

A Maqāṣid Al-Shari‘ah Based Comparative Analysis Of Crypto Asset Regulation In Indonesia, Malaysia, And The United Arab Emirates

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Abstract: *The rapid expansion of crypto assets since 2020 has generated complex challenges for Islamic economic law, particularly regarding the coherence of legal norms and fatwas across jurisdictions. Although crypto assets offer economic opportunities, regulatory and juristic responses in Muslim majority countries remain fragmented, reflecting the absence of a standardized maqāṣid al shari‘ah based evaluative framework. This study aims to analyze and compare the legal norms and fatwas governing crypto assets in Indonesia, Malaysia, and the United Arab Emirates during 2020 to 2025 from a maqāṣid-oriented perspective. The research employed a normative comparative legal approach supported by an evaluative simulation model, utilizing secondary data from publicly available regulations, fatwas, and official policy documents. The simulation operationalized key maqāṣid dimensions, namely protection of wealth, protection of intellect, and prevention of harm, across three regulatory scenarios consisting of crypto assets as means of payment, commodities or investment instruments, and objects of zakat. The results show that crypto assets receive higher normative acceptance when positioned as commodities or investment instruments, while their treatment as means of payment and zakat objects remains legally contested. Cross-jurisdictional variations reveal how differing institutional priorities and implicit maqāṣid orientations shape regulatory outcomes. These findings contribute theoretically by demonstrating the applicability of maqāṣid al shari‘ah as an operational evaluative tool in digital finance governance and practically by offering a framework to support the harmonization of fatwas and regulatory policies. Overall, the study highlights the importance of a standardized maqāṣid based approach to enhance legal coherence and certainty in regulating crypto assets within Islamic economic systems.*

Keywords: Maqāṣid Al-Shari‘ah, Crypto Assets, Legal Norms And Fatwas, Islamic Economic Law, Comparative Legal Analysis.

Abstrak: Perkembangan pesat aset kripto sejak tahun 2020 telah menimbulkan tantangan yang kompleks bagi hukum ekonomi Islam, khususnya terkait dengan koherensi norma hukum dan fatwa lintas yurisdiksi. Meskipun aset kripto menawarkan peluang ekonomi, respons regulatif dan yuridis di negara-negara berpenduduk mayoritas Muslim masih bersifat terfragmentasi, yang mencerminkan ketidadaan kerangka evaluasi berbasis maqāṣid al shari‘ah yang terstandarisasi. Penelitian ini bertujuan untuk menganalisis dan membandingkan norma hukum dan fatwa yang mengatur aset kripto di Indonesia, Malaysia, dan Uni Emirat Arab dalam rentang waktu 2020 hingga 2025 dari perspektif maqāṣid. Penelitian ini menggunakan pendekatan hukum normatif komparatif yang didukung oleh model simulasi evaluatif, dengan memanfaatkan data sekunder yang bersumber dari regulasi, fatwa, dan dokumen kebijakan resmi yang tersedia untuk publik. Simulasi ini mengoperasionalkan dimensi utama maqāṣid, yaitu perlindungan harta, perlindungan akal, dan pencegahan mudarat, dalam tiga skenario regulasi yang meliputi aset kripto sebagai alat pembayaran, sebagai komoditas atau instrumen investasi, serta sebagai objek zakat. Hasil penelitian menunjukkan bahwa aset kripto memperoleh tingkat penerimaan normatif yang lebih tinggi ketika diposisikan sebagai komoditas atau instrumen investasi, sementara perlakuan sebagai alat pembayaran dan objek zakat masih diperdebatkan secara hukum. Variasi lintas yurisdiksi menunjukkan bahwa perbedaan prioritas kelembagaan dan orientasi maqāṣid yang bersifat implisit turut membentuk hasil regulasi. Temuan ini berkontribusi secara teoretis dengan menunjukkan penerapan maqāṣid al shari‘ah sebagai alat evaluasi yang operasional dalam tata kelola keuangan digital, serta secara praktis dengan menawarkan suatu kerangka untuk mendukung harmonisasi fatwa dan kebijakan regulatif. Secara keseluruhan, penelitian ini menegaskan pentingnya pendekatan berbasis maqāṣid yang terstandarisasi guna meningkatkan koherensi dan kepastian hukum dalam pengaturan aset kripto dalam sistem ekonomi Islam.

Kata Kunci: Maqāṣid Al Shari‘ah, Aset Kripto, Norma Hukum Dan Fatwa, Hukum Ekonomi Islam, Analisis Hukum Komparatif.

1. Introduction

Since 2020, the rapid expansion of cryptocurrencies as global digital assets has increasingly reshaped contemporary financial systems, including the landscape of the sharia economy, thereby raising fundamental questions regarding their legal and ethical status under Islamic law. As decentralized instruments characterized by high volatility, the absence of intrinsic value, and speculative trading behavior, cryptocurrencies pose persistent concerns related to gharar or uncertainty, maysir or gambling, and potential harm or dharar, all of which stand in tension with the normative foundations of Islamic finance.¹ In response to these challenges, *maqāṣid al shārī’ah*, centered on the protection of religion, life, intellect, progeny, and wealth, has increasingly been invoked as a normative framework capable of mediating between technological innovation and Islamic legal principles.

Despite these normative concerns, contemporary scholarship does not uniformly reject crypto assets. Several studies argue that cryptocurrencies may be conditionally accommodated within Islamic finance when their utilization demonstrably aligns with *maqāṣid* objectives, particularly through mechanisms that reduce excessive uncertainty and promote public benefit, such as asset-backed crypto instruments or stablecoins.² In Indonesia, this conditional approach is reflected in the position of the Indonesian Ulema Council or MUI, which classifies cryptocurrencies as impermissible when functioning as legal tender but potentially permissible as tradable commodities provided they possess identifiable underlying assets and measurable benefits.³ Similar debates also extend to the permissibility of crypto assets as zakat objects, subject to requirements of lawful ownership, valuation certainty, and fulfillment of nisab thresholds.⁴ These positions illustrate that the core issue is not merely technological novelty, but the absence of a coherent normative standard for assessing sharia compliance.

At the regulatory level, the governance of crypto assets across Muslim majority jurisdictions remains fragmented, generating significant challenges for legal certainty, consumer protection, and Sharia conformity. In Indonesia, regulatory dualism persists as Bank Indonesia prohibits cryptocurrencies as a means of payment, while the Commodity Futures Trading Supervisory Agency or Bappebti recognizes them as tradable commodities, creating normative ambiguity within both conventional and sharia-based transactions.⁵ Comparable regulatory complexities are evident in Malaysia and the United Arab Emirates, where sharia advisory bodies and financial authorities have adopted divergent institutional approaches and ethical assessments, resulting in varied legal classifications and fatwas on crypto assets.⁶ This divergence reflects the absence of harmonized evaluative criteria grounded in Islamic legal objectives.

¹ Karin Joana Abigail, “Analisis Yuridis Terhadap Investasi Cryptocurrency Dalam Kerangka Hukum Ekonomi Syariah Di Indonesia,” *Ekopedia: Jurnal Ilmiah Ekonomi* 1, no. 2 (June 2025): 449–58.

² Ahmad Al Izham Izadin, Rosylin Mohd. Yusof, and Ahmad Rizal Mazlan, “The Integration of Maqasid Shariah in Evaluating Stablecoins and Traditional Cryptocurrencies for Islamic Portfolios Diversification,” *International Journal of Islamic and Middle Eastern Finance and Management* 18, no. 3 (April 2025): 577–97.

³ Muhammad Ridha, “TINJAUAN HUKUM ISLAM TENTANG CRYPTOCURRENCY: STUDI KASUS BITCOIN DALAM KATEGORI HARTA SYUBHAT,” *HEI EMA: Jurnal Riset Hukum, Ekonomi Islam, Ekonomi, Manajemen Dan Akuntansi* 4, no. 2 (July 2025): 61–77.

⁴ Dhea Andini Nathania, Sandy Rizki Febriadi, and Arif Rijal Anshori, “Tinjauan Keputusan Ijtimai Ulama Komisi Fatwa MUI No. VII Tahun 2021 Tentang Kelayakan Cryptocurrency Sebagai Instrumen Pembayaran Zakat,” *Bandung Conference Series: Sharia Economic Law* 5, no. 2 (July 2025).

⁵ Hajrianto Tomia, Sudirman Sudirman, and Wahyudi Umar, “Kepastian Hukum Cryptocurrency Dalam Transaksi Jual Beli E-Commerce,” *JURNAL RECHTENS* 13, no. 2 (December 2024): 285–98.

⁶ Hendricka R A Bahtera, Joko Setiono, and Iza Fadri, “Legal Protection for Crypto Asset Investors in Indonesia Within an Incomprehensive Regulatory Framework and Its Implications for Legal Certainty,” *Jurnal Greenation Sosial Dan Politik* 3, no. 3 (August 2025): 521–29.

The existing literature on cryptocurrencies from an Islamic legal perspective has contributed valuable insights, but remains limited in analytical integration. Previous studies have examined crypto assets as potential zakat objects amid regulatory vacuums.⁷ developed fiqh-based analytical frameworks to address definitional and technological complexities.⁸ assessed crypto volatility through maqāṣid oriented portfolio strategies.⁹ and compared divergent fatwas across jurisdictions.¹⁰ However, these studies are largely jurisdiction specific or thematic and have not systematically employed a maqāṣid based comparative legal analysis to assess the coherence of legal norms and fatwas across multiple countries within a defined temporal scope. As a result, there remains no comprehensive study that integrates maqāṣid al shari‘ah as an operational evaluative framework to comparatively examine the alignment and divergence of regulatory norms and fatwas on crypto assets across multiple jurisdictions within a single analytical model.

This research gap becomes increasingly consequential as crypto assets intersect with broader domains of Islamic economic law, including zakat administration, inheritance of digital assets, investor protection, and dispute resolution. The absence of explicit legal provisions governing crypto based zakat obligations.¹¹ inheritance rights over digital assets.¹² and a comprehensive investor protection mechanism.¹³ underscores a broader normative insufficiency that threatens legal certainty and public trust. Given the influential role of DSN MUI fatwas as doctrinal references frequently internalized into regulatory practice and positive law, unresolved normative inconsistencies may generate systemic legal implications.¹⁴

Against this background, maqāṣid al shari‘ah, particularly the principles of hifz al mal or protection of wealth, hifz al nafs or protection of life, and hifz al aql or protection of intellect, offer a coherent normative lens for evaluating crypto asset regulation and fatwa formulation. Prior applications of the maqāṣid framework in Islamic banking, sukuk investment, digital financial governance, and legal protection regimes demonstrate its capacity to promote justice, public welfare, and regulatory coherence¹⁵. Nevertheless, its systematic application to multi-jurisdiction crypto asset regulation and fatwa harmonization remains underdeveloped.

Therefore, this study aims to analyze legal norms and fatwas governing crypto assets in Indonesia, Malaysia, and the United Arab Emirates from a maqāṣid al shari‘ah perspective by employing a normative comparative legal methodology based on official regulatory documents and authoritative fatwa texts issued between 2020 and 2025. By identifying areas of convergence and divergence across these jurisdictions, this research seeks to develop a

⁷ Mustofa Anwar et al., “HUKUM KRIPTO DALAM ISLAM: ETIKA DAN FATWA ULAMA,” *Jurnal Al-Kharaj: Studi Ekonomi Syariah, Muamalah, Dan Hukum Ekonomi* 5, no. 1 (June 2025): 1–21.

⁸ Mustafa Omar Mohammed, Mohamed Cherif El Amri, and Ayman Mohammad Bakr, “Guiding Fiqh Analysis of Crypto Assets: A Proposed Framework,” *AHKAM : Jurnal Ilmu Syariah* 24, no. 2 (December 2024): 277–94.

⁹ Izadin, Mohd. Yusof, and Mazlan, “The Integration of Maqasid Shariah in Evaluating Stablecoins and Traditional Cryptocurrencies for Islamic Portfolios Diversification.”

¹⁰ Wartoyo Wartoyo and Alvien Septian Haerisma, “Cryptocurrency in The Perspective of Maqasid Al-Shariah,” *Afkaruna: Indonesian Interdisciplinary Journal of Islamic Studies* 18, no. 1 (July 2022).

¹¹ Anwar et al., “HUKUM KRIPTO DALAM ISLAM.”

¹² Fuad Luthfi, Ahmadi Hasan, and Jalaluddin Jalaluddin, “Tantangan Dan Regulasi Dalam Pewarisan Aset Digital: Studi Perbandingan Hukum Positif Dan Hukum Islam,” *Indonesian Journal of Islamic Jurisprudence, Economic and Legal Theory* 2, no. 4 (December 2024): 12–25.

¹³ Robertus Nugroho Perwiro Atmojo and Fokky Fuad, “Upaya Perlindungan Hukum Bagi Para Konsumen Pemegang Aset Kripto Di Indonesia,” *Jurnal Hukum To-Ra : Hukum Untuk Mengatur Dan Melindungi Masyarakat* 9, no. 2 (August 2023): 254–76.

¹⁴ Arum Tarina, Muhammad Luthfi Radian, and Meri Andriani, “Kepastian Hukum Atas Fatwa DSN-MUI Pada Bidang Perbankan Syariah Pasca Putusan Mahkamah Konstitusi Nomor 65/PUU-XIX/2021,” *Jurnal Hukum Sasana* 9, no. 1 (April 2024).

¹⁵ Dakum Dakum and Moh Tamtowi, “Evaluasi Maqāṣidī Terhadap Fatwa DSN-MUI No. 116/IX/2017 Tentang Uang Elektronik Syariah,” *Asy-Syir’ah: Jurnal Ilmu Syari’ah Dan Hukum* 53, no. 1 (June 2019): 114–40.

structured maqāṣid based evaluation model and propose norm harmonization recommendations to strengthen legal certainty, consumer protection, and sharia compliance in the evolving landscape of Islamic digital finance.

2. Literature Review

A. Maqāṣid al Sharī'ah as a Normative Framework in Islamic Economic Law

Maqāṣid al sharī'ah constitutes a fundamental normative framework in Islamic law that places the protection of religion, life, intellect, lineage, and wealth as the primary objectives of legal formulation and implementation. Within the field of Islamic economic law, maqāṣid functions not merely as an ethical principle but also as an evaluative instrument for assessing the conformity of contemporary economic practices with values of justice, public welfare, and societal protection. Several studies emphasize that a maqāṣid oriented approach enables Islamic law to respond adaptively to economic and technological developments while maintaining its normative legitimacy.¹⁶

In the development of modern Islamic commercial law, maqāṣid al sharī'ah has increasingly been positioned as a methodological approach that transcends purely textual interpretations of permissibility and prohibition. This approach prioritizes substantive legal outcomes, particularly in safeguarding wealth and preventing systemic harm. Accordingly, maqāṣid provides a relevant analytical lens for evaluating novel economic phenomena that were not explicitly addressed in classical fiqh literature, including digital financial instruments and crypto assets.

B. Crypto Assets in the Perspective of Islamic Law

Crypto assets are decentralized digital instruments that operate through blockchain technology and are traded globally without centralized authority. These characteristics have generated extensive debate within Islamic law, particularly concerning issues of uncertainty, gambling, and potential harm arising from price volatility and speculative trading practices. A number of studies indicate that the absence of intrinsic value and the instability of crypto markets constitute primary factors underlying juristic reservations regarding their permissibility under Islamic law.¹⁷

Nevertheless, contemporary Islamic legal scholarship does not uniformly reject crypto assets. Several analyses argue that crypto assets may be conditionally accommodated within Islamic finance when they are utilized as commodities or investment instruments that provide identifiable economic benefits and are not employed as speculative payment tools.¹⁸ This perspective suggests that the core legal concern lies not in the underlying technology itself, but in the functional classification and regulatory governance of crypto assets within Islamic economic transactions.

C. Legal Norms and Fatwas on Crypto Assets across Jurisdictions

Legal norms and fatwas concerning crypto assets in Muslim majority jurisdictions demonstrate significant variation in institutional and regulatory approaches. In Indonesia, regulatory dualism arises from differing positions adopted by monetary authorities and trade regulators, while religious fatwas distinguish the legal status of crypto assets based on their functional use. Similar regulatory and juristic diversity is observable in Malaysia and the United

¹⁶ Fitri Maulida, Lathifah Munawaroh, and Alfian Qodri Azizi, "Kritik Maqashid Syari'ah Terhadap Syarat Berpisah Selama Enam Bulan Dalam Perceraian," *JURNAL USM LAW REVIEW* 8, no. 3 (September 2025): 1292–311.

¹⁷ Hendra Setiawan, "ANALYSIS OF CRYPTOCURRENCY AS A NEW CURRENCY WITH THE MAQASHID SHARIA APPROACH," *KOMITMEN: Jurnal Ilmiah Manajemen* 6, no. 1 (January 2025): 50–61.

¹⁸ Izadin, Mohd. Yusof, and Mazlan, "The Integration of Maqasid Shariah in Evaluating Stablecoins and Traditional Cryptocurrencies for Islamic Portfolios Diversification."

Arab Emirates, where Islamic advisory bodies and financial regulators apply distinct ethical and institutional assessments in determining sharia compliance of crypto assets.¹⁹

These divergent legal norms and fatwas reflect the absence of harmonized evaluative standards grounded in Islamic legal objectives. As a consequence, levels of legal certainty and consumer protection vary considerably across jurisdictions. Existing literature highlights that such fragmentation poses challenges for cross border transactions and the development of sharia compliant digital financial ecosystems, thereby underscoring the need for a coherent normative framework.²⁰

D. Research Framework and Position of the Study

Based on the foregoing literature, it can be concluded that *maqāṣid al sharī‘ah* possesses significant potential as a normative evaluative framework for assessing legal norms and fatwas on crypto assets. However, most existing studies remain partial in scope, focusing either on single jurisdictions, specific legal issues, or particular functional uses of crypto assets. The absence of a systematic comparative analysis that integrates *maqāṣid al sharī‘ah* as an operational evaluative tool across multiple jurisdictions indicates a substantial research gap.

Accordingly, this study positions itself to address this gap by constructing a *maqāṣid* based evaluative framework to comparatively analyze legal norms and fatwas governing crypto assets in Indonesia, Malaysia, and the United Arab Emirates. The research framework is designed to elucidate the relationship between sharia objectives, legal classification of crypto assets, and the need for normative harmonization in order to enhance legal certainty, consumer protection, and public interest within contemporary Islamic economic systems.

3. Research Methods

This study adopts a normative comparative legal research approach combined with a normative evaluative simulation framework to analyze legal norms and fatwas concerning crypto assets from the perspective of *maqāṣid al sharī‘ah*. This design is selected because the primary objective of the study is not to examine market behavior or empirical actors, but to evaluate the coherence, consistency, and *maqāṣid* orientation of regulations and fatwas applicable across different jurisdictions.

The simulation employed in this study is not computational or empirically experimental in nature, but rather a normative simulation, namely a structured legal assessment model using *maqāṣid* based indicators to compare normative tendencies across countries. This approach aligns with the characteristics of Islamic legal research and is consistent with the aim of identifying patterns of convergence and divergence in legal norms and crypto asset related fatwas in Indonesia, Malaysia, and the United Arab Emirates during the period from 2020 to 2025.

This study relies exclusively on secondary data and publicly available datasets without involving field data collection or human subjects. The primary data sources include official regulatory and policy documents, authoritative fatwas and sharia related documents issued by recognized Islamic institutions, and publicly accessible supporting documents such as regulatory reports and policy papers that are directly relevant to crypto assets.

Overall, the study analyzes approximately 25 to 35 core documents consisting of regulations and fatwas from each jurisdiction. Documents were selected based on three inclusion criteria, namely official or authoritative status, direct relevance to crypto assets or digital finance, and publication within the period from 2020 to 2025. Documents that were non-authoritative, outdated, or not directly relevant were excluded from the analysis. All selected

¹⁹ Anwar et al., “HUKUM KRIPTO DALAM ISLAM.”

²⁰ Bahtera, Setiono, and Fadri, “Legal Protection for Crypto Asset Investors in Indonesia Within an Incomprehensive Regulatory Framework and Its Implications for Legal Certainty.”

documents were subsequently classified according to jurisdiction, type of norm, and regulatory object.

In this study, the term *simulation* does not refer to a computational, statistical, or empirical experiment. Rather, it denotes a normative analytical assessment model designed to evaluate legal norms and fatwas using structured maqāṣid al shari‘ah indicators. The use of the term simulation emphasizes a comparative and scenario based evaluative process, rather than numerical modeling or empirical measurement.

The normative simulation model was developed to assess the extent to which legal norms and fatwas governing crypto assets reflect the primary objectives of maqāṣid al shari‘ah. This model does not examine market behavior or enforcement outcomes, but focuses on evaluating the normative orientation, coherence, and maqāṣid alignment of regulatory and fatwa texts across jurisdictions. The analytical framework was structured to ensure consistency and comparability in cross-jurisdictional legal analysis.

The first stage involved the identification of maqāṣid dimensions most relevant to the characteristics and risks associated with crypto assets. Based on prior maqāṣid based legal and financial studies, three core dimensions were selected, namely hifz al māl (protection of wealth), hifz al ‘aql (protection of rationality and transparency), and hifz al nafs (protection from potential harm and systemic risk). These dimensions were chosen due to their direct relevance to issues of value preservation, speculative behavior, information asymmetry, and consumer protection in digital financial environments.

The second stage consisted of formulating normative evaluation parameters for each maqāṣid dimension, including legal certainty, control of gharar and maysir, recognition of public benefit, availability of protective mechanisms, and risk mitigation provisions. Each regulation and fatwa document was then assessed using a qualitative structured scale representing low, medium, or high levels of maqāṣid fulfilment. The scoring process was applied uniformly to maintain analytical consistency across jurisdictions.

In the final stage, the model was applied to three regulatory scenarios, namely crypto assets as means of payment, as commodities or investment instruments, and as objects of zakat obligations. These scenarios reflect the primary functional classifications debated in Islamic economic law. The resulting patterns were analyzed to identify convergence and divergence in maqāṣid orientation among Indonesia, Malaysia, and the United Arab Emirates.

Overall, this normative simulation framework provides a systematic and transparent method for comparative maqāṣid based legal analysis while remaining consistent with the qualitative and doctrinal nature of Islamic legal research.

Evaluation of the simulation results was conducted using several analytical indicators, including normative consistency between state regulations and sharia fatwas within a single jurisdiction, maqāṣid coherence reflected in the protection of analyzed sharia dimensions, the degree of cross jurisdictional harmonization, and potential legal implications for legal certainty and consumer protection.

These indicators function as qualitative analytical tools and are not intended to serve as absolute quantitative measurements. The analytical procedure consisted of several stages, including normative coding of documents, mapping into maqāṣid dimensions and parameters, simulation based assessment using the established scale, and cross jurisdictional comparative analysis. The coding process was conducted manually through doctrinal coding supported by spreadsheet assisted analysis to maintain consistency and transparency.

This study does not involve human subjects, personal data, or sensitive information and therefore does not require ethical clearance. All data sources are derived from publicly accessible documents. To support research reproducibility, document selection criteria, evaluation parameters, and scoring schemes are explicitly described and can be presented in tabular form or as appendices in the final article.

4. Results and Discussion

A. Overview of Normative Simulation Outcomes

The normative simulation of crypto asset regulations and fatwas in Indonesia, Malaysia, and the United Arab Emirates during the 2020 to 2025 period reveals variations in the level of maqāṣid al shari‘ah fulfilment that are closely aligned with the functional classification of crypto assets. Based on the evaluation of approximately 25 to 35 official regulatory documents and authoritative fatwas, the overall maqāṣid fulfilment scores tend to fall within the low to medium category when crypto assets are treated as means of payment, the medium to high category when positioned as commodities or investment instruments, and the low to medium category when assessed as objects of zakat obligations.

From a comparative perspective, the dimension of protection of wealth consistently achieves the highest fulfilment scores across all three jurisdictions, while the dimensions of protection of intellect and protection from harm display more pronounced variation between countries.

B. Comparative Results by Jurisdiction in Indonesia, Malaysia And United Arab Emirates

In the Indonesian context, the simulation results indicate that legal norms and fatwas adopt a restrictive stance toward the use of crypto assets as means of payment, with maqāṣid fulfilment scores remaining in the low to medium range. This outcome is primarily driven by the prohibition of crypto assets as legal tender and the strong emphasis on potential elements of uncertainty and gambling. By contrast, when crypto assets are treated as commodities, the protection of wealth score increases to the medium category, reflecting recognition of their economic value within the commodity futures trading regime. Nevertheless, the dimensions of protection of intellect and protection from harm remain at low to medium levels due to limited consumer protection mechanisms and the absence of explicit legal norms governing zakat and digital asset inheritance.

Malaysia demonstrates a relatively more consistent normative pattern, particularly in scenarios where crypto assets function as investment instruments. The fulfilment scores for protection of wealth and protection of intellect fall within the medium to high range, reflecting the presence of a more structured sharia evaluation framework integrated with regulatory oversight. However, in the context of crypto assets as zakat objects, fulfilment scores remain in the medium category, indicating substantive regulatory limitations similar to those observed in Indonesia.

The simulation results for the United Arab Emirates reveal the most permissive regulatory orientation, with high fulfilment scores in the dimension of protection of wealth under investment and digital financial innovation scenarios. Nonetheless, fulfilment levels for protection of intellect and protection from harm remain moderate, suggesting that the regulatory approach in the United Arab Emirates prioritizes market stability and economic risk mitigation rather than explicit maqāṣid articulation within sharia norms.

Table 1. Comparative Maqāṣid Fulfilment Scores Across Jurisdictions 2020 to 2025

No	Jurisdiction	Payment (Currency)	Commodity/ Investment	Zakat Object
1	Indonesia	Low	Medium	Low
2	Malaysia	Medium	High	Medium
3	UAE	Medium	High	Medium

Table 1 summarizes maqāṣid fulfilment scores across jurisdictions and functional scenarios. The overall pattern indicates that Malaysia and the United Arab Emirates achieve higher scores in investment related scenarios compared to Indonesia, while all three

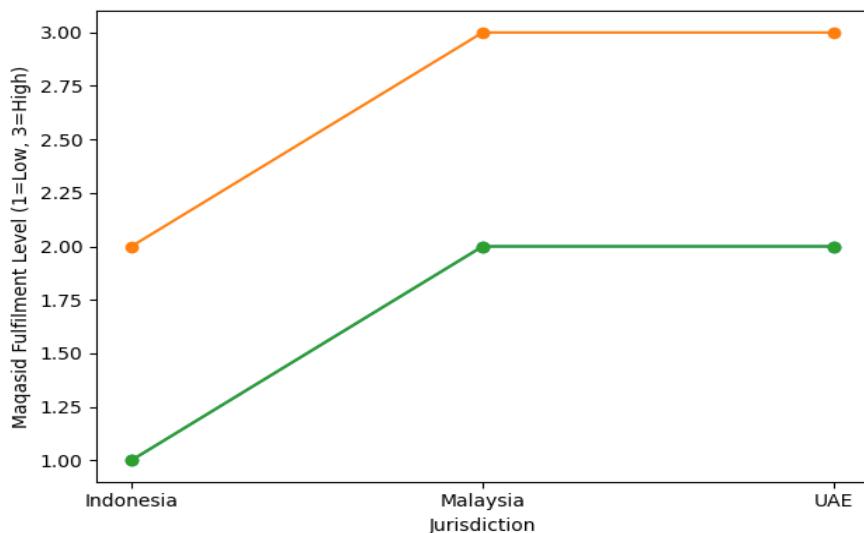
jurisdictions exhibit relatively low scores when crypto assets are treated as means of payment or as zakat objects.

Figure 1 illustrates differences in legal orientation across jurisdictions, highlighting fragmentation in normative approaches to crypto asset regulation.

To further clarify the comparative patterns identified through the normative simulation, the results reveal a consistent trend across jurisdictions in relation to the functional classification of crypto assets. When assessed as means of payment, all three jurisdictions display relatively low maqāṣid fulfilment scores, reflecting heightened regulatory caution and juristic concern over monetary instability and speculative risks. In contrast, fulfilment scores increase noticeably when crypto assets are positioned as commodities or investment instruments, particularly in the dimension of protection of wealth, indicating broader regulatory acceptance of their economic value within controlled legal frameworks.

Across the three scenarios, Malaysia and the United Arab Emirates demonstrate more stable scoring patterns than Indonesia, especially in investment oriented assessments. Malaysia shows relatively balanced scores across protection of wealth and protection of intellect, suggesting a more structured evaluative approach within regulatory and sharia governance. The United Arab Emirates exhibits higher scores in market oriented scenarios, reflecting its emphasis on financial innovation and risk management. Indonesia, by comparison, displays sharper variations between scenarios, with lower scores persisting in areas related to consumer protection and legal certainty beyond commodity trading.

Overall, the results indicate that divergences in maqāṣid fulfilment are more strongly influenced by the functional treatment of crypto assets than by jurisdiction alone. This finding underscores the central role of regulatory classification in shaping normative outcomes within Islamic economic law during the 2020 to 2025 period.



The primary findings of this study demonstrate that implicit differences in maqāṣid orientation within regulations and fatwas directly contribute to the fragmentation of crypto asset legal norms across jurisdictions. Although all three countries recognize the potential economic benefits of crypto assets, priorities related to the protection of wealth, rationality and transparency, and prevention of harm are translated differently in legal and sharia frameworks. This confirms that the core issue lies not in the absence of norms, but in the lack of a standardized and operational maqāṣid based evaluative framework.

The findings align with prior studies by Anwar et al. and Mohammed et al., which emphasize fragmentation in fiqh and regulatory approaches toward crypto assets across Muslim majority jurisdictions. The observation that crypto assets are more readily accepted as investment instruments than as means of payment reinforces conclusions by Izadin et al., who highlight the role of risk management in tolerating volatility. However, in contrast to studies that predominantly emphasize prohibition, such as those by Wartoyo and Haerisma, this research reveals a more nuanced and contextual normative spectrum. The key contribution of this study therefore lies in its use of a *maqāṣid* based normative simulation to compare legal coherence across jurisdictions rather than relying solely on descriptive juridical analysis.

C. Normative Challenges and Harmonization Issues

Despite growing recognition of crypto assets within Islamic economic discourse, the findings reveal persistent normative challenges that hinder the harmonization of legal norms and fatwas across jurisdictions. A central challenge concerns divergent legal classifications of crypto assets as currency, commodity, or investment instruments. These classifications directly shape *maqāṣid* evaluation outcomes, particularly in relation to legal certainty, risk allocation, and consumer protection.

In Indonesia, the separation between monetary law and commodity regulation creates a dual normative structure in which crypto assets are simultaneously restricted and accommodated. This dualism complicates alignment between positive law and fatwa, resulting in fragmented guidance for market participants. Malaysia, while exhibiting a more structured sharia advisory framework, continues to face challenges in translating procedural coherence into substantive harmonization, particularly in matters related to zakat obligations and digital asset inheritance. The United Arab Emirates prioritizes market stability and innovation driven regulation, facilitating investment oriented acceptance while leaving *maqāṣid* articulation largely implicit rather than doctrinally explicit.

At the transnational level, the absence of shared *maqāṣid* benchmarks encourages regulatory arbitrage and generates normative uncertainty for Muslim investors. In the context of borderless digital assets, inconsistent fatwa positions risk undermining public trust in Islamic financial governance. From a *maqāṣid* perspective, the fundamental challenge is not the permissibility of crypto assets *per se*, but the lack of an operational framework capable of aligning legal form, economic function, and ethical objectives coherently.

Accordingly, harmonization should be understood as alignment in evaluative reasoning rather than uniformity in legal outcomes. A *maqāṣid* based harmonization approach enables jurisdictions to retain contextual flexibility while adhering to shared ethical benchmarks such as transparency, risk mitigation, and harm prevention.

D. Maqāṣid Based Analysis of Crypto Assets

A *maqāṣid* oriented evaluation of crypto assets requires a differentiated assessment of how legal norms and fatwas engage with the core objectives of Islamic law, particularly protection of wealth, protection of intellect, and protection of public welfare. The findings demonstrate that *maqāṣid* fulfilment varies significantly depending on functional classification, regulatory design, and institutional orientation.

Jurisdictions adopting controlled investment frameworks tend to achieve higher protection of wealth scores through mechanisms that manage volatility, prevent fraud, and protect investors. In contrast, approaches centered solely on prohibition may reduce exposure to risk but simultaneously constrain lawful wealth generation. Protection of intellect is closely linked to regulatory clarity and disclosure requirements, as normative ambiguity increases speculative behavior and undermines rational participation. Protection of public welfare extends beyond individual loss to encompass systemic risks, reinforcing the importance of consumer safeguards and preventive regulation as expressions of *maqāṣid*.

Taken together, this analysis confirms that effective maqāṣid fulfilment depends not on binary classifications of permissibility, but on the integration of ethical objectives with functional regulatory instruments.

From a theoretical perspective, these findings reinforce maqāṣid al sharī‘ah as a dynamic and operational evaluative framework rather than a purely abstract normative concept. Partial or implicit application of maqāṣid tends to produce legal inconsistency, whereas systematic application enhances regulatory coherence and fatwa legitimacy. This study contributes to Islamic economic law theory by offering an operational maqāṣid evaluation model applicable to digital finance issues.

From a practical and policy perspective, the findings highlight the need for standardized maqāṣid indicators in the formulation of crypto asset regulations and fatwas, stronger coordination between state regulators and sharia institutions, and the development of specific legal frameworks governing zakat and digital asset inheritance. The normative simulation model proposed in this study may serve as a policy assessment tool prior to the issuance of new regulations or fatwas.

Overall, the results and discussion demonstrate that crypto asset regulation in Indonesia, Malaysia, and the United Arab Emirates remains in a phase of normative transition, characterized by varying levels of maqāṣid fulfilment across jurisdictions and functional scenarios. These findings underscore the urgency of adopting a structured and comparative maqāṣid approach as a foundation for strengthening legal coherence, which in turn informs the conclusions and normative recommendations presented in the final section of this article.

5. Conclusion

This study examines the legal norms and fatwas governing crypto assets in Indonesia, Malaysia, and the United Arab Emirates during the period 2020 to 2025 through a maqāṣid al sharī‘ah perspective using a normative comparative approach supported by an evaluative simulation framework. The findings demonstrate that crypto assets tend to receive higher normative acceptance when classified as commodities or investment instruments, while their treatment as means of payment and objects of zakat remains more legally contested. These variations indicate that divergent legal and fatwa outcomes are shaped less by technological novelty and more by differences in maqāṣid orientation and regulatory classification across jurisdictions.

From a theoretical standpoint, this study contributes to Islamic economic law by reinforcing maqāṣid al sharī‘ah as an operational and evaluative framework rather than a purely abstract normative doctrine. By translating maqāṣid principles into structured assessment parameters, this research advances methodological discussions on how Islamic legal objectives can be systematically applied to emerging financial technologies. The comparative dimension further highlights how institutional interpretations of maqāṣid influence legal coherence and fragmentation within contemporary Islamic finance.

Practically, the findings underscore the need for regulators and sharia advisory institutions to adopt standardized maqāṣid based indicators in the formulation of crypto asset regulations and fatwas, particularly in relation to consumer protection, zakat governance, and digital asset inheritance. The evaluative framework proposed in this study may serve as a policy assessment tool to support more coherent and anticipatory regulatory decision making, thereby enhancing legal certainty and public trust in Islamic digital finance.

This study is subject to certain limitations. The analysis relies exclusively on secondary data derived from publicly available regulations and fatwas and employs a qualitative normative simulation that does not capture actual market behavior or enforcement effectiveness. Future research may expand the scope of analysis by including additional jurisdictions, integrating empirical data, or applying the maqāṣid based evaluative framework

to other forms of digital financial innovation such as decentralized finance, tokenized assets, and central bank digital currencies.

Overall, this study emphasizes the importance of a structured and standardized maqāsid based approach in strengthening the coherence, legitimacy, and future development of Islamic legal responses to crypto assets in an increasingly digital financial environment.

6. Daftar Pustaka

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