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Sharīʿah Standard for Crypto Assets in Indonesia: A Localised Framework

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Abstract

Sharīʿah compliance of crypto assets is examined in the Indonesian context by placing fiqh assessment within the domestic regulatory framework. In this context, crypto is legally treated as a digital commodity rather than currency. Therefore, this study aims to formulate an operational screening framework to distinguish potentially Sharīʿah-compliant and non-compliant crypto assets based on underlying characteristics, asset structure, valuation basis, and transaction mechanisms. Fiqh muʿāmalah principles, the 2021 MUI Ijtimāʿ ʿUlamāʾ ruling, relevant DSN-MUI fatwās, AAOIFI references, and Indonesian crypto regulations are analysed using a qualitative doctrinal legal method. The proposed framework distinguishes between asset-level and transaction-level screening, particularly in assessing halal underlying utility, gharar, maysir/qimār, ribā exposure, silʿah requirements, and transaction validity. The framework is applied to four illustrative assets, namely Bitcoin (BTC), Ethereum (ETH), CasinoCoin (CSC), and Blockchain Capital Token (BCAP). The results show that Ethereum satisfies the utility criterion, subject to Sharīʿah-compliant use and transaction mechanisms. Bitcoin remains a contested case because legal classification as a commodity does not automatically resolve valuation gharar and silʿah concerns. CasinoCoin is non-compliant due to its direct connection with gambling, while BCAP requires further review because of insufficient clarity regarding contract structure, portfolio composition, and Sharīʿah screening. The study contributes a structured and reviewable screening model to support Sharīʿah governance, regulatory development, and technology-based Islamic financial innovation in Indonesia.

Kata Kunci:
Aset Kripto; Kepatuhan Syariah; Bitcoin; Blockchain

Abstrak

Kepatuhan aset kripto terhadap syariah ditelaah dalam konteks Indonesia dengan menempatkan penilaian fiqh dalam kerangka regulasi domestik. Dalam konteks ini, aset kripto secara hukum diperlakukan sebagai komoditas digital, bukan mata uang. Oleh karena itu, penelitian bertujuan untuk merumuskan kerangka kerja penyaringan operasional guna membedakan aset kripto yang berpotensi sesuai syariah dan yang tidak sesuai syariah berdasarkan karakteristik mendasar, struktur aset, dasar penilaian, dan mekanisme transaksi. Prinsip-prinsip fiqh muʿāmalah, fatwa Ijtimāʿ ʿUlamāʾ MUI tahun 2021, fatwa DSN-MUI yang relevan, referensi AAOIFI, dan regulasi kripto Indonesia dianalisis menggunakan metode hukum doktrinal kualitatif. Kerangka kerja yang diusulkan membedakan antara penyaringan tingkat aset dan tingkat transaksi, khususnya dalam menilai kegunaan dasar yang halal, gharar, maysir/qimār, paparan riba, persyaratan silʿah, dan validitas transaksi. Kerangka kerja ini diterapkan pada empat aset ilustratif, yaitu Bitcoin (BTC), Ethereum (ETH), CasinoCoin (CSC), dan Blockchain Capital Token (BCAP). Hasilnya menunjukkan bahwa Ethereum memenuhi kriteria utilitas, dengan syarat penggunaan dan mekanisme transaksi yang sesuai syariah. Bitcoin tetap menjadi kasus yang diperdebatkan karena klasifikasi hukumnya sebagai komoditas tidak secara otomatis menyelesaikan masalah gharar dan silʿah terkait penilaian. CasinoCoin tidak memenuhi syarat karena keterkaitannya secara langsung dengan perjudian, sedangkan BCAP memerlukan tinjauan lebih lanjut karena kurangnya kejelasan terkait struktur kontrak, komposisi portofolio, dan penilaian kesesuaian syariah. Studi menyajikan model penilaian yang terstruktur dan dapat dievaluasi untuk mendukung tata kelola syariah, pengembangan regulasi, serta inovasi keuangan syariah berbasis teknologi di Indonesia.

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INTRODUCTION

Cryptocurrency is the latest development in the world of finance and technology. In the context of blockchain technology, crypto assets have been reported as a new category of fully digital finance.[1] This technology has rapidly gained traction worldwide, including in Indonesia. The Financial Services Authority (OJK) reported that Indonesia's cryptocurrency trading volume reached IDR 482.23 trillion throughout 2025. Hasan Fawzi, Chief Executive of Financial Sector Technology Innovation, Digital Financial Assets, and Crypto Assets Supervision at OJK, stated that high-risk assets such as crypto continued to attract investor interest. In November 2025, the number of users reached 19.56 million, an increase of 2.5% from October 2025. However, the transaction value in December 2025 declined by 12.22% to IDR 32.68 trillion, down from IDR 37.23 trillion in November. In response, OJK issued POJK No. 30/2025 and SE OJK No. 34 and 7/2025 to strengthen governance, risk management, and compliance within the digital asset industry.[2]

In Islam, the law of origin in the field of muʿāmalāt (social interaction and transaction) is permissible, as stated in the rule: "al-aṣl fī al-ashyāʾ al-ibāḥah" (الأصل في الأشياء الإباحة),[3] which means all actions remain permissible unless a normative postulate expressly prohibits the context. Therefore, crypto assets are considered permissible unless certain elements render the technology prohibited. The central question concerns the characteristics that render a crypto asset ḥarām and, conversely, the criteria used to identify a ḥalāl crypto asset. This requires a systematic evaluation framework based on Sharīʿah Standard. Legally, Indonesia does not recognise crypto as a means of payment, but as a commodity. The Commodity Futures Trading Supervisory Agency (BAPPEBTI) classifies crypto assets as intangible commodities in digital form traded on licensed platforms. However, this regulation has not accommodated Sharīʿah principles. In response, the Indonesian Ulema Council (Majelis Ulama Indonesia - MUI) issued a fatwā in the 7th Ijtimāʿ ʿUlamāʾ in 2021,[4] where the use of crypto as a medium of exchange is ḥarām because the context contains elements of gharar (excessive uncertainty), ḍarar (potential loss), and is contrary to positive law (the obligation to use Rupiah). The fatwā also states that crypto assets can be traded as commodities after meeting Sharīʿah requirements such as having ḥalāl benefits or basic assets, and being free from gharar, qimār (gambling), and ribā (usury).

Based on the developments, this study proposes the Crypto Sharīʿah Standard for Indonesia as a Sharīʿah-compliant framework for crypto assets developed in accordance with the regulatory and fatwā context of Indonesia. The standard is formulated by referencing the Fatwā of the Indonesian Ulema Council (MUI), the guidelines of the National Sharīʿah Council (DSN-MUI), and BAPPEBTI regulations to establish operational screening parameters for crypto asset assessment. Furthermore, this study compares the Crypto Sharīʿah Standard for Indonesia with other existing frameworks, applies the standard to several asset examples

[1] IBM, 'What Is Cryptography?', IBM, 14 November 2023, https://www.ibm.com/think/topics/cryptography.
[2] Romys Binekasri, 'Transkasi Kripto RI Tembus Rp482,23 Triliun Sepanjang 2025', *CNBC Indonesia*, 9 January 2026, https://www.cnbcindonesia.com/market/20260109110200-17-700964/transkasi-kripto-ri-tembus-rp48223-triliun-sepanjang-2025.
[3] Jalāl al-Dīn ʿAbd al-Raḥmān ibn Abī Bakr al-Suyūṭī, *Al-Ashbāh Wa al-Naẓa'ir* (Dār al-Kutub al-ʿIlmiyyah, n.d.), 60.
[4] Indonesian Ulema Council (MUI), *Fatwa on the Legal Status of Cryptocurrency* (Indonesian Ulema Council (MUI), 2021).

(BTC, ETH, CSC, and BCAP), and discusses the implications for Muslim investors and regulators. The feasibility of developing a Crypto Sharīʿah Standard-compliant crypto asset ecosystem is demonstrated in the Indonesian context through clear, implementable standards in line with domestic regulatory governance.[5]

Islamic law in Indonesia plays an important role in shaping ethical and legal considerations surrounding crypto assets, particularly because most discussions revolve around whether crypto should be treated as money or a tradable commodity. A substantial strand of scholarship tends to problematize crypto assets due to concerns over excessive uncertainty (gharar), gambling-like speculation (maysir/qimār), potential ribā exposure through lending/derivatives structures, and vulnerability to illicit activities.[6] However, these arguments often treat "crypto" as a single category, even though crypto assets vary significantly in function, underlying projects, and transactional mechanics.

In Indonesia, the debate is shaped by the Indonesian Ulama Council's (MUI) position cited to support the view that cryptocurrency is impermissible. Scholarly critiques show that fatwā-based discussions underexplore the technological and economic benefits of blockchain-based innovations and provide limited guidance on how conditional permissibility can be operationalised when certain Sharīʿah criteria are met.[7] This reflects a recurring tension in the literature, where normative concerns about harm and uncertainty are strong. The criteria for distinguishing which crypto assets might meet Sharīʿah expectations remain underdeveloped.

Kusuma suggests that the use of digital currency has been practised in Indonesia, specifically in online transactions. From this view, some uses of cryptocurrencies may resemble accepted transactional patterns, while problematic elements become more pronounced when crypto is embedded in high-risk derivative structures or speculative trading behaviour.[8] These studies are useful in reporting contextual practice, but leave open the question of how to assess compliance at the asset-level rather than issuing broad judgments.

A further dimension in the literature differentiates between crypto assets and blockchain technology. Several scholars contend that the underlying blockchain infrastructure may enhance transparency, traceability, and transactional security values in line with Islamic principles of fairness and accountability, while many crypto trading practices raise Sharīʿah concerns.[9] This distinction supports a more nuanced approach, separating speculative

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[5] Hussain Mohi Ud Din Qadri et al., 'Exploring Crypto Currency through the Lens of the Sharīʿa Law: A Comparative Analysis of Scholarly Evaluations', *Journal of Islamic Thought and Civilization* 13, no. 2 (2023): 324–34, https://doi.org/10.32350/jitc.132.21.

[6] Christopher Panal Lumban Gaol, 'Indonesia Cryptocurrencies in Islamic Law', *The International Journal of Humanities & Social Studies*, ahead of print, 21 June 2023, https://doi.org/10.24940/theijhss/2023/v11/i5/HS2305-018; M. Usman et al., 'CRYPTOCURRENCY IN ISLAMIC LAW', *Jurnal Multidisipliner Bharasa* 1, no. 1 (2022): 45–56, https://doi.org/10.56691/jurnalmultidisiplinerbharasa.v1i1.6; Binta Tsulutsi Mukhoyyaroh, 'Viewing the Islamic Financial System, Islamic Views and Answers About Cryptocurrency', *Khazanah: Jurnal Mahasiswa* 13, no. 4 (2022), https://doi.org/10.20885/khazanah.vol13.iss4.art11; Emiel Salim Siregar et al., 'Kepastian Hukum Aset Kripto Sebagai Instrumen Investasi Dalam Persfektif Hukum Islam Dan Hukum Positif', *El-Mujtama: Jurnal Pengabdian Masyarakat* 4, no. 1 (2023): 181–92, https://doi.org/10.47467/elmujtama.v4i1.3249.

[7] Faizi, 'Are Cryptocurrencies Ḥaram? A Critical Analysis toward MUI's Fatwā', *AL-IHKAM: Jurnal Hukum & Pranata Sosial* 18, no. 2 (2023): 420–42, https://doi.org/10.19105/al-lhkam.v18i2.8290.

[8] Teddy Kusuma et al., 'The Perspective of Islamic Law on Cryptocurrency for Commodity Future Exchange in Indonesia', *Journal of Islamic Studies and Culture* 8, no. 1 (2020), https://doi.org/10.15640/jisc.v8n1a1.

[9] Nafis Alam et al., 'Application of Blockchain in Islamic Finance Landscape', in *Fintech and Islamic Finance*, by Nafis Alam et al. (Springer International Publishing, 2019), https://doi.org/10.1007/978-3-030-24666-2_5; Felicia Hui Ling Chong, 'Enhancing Trust through Digital Islamic Finance and Blockchain Technology', *Qualitative Research in Financial Markets* 13, no. 3 (2021): 328–41,

behaviour from legitimate technological utility, but requires a concrete fiqh-based screening approach to translate claims into actionable standards.

Mustafa Omar Mohammed et al responded to methodological weaknesses in fiqh-oriented crypto studies by proposing a structured framework for fiqh analysis of crypto assets.[10] Persistent problems in the field, such as definitional inconsistencies, misunderstandings caused by technological complexity, overgeneralization from Bitcoin to all crypto assets, and the lack of comprehensive fiqh assessments, are underlined. A conceptual framework supported by categorisation and risk-analysis benchmarks is also proposed. This framework strengthens the analytical toolkit of Sharīʿah experts by moving beyond binary debates and enabling more objective evaluation of specific assets.

Despite the contributions, a key gap remains in the Indonesian context. Existing studies largely focus on general permissibility debates, critiques of fatwās, or broad technological narratives, but rarely translate fiqh principles into an operational, localised Sharīʿah compliance standard that fits Indonesia's regulatory positioning of crypto assets and provides a workable screening process to classify tokens as Sharīʿah-compliant or non-compliant. Previous scholarship has not systematically mapped crypto-specific transaction types such as gas fees, staking rewards, and smart contract execution onto the nearest analogues in the DSN-MUI fatwā corpus. Therefore, this study addresses the gap by developing a localised Sharīʿah compliance screening standard for crypto assets in Indonesia, drawing on Indonesian fatwā foundations and applying the concept into practical evaluation criteria used by Muslim investors, scholars, and regulators.

RESEARCH METHODS

This study used a qualitative doctrinal approach grounded in Islamic legal and descriptive case analyses. The method was appropriate because the study objective was prescriptive to formulate a normative Sharīʿah screening standard for crypto assets rather than empirical or descriptive. Doctrinal legal study was most suitable when the intended output was a legal framework derived from systematic analysis of authoritative normative sources.[11]

Primary sources were examined across two categories. First, normative-juridical sources, namely the MUI Ijtimāʿ ʿUlamāʾ 2021 ruling on cryptocurrency, serve as the principal fatwā foundation, given the status as the most authoritative and comprehensive Indonesian fatwā on crypto assets to date. DSN-MUI Fatwā No. 80/2011 on Islamic capital market trading practices provided the analogical basis for transaction-level criteria, particularly in identifying prohibited trading practices applicable to crypto markets by analogy. AAOIFI Sharīʿah Standards were reviewed as an international comparative reference. Points of convergence

https://doi.org/10.1108/QRFM-05-2020-0076; Gousia Habib et al., 'Blockchain Technology: Benefits, Challenges, Applications, and Integration of Blockchain Technology with Cloud Computing', *Future Internet* 14, no. 11 (2022): 341, https://doi.org/10.3390/fi14110341.

[10] Mustafa Omar Mohammed et al., 'Guiding Fiqh Analysis of Crypto Assets: A Proposed Framework', *AHKAM : Jurnal Ilmu Syariah* 24, no. 2 (2024): 277–94, https://doi.org/10.15408/ajis.v24i2.37346.

[11] Terry Hutchinson and Nigel Duncan, 'Defining and Describing What We Do: Doctrinal Legal Research', *Deakin Law Review* 17, no. 1 (2012): 83, https://doi.org/10.21153/dlr2012vol17no1art70; Gaurav Shukla, 'Doctrinal Legal Research: A Library-Based Research', in *Advances in Knowledge Acquisition, Transfer, and Management*, ed. Candauda Arachchige Saliya (IGI Global, 2023), https://doi.org/10.4018/978-1-6684-6859-3.ch015.

and divergence with the proposed Indonesian framework were addressed in the Discussion section. Second, BAPPEBTI Regulation No. 8/2021 and POJK No. 3/2024 were examined to establish the positive-law framework for the operation of the Sharīʿah standard. Secondary sources included relevant academic journals, articles, books, and reports.

Sharīʿah screening criteria were derived through systematic content analysis Salehijam by identifying conditions of permissibility (ibāḥah) and prohibition (taḥrīm) relevant to crypto asset characteristics. Red flags in ḥarām industries, *gharar, ribā, and qimār,* and required characteristics *ḥalāl* underlying, transactional clarity, and silʿah compliance were distilled into four operationalisable screening criteria. The framework was applied to four case studies, namely Bitcoin (BTC), Ethereum (ETH), CasinoCoin (CSC), and Blockchain Capital Token (BCAP).[12]

RESULTS AND DISCUSSION

Developing and Applying A Sharīʿah Screening Framework For Crypto Assets In Indonesia

Clear criteria and processes for determining the Sharīʿah compliance of crypto assets in Indonesia have been reported. The results are presented in a structured sequence, where the section begins with an overview of major crypto-asset categories. The 2021 Ijtimāʿ ʿUlamāʾ fatwā on cryptocurrency is analysed alongside the study's point-by-point responses and culminates in the derivation of Sharīʿah screening standards. Representative assets, such as Bitcoin, Ethereum, CasinoCoin, and the BCAP token, are screened against the standards to show the framework's application. For reporting clarity, key visual summaries are provided, including a screening flowchart and tables that (i) map crypto-asset types, (ii) juxtapose fatwā positions with the analytical responses, and (iii) summarise the screening criteria used in the assessment.

Crypto Asset Categories: The study identifies major types of crypto assets and the defining characteristics, since classification provides the foundation for the subsequent Sharīʿah analysis. Accordingly, Table 1 summarises the principal categories reviewed, the typical functions, and representative examples from the current crypto market.

Table 1. Types of Crypto Assets and Characteristics

No	Type of Crypto Asset	Description and Function	Examples
1	Non-Fungible Token (NFT)	Unique cryptographic token representing a singular asset (digital or physical). Cannot be exchanged one-to-one with another due to the uniqueness. Often used for digital collectables, art, music, in-game items, tickets, etc. NFTs can grant	Artwork NFTs in blockchain games (e.g., *Axie Infinity* in-game assets)

[12] Maryam Salehijam, 'The Value of Systematic Content Analysis in Legal Research', *Tilburg Law Review* 23, no. 0 (2018): 34, https://doi.org/10.5334/tilr.5.

No	Type of Crypto Asset	Description and Function	Examples
		owners special perks (access, goods, voting rights) and can be updated with new utilities.[13]	
2	Stablecoin	Cryptocurrency pegged to a stable asset to reduce volatility. Serves as a stable medium of exchange and store of value, facilitating low-fee transactions (specifically cross-border).[14]	USDT (Tether), USDC (USD Coin), PAX Gold (gold-backed)
3	DeFi Token	Token used in decentralised finance platforms to provide utility in lending, liquidity provision, yield farming, or governance within DeFi protocols.[15]	LINK (Chainlink), UNI (Uniswap)
4	Utility Token	Utility Token provides holders with future access to a product or service (a "digital coupon"). Often issued in Initial Coin Offerings to fund projects. Fungible and tradeable, confer real-world perks or access in addition to digital platform utility.[16]	FIL (Filecoin), MANA (Decentraland)
5	Payment Token	Token primarily used as currency or a medium of exchange to buy/sell goods and services or pay network transaction fees and does not carry other utilities besides the exchange of value.[17]	BTC (Bitcoin), ETH (Ethereum), SOL (Solana)

[13] Pınar Çağlayan Aksoy et al., *Routledge Handbook of NFT Law*, 1st edn (Routledge, 2025), https://doi.org/10.4324/9781032690667.
[14] Antonio Briola et al., 'Anatomy of a Stablecoin's Failure: The Terra-Luna Case', *Finance Research Letters* 51 (January 2023): 103358, https://doi.org/10.1016/j.frl.2022.103358.
[15] Sitara Karim et al., 'Examining the Interrelatedness of NFTs, DeFi Tokens and Cryptocurrencies', *Finance Research Letters* 47 (June 2022): 102696, https://doi.org/10.1016/j.frl.2022.102696.
[16] Michael Sockin and Wei Xiong, 'A Model of Cryptocurrencies', *Management Science* 69, no. 11 (2023): 6684–707, https://doi.org/10.1287/mnsc.2023.4756.
[17] Rajmund Mirdala, 'Tokenization of Real-World Assets: Legal Frameworks, Market Dynamics, and Policy Pathways for a Decentralized Financial Future', *Journal of Applied Economic Sciences (JAES)* 20, no. 16 (2025): 285, https://doi.org/10.57017/jaes.v20.2(88).09; Satoshi Nakamoto, 'Bitcoin: A Peer-to-Peer Electronic Cash System', *SSRN Electronic Journal*, ahead of print, 2008, https://doi.org/10.2139/ssrn.3440802.

No	Type of Crypto Asset	Description and Function	Examples
6	Security Token	Digital token representing ownership of an underlying asset or enterprise (analogous to stocks, bonds, or other securities) confers rights to profits, equity, or other financial interests through blockchain-based issuance. Security tokens require regulatory compliance since the asset shows investment instruments.[18]	BCAP (Blockchain Capital security token)
7	Privacy Coin	Privacy Coin is designed to ensure anonymous and private transactions, hiding the sender, receiver, and transaction details through cryptographic techniques.[19]	XMR (Monero) – enables untraceable payments
8	Exchange Token	Token issued by a cryptocurrency exchange platform, often used to increase liquidity and give users benefits, such as reduced trading fees and governance votes. Exchange tokens can be volatile and are sometimes also used in platform governance.[20]	BNB (Binance Coin – issued by Binance exchange)
9	Meme Coin	Token inspired by internet memes or jokes, typically launched without intrinsic utility or asset backing. Value is largely community-driven and speculative. Meme Coin has a huge or unlimited supply and little technical development due	DOGE (Dogecoin), SHIB (Shiba Inu), PEPE (Pepe Coin)

[18] Habib Ahmed, 'Security Tokens, Ecosystems and Financial Inclusion: Islamic Perspectives', *International Journal of Islamic and Middle Eastern Finance and Management* 17, no. 4 (2024): 730–45, https://doi.org/10.1108/IMEFM-04-2024-0195.
[19] Muhammad Irfan Khalid et al., 'A Comprehensive Survey on Blockchain-Based Decentralized Storage Networks', *IEEE Access* 11 (2023): 10995–1015, https://doi.org/10.1109/ACCESS.2023.3240237.
[20] Rodney Garratt and Maarten R. C. van Oordt, *Crypto Exchange Tokens*, no. 1201, BIS Working Papers (Bank for International Settlements, 2024), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4773455.

No	Type of Crypto Asset	Description and Function	Examples
		to volatility.[21] An example includes DOGE coin, created initially by Jackson Palmer and Shibetoshi Nakamoto as a joke for the Shiba Inu dog. This project had a massive community that created the L1 blockchain layer.	

Source: Data Processed by the Author (2025)

Key results from the classification confirm that crypto assets are technologically diverse, ranging from tokens with clear utility in financing or services to tokens with purely speculative or community-driven value (meme coins). This diversity necessitates a nuanced Sharīʿah assessment, where certain categories, such as payment or utility tokens, are more amenable to Sharīʿah compliance due to real-use cases. Meanwhile, others, including meme coins associated with excessive speculation, or tokens tied to non-ḥalāl industries, raise red flags.

In Indonesia's context, Sharīʿah assessment cannot rely on typology but must be read in relation to authoritative fatwā positions and the governing legal–regulatory framework. The Indonesian ʿUlamāʾ Council- 7th Ijtimāʿ ʿUlamāʾ issued a set of legal points (fatwā) on cryptocurrency. The fatwā declared cryptocurrency ḥarām as a form of currency and prohibited trading crypto as a commodity/asset due to elements of gharar (uncertainty), ḍarar (harm), and qimār (gambling), as well as because certain silʿah (valid commodity) requirements under Sharīʿah were unmet. Furthermore, the fatwā acknowledged a conditional basis for permissibility, where cryptocurrency trading may be permissible when the token satisfies Sharīʿah requirements, such as possessing a clear underlying asset and avoiding prohibited elements. The Ijtimāʿ ʿUlamāʾ also recommended public caution in transactions and admonished the government to regulate trading.[22]

Building on the determinations, this study examines the fatwā conclusions in detail and provides point-by-point responses or clarifications based on Islamic legal principles and the Indonesian regulatory context. Table 2 juxtaposes the key points from the Ijtimāʿ ʿUlamāʾ 2021 fatwā with the analytical results, showing where the analysis reinforces, qualifies, or respectfully critiques each point.

Table 2. 2021 Ijtimāʿ ʿUlamāʾ Fatwā on Cryptocurrency vs. Study's Results

No	Ijtimāʿ ʿUlamāʾ 2021 – Key Fatwā Points	Analysis/Response
1	Crypto as Currency: Using cryptocurrency *as a currency* (money) is ḥarām (prohibited), because it entails gharar and ḍarar and violates Indonesian law (Law No.7/2011 on	In Indonesia, crypto assets are legally classified as commodities rather than currency under BAPPEBTI Regulation No. 8 of 2021. Therefore, the use of

[21] Jason Scharfman, *The Cryptocurrency and Digital Asset Fraud Casebook, Volume II: DeFi, NFTs, DAOs, Meme Coins, and Other Digital Asset Hacks* (Springer Nature Switzerland, 2024), https://doi.org/10.1007/978-3-031-60836-0.
[22] Indonesian Ulema Council (MUI), *Fatwa on the Legal Status of Cryptocurrency*.

No	Ijtimāʿ ʿUlamāʾ 2021 – Key Fatwā Points	Analysis/Response
	Currency, which mandates Rupiah as the sole legal tender).	cryptocurrencies as official legal tender is excluded from the Indonesian regulatory framework. Bitcoin and other cryptocurrencies are not recognised as lawful currency for transactional purposes. In this context, the fatwā's prohibition concerning the treatment of cryptocurrency as currency, but normatively valid, does not substantially alter the legal status of crypto assets, which remain recognised and traded primarily as investment commodities rather than as currency. The fatwā contains two distinct and independent prohibitions. The first, concerning the treatment of cryptocurrency as currency, has effectively been precluded by positive law, as previously discussed. The second, namely the prohibition of cryptocurrency commodity trading on the grounds of gharar and non-fulfilment of silʿah requirements, remains directly relevant within the Indonesian context. This study addresses the second prohibition through the principle of takhṣīṣ, arguing that a specific crypto asset addresses the conditions of silʿah and is free from elements of gharar outside the scope of the general prohibition.
2	Crypto as Commodity/Asset: Trading cryptocurrency as a digital asset is ḥarām (not valid) due to elements of uncertainty (gharar), harm, gambling (qimār), and because the concept allegedly fails Sharīʿah commodity criteria (silʿah) such as having a physical form, definite value and quantity,	This study does not disregard the Ijtimāʿ ʿUlamāʾ MUI determination that trading crypto as a commodity/asset is considered invalid due to gharar, ḍarar, qimār, and the alleged failure to satisfy the requirements of silʿah. This determination serves as the starting

No	Ijtimāʿ ʿUlamāʾ 2021 – Key Fatwā Points	Analysis/Response
	clear ownership, and deliverability. Only when a crypto asset fully meets silʿah conditions would the concept be permissible to trade.	point of the analysis. The legal causes underlying the prohibition need to be examined more specifically at the asset and the transaction level, since crypto assets do not constitute a homogeneous category.[23] Some crypto assets lack identifiable utility, are driven mainly by speculation, or are connected to prohibited activities. However, the assets may have identifiable economic functions, verifiable ownership, clear transfer mechanisms, and utility. This study distinguishes between gharar at the contractual and asset-valuation level. A spot transaction including a specific crypto asset, with clear quantity, price, ownership, and delivery, does not necessarily include contractual gharar. However, this study recognises the objection raised by some contemporary scholars that extreme volatility, weak valuation anchors, insufficient legal protection, and speculative demand may create gharar fāḥish at the asset-valuation level. Volatility is treated as an indicator for assessing whether a crypto asset has a defensible valuation basis or depends primarily on speculation. Comparative fiqh literature also records that some scholars prohibit digital currencies because of negative economic effects, weak legal protection and financial supervision, and the harm arising from

[23] Faizi, 'Are Cryptocurrencies Ḥaram?'

No	Ijtimāʿ ʿUlamāʾ 2021 – Key Fatwā Points	Analysis/Response
		gharar, jahālah, and fraud in standard and value.[24] Regarding the requirements of silʿah, this study does not argue that regulatory recognition as a commodity automatically makes crypto assets Sharīʿah-compliant. Legal classification as a commodity under positive law only provides the regulatory context without constituting a final Sharīʿah ruling. The Sharīʿah assessment must still examine whether the asset has lawful utility or value, clear quantity, verifiable ownership, deliverability, identifiable underlying asset or utility, and is free from ribā, maysir/qimār, gharar fāḥish, ḍarar, and prohibited activities. In this context, the study does not override the MUI fatwā, but operationalises the conditional opening contained in the Ijtimāʿ determination. Crypto assets may only be considered after satisfying Sharīʿah requirements and avoiding prohibited elements. The manuscript records that the Ijtimāʿ ʿUlamāʾ prohibited crypto as a commodity while recognising conditional permissibility when Sharīʿah requirements are fulfilled. The prohibition in the Ijtimāʿ ʿUlamāʾ may be understood as applying to crypto assets that fail to satisfy silʿah requirements and contain gharar, ḍarar, and qimār. Therefore, this study proposes an assessment framework that distinguishes between clearly non-compliant assets, such as tokens connected to gambling or lacking

[24] Mohd Shahid Mohd Noh et al., 'A Review on *Gharar* Dimension in Modern Islamic Finance Transactions', *Journal of Islamic Accounting and Business Research* 16, no. 5 (2025): 976–89, https://doi.org/10.1108/JIABR-01-2023-0006.

No	Ijtimāʿ ʿUlamāʾ 2021 – Key Fatwā Points	Analysis/Response
		genuine utility, and assets that require further evaluation based on underlying asset, utility, tokenomics, transaction mechanism, and Sharīʿah governance.[25]
3	Public Caution: The fatwā advises the public to exercise caution with crypto trading (due to its risks and speculative nature).	This study acknowledges the concern and observes that crypto platforms in Indonesia show risk warnings and educate users. Major exchanges and apps explicitly warn that crypto prices are volatile and users should make decisions prudently without coercion. Therefore, the spirit of recommendation is being addressed by industry stakeholders through ongoing education efforts.[26]
4	Government Regulation: The fatwā recommends that the government establish regulations to protect the public in crypto trading.	This study shows that Indonesian authorities have indeed issued regulations for crypto trading, namely Bappebti Reg. No. 8/2021 on crypto asset trading guidelines, and OJK Reg. No. 3/2024 on financial technology innovation. However, Sharīʿah governance rules addressing crypto assets remain absent. The study shows that the Indonesian Ulama Council, particularly the National Sharīʿah Council (DSN-MUI), has not issued a comprehensive Sharīʿah standard or dedicated fatwā governing crypto assets. This regulatory and normative gap constitutes the central issue addressed by the proposed framework, which formulates a Sharīʿah-compliant structure for crypto

[25] Irene K. F. Kirchner, 'Are Cryptocurrencies Ḥalāl? On the Sharia-Compliancy of Blockchain-Based Fintech', *Islamic Law and Society* 28, nos 1–2 (2020): 76–112, https://doi.org/10.1163/15685195-BJA10005.
[26] Kundharu Saddhono et al., 'Tokenizing Literary Assets: Blockchain Applications in Intellectual Property Management', *2025 International Conference on Frontier Technologies and Solutions (ICFTS)*, 27 March 2025, 1–9, https://doi.org/10.1109/ICFTS62006.2025.11031902.

No	Ijtimāʿ ʿUlamāʾ 2021 – Key Fatwā Points	Analysis/Response
		assets by drawing upon existing DSN-MUI fatwās from related domains.

Source: Data Processed by the Author (2025)

The analysis concurs with the Ijtimāʿ ʿUlamāʾ fatwā on core principles and provides contextual nuances. A major outcome is the recognition that some crypto assets can be ḥalāl when properly structured. The permissibility may be evaluated in the same manner as other forms of assets when a crypto is understood as an alternative digital medium of exchange and a digital commodity. Trading may be considered permissible under Sharīʿah principles when a crypto asset possesses legitimate underlying value and remains free from explicitly prohibited elements, such as gambling (maysir) and usury (ribā). This is a reframing, suggesting that a blanket prohibition may be unwarranted but a case-by-case Sharīʿah screening is preferable.

Derivation of Sharīʿah Screening Standards: Building on the foregoing insights, the study aggregates existing Islamic finance fatwās and Sharīʿah principles, particularly various fatwās issued by the DSN-MUI to formulate concrete standards for crypto assets. These standards function as normative criteria that crypto assets must satisfy to be recognised as Sharīʿah-compliant within the Indonesian context. Table 3 summarises the key Sharīʿah screening criteria identified in the study, with an explanation of each.

Table 3. Proposed Sharīʿah Screening Criteria for Crypto Assets

No	Sharīʿah Screening Criterion	Description and Rationale
1	Ḥalāl Underlying Project or Asset *("Asset must have a Sharīʿah-compliant underlying and not be a scam")*	Every crypto asset should be backed by or represent real *mal* (property/benefit) value. The project or business underlying the token must be ḥalāl in nature. Tokens created for ḥarām industries (gambling, pornography, usury-based lending) are automatically non-compliant. Similarly, "scam" tokens with no genuine project or utility are non-compliant. The token's underlying value can take forms such as a useful service/utility, a tangible asset, or a stake in a ḥalāl enterprise. For example, a utility token for a ḥalāl business service or a stablecoin backed by a ḥalāl asset would meet the criterion, while a token like *CasinoCoin (CSC)* tied to gambling would fail.[27]
2	Clear Definition of Asset (No Gharar in Fundamentals)	The crypto asset must be well-defined such that there is no excessive gharar in the basic contract. This shows the asset's features, including the quantity, quality, and the rights conferred, should be clear to buyers. Uncertainty

[27] Mohammed et al., 'Guiding Fiqh Analysis of Crypto Assets'.

No	Sharīʿah Screening Criterion	Description and Rationale
		about what one is buying/selling is not allowed. However, most mainstream crypto assets (traded on reputable exchanges) are standardised and fungible. The *sale contract type* should also be appropriate (spot transactions are preferred, as they avoid debt or deferment issues). The study stresses that price volatility alone is not gharar; the focus is on informational clarity and transactional fairness.[28]
3	Sharīʿah-Compliant Utilisation and Transactions *("Transactions with the asset must follow Sharīʿah standards")*	The manner in which a crypto asset is transacted or used must not include prohibited elements such as usury (ribā), excessive speculation (gharar), fraud (tadlīs), or gambling (maysir). In this context, the study invokes DSN-MUI Fatwā No. 80/2011, which outlines prohibited practices in stock market transactions, as a guiding framework. Manipulative practices in crypto trading, including pump-and-dump schemes, insider trading, and transactions including excessive uncertainty such as bayʿ al-maʿdūm, are considered impermissible.[29] Moreover, crypto trading should ideally occur through Islamically acceptable contracts. The ownership or issuance of a token may be considered ḥalāl, but the permissibility of the asset also depends on the manner of trading. All transactional practices, including crypto assets, must conform to Islamic ethical and Sharīʿah standards.
4	Fulfils *Silʿah* Criteria (Commodity Requirements) *("Fulfils conditions of a valid commodity, per DSN-MUI criteria")*	A crypto asset must satisfy the general requirements of silʿah, namely the criteria of a valid tradable object under Sharīʿah. This asset must possess recognised value or lawful utility, a clear specification, ownership or effective control by the seller, and the capacity for delivery to the buyer. This study does not contend that all crypto assets automatically fulfil the requirements by virtue of being recorded on a blockchain. The assessment is directed toward determining whether a particular crypto asset shows lawful utility, clearly identifiable quantity and

[28] Rawāq Khālid, "'Al-ʿUmlāt Al-Mushaffarah: Al-Bitkūyn Anmūdhajan: Madā Muwākabat al-Takyīf al-Fiqhī Wa-l-Sharʿī Li-l-Wāqiʿ al-Muʿāṣir'", *Majallat Āfāq Li-l-Buḥūth Wa-l-Dirāsāt* 4, no. 2 (2021): 485–502.

[29] Tasnīm ʿAbd al-Majīd Aḥmad Ghazlān, "'Al-ʿUmlāt al-Raqmiyyah 'al-Bitkūyn' – Dirāsah Fiqhiyyah Muqāranah'", *Majallat Kulliyyat Al-Sharīʿah Wa-l-Qānūn Bi-Asyūṭ* 34, no. 2 (2022): 1238–335, https://doi.org/10.21608/jfsu.2022.214535.

No	Sharīʿah Screening Criterion	Description and Rationale
		characteristics, verifiable ownership or control, and actual transferability. The requirement of physical form should not be understood in a purely literal manner. In classical fiqh, non-physical *manfaʿah* may, under certain conditions, constitute a valid subject matter of contract, as shown by ijārah. The maxim *al-manāfiʿ lahā ḥukm al-aʿyān* shows that usufructs may be treated like tangible objects in several legal rulings when recognised, lawful, specified, and capable of being delivered or enjoyed.[30] The study on this maxim also concludes that the stronger juristic view treats usufructs as *amwāl mutaqawwimah* and allows the concept to be governed, in several respects, by the legal rules applicable to tangible objects.[31] The purpose of the silʿah requirement is to demand physical tangibility and prevent gharar by ensuring that the traded object has recognised value, lawful benefit, clear specification, verifiable ownership or control, and deliverability. Therefore, a crypto asset may be considered a valid tradable object only when the utility, attached rights, tokenomics, ownership/control mechanism, and transferability are sufficiently clear. In this context, tokens with no identifiable utility, opaque supply mechanisms, unverifiable ownership, or value driven mainly by speculation should fail the silʿah test.

Source: Data Processed by the Author (2025)

The criteria form a structured Sharīʿah screening standard for crypto assets. This study proposes that Indonesian ulama and regulators adopt a framework that assesses each crypto asset through the aforementioned set of "filters." The criteria are derived from existing DSN–MUI fatwas, ensuring that the proposed standard is localised based on Indonesian Islamic financial precedent rather than importing concepts from abroad. The final output is a practical checklist serving as a reference for the preparation of official fatwas and regulatory guidelines for Sharīʿah-compliant crypto investments.

[30] Abū Isḥāq Ibrāhīm ibn ʿAlī Al-Shīrāzī, *Al-Muhadhdhab Fī Fiqh al-Imām al-Shāfiʿī*, vol. 1 (Dār al-Fikr, n.d.).
[31] Zakariyyā Ḥāfiẓ Muḥammad and Muḥammad Sulaymān al-Nūr, 'Qāʿidat Al-Manāfiʿ Lahā Ḥukm al-Aʿyān: Dirāsah Taʾṣīliyyah', *Majallat Jāmiʿat Al-Shāriqah Li-l-ʿUlūm al-Sharʿiyyah Wa-l-Dirāsāt al-Islāmiyyah* 19, no. 3 (2022): 384–429, https://doi.org/10.36394/jsis.v19.i3.13.

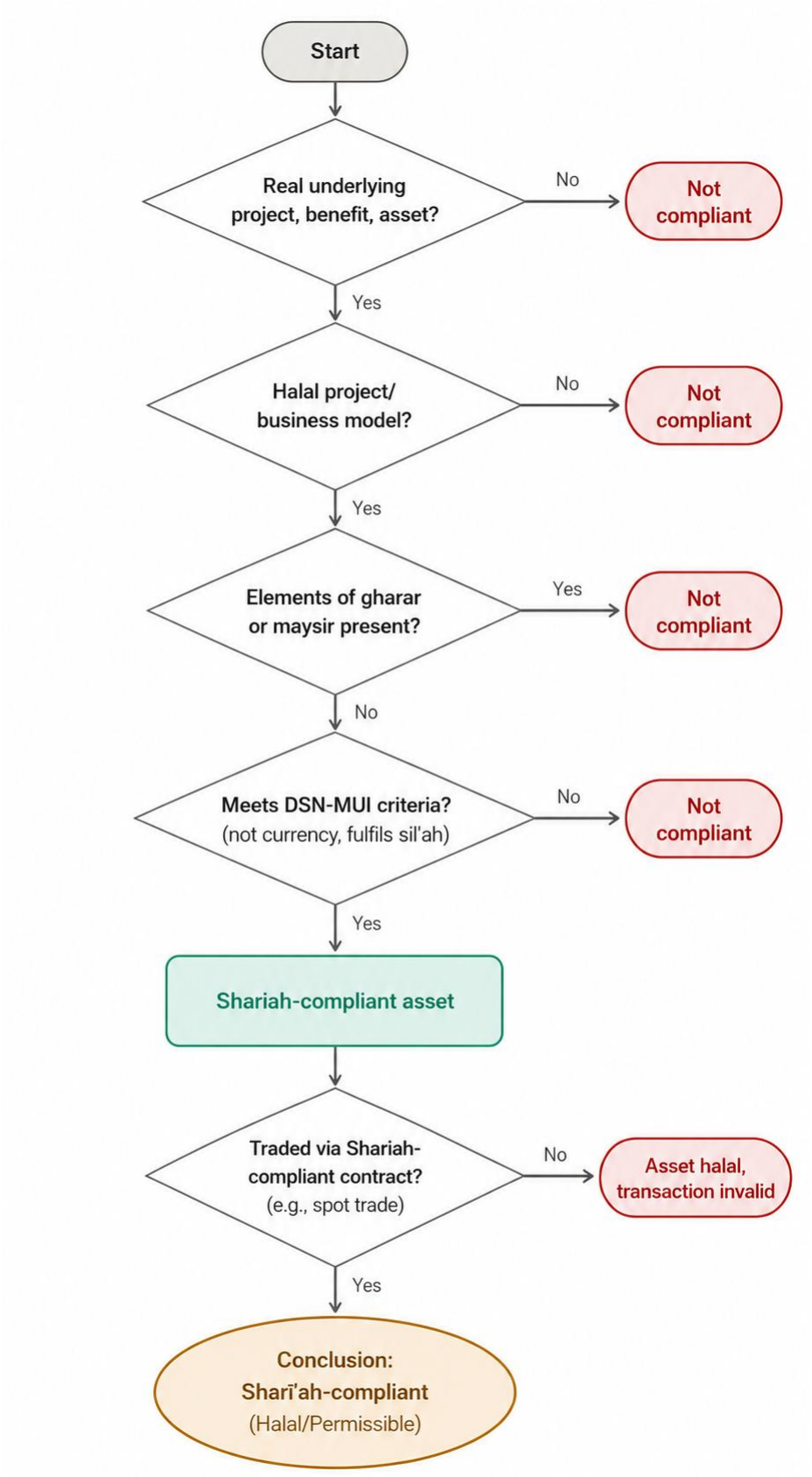

Figure 1. Sharīʿah screening flowchart for evaluating crypto asset compliance
Source: Data Processed by the Author (2025)

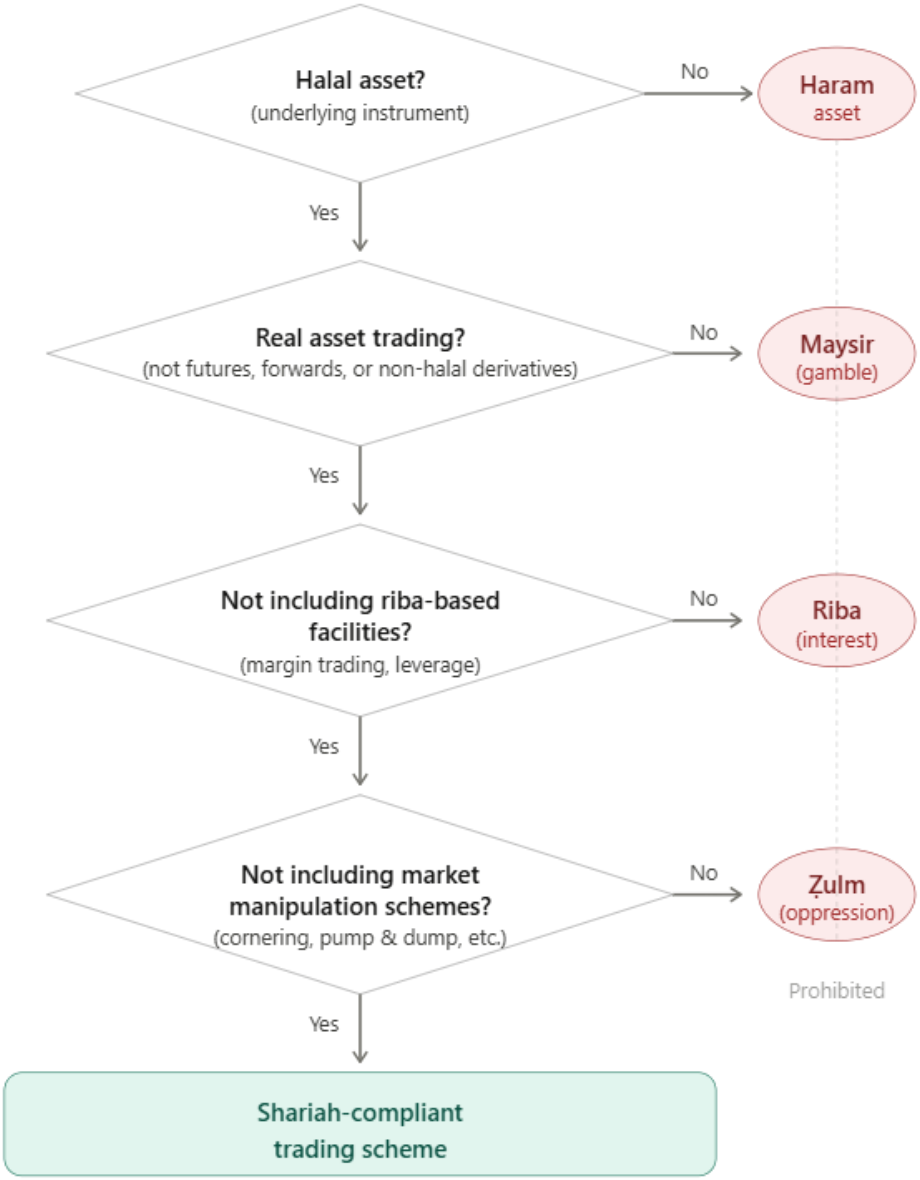

Figure 2. Sharīʿah screening flowchart for evaluating crypto asset trading compliance
Source: Data Processed by the Author (2025)

This flowchart shows the step-by-step decision-making process that operationalises the proposed screening criteria for crypto assets. The evaluation proceeds through a sequence of interconnected questions, namely (1) does the crypto asset possess a tangible project, identifiable benefit, or underlying asset, (2) is the underlying project or business model ḥalāl and free from prohibited industries or activities, (3) does the asset structure contain prohibited elements such as gharar or maysir, (4) does the asset satisfy the DSN-MUI criteria for a legitimate commodity, and (5) is the asset traded through Sharīʿah-compliant mechanisms, such as spot trading rather than speculative derivatives or interest-based financing. Failure to satisfy any stage of the assessment leads to a determination of non-compliance (ḥarām). Meanwhile, fulfilment of all criteria leads to a determination of Sharīʿah

compliance (ḥalāl). In this context, the flowchart provides a concise and replicable method for academics, regulators, and investors to screen crypto assets.

Based on the description above, this study applies the framework to four illustrative assets, namely Bitcoin (BTC), Ethereum (ETH), CasinoCoin (CSC), and Blockchain Capital Token (BCAP), selected to represent a spectrum of outcomes from potentially Sharīʿah-compliant to clearly non-compliant. For clarity of reporting, the five steps in the flowchart are condensed into four criteria in the Table 4 (Q1–Q4), by combining Steps (1)-(2) as Q1 (Underlying/Project Legitimacy), retaining Step (3) as Q2 (Structural Risk of Gharar/Maysir), retaining Step (4) as Q3 (Compliance with DSN-MUI Silʿah/Commodity Criteria), and making Step (5) as Q4 (Transaction and Use-Case Compliance). The screening results are presented in Table 4, allowing for consistent comparison between the criteria, supporting evidence, and the resulting Sharīʿah rulings.

Table 4. Sharīʿah Screening Table - Example Crypto Assets

No	Asset	Q1	Q2	Q3	Q4	Final Ruling (Core Rationale)
1	Bitcoin (BTC)	Pass; Network utility/manfaʿah; not tied to non-permissible industries	Pass; Mining as compensation for verification work; not structurally maysir	Pass; Digital asset with recognised value; transferable ownership	Pass (Conditional); Avoid speculative excess; prioritise spot trading and clear ownership transfer	Sharīʿah-compliant (conditional); clear utility; compliance depends on trading practice
2	Ethereum (ETH)	Pass; Smart-contract network; broad application ecosystem	Pass; Gas fee + in Chain PoS incentive structure; not structurally maysir.	Pass; Utility asset enabling access to services; transferable ownership	Pass (Conditional); Focus on ḥalāl use-cases; avoid non-Sharīʿah practices	Sharīʿah-compliant (conditional): valid underlying and utility; transaction practice is decisive[32]
3	Casino Coin (CSC)	Fail; Project designed for	Fail; Token functions as a	-	Fail; Dominant use-case is	Non-compliant (Ḥarām/Prohi

[32] Ethereum Foundation, 'Ethereum Staking: How Does It Work?', *Ethereum.Org*, 2022, https://ethereum.org/staking/.

No	Asset	Q1	Q2	Q3	Q4	Final Ruling (Core Rationale)
		gambling/maysir	gambling "chip"		prohibited activity)	bited): underlying and function are maysir-based
4	Blockchain Capital Token (BCAP)	Fail (Inclusion of non-Sharīʿah compliant projects in portfolio, like 1inch and AAVE)	Pass (Conditional) (primary issue is contractual and usage ambiguity, not token design per se)	-	Fail (no evidence of muḍārabah/ mushārakah structure; fund utilisation not Sharīʿah-screened)	Non-compliant / cannot be deemed compliant: contracts and portfolio are not Sharīʿah-clear.

Source: Data Processed by the Author (2025)

The above results show that crypto assets are not monolithic but can be systematically categorised into Sharīʿah-compliant (conditional) and non-compliant categories using the proposed criteria. These reinforce the main implication, where normative issues cannot be resolved by a uniform "ḥalāl/ḥarām" label but require an assessment that incorporates (i) the underlying character and function of the asset, (ii) the potential for illicit elements inherent in the design, and (iii) compliance with contracts and transaction practices. The following Discussion section interprets the screening results in relation to the position of fatwas and regulations in Indonesia and explains the implications for fatwa authorities, regulators, and industry players in formulating operational and applicable Sharīʿah standards.

From Fatwā Debate To Operational Sharīʿah Governance For Crypto Assets

The results have important implications for Islamic finance, regulatory policy, and the broader discourse on crypto assets in markets in Muslim-majority countries. In this section, the screening is interpreted in light of previous literature and fatwas, the significance for stakeholders is explained, and the contribution to the development of more operational Sharīʿah standards in Indonesia is emphasised.

Reconciliation with Previous Fatwas and Literature

The principal position advanced by this study contributes a more nuanced perspective to a debate frequently characterised by categorical prohibition. In various studies, cryptocurrencies are often viewed as problematic due to association with speculation and the potential for elements of gharar and maysir. Mohammed et al., Mukhoyyaroh, and Siregar et

al. emphasised the risks of speculation, ribā, and links to illegal activities, reinforcing the trend toward a blanket prohibition. In the Indonesian context, the MUI pronouncement for the 2017–2021 period is often interpreted as a strong cautionary statement, particularly when cryptocurrency is positioned as a currency.[33] However, this study is in line with a conditional or case-by-case approach. Faizi's criticism of the MUI fatwa considers the benefits of technology and fails to distinguish circumstances when crypto assets meet certain criteria.[34] Following the Shāfiʿī principle of "al-ʿibrah bi al-maqāṣid lā bi al-alfāẓ", this study prioritises the purpose of silʿah over the literal form. Technological innovation can be consistent with Sharīʿah, provided the concept is accompanied by adequate precautionary safeguards and evaluation mechanisms.

The comparatively positive assessment of Bitcoin and Ethereum, as evaluated through the proposed screening criteria, intersects with more moderate scholarly views concerning the permissibility of certain crypto assets. Kusuma argued that the practice of using cryptocurrency could be in line with Islamic law, provided the transaction mechanism was similar to familiar online transactions.[35] Within the framework, Bitcoin and Ethereum are positioned as having benefits (utility) recognised by Islamic jurisprudence, specifically when treated as assets/commodities and not as currencies. Linking the screening criteria to the DSN-MUI fatwa corpus is intended to build a conceptual bridge between established Islamic financial principles and fintech developments, allowing new phenomena to be evaluated through a familiar Sharīʿah paradigm.[36]

Implications for Stakeholders

For regulators and MUI/DSN-MUI authorities, this study offers a template for developing standard Sharīʿah guidelines or more operational fatwa directives for crypto assets. The authorities can use the proposed criteria to whitelist or blacklist specific tokens instead of a blanket ban. This approach has the potential to protect Muslim investors from clearly problematic crypto products, such as gambling-related or ribā-based tokens, while opening up space for innovation in segments consistent with Sharīʿah criteria. DSN–MUI has a relatively rich set of fatwas from contracts to the capital market, providing a normative foundation for developing a more comprehensive Sharīʿah-compliant crypto framework. At the implementation level, institutions such as BAPPEBTI and the Financial Services Authority (OJK) can consider Sharīʿah compliance checkpoints in the exchange supervision, ensuring that traded assets meet legal and regulatory requirements as well as pass Sharīʿah screening.

The results of this study help clarify the grey areas that Muslim investors have historically faced in the context of investors and industry players. The screening framework enables a more systematic process of due diligence through the assessment of a project's ḥalāl

[33] Mohammed et al., 'Guiding Fiqh Analysis of Crypto Assets'; Mukhoyyaroh, 'Viewing the Islamic Financial System, Islamic Views and Answers About Cryptocurrency'; Siregar et al., 'Kepastian Hukum Aset Kripto Sebagai Instrumen Investasi Dalam Persfektif Hukum Islam Dan Hukum Positif'.
[34] Faizi, 'Are Cryptocurrencies Ḥaram?'
[35] Kusuma et al., 'The Perspective of Islamic Law on Cryptocurrency for Commodity Future Exchange in Indonesia'.
[36] Hurriyah El Islamy, 'The Challenges of Cryptocurrencies and the Shariah Paradigm', in *Islamic FinTech*, ed. Mohd Ma'Sum Billah (Springer International Publishing, 2021), https://doi.org/10.1007/978-3-030-45827-0_22.

and legitimate use case, the identification of prohibited elements, as well as the evaluation of transactional forms and market practices in light of Sharīʿah standards. For project developers, incorporating Sharīʿah principles from the design stage can open access to the broad Muslim market through certification mechanisms and board oversight. For Islamic financial institutions, this framework serves as a foundation for designing Sharīʿah-compliant blockchain and crypto-asset-based products, such as blockchain-based sukuk, Sharīʿah-compliant stablecoins, and Islamic crowdfunding platforms. The approach proposed is relevant for other Muslim-majority countries because of a middle ground between total rejection and Islamic finance in the context of global discourse.

CONCLUSION

In conclusion, crypto assets are digital assets issued through a cryptographic process. Therefore, "crypto" refers to the technology and issuance mechanism, not a single, uniform asset category. Crypto assets are in various forms, namely NFTs, stablecoins, DeFi tokens, utility tokens, payment tokens, security tokens, privacy tokens, exchange tokens, and meme coins. In this context, determining ḥukm (Islamic law) requires an approach that differentiates the character and function of each asset.

In the Indonesian context, the results are read with the VII MUI Fatwa Commission's Ijtimāʿ ʿUlamāʾ (2021). Cryptocurrency is not permitted as currency because the concept contradicts Law No. 7/2011 and PBI No. 17/2015. As a commodity and digital asset, cryptocurrency trading is considered impermissible when the asset contains elements of gharar, ḍarar, and qimār and fails to satisfy the requirements of silʿah as a lawful object of exchange. However, a conditional basis for permissibility remains available in instances where the relevant Sharīʿah requirements are fulfilled. In response, crypto has been regulatory positioned as assets under Bappebti Regulation No. 8 of 2021, and strengthened by the financial sector innovation framework through POJK No. 3 of 2024. Analytically, this study argues that price volatility cannot be used as a measure of gharar. The requirements of silʿah are generally met except for physical form, without obtaining any evidence that absolutely requires physical form. Several crypto projects have clear underlying assets, making a blanket ban inappropriate. Therefore, this study shows that there is potential for the framework to be adopted as Sharīʿah standards for crypto assets in Indonesia based on the results of the Ijtima (Islamic consensus) and the DSN–MUI fatwa corpus. The two core provisions proposed are as follows: (1) crypto projects must have an underlying asset that is Sharīʿah-compliant and not fraudulent, and (2) transactions must comply with Sharīʿah standards. Based on the foundation, this study identifies product development opportunities such as CBDCs, blockchain-based sukuk, blockchain-based shares, blockchain-based Sharīʿah crowdfunding, blockchain-based Sharīʿah money market instruments, Sharīʿah digital wallets, Sharīʿah payment platforms, blockchain-based Sharīʿah P2P lending, Sharīʿah stablecoins, and Sharīʿah asset-backed tokens. The first limitation of this study is normative-doctrinal-based. Further analysis is needed to expand the application of standards to a broader spectrum of assets and test the operationalisation of screening and institutional mechanisms for Sharīʿah compliance

checkpoints, as the crypto ecosystem evolves rapidly. The second limitation is practical in nature, since the proposed framework has not undergone empirical testing or validation from the crypto community, exchanges, the OJK, and the DSN-MUI. The proposed development is a qualitative interview study with stakeholders to validate the practicality of the proposed framework.

CONFLICT OF INTEREST

The authors declare no conflict of interest.

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