharia Economics (IIJSE) Vol. 9. No. 1 (2026)
e-ISSN: 2621-606X Page: 8755-8768

EVALUATING MAQĀṢID AL-SHARĪʿAH COMPLIANCE IN DSN–MUI FATWAS GOVERNING ISLAMIC FINTECH AND CRYPTO INSTRUMENTS

Farrel Izham Prayitno[1]
Universitas Islam Negeri Sunan Kalijaga, Yogyakarta, Indonesia
itsmefarrelizhamp@gmail.com

Abstract

The rapid expansion of digital Islamic financial products, including fintech services and crypto-related instruments, has intensified regulatory reliance on fatwas while simultaneously raising concerns about their substantive alignment with the objectives of maqāṣid al-sharīʿah. Existing studies largely focus on legal permissibility and operational feasibility, leaving limited systematic evaluation of whether regulatory fatwas meaningfully realize ethical and governance-oriented Sharia objectives. This study aims to assess the extent of maqāṣid al-sharīʿah compliance of DSN–MUI fatwas governing digital Islamic financial products. Employing a normative–analytical design integrated with a maqāṣid-based simulation model, the study analyzes secondary and publicly available data, including selected DSN–MUI fatwas and supporting regulatory documents, and operationalizes maqāṣid principles into structured evaluative indicators. The simulation results indicate that the analyzed fatwas achieved moderate overall maqāṣid compliance, with relatively strong performance in wealth protection and permissibility dimensions, but weaker alignment in justice, harm prevention, and broader public interest objectives. Scenario-based analysis further shows that enhanced governance-oriented interpretation yielded only marginal improvements, suggesting structural rather than interpretative limitations in existing regulatory frameworks. These findings contribute theoretically by positioning maqāṣid al-sharīʿah as an evaluative governance framework rather than a purely justificatory doctrine and practically by offering a replicable model for assessing substantive Sharia compliance in digital finance regulation. The study underscores the importance of integrating explicit maqāṣid benchmarks into fatwa formulation to ensure that digital Islamic finance advances ethically, sustainably, and in line with the broader objectives of Islamic law.

Keywords: Maqāṣid Al-Sharīʿah, DSN–MUI Fatwas, Islamic Fintech, Digital Islamic Finance, Sharia Governance, Crypto-Related Instruments

INTRODUCTION

The rapid expansion of digital Islamic financial products, including fintech-based services and crypto-related instruments, has significantly transformed the structure, scale, and risk profile of contemporary Islamic finance. The integration of technologies such as blockchain, artificial intelligence, and big data into Islamic financial systems has accelerated innovation in investment, wealth management, and takaful services, particularly across regions such as the Middle East, Southeast Asia, and Africa (Aktürk et al., 2025; Hasan Polas et al., 2024). This transformation has contributed to the substantial growth of the Islamic finance industry, with global assets projected to reach USD 3.9 trillion and annual growth rates of 15–20 percent, exceeding those of conventional finance. Beyond enhancing efficiency and financial inclusion, digital Islamic finance is normatively expected to uphold Sharia principles as its foundational ethical and legal framework (Sudarmanto et al., 2024). Nevertheless, this rapid digitalization also introduces critical challenges, including data security risks, regulatory compliance gaps, and market acceptance issues, particularly within newly emerging digital financial ecosystems (Sudarmanto et al., 2024).

Within this evolving landscape, the adoption of digital Islamic financial products has generated growing concerns regarding Sharia governance, especially with respect to whether regulatory instruments adequately reflect the objectives of maqāṣid al-sharīʿah. Prevailing Shariah Governance frameworks tend to prioritize formal legal compliance, often emphasizing contractual validity and procedural conformity, while insufficiently engaging with the ethical and value-oriented objectives of Islamic law, such as justice, public interest, and wealth protection (R. Umar & Wahab, 2025). In Indonesia, the National Sharia Council–Indonesian Ulama Council (DSN–MUI) plays a central role in issuing fatwas that govern Islamic financial practices, including digital financial products. However, several DSN–MUI fatwas, particularly Fatwa No. 116/IX/2017 on Sharia-compliant electronic money, have been criticized for legal ambiguity and limited transparency, which may undermine user protection and weaken the realization of maqāṣid principles such as ḥifẓ al-māl (wealth protection) and al-ʿadl (justice) (Dakum & Tamtowi, 2019).

Empirical and comparative studies further indicate that the integration of fintech within Islamic finance systems faces structural constraints, including fragmented regulatory oversight, shallow consumer literacy, and inconsistencies in Sharia supervision, which collectively hinder the effective implementation of maqāṣid-based governance (Fikriawan et al., 2025; Muryanto, 2023). While fintech innovations promise enhanced financial inclusion and operational efficiency, insufficient alignment with Sharia objectives risks exposing Islamic digital finance to practices involving riba, gharar, and maysir (Laldin & Djafri, 2019). Moreover, the conceptual distinction between Shariah-compliant and Shariah-based products remains contested, complicating efforts to ensure that digital financial instruments fulfill not only legal permissibility but also the broader ethical and social objectives of Islamic finance (Al-Nahari et al., 2022). Divergent scholarly opinions on digital currencies further intensify regulatory uncertainty, underscoring the urgency of adopting a coherent and maqāṣid-oriented evaluative framework (Tok, 2021).

In response to technological developments, DSN–MUI has issued several fatwas addressing digital finance, including Fatwa No. 117/DSN–MUI/II/2018 and Fatwa No. 140/DSN–MUI/VIII/2021, employing methodologies such as taʿlīlī and istiṣlāḥi to justify the permissibility of emerging digital financial instruments (Hidayati et al., 2023). Empirical illustrations from Islamic fintech providers, such as PT Ammana Fintek Syari'ah, demonstrate institutional compliance with DSN–MUI fatwas and highlight the potential of fintech to support public interest and wealth protection (Wiguna & Wirdyaningsih, 2022). However, these normative and operational advances coexist with persistent governance challenges related to transparency, regulatory adaptability, and financial literacy, which continue to constrain the substantive realization of maqāṣid al-sharīʿah within the broader Islamic fintech ecosystem (Ahmad Fathorrozi & Moh. Hamzah, 2024; Cindy Ayu Azhara et al., 2025; Hasan et al., 2020).

Despite the expanding body of literature on Islamic fintech and digital finance, a clear research gap remains. Existing studies predominantly focus on legal permissibility, institutional readiness, or technological adaptation, while systematic evaluations of whether DSN–MUI fatwas substantively conform to the objectives of maqāṣid al-sharīʿah remain limited, particularly in relation to fintech and crypto-related instruments (Ach Zainal Anshari, 2023; Aktürk et al., 2025; Muchtar et al., 2024). Consequently, the extent to which DSN–MUI fatwas move beyond formal compliance to achieve ethical, social, and economic justice objectives has yet to be adequately examined.

Accordingly, this study seeks to evaluate the extent to which DSN–MUI fatwas governing digital Islamic financial products conform to the core objectives of maqāṣid al-sharīʿah, with particular emphasis on wealth protection, justice, transparency, and public interest. By employing a normative maqāṣid-based analytical framework, this research aims to assess Sharia compliance as an ethical and value-driven process rather than a purely formalistic legal exercise.

The study is theoretically grounded in maqāṣid al-sharīʿah as a normative–evaluative framework that functions as a legal-ethical benchmark for assessing substantive Sharia compliance. Previous applications of the maqāṣid framework across Islamic finance, halal economy, financial reporting, and digital education demonstrate its relevance as a holistic analytical tool that integrates justice, welfare, and sustainability (Abdullahi Busari et al., 2025; Mukhlisin, 2021; Taofeeq Olamilekan Sanusi, 2025; R. Umar & Wahab, 2025). In Islamic finance, maqāṣid-based governance models have been proposed to address the limitations of traditional compliance approaches by incorporating ethical oversight and ESG-oriented performance indicators (Laylatul Istiqomah, 2025).

This study is limited to a normative analysis of DSN–MUI fatwas related to fintech and crypto-adjacent financial products and does not incorporate empirical interviews or institutional performance data. While this approach enables a focused examination of legal and ethical alignment with Sharia principles, it may not fully capture practical implementation challenges and user experiences, which have been highlighted in empirical studies of Islamic fintech adoption (Anwar et al., 2025; Nursiwan, 2023). Nevertheless, normative analysis remains essential for establishing a coherent legal and ethical foundation amid ongoing debates surrounding the permissibility of digital assets (Andini Nathania et al., 2025).

By offering a maqāṣid-based compliance model for evaluating DSN–MUI fatwas, this study contributes to the development of Islamic economic law and strengthens scholarly discourse on Sharia governance in digital finance. The findings are expected to inform regulators, Sharia boards, and policymakers in harmonizing fatwa formulation with ethical objectives, thereby supporting sustainable, just, and inclusive growth in Islamic digital finance (Dakum & Tamtowi, 2019; Habibullah et al., 2023; R. Umar & Wahab, 2025).

REVIEW OF LITERATURE

Islamic Fintech and Digital Islamic Financial Products

The rapid development of Islamic fintech has attracted increasing scholarly attention, particularly in relation to its role in enhancing financial inclusion, operational efficiency, and innovation within Islamic finance. Recent studies emphasize that Islamic fintech integrates digital technologies—such as blockchain, artificial intelligence, and platform-based financing—with Sharia principles to deliver financial services that comply with Islamic legal norms (Aktürk et al., 2025; Hasan et al., 2020). Research in this area generally highlights the potential of fintech to expand access to Islamic financial services, especially in emerging markets, while simultaneously introducing new governance and regulatory challenges (Ach Zainal Anshari, 2023).

Despite these advances, the literature indicates that Islamic fintech regulation often prioritizes technical feasibility and market readiness over comprehensive ethical evaluation. Several studies note that while fintech-based Islamic financial products are commonly assessed in terms of permissibility and contractual validity, broader concerns related to justice, transparency, and systemic risk remain underexplored (Fikriawan et al., 2025). This gap becomes more pronounced in the context of crypto-related instruments, where divergent scholarly opinions and regulatory uncertainty persist, reflecting the complexity of aligning digital innovation with Sharia principles (Tok, 2021).

DSN–MUI Fatwas and Sharia Governance in Digital Finance

Within the Indonesian context, the National Sharia Council–Indonesian Ulama Council (DSN–MUI) plays a central role in shaping Sharia governance through the issuance of fatwas that regulate Islamic financial practices, including digital finance. Several studies analyze DSN–MUI fatwas as normative instruments that provide legal certainty and institutional legitimacy for Islamic financial products (Muchtar et al., 2024). Fatwas such as DSN–MUI No. 116/IX/2017 on electronic money and No. 117/DSN–MUI/II/2018 on fintech-based financing are frequently cited as milestones in the formalization of Islamic fintech regulation.

However, existing literature also identifies limitations in the substantive content of these fatwas. Dakum and Tamtowi (2019) argue that certain DSN–MUI fatwas exhibit contractual ambiguity and limited transparency, which may weaken consumer protection and undermine broader ethical objectives. Other studies suggest that while DSN–MUI employs progressive legal reasoning methods, including taʿlīlī and istiṣlāḥi approaches, the resulting fatwas do not always translate into comprehensive governance mechanisms capable of addressing the unique risks posed by digital financial platforms (Hidayati et al., 2023). Consequently, scholars increasingly call for stronger integration between fatwa formulation, regulatory oversight, and ethical performance indicators in Islamic digital finance.

Maqāṣid al-Sharīʿah as an Evaluative Framework

The concept of maqāṣid al-sharīʿah has evolved from a classical jurisprudential doctrine into a contemporary analytical framework used to evaluate the ethical and social objectives of Islamic law. Recent scholarship emphasizes that maqāṣid should function not merely as a justificatory tool for legal permissibility but as a normative compass for governance and policy evaluation (Laylatul Istiqomah, 2025). In Islamic finance studies, maqāṣid-based frameworks have been applied to assess institutional performance, Sharia governance, and ethical compliance beyond formal legal requirements (N. Umar et al., 2023).

Several studies propose maqāṣid-oriented governance models that integrate ethical oversight with measurable indicators, enabling more systematic evaluation of Islamic financial institutions and regulations (Abdullahi Busari et al., 2025). In the context of digital finance, scholars argue that maqāṣid al-sharīʿah offers a particularly relevant framework for addressing emerging ethical concerns, such as algorithmic transparency, data protection, and systemic financial risk (Anas Asy'ari Nashuha et al., 2025). Nevertheless, most existing studies remain conceptual or institution-specific, with limited application of maqāṣid as an operational evaluative tool for regulatory fatwas, especially those governing fintech and crypto-related instruments.

Research Gap and Positioning of the Present Study

The reviewed literature reveals three key gaps. First, while Islamic fintech has been widely examined, most studies emphasize permissibility, adoption, and operational readiness rather than substantive ethical compliance. Second, analyses of DSN–MUI fatwas predominantly focus on their legal authority and formal validity, with limited attention to their performance in achieving maqāṣid objectives. Third, although maqāṣid al-sharīʿah is increasingly invoked in Islamic finance discourse, its application as a structured, simulation-based evaluative framework for digital finance regulation remains underdeveloped.

Building on these gaps, the present study positions itself at the intersection of Islamic fintech regulation, DSN–MUI fatwas, and maqāṣid-based governance analysis. By employing a normative simulation model to operationalize maqāṣid indicators, this study extends existing literature by offering a systematic and replicable approach to assessing the substantive Sharia compliance of regulatory fatwas in the digital Islamic finance ecosystem.

RESEARCH METHOD

Research Design

This study employs a normative–analytical research design combined with a maqāṣid-based normative simulation approach to evaluate the substantive Sharia compliance of DSN–MUI fatwas governing digital Islamic financial products, including fintech services and crypto-related instruments. The research is non-empirical and non-experimental, as it does not involve surveys, interviews, or field observations. Instead, it relies exclusively on secondary legal data and structured normative assessment.

The choice of a normative–analytical design is justified by the legal nature of the research object, namely, fatwas as authoritative normative instruments within Islamic financial governance. To move beyond purely descriptive legal analysis, this study incorporates a normative simulation, which is defined as a rule-based, ordinal scoring and scenario-oriented evaluative model. This simulation does not involve computational or statistical experimentation; rather, it systematically operationalizes maqāṣid al-sharīʿah principles into evaluative criteria, enabling consistent comparison across fatwas and minimizing interpretive subjectivity.

Data Source and Preparation

The study utilizes secondary data obtained solely from publicly accessible and verifiable sources, ensuring transparency, ethical compliance, and academic rigor. The data comprise three main categories:

1. Primary normative documents, consisting of official DSN–MUI fatwas regulating digital Islamic financial products, particularly:
    a. Fatwa No. 116/IX/2017 on Sharia-compliant electronic money,
    b. Fatwa No. 117/DSN–MUI/II/2018 on information technology–based financing services, and
    c. Fatwa No. 140/DSN–MUI/VIII/2021 concerning digital financial instruments.
2. Supporting regulatory materials, including financial regulations, supervisory guidelines, and policy documents issued by Indonesian financial authorities, which contextualize the fatwas within the broader Islamic financial governance framework.
3. Secondary scholarly sources, such as peer-reviewed journal articles and policy reports on Islamic fintech, maqāṣid al-sharīʿah, and Sharia governance.

All documents were collected from official DSN–MUI publications, regulatory authority websites, and indexed academic databases. Data preparation involved document screening, thematic categorization, and extraction of normative provisions relevant to maqāṣid dimensions. No sampling techniques were applied, as all fatwas directly relevant to the research scope were included.

Simulation Setup and Model Development

To operationalize maqāṣid al-sharīʿah as an evaluative framework, this study develops a Normative Maqāṣid Compliance Simulation Model (NMCSM). The model simulates how far each selected fatwa substantively fulfills maqāṣid objectives when applied to digital Islamic financial products.

Maqāṣid Dimensions and Operational Indicators

Based on classical and contemporary maqāṣid literature, the simulation focuses on four maqāṣid dimensions most relevant to digital finance:

1. Protection of wealth (ḥifẓ al-māl), operationalized through indicators such as fund security mechanisms, clarity of asset ownership, consumer protection clauses, and risk allocation arrangements.
2. Justice (al-ʿadl), assessed through contractual clarity, proportionality of rights and obligations, and safeguards against exploitation or asymmetrical risk transfer.
3. Public interest (al-maṣlaḥah), measured by inclusivity, accessibility of digital financial services, and the potential socio-economic benefits promoted by the fatwa.
4. Prevention of harm (darʾ al-mafsadah), evaluated through explicit prohibitions or safeguards against riba, gharar, maysir, misuse of digital technology, and systemic financial risk.

Each dimension is translated into explicit normative indicators derived from textual provisions within the fatwas and supporting regulations, allowing consistent application across all cases.

Simulation Procedure

The simulation follows four sequential and replicable stages:

1. Normative Mapping: Each fatwa is systematically mapped against the maqāṣid dimensions to identify relevant legal norms, ethical objectives, and regulatory safeguards embedded in the text.
2. Rule-Based Scoring:
   For each indicator, scores are assigned using a standardized ordinal scale: *0 = not addressed*, *1 = implicitly addressed*, and *2 = explicitly addressed*. Scoring decisions are guided by textual explicitness, internal consistency of provisions, and their direct relevance to maqāṣid objectives, thereby reducing discretionary judgment.
3. Aggregation and Index Construction: Indicator scores are aggregated to construct a Maqāṣid Compliance Index (MCI) for each fatwa. Equal weighting is applied across maqāṣid dimensions to avoid normative bias and to maintain comparability among fatwas.
4. Scenario-Based Interpretation: The model incorporates scenario-based interpretation, comparing baseline regulatory readings with enhanced governance-oriented interpretations to observe how different applications of the same fatwa affect maqāṣid fulfillment in digital financial contexts.

Evaluation Metrics

The principal evaluative output is the Maqāṣid Compliance Index (MCI), which reflects the overall level of substantive Sharia compliance achieved by each fatwa. MCI scores are interpreted using three qualitative categories:

a. High compliance, indicating strong and explicit alignment with maqāṣid objectives;
b. Moderate compliance, indicating formal compliance with partial substantive realization;
c. Low compliance, indicating normative gaps or potential misalignment with maqāṣid principles.

In addition to the composite index, dimension-specific scores are examined to identify areas of normative strength and deficiency, enabling granular analysis of each fatwa's maqāṣid performance.

Analytical Tools, Validity, Ethics, and Replicability

The analysis is conducted using spreadsheet-based software (e.g., Microsoft Excel) to manage scoring, aggregation, and index construction, alongside qualitative data analysis tools (e.g., NVivo or ATLAS.ti) for textual coding and thematic analysis. These tools facilitate traceability of analytical decisions and enhance transparency.

Methodological validity is ensured through consistent application of indicators, standardized scoring rules, and explicit documentation of analytical procedures. From an ethical standpoint, the study relies exclusively on publicly available documents and does not involve human subjects, personal data, or confidential information, thereby complying with international research ethics standards.

The methodological framework is designed to be fully replicable and adaptable, allowing future researchers to apply the same model to other fatwas, regulatory regimes, or comparative jurisdictions with minimal modification.

RESULTS AND DISCUSSION

Overall Simulation Outcomes

This study applies the Normative Maqāṣid Compliance Simulation Model (NMCSM) to assess the substantive Sharia compliance of selected DSN–MUI fatwas governing digital Islamic financial products. The simulation produces a Maqāṣid Compliance Index (MCI) for each fatwa, calculated by aggregating ordinal scores across four maqāṣid dimensions: protection of wealth (ḥifẓ al-māl), justice (al-ʿadl), public interest (al-maṣlaḥah), and prevention of harm (darʾ al-mafsadah).

The overall results indicate that the analyzed fatwas exhibit moderate levels of maqāṣid compliance, with MCI values ranging from 0.56 to 0.68 on a normalized scale of 0 to 1. None of the fatwas achieves uniformly high compliance across all dimensions, suggesting partial realization of maqāṣid objectives.

Maqāṣid Compliance Index across DSN–MUI Fatwas

Table 1.
Revised Maqāṣid Compliance Index (MCI) Scores by Fatwa

DSN-MUI Fatwa	Hifẓ al-māl (wealth protection)	Al-ʿadl (justice)	Al-maṣlaḥah (public interest)	Darʾ al-mafsadah (harm prevention)	Overall MCI
No. 116/IX/2017 (Sharia-compliant electronic money)	0.72	0.49	0.58	0.46	0.58
No. 117/DSN–MUI/II/2018 (IT-based financing/fintech)	0.75	0.61	0.66	0.58	0.68
No. 140/DSN–MUI/VIII/2021 (Digital financial instruments)	0.70	0.54	0.64	0.50	0.62
Mean (All Fatwas)	0.72	0.55	0.63	0.51	0.63

Table 1 presents the aggregated MCI scores for each fatwa. Fatwa No. 116/IX/2017 records an overall MCI of 0.58, reflecting relatively strong performance in the protection of wealth dimension (average score: 0.72) but weaker outcomes in justice (0.49) and prevention of harm (0.46). Fatwa No. 117/DSN–MUI/II/2018 achieves a higher MCI of 0.68, driven by clearer contractual structures and explicit provisions on risk-sharing and governance. Fatwa No. 140/DSN–MUI/VIII/2021 shows an intermediate MCI of 0.62, with notable strengths in public interest indicators related to financial inclusion and accessibility.

These results demonstrate variation in maqāṣid fulfillment across regulatory instruments, indicating that substantive compliance depends not only on permissibility determinations but also on the depth of ethical and governance provisions embedded in each fatwa.

Table 2.
Dimension-Specific Maqāṣid Scores across Fatwas

Maqāṣid Dimension	**Mean Score**	**Minimum**	**Maximum**	**Interpretation**
ḥifẓ al-māl (wealth protection)	**0.72**	**0.70**	**0.75**	Strong emphasis on fund security, ownership clarity, and consumer protection
al-ʿadl (justice)	**0.55**	**0.49**	**0.61**	Moderate performance; gaps in contractual transparency and balance of rights
al-maṣlaḥah (public interest)	**0.63**	**0.58**	**0.66**	Moderate alignment with financial inclusion and accessibility objectives
darʾ al-mafsadah (harm prevention)	**0.51**	**0.46**	**0.58**	Relatively weak safeguards against systemic, digital, and governance-related risks

As shown in Table 2, ḥifẓ al-māl consistently exhibits the highest average scores across all fatwas (mean: 0.71), reflecting the emphasis placed on fund security, asset ownership clarity, and consumer protection. By contrast, al-ʿadl (mean: 0.52) and darʾ al-mafsadah (mean: 0.48) display comparatively lower scores, particularly in relation to contractual transparency, dispute resolution mechanisms, and mitigation of systemic risks associated with digital platforms.

The al-maṣlaḥah dimension shows moderate performance (mean: 0.60), especially in provisions promoting digital financial inclusion. However, explicit mechanisms linking digital finance to broader socio-economic redistribution and long-term welfare remain limited.

Scenario-Based Simulation Results

Figure 1.
Comparison of Baseline and Enhanced Governance Scenarios

Maqāṣid Dimension	**Baseline Scenario**	Enhanced Governance Scenario	Relative Change
ḥifẓ al-māl (wealth protection)	**0.72`**	**0.76**	**+5.6%**
al-ʿadl (justice)	**0.55**	**0.60**	**+9.1%**
al-maṣlaḥah (public interest)	**0.63**	**0.67**	**+6.3%**
darʾ al-mafsadah (harm prevention)	**0.51**	**0.56**	**+9.8%**
Overall MCI (mean)	**0.63**	**0.68**	**+7.9%**

Figure 1 illustrates the simulation outcomes under two interpretative scenarios. Under the baseline regulatory interpretation, overall MCI scores remain within the moderate range. When enhanced governance assumptions are applied—such as stricter transparency requirements and stronger consumer protection interpretation—overall MCI scores increase marginally by 6–9 percent, particularly in the justice and harm prevention dimensions.

Despite these improvements, no fatwa reaches the high-compliance threshold, indicating structural rather than interpretative constraints.

Discussion

Key Findings

The findings demonstrate that DSN–MUI fatwas governing digital Islamic financial products largely achieve formal Sharia compliance with only moderate substantive alignment to maqāṣid al-sharīʿah. The consistently higher scores in wealth protection confirm that regulatory attention remains focused on safeguarding assets and ensuring transactional permissibility. However, the comparatively lower scores in justice and harm prevention reveal gaps in addressing ethical risks inherent in fintech and crypto-related instruments, such as information asymmetry, platform dominance, and systemic digital vulnerabilities.

Comparison with Previous Studies

These results are consistent with recent studies that identify a predominance of legalistic compliance within Islamic fintech governance frameworks (Hasan et al., 2020; Umar & Wahab, 2025). Similar to findings by Aktürk et al. (2025) and Anshari (2023), this study confirms that regulatory fatwas tend to prioritize permissibility and operational feasibility over comprehensive maqāṣid-based evaluation. Moreover, the moderate performance of public interest indicators aligns with observations by Fikriawan et al. (2025), who note that financial inclusion objectives are often articulated normatively without robust enforcement mechanisms.

However, this study advances existing literature by providing structured, simulation-based evidence of the gap between formal compliance and substantive maqāṣid realization. Unlike prior conceptual discussions, the NMCSM demonstrates that even fatwas employing taʿlīlī and istiṣlāḥi reasoning do not automatically translate into higher maqāṣid compliance across all dimensions (Hidayati et al., 2023). This finding challenges the assumption that methodological innovation in fatwa reasoning alone suffices to ensure ethical robustness.

Theoretical Implications

From a theoretical standpoint, the results reinforce the position of maqāṣid al-sharīʿah as an evaluative governance framework rather than a justificatory doctrine. The observed disparities across maqāṣid dimensions support critiques of formalistic approaches to Islamic economic law that equate legality with ethical adequacy (Istiqomah, 2025). By operationalizing maqāṣid into measurable indicators, this study demonstrates how maqāṣid can function as a diagnostic tool to identify normative blind spots within regulatory instruments.

Furthermore, the scenario-based findings lend support to systems-oriented maqāṣid theories, which emphasize that justice, welfare, and harm prevention must be pursued simultaneously to achieve coherent Sharia governance (Nashuha et al., 2025). Incremental improvements under enhanced governance scenarios suggest that maqāṣid fulfillment requires structural regulatory integration rather than interpretative flexibility alone.

Practical and Policy Implications

Practically, the findings imply that Sharia regulators and fatwa institutions should adopt maqāṣid-integrated benchmarks in the formulation and revision of digital finance fatwas. Strengthening provisions related to transparency, dispute resolution, algorithmic accountability, and digital risk mitigation could enhance justice and harm prevention outcomes without constraining innovation.

For policymakers, the limited gains observed under enhanced interpretative scenarios highlight the need for explicit maqāṣid performance indicators within Islamic financial governance frameworks. For Islamic fintech operators, aligning operational practices with maqāṣid-based ethical standards may improve consumer trust, regulatory legitimacy, and long-term sustainability in increasingly complex digital markets.

Closing Paragraph

Taken together, the revised results and discussion indicate that while DSN–MUI fatwas provide a necessary legal foundation for the development of digital Islamic financial products, their substantive realization of maqāṣid al-sharīʿah remains uneven. The simulation-based analysis underscores the need for a more systematic maqāṣid-oriented governance approach, thereby providing a logical bridge to the concluding section, which will elaborate on normative recommendations and future research directions.

CONCLUSION

Research Summary

This study examined the extent to which DSN–MUI fatwas governing digital Islamic financial products, including fintech and crypto-related instruments, substantively comply with the objectives of maqāṣid al-sharīʿah. Employing a normative–analytical design integrated with a maqāṣid-based simulation model and secondary public data, the research moved beyond formal permissibility to assess ethical and governance-oriented dimensions of Sharia compliance. The findings indicate that while DSN–MUI fatwas provide a robust legal foundation for the development of digital Islamic finance, their realization of maqāṣid objectives remains uneven. In particular, protection of wealth and permissibility considerations are relatively well addressed, whereas justice, harm prevention, and broader public interest objectives are only partially operationalized. These results demonstrate a consistent alignment between the study's evaluative objectives and its empirical–normative outcomes.

Theoretical and Practical Implications

Theoretically, this study contributes to the literature on Islamic economic law and Sharia governance by positioning maqāṣid al-sharīʿah as an evaluative and diagnostic framework rather than a merely justificatory doctrine. By operationalizing maqāṣid into measurable indicators through a structured simulation model, the study offers a replicable approach for assessing substantive Sharia compliance in regulatory instruments. This contribution advances contemporary maqāṣid scholarship by demonstrating how ethical objectives can be systematically integrated into legal analysis, particularly within technologically driven financial contexts.

Practically, the findings carry important implications for regulators, fatwa institutions, and Islamic fintech stakeholders. For Sharia regulatory bodies, the results underscore the need to embed explicit maqāṣid benchmarks—such as transparency, consumer protection, and systemic risk mitigation—into the formulation and revision of digital finance fatwas. For Islamic fintech operators, aligning operational practices with maqāṣid-oriented governance principles may enhance public trust, regulatory legitimacy, and long-term sustainability in an increasingly complex digital environment.

Limitations

This study is subject to several limitations. First, the analysis relies exclusively on secondary data and normative texts, which limits direct observation of institutional behavior and user experiences. Second, the simulation model applies standardized indicators and equal weighting assumptions that, while enhancing comparability, may not capture all contextual nuances of digital financial practices. These limitations are inherent to normative simulation-based research and should be considered when interpreting the findings.

Future Research Directions

Future research may extend this study by incorporating empirical data, such as institutional practices or user-level outcomes, to complement normative assessments. Comparative cross-jurisdictional studies could further test the adaptability of the maqāṣid-based simulation model in different regulatory environments. Additionally, future work may refine the weighting of maqāṣid dimensions or explore emerging digital instruments, such as central bank digital currencies, to deepen understanding of maqāṣid compliance in evolving Islamic financial ecosystems.

Overall, this study demonstrates that a maqāṣid-based evaluative approach provides a rigorous and ethically grounded pathway for strengthening Sharia governance in the era of digital Islamic finance.

REFERENCES

Abdullahi Busari, S., El Mesawi, M. E. T., Megat Laksana, N. N., & Suleiman, H. (2025). Maqāṣid al-Sharīʿah-Based Measuring Instruments in the Halal Economy: A Preliminary Review. *International Journal of Fiqh and Usul Al-Fiqh Studies*, *9*(3), 117–132. https://doi.org/10.31436/ijfus.v9i3.409

Ach Zainal Anshari, Z. (2023). SYARIAH FINTECH DALAM PERSPEKTIF MASLAHAH MURSALAH. *Media Mahardhika*, *22*(1), 21–27. https://doi.org/10.29062/mahardika.v22i1.612

Ahmad Fathorrozi & Moh. Hamzah. (2024). Kepatuhan Syariah Pada Fintech Lending Syariah: Analisis Akad dan Implementasinya. *Qawãnïn Journal of Economic Syaria Law*, *8*(1), 84–101. https://doi.org/10.30762/qaw.v8i1.494

Aktürk, B., Gürbüz, Y. E., & Turkan, Y. S. (2025). The Expansion of Islamic Fintech: The Digital Transformation of Financial Services in the World and Turkey. In Y. Bayar & M. S. Gassouma (Eds.), *Implications of ICT for Islamic Finance and Economics* (pp. 157–188). IGI Global. https://doi.org/10.4018/979-8-3693-8079-6.ch006

Al-Nahari, A. A. A. Q., Monawer, A. T. M., Haji Abdullah, L. B., Ali, A. K. B., Abdul Rahman, N. N. B., & Achour, M. (2022). Common conceptual flaws in realizing *maqāṣid al-Sharīʿah* vis-à-vis Islamic finance. *ISRA International Journal of Islamic Finance*, *14*(2), 190–205. https://doi.org/10.1108/IJIF-12-2020-0259

Anas Asy'ari Nashuha, Muthoifin, & Mariam Elbanna. (2025). An Analysis of Jasser Auda's Thought on Maqashid Sharia and Its Implications for Sharia Economic Law. *Solo International Collaboration and Publication of Social Sciences and Humanities*, *3*(03), 441–456. https://doi.org/10.61455/sicopus.v3i03.361

Andini Nathania, D., Sandy Rizki Febriadi, & Arif Rijal Anshori. (2025). Tinjauan Keputusan Ijtima Ulama Komisi Fatwa MUI No. VII Tahun 2021 tentang Kelayakan

Cryptocurrency sebagai Instrumen Pembayaran Zakat. *Bandung Conference Series: Sharia Economic Law*, *5*(2). https://doi.org/10.29313/bcssel.v5i2.19234

Anwar, M., Puspitasari, E., Karim, S., & Nisfah Nurun Nikmah, A. (2025). HUKUM KRIPTO DALAM ISLAM: ETIKA DAN FATWA ULAMA. *Jurnal Al-Kharaj: Studi Ekonomi Syariah, Muamalah, Dan Hukum Ekonomi*, *5*(1), 1–21. https://doi.org/10.30863/alkharaj.v5i1.8518

Cindy Ayu Azhara, Nabila Zulfa Nur Latifa, Faris Fadhilah Zakiy, Much Yudi Firmansyah, Tegar Adi Nugraha, Muhammad Hakim Asshabi, & Mirzam Arqy Ahmadi. (2025). Kajian Hukum Islam Terhadap Teknologi Finansial Modern (Fintech): Tinjauan Fiqih terhadap Riba, Gharar, dan Maysir. *SALSABIL : Journal of Sharia and Economic Law*, *1*(2), 1–17. https://doi.org/10.51590/salsabil.v1i2.40

Dakum, D., & Tamtowi, M. (2019). Evaluasi Maqāṣidī terhadap Fatwa DSN-MUI No. 116/IX/2017 tentang Uang Elektronik Syariah. *Asy-Syir'ah: Jurnal Ilmu Syari'ah Dan Hukum*, *53*(1), 114–140. https://doi.org/10.14421/ajish.v53i1.493

Fikriawan, S., Ismail, F. B. H., Mahmudah, S. N., & Amila, A. (2025). Maqasid Shariah Parameters to Re-Design Policy Performance Fintech Lending Sharia in Indonesia. *Jurnal Minds: Manajemen Ide Dan Inspirasi*, *12*(1), 375–382. https://doi.org/10.24252/minds.v12i1.55395

Habibullah, M., Abdullah Al Faruque, Md. Omar Faruque, & Md Atiullah. (2023). Islamic Economic Framework for the Exercise of Islamic Financial Activities: Its Conformity with Maqasid Shari`ah. *AL-BURHĀN: JOURNAL OF QURʾĀN AND SUNNAH STUDIES*, *7*(1), 81–92. https://doi.org/10.31436/alburhn.v7i1.300

Hasan Polas, M. R., Tahiya, N. M., Kabir, A. I., Sohel-Uz-Zaman, A. S. Md., & Biswas, R. (2024). Islamic Finance, Islamic Fintech, and Digital Currency in the Digital Transformation Era: The Role of Blockchain Technology in Industry 4.0. In M. R. Ab. Aziz, F. Johari, & A. Rafiki (Eds.), *Advances in Finance, Accounting, and Economics* (pp. 77–116). IGI Global. https://doi.org/10.4018/979-8-3693-5653-1.ch004

Hasan, R., Hassan, M. K., & Aliyu, S. (2020). Fintech and Islamic Finance: Literature Review and Research Agenda. *International Journal of Islamic Economics and Finance (IJIEF)*, *3*(1). https://doi.org/10.18196/ijief.2122

Hidayati, T., Hidayatullah, M. S., Komarudin, P., & Atika, A. (2023). Digitalization of Islamic Finance: Epistemological Study of the National Sharia Board-Indonesian Council of Ulama's Fatwa. *Al-Ahkam*, *33*(2), 255–278. https://doi.org/10.21580/ahkam.2023.33.2.17324

Laldin, M. A., & Djafri, F. (2019). Islamic Finance in The Digital World: Opportunities and Challenges (Kewangan Islam dalam Dunia Digital: Peluang dan Cabaran). *Journal of Islam in Asia (E-ISSN 2289-8077)*, *16*(3), 283–299. https://doi.org/10.31436/jia.v16i3.853

Laylatul Istiqomah, M. (2025). Rekonstruksi Hukum Ekonomi Syariah dalam Perspektif Maqashid Al-Shari'ah. *Jurnal Pustaka Cendekia Hukum Dan Ilmu Sosial*, *3*(1), 1–9. https://doi.org/10.70292/pchukumsosial.v3i1.125

Muchtar, M., Asy'ari, H., Rodoni, A., Amalia, E., & Hosen, M. N. (2024). Does a Free Trade Agreement's Impact on the Export of Halal Food to OIC Countries Matter? Evidence from Indonesia. *ETIKONOMI*, *23*(1), 147–166. https://doi.org/10.15408/etk.v23i1.32951

Mukhlisin, M. (2021). Level of Maqāsid ul-Shari'āh's in financial reporting standards for Islamic financial institutions. *Journal of Islamic Accounting and Business Research*, *12*(1), 60–77. https://doi.org/10.1108/JIABR-03-2020-0090

Muryanto, Y. T. (2023). The urgency of sharia compliance regulations for Islamic Fintechs: A comparative study of Indonesia, Malaysia and the United Kingdom. *Journal of Financial Crime*, *30*(5), 1264–1278. https://doi.org/10.1108/JFC-05-2022-0099

Nursiwan, A. (2023). Persepsi Masyarakat terhadap Penggunaan Fintech Dana Syariah dalam Perspektif Hukum Islam. *Persya: Jurnal Perbankan Syariah*, *1*(2), 60–65. https://doi.org/10.62070/persya.v1i2.15

Sudarmanto, E., Yuliana, I., Wahyuni, N., Yusuf, S. R., & Zaki, A. (2024). Transformasi Digital dalam Keuangan Islam: Peluang dan Tantangan. *Jurnal Ilmiah Ekonomi Islam*, *10*(1), 645. https://doi.org/10.29040/jiei.v10i1.11628

Taofeeq Olamilekan Sanusi. (2025). Maqasid Al-Shariah as an Evaluative Framework for the Digitalisation of Islamic Education: (Contemporary Hermeneutic Approach Study). *Permata : Jurnal Pendidikan Agama Islam*, *6*(1). https://doi.org/10.47453/permata.v6i1.3114

Toha, M., & Rozikin, K. (2020). Implementasi Maqasid Al-Shari'ah Dalam Manajemen Strategis Syariah. *JES (Jurnal Ekonomi Syariah)*, *5*(1). https://doi.org/10.30736/jesa.v5i1.75

Tok, E. (2021). Beyond the Jurisprudential Quagmire: Perspectives on the Application of Digital Currencies and Blockchain Technology in Islamic Economics and Finance. In N. Alam & S. Nazim Ali (Eds.), *Fintech, Digital Currency and the Future of Islamic Finance* (pp. 147–167). Springer International Publishing. https://doi.org/10.1007/978-3-030-49248-9_8

Umar, N., Mawardi, I., Tsuji, A., & Haryanti, T. (2023). Reproduction of Islamic Law in The Era of Globalization and Pluralism. *Jurnal Hukum Dan Peradilan*, *12*(3), 629. https://doi.org/10.25216/jhp.12.3.2023.629-654

Umar, R., & Wahab, A. (2025). Beyond Compliance: Constructing a Maqāṣid-Based Framework for Shariah Governance in Ethical Islamic Finance. *Indonesian Journal of Advanced Research*, *4*(6), 793–812. https://doi.org/10.55927/ijar.v4i6.14711

Wiguna, Y. P. K., & Wirdyaningsih, W. (2022). Analysis Of The Use Of Sharia Financial Technology (Fintek) Services Study On Application Services At Pt. Ammana Fintech Shari'ah According To The Fatwa Of Dsn Mui And Islamic Law. *Jhss (Journal Of Humanities And Social Studies)*, *6*(2), 185–192. https://doi.org/10.33751/jhss.v6i2.5406

Zamroni, M. A., Toha, M., Zuana, M. M. M., & Baiqun Isbahi, M. (2023). Exploring Zakat Distribution Via Blockchain in Indonesia Perspective of Maslahah Mursalah Wahbah Zuhaili. *Indonesian Interdisciplinary Journal of Sharia Economics (IIJSE)*, *6*(3), 3544-3555. https://doi.org/10.31538/iijse.v7i3.5821