

Beyond Formal Compliance in Digital Gold Investment under Financial Technology through Maqasid al-Shariah

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ABSTRACT

The expansion of financial technology has transformed gold investment from physical ownership into digitally mediated financial claims, raising fundamental questions regarding ownership, possession, and Sharia compliance. Existing regulatory and scholarly approaches tend to assess compliance through formal legal criteria, often overlooking the substantive ethical objectives embedded in Islamic law. This study examines Sharia compliance in digital gold investment through a maqasid al-shariah framework to evaluate both its formal validity and its alignment with the protection of wealth. This research adopts a normative legal approach combining doctrinal analysis with maqasid-based evaluation to assess contemporary digital gold investment practices. The findings indicate that while digital gold investment structures may satisfy formal requirements by avoiding *riba*, *gharar*, and *maysir*, their compliance remains conditional when evaluated through maqasid considerations. The reliance on platform-based systems introduces systemic risks, including custodial dependency, technological vulnerability, and information asymmetry, which may undermine the objective of *hifz al-mal*. These risks reveal a gap between procedural compliance and substantive protection. This study argues for a shift from formalistic Sharia compliance toward an outcome-oriented evaluative framework grounded in maqasid al-shariah. By re-centering ethical objectives in financial assessment, the study contributes to ongoing debates on the regulation of digital financial instruments in Islamic finance.

Keywords: digital gold investment, sharia compliance, maqasid al-shariah, financial technology, islamic finance



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Introduction

The rapid advancement of digital technology has significantly transformed contemporary financial systems, particularly in the realm of investment practices. One of the most notable developments is the emergence of digital gold investment, which enables individuals to own and trade gold through electronic platforms without direct physical possession. This innovation has gained considerable

traction in countries such as Indonesia, where fintech based platforms such as Pegadaian Digital, Pluang, and IndoGold have expanded access to gold investment by allowing fractional ownership with relatively low entry costs (OJK, 2023). While such developments contribute to financial inclusion and efficiency, they simultaneously raise complex legal and ethical questions within the framework of Islamic economic law.

In classical Islamic jurisprudence (*fiqh al mu'amalat*), gold is classified as a *ribawi* commodity, meaning that its exchange is governed by strict legal requirements. These include the principles of immediacy (*taqabud*), equivalence (*tamathul*), and the prohibition of deferment in certain types of transactions to prevent *riba al fadl* and *riba al nasi'ah* (Zuhayli, 1986). These principles were historically developed in the context of tangible, face to face transactions, where the physical delivery of goods ensured certainty and transparency. However, the transition to digital gold investment introduces a fundamental shift in the nature of ownership, as gold is often held by third party custodians and represented through electronic records rather than direct physical control.

This transformation raises a critical jurisprudential question: can digitally mediated ownership fulfill the requirements of *qabd* (possession) as recognized in Islamic law? Contemporary scholars and institutions have attempted to address this issue, but consensus remains limited. The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), for instance, emphasizes that valid possession may be achieved through constructive possession (*qabd hukmi*), provided that the asset is clearly identifiable and accessible to the owner ((AAOIFI), 2017). However, the application of this concept in digital environments remains contested, particularly when ownership is mediated by complex technological systems and institutional arrangements.

A number of studies have examined digital financial instruments such as cryptocurrencies, fintech based investments, and online commodity trading from the perspective of Islamic law (Dusuki & Abdullah, 2007); (Hassan et al., 2022). In the Indonesian context, research on digital gold investment has generally concluded that such practices are permissible (*mubah*) as long as they comply with key Sharia principles, including the avoidance of *riba*, *gharar*, and *maysir* (Riswanto et al., 2024). Similarly, the Majelis Ulama Indonesia, through its National Sharia Council (MUI, 2010), has issued Fatwa No. 77/DSN MUI/VI/2010 concerning non cash gold trading, which allows such transactions under specific conditions, including the existence and deliverability of the gold. This conditional permissibility reflects that non cash gold transactions are not inherently unproblematic, particularly when ownership is mediated through digital platforms. Recent studies emphasize that the validity of such transactions depends not only on the existence of the asset but also on the clarity of ownership rights

and the certainty of delivery, which become increasingly complex in digital environments (Nadid & SW, 2024).

However, despite these normative endorsements, much of the existing literature remains predominantly descriptive and formalistic. Most studies tend to focus on whether digital gold transactions comply with established legal conditions, without critically examining the broader implications of digitalization for Islamic legal reasoning. In particular, there is limited engagement with the question of whether such practices substantively fulfill the objectives of Islamic law (*maqasid al shariah*), especially in terms of protecting wealth (*hifz al mal*) and ensuring economic justice. This gap is significant, as formal compliance does not necessarily guarantee substantive alignment with the ethical and socio economic goals of Sharia (Kamali, 2008).

Furthermore, the reliance on digital platforms introduces new forms of risk and uncertainty that are not fully addressed in classical jurisprudence or existing fatwas. These include issues related to data transparency, platform dependency, custody risk, and potential asymmetry of information between users and service providers. From a regulatory perspective, the Otoritas Jasa Keuangan (OJK) and the Commodity Futures Trading Regulatory Agency (BAPPEBTI) have established frameworks for supervising digital asset transactions. Nevertheless, these regulatory mechanisms are primarily focused on consumer protection and market stability, rather than the deeper normative questions of Sharia compliance.

Comparative developments in other jurisdictions, such as Malaysia, further highlight the evolving nature of Islamic financial regulation. Bank Negara Malaysia has introduced guidelines on gold investment accounts that attempt to balance Sharia compliance with technological innovation. However, these frameworks also underscore the ongoing tension between classical legal doctrines and contemporary financial practices, particularly in relation to ownership, possession, and risk allocation (Malaysia, 2018). This suggests that the legal evaluation of digital gold investment cannot rely solely on traditional fiqh categories, but must also incorporate a more dynamic and context sensitive approach.

In light of these considerations, this study seeks to address the existing gap by offering a critical analysis of digital gold investment from the perspective of Islamic muamalah law, with particular emphasis on *maqasid al shariah*. Unlike previous studies that focus primarily on formal legality, this research aims to evaluate whether digital gold investment practices substantively align with the objectives of Sharia, particularly in terms of safeguarding wealth, minimizing uncertainty, and promoting fairness in economic transactions. By integrating classical jurisprudential principles with contemporary financial realities, this study contributes to the development of a more robust analytical framework for assessing digital investment practices in the modern Sharia economy.

Research Method

This study employs a normative legal research approach (doctrinal research) to examine digital gold investment practices within the framework of Islamic muamalah law. Normative legal research is particularly appropriate for analyzing legal norms, principles, and doctrines derived from classical Islamic jurisprudence as well as contemporary regulatory instruments (Ibrahim, 2023). Rather than relying on empirical data, this approach focuses on the systematic interpretation of legal sources to assess the validity and legitimacy of digital gold transactions in light of Sharia principles.

The analytical framework of this study is grounded in *usul al fiqh*, with a particular emphasis on *maqasid al shariah* as the primary evaluative lens. The concept of *maqasid*, as elaborated by Jasser Auda and Mohammad Hashim Kamali, is used to assess whether digital gold investment not only fulfills formal legal requirements but also aligns with the broader objectives of Islamic law, especially the protection of wealth (*hifz al mal*) and the prevention of harm (*daf' al darar*). This framework allows the study to move beyond formalistic legal analysis and engage in a more substantive evaluation of Sharia compliance (Auda, 2008); (Kamali, 2008).

In addition to *maqasid* analysis, this study utilizes several classical legal reasoning tools within *usul al fiqh*, including *qiyas* (analogical reasoning), *istihsan* (juristic preference), and *sadd al dhariah* (blocking the means to harm). *Qiyas* is employed to compare digital gold transactions with classical gold exchange practices, particularly in relation to the concept of possession (*qabd*). *Istihsan* is used to evaluate whether deviations from classical rules may be justified in light of contemporary financial needs and public interest (*maslahah*). Meanwhile, *sadd al dhariah* is applied to assess potential risks associated with digital platforms, such as uncertainty, information asymmetry, and speculative behavior.

The data sources in this study consist of primary and secondary legal materials. Primary sources include classical *fiqh* texts, such as works of Wahbah al Zuhayli (Zuhayli, 1986), as well as contemporary Sharia standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions ((AAOIFI), 2017). In addition, fatwas issued by the Majelis Ulama Indonesia, particularly DSN MUI Fatwa No. 77/DSN MUI/VI/2010 on non cash gold trading, are analyzed as key normative references. Secondary sources include peer reviewed journal articles, books on Islamic finance and fintech, as well as regulatory documents issued by institutions such as Otoritas Jasa Keuangan (OJK) and Bank Negara Malaysia.

The method of analysis follows a qualitative doctrinal approach consisting of three main stages. First, legal materials are systematically classified based on thematic relevance, including concepts of ownership, possession, contractual validity, and prohibition of *riba*, *gharar*, and *maysir*. Second, these materials are

critically analyzed using the maqasid framework and *usūl al fiqh* tools to identify both conformity and tension between classical legal principles and contemporary digital practices. Third, normative conclusions are derived by synthesizing the findings and evaluating whether digital gold investment practices substantively fulfill Sharia objectives or merely comply with formal legal requirements.

To ensure analytical rigor, this study adopts a triangulation strategy by comparing perspectives from classical jurists, contemporary scholars, and modern regulatory frameworks. This comparative approach enhances the validity of the analysis and allows for a more comprehensive understanding of the evolving nature of Islamic financial law in the digital era. Through this methodology, the study aims to provide a theoretically grounded and critically informed assessment of digital gold investment within the broader discourse of Islamic economic law.

Results and Discussion

Digital Gold Investment: Conceptual and Legal Transformation

Digital gold investment should not be understood merely as a technological extension of conventional gold trading; rather, it represents a structural transformation in the nature of asset ownership within contemporary financial systems. In recent years, the proliferation of fintech platforms has enabled individuals to acquire fractional ownership of gold through digital interfaces, thereby eliminating the need for physical possession while maintaining exposure to gold as a financial asset. This shift reflects a broader trend in financial digitalization, where tangible assets are increasingly converted into digitally mediated claims, altering both market behavior and legal interpretation (Muneeza et al., 2018). transformation is consistent with broader findings in Islamic fintech literature, which show that digital financial innovation not only increases efficiency but also reconfigures the structure of financial intermediation by shifting control from direct ownership to platform based systems (Hassan et al., 2022).

From an Islamic legal perspective, this transformation introduces a fundamental tension between classical jurisprudential constructs and modern financial practices. Gold, as a *ribawi* commodity, is subject to strict transactional rules, particularly the requirement of immediate possession (*qabd*) to prevent *riba* and ensure transactional certainty. However, digital gold investment operates through a system in which ownership is recorded electronically and the underlying asset is held by third party custodians. This separation between ownership and physical control raises critical questions regarding whether such arrangements can fulfill the legal requirements of possession in Islamic law. Contemporary discussions on digital gold transactions further highlight that the shift from physical to digital ownership introduces legal ambiguity, particularly regarding the enforceability of ownership claims and the operational meaning of possession within platform based systems (Fitriah & Hidayat, 2024).

Recent scholarship in Islamic fintech suggests that contemporary financial systems increasingly rely on what may be termed “institutionally mediated ownership,” where control over assets is exercised through contractual and technological mechanisms rather than direct physical interaction (Saiti et al., 2023); (Firmansyah & Anwar, 2022). In this model, investors do not possess gold in the traditional sense but instead hold enforceable claims against platform providers. While such arrangements may be recognized under the concept of constructive possession (*qabd hukmi*), their validity depends on the degree of accessibility, transparency, and control afforded to the investor. As argued by Muneeza and Mustapha (Muneeza et al., 2018) the absence of direct verification mechanisms in digital platforms may weaken the substantive meaning of ownership, even when formal contractual conditions are satisfied.

This issue becomes more pronounced when digital gold investment is analyzed within the broader context of financialization. Unlike traditional gold ownership, which is typically associated with long term wealth preservation, digital gold platforms often facilitate real time trading, price tracking, and speculative engagement. Empirical studies in financial economics indicate that the digitalization of assets tends to encourage short term trading behavior, thereby increasing exposure to volatility and speculative risk (Baur & Hoang, 2021). In this sense, digital gold may function less as a stable store of value and more as a tradable financial instrument, raising concerns about its alignment with the ethical objectives of Islamic finance. In this regard, recent studies on Islamic gold investment indicate that digitalization has gradually repositioned gold from a long term wealth preservation asset into a more liquid and tradable instrument, thereby increasing exposure to short term market behavior (Verawati, 2024).

Moreover, the platform based nature of digital gold investment introduces additional layers of complexity related to governance and risk distribution. Fintech platforms simultaneously act as intermediaries, custodians, and transaction facilitators, creating a concentration of roles that may lead to asymmetries of information between providers and users. According to Hassan et al. (Hassan et al., 2022), such asymmetries are a defining characteristic of digital financial ecosystems and may undermine transparency and fairness if not properly regulated. In the context of Islamic law, this raises concerns about *gharar*, not in its classical form as contractual ambiguity, but as systemic uncertainty embedded within digital infrastructures.

In the Indonesian context, the rapid expansion of digital gold investment has been supported by regulatory oversight from the Otoritas Jasa Keuangan and BAPPEBTI, which aim to ensure operational transparency and consumer protection. While these regulatory frameworks provide a degree of institutional assurance, they primarily address technical and procedural aspects of financial transactions rather than their normative implications. As noted in recent studies

on Islamic financial regulation, compliance with national regulatory standards does not necessarily guarantee alignment with Sharia principles, particularly when underlying risks remain insufficiently addressed (Hidayat et al., 2023). This transformation is closely linked to the broader evolution of the digital economy, where financial activities are increasingly structured through technological systems that reshape both transactional practices and legal interpretation in Islamic economic law (Abdurrahman & Iska, 2024).

At the same time, it would be overly simplistic to reject digital gold investment solely on the basis of its departure from classical transactional forms. Islamic law has historically demonstrated a degree of flexibility in adapting to changing economic realities, particularly through the recognition of constructive possession and evolving commercial practices. Contemporary scholars argue that the key issue is not whether digital gold replicates classical models of ownership, but whether it ensures equivalent levels of certainty, control, and protection for all parties involved (Saiti et al., 2023).

This perspective suggests that the evaluation of digital gold investment must move beyond binary classifications of permissibility and prohibition. Instead, it requires a more nuanced analysis that considers the interaction between legal principles, technological systems, and market behavior. The transformation from physical to digital ownership does not necessarily invalidate the transaction, but it does alter the conditions under which Sharia compliance must be assessed.

In sum, digital gold investment represents a profound conceptual and legal transformation within Islamic economic practice. It challenges traditional notions of ownership and possession while introducing new forms of risk and opportunity. Although existing legal frameworks provide a basis for its conditional acceptance, they remain insufficient to fully capture the complexities of digital financial systems. This transformation underscores the need for a more comprehensive evaluative approach, particularly one that integrates classical jurisprudence with contemporary financial realities. Such an approach becomes essential when assessing not only the formal legality but also the substantive ethical alignment of digital gold investment, which will be further examined through a *maqasid* based analysis in the following section.

Sharia Compliance Reconsidered: A Maqasid Based Analysis

The assessment of Sharia compliance in digital financial innovation, including digital gold investment, requires moving beyond a purely formalistic framework toward a more substantive and goal oriented approach. While classical Islamic jurisprudence emphasizes the prohibition of *riba*, *gharar*, and *maysir*, contemporary developments in financial technology have introduced complexities that cannot be fully addressed through these categories alone. In this context, the framework of *maqasid al shariah* becomes essential, as it allows for the evaluation of financial practices based on their broader socio economic consequences rather

than merely their contractual form. In this regard, contemporary scholarship increasingly links Islamic fintech development with *maqasid al shariah*, emphasizing that financial innovation must be assessed not only in terms of legality but also in its contribution to ethical, inclusive, and sustainable economic outcomes (Goud & Hassan, 2021).

The emergence of fintech has fundamentally transformed the structure of financial intermediation by integrating digital technologies such as blockchain, artificial intelligence, and mobile platforms into financial services. As highlighted by Hassan, and Aliyu (Hasan et al., 2020), fintech enhances efficiency, transparency, and accessibility, thereby reshaping the way financial transactions are conducted. However, the same study also identifies Sharia compliance, transparency, and accountability as major challenges within Islamic fintech ecosystems. This dual character of fintech as both an enabler and a source of new risks necessitates a more nuanced evaluation framework.

From a *maqasid* perspective, the protection of wealth (*hifz al mal*) is a central objective that must guide financial practices. However, contemporary analyses of non cash gold transactions indicate that the protection of wealth cannot be ensured solely through formal contractual compliance. The absence of direct control and independent verification over digitally held assets may weaken the substantive realization of ownership, even when legal requirements appear to be fulfilled (Nadid & SW, 2024). In traditional gold transactions, this objective is realized through direct ownership and possession, which ensure certainty and control over the asset. However, digital gold investment introduces a structural shift in which ownership is mediated through digital platforms and custodial arrangements. This transformation raises critical questions regarding the extent to which such systems can guarantee asset security and user control.

The literature suggests that fintech based systems often rely on institutional and technological trust rather than direct verification. For instance, Zavolokina, Dolata, and Schwabe (Zavolokina et al., 2017) describe fintech as a transformation driven by IT enabled innovations that reshape financial ecosystems and user interactions. Similarly, (Gomber et al., 2018) emphasize that fintech introduces new forms of efficiency and service delivery while simultaneously disrupting traditional financial structures. These findings imply that digital financial systems are not merely technological tools but complex socio technical environments that influence how risk and control are distributed among stakeholders.

Within this environment, the nature of uncertainty (*gharar*) also evolves. Classical jurisprudence defines *gharar* in terms of ambiguity in contractual elements, such as price or object. However, in digital financial systems, uncertainty may arise from systemic factors, including platform reliability, cybersecurity vulnerabilities, and data asymmetry. As noted in the broader fintech literature, these risks are often embedded within the infrastructure of financial systems

rather than explicitly stated in contracts (Lee & Shin, 2018). This shift suggests that the concept of *gharar* must be reinterpreted to account for structural and technological uncertainties. This broader understanding of uncertainty is also reflected in recent studies on Islamic financial transactions, which emphasize that *gharar* in digital contexts often arises from systemic opacity and platform dependency rather than from contractual ambiguity alone (Atika et al., 2023).

At the same time, fintech offers significant opportunities that align with maqasid objectives, particularly in promoting financial inclusion. (Hasan et al., 2020) highlight that fintech enables broader access to financial services by reducing barriers associated with traditional banking systems. This is further supported by the findings of Muneeza, Arshad, and Arifin (Muneeza et al., 2018), who demonstrate that blockchain based crowdfunding can enhance financial inclusion by connecting investors and beneficiaries more directly. Such developments reflect the potential of fintech to contribute to socio economic justice, which is a key objective of Islamic law. Nevertheless, the expansion of digital financial access must be approached cautiously, as increased accessibility may also expose users to higher levels of financial risk, particularly in contexts where regulatory awareness and financial literacy remain uneven (Abdurrahman & Iska, 2024).

However, the expansion of access must be carefully balanced against the risks of misuse and speculative behavior. The digitization of financial services, including digital gold investment, facilitates rapid and frequent transactions that may encourage short term speculation rather than long term wealth preservation. In Islamic jurisprudence, such behavior raises concerns related to *maysir*, particularly when investment decisions are driven by uncertainty and the pursuit of quick gains. This indicates that the ethical dimension of financial behavior must be considered alongside formal compliance.

Another critical issue concerns governance and standardization within Islamic fintech. (Hasan et al., 2020) point out that many fintech firms lack uniform reporting and Sharia governance standards, making it difficult to evaluate their compliance and performance. The absence of standardized frameworks may lead to inconsistencies in how Sharia principles are applied, thereby undermining trust in digital financial systems. This concern is particularly relevant in the context of digital gold investment, where the verification of asset backing and custodial integrity is essential.

The need for robust governance is also emphasized in studies on blockchain and Islamic finance. Abojeib and Habib (Abojeib & Habib, 2019), for example, argue that blockchain technology has the potential to enhance transparency and accountability in Islamic financial institutions, particularly in managing social finance instruments such as waqf. However, they also highlight that the effectiveness of such technologies depends on proper implementation and

regulatory oversight. This suggests that technology alone cannot guarantee compliance; it must be supported by appropriate institutional frameworks.

From a maqasid based perspective, these findings indicate that Sharia compliance should be understood as a multidimensional concept that encompasses legal, technological, and ethical considerations. Digital gold investment may satisfy formal requirements, such as asset backing and contractual clarity, but its substantive compliance depends on whether it genuinely protects wealth, minimizes harm, and promotes fairness.

Furthermore, the dynamic nature of fintech implies that Sharia compliance cannot be treated as a fixed status. As new technologies emerge, new forms of risk and uncertainty will continue to evolve. Therefore, Islamic legal analysis must remain adaptive, incorporating contemporary knowledge while remaining grounded in foundational principles. This approach aligns with the maqasid framework, which emphasizes flexibility and responsiveness to changing circumstances.

In conclusion, a maqasid based analysis reveals that the evaluation of digital gold investment must extend beyond formal legality to include the broader implications of digital financial systems. While fintech offers significant opportunities for enhancing efficiency and inclusion, it also introduces new challenges that require careful consideration. Sharia compliance, therefore, should be viewed as an ongoing and dynamic process that seeks to balance innovation with the fundamental objectives of Islamic law.

Sharia Compliance Reconsidered: A Maqasid Based Analysis

The rapid expansion of digital financial technologies has created new opportunities for innovation within the Sharia economy, but it has also exposed significant regulatory and practical challenges. In the context of digital gold investment, these challenges are particularly pronounced due to the intersection between financial technology, commodity based transactions, and Islamic legal principles. While regulatory bodies have made considerable efforts to adapt to these developments, gaps remain between technological advancement and the capacity of legal frameworks to ensure both compliance and protection.

One of the primary challenges lies in the fragmentation of regulatory authority. In Indonesia, digital gold investment is overseen by multiple institutions, including Otoritas Jasa Keuangan (OJK) and the Commodity Futures Trading Regulatory Agency (BAPPEBTI). While this multi layered regulatory structure aims to enhance oversight, it may also create ambiguity in terms of jurisdiction, standards, and enforcement. Such fragmentation can lead to inconsistencies in how digital financial products are evaluated, particularly when distinguishing between financial instruments and commodity based investments. In this context, the role of regulatory authorities becomes crucial in ensuring transparency and accountability within digital financial services, particularly in protecting users

from emerging risks associated with fintech based investment platforms (Khoirunisa et al., 2023).

This issue is not unique to Indonesia. Global studies on fintech regulation indicate that regulatory frameworks often struggle to keep pace with technological innovation, resulting in what is commonly described as a “regulatory lag” (Lee & Shin, 2018). This lag creates a space in which financial products can evolve faster than the rules designed to govern them. In the context of Islamic finance, this challenge is further complicated by the need to ensure Sharia compliance alongside conventional regulatory requirements.

Another critical challenge concerns the standardization of Sharia governance within digital financial platforms. Unlike traditional Islamic financial institutions, which typically operate under established Sharia supervisory boards, many fintech platforms lack clear and consistent governance structures. (Hasan et al., 2020) emphasize that the absence of standardized Sharia governance frameworks in fintech environments can lead to inconsistencies in compliance and reduce trust among users. This is particularly relevant for digital gold investment, where the legitimacy of transactions depends not only on contractual design but also on the credibility of the platform managing the assets.

Furthermore, the verification of asset backing represents a major practical concern. Digital gold investment platforms generally claim that each unit of digital gold is supported by physical reserves stored in secure facilities. However, the ability of users to independently verify this claim is often limited. This creates a reliance on institutional assurances rather than direct evidence, which may conflict with the principle of transparency emphasized in Islamic commercial law. In the absence of robust auditing and reporting mechanisms, the risk of misrepresentation or operational failure cannot be entirely eliminated. This concern is particularly significant in digital gold investment, where the legitimacy of transactions depends on the verifiability of underlying assets, an issue that has been critically discussed in recent studies on non cash gold trading in Islamic law (Nadid & SW, 2024).

Technological risks also play a significant role in shaping the practical challenges of digital Sharia finance. Fintech systems are inherently dependent on digital infrastructure, making them vulnerable to cybersecurity threats, system failures, and data breaches. As noted in broader fintech studies, these risks are not merely technical but can have substantial financial and legal implications for users (Gomber et al., 2018). In the context of digital gold investment, such vulnerabilities may directly affect the accessibility and security of assets, thereby undermining the objective of wealth protection (*hifz al mal*).

In addition to technological risks, issues related to user behavior and financial literacy must also be considered. The accessibility and convenience of digital platforms can encourage participation from a wide range of users, including

those with limited understanding of financial risks. While this inclusivity aligns with the maqasid objective of expanding access to economic opportunities, it also increases the likelihood of misuse and speculative behavior. Digital gold investment, when treated as a short term trading instrument rather than a long term store of value, may expose users to risks that contradict the ethical principles of Islamic finance.

Another important dimension is the lack of integration between regulatory frameworks and Sharia objectives. While institutions such as OJK focus on consumer protection, financial stability, and market efficiency, these goals do not always fully align with the broader ethical considerations of Islamic law. As a result, a financial product may be legally compliant from a regulatory standpoint while still raising concerns from a Sharia perspective. This disconnect highlights the need for a more integrated approach that combines regulatory oversight with maqasid based evaluation.

Efforts to address these challenges have begun to emerge, particularly through the development of regulatory sandboxes and innovation frameworks. These initiatives allow regulators to test new financial products in controlled environments, thereby reducing uncertainty and improving regulatory responsiveness. However, their effectiveness depends on the extent to which they incorporate Sharia considerations into their evaluation processes. Without such integration, the gap between technological innovation and Islamic legal principles is likely to persist.

Moreover, the global nature of digital finance introduces additional complexities related to cross border transactions and regulatory harmonization. Digital platforms often operate beyond national boundaries, making it difficult to apply uniform standards of compliance. This is particularly challenging in Islamic finance, where interpretations of Sharia may vary across jurisdictions. As a result, a product deemed permissible in one context may be viewed differently in another, creating uncertainty for both providers and users.

In light of these challenges, it becomes clear that the development of a sustainable digital Sharia economy requires more than technological innovation. It necessitates a comprehensive framework that integrates regulatory standards, Sharia governance, and technological reliability. Such a framework should ensure that financial products are not only efficient and accessible but also aligned with the ethical and legal principles of Islamic law.

In conclusion, digital gold investment illustrates the broader challenges facing the digital Sharia economy. While it offers significant opportunities for financial inclusion and innovation, it also exposes critical gaps in regulation, governance, and risk management. Addressing these challenges requires a collaborative effort between regulators, scholars, and industry practitioners to develop adaptive and integrated frameworks that can respond to the evolving

nature of digital finance. Only through such efforts can the digital transformation of Islamic finance achieve its full potential while remaining faithful to its foundational principles.

Conclusion

This study has examined digital gold investment within the framework of Islamic muamalah law by integrating classical legal principles with a maqasid al shariah approach. The findings indicate that while digital gold investment may satisfy formal Sharia requirements such as the absence of *riba*, *gharar*, and *maysir* its substantive compliance remains contingent upon broader structural and systemic considerations. The transformation from physical ownership to digitally mediated claims introduces new dimensions of risk, particularly in relation to asset control, platform dependency, and information asymmetry, which are not fully captured by traditional legal categories.

From a theoretical perspective, this study contributes to the ongoing discourse in Islamic economic law by demonstrating the limitations of purely formalistic approaches to Sharia compliance in the context of financial digitalization. By employing a maqasid based analytical framework, the study highlights the need to shift from rule based validation toward outcome oriented evaluation. In particular, the concept of *hifz al mal* (protection of wealth) is reinterpreted to include not only contractual validity but also the reliability of digital infrastructures and the effectiveness of risk mitigation mechanisms. This expands the scope of Islamic legal analysis to accommodate the complexities of contemporary financial systems.

At the practical level, the study underscores the importance of strengthening regulatory and institutional frameworks governing digital financial platforms. Regulatory bodies should move beyond procedural compliance and incorporate maqasid oriented criteria into their evaluation processes, particularly in assessing transparency, asset verification, and user protection. In addition, digital financial providers must enhance governance mechanisms, including independent auditing, clear disclosure of asset backing, and robust risk management systems, in order to ensure that their operations align with both legal and ethical standards.

The findings also suggest that user behavior and financial literacy play a critical role in determining the Sharia compliance of digital financial practices. While digital gold investment has the potential to promote financial inclusion, its accessibility may also encourage speculative behavior that contradicts the ethical foundations of Islamic finance. Therefore, educational initiatives and user awareness programs are essential to ensure that financial innovation contributes positively to socio economic welfare.

Despite its contributions, this study has several limitations. First, the analysis is primarily normative and does not include empirical data on user behavior or platform performance, which could provide deeper insights into the practical implications of digital gold investment. Second, the study focuses mainly on the Indonesian context, and thus its findings may not be fully generalizable to other jurisdictions with different regulatory and institutional frameworks. Future research is therefore encouraged to incorporate empirical approaches and comparative analyses in order to develop a more comprehensive understanding of digital financial practices within Islamic law.

In conclusion, digital gold investment represents both an opportunity and a challenge for the development of the digital Sharia economy. While it offers new pathways for financial inclusion and efficiency, it also requires a rethinking of how Sharia compliance is defined and assessed in the digital age. A maqasid based approach provides a promising framework for addressing these challenges by ensuring that financial innovation remains aligned with the fundamental objectives of Islamic law.

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