

## FIQH MUAMALAH OVERVIEW OF ELECTRONIC MONEY PRODUCTS AT LINKAJA SHARIAH

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**ABSTRACT.** *This research reveals a fiqh muamalah review of electronic money on LinkAja Syariah and analyzes journals, classic books, DSN-MUI fatwas as well as related regulations. The research method used is a qualitative descriptive method with secondary data sources obtained from previous research by linking it with the MUI DSN Fatwa, AAOIFI Standards, and classical books. This research is literature research (library research). The data collection technique used was literature study and documentation. The results of this study are that the practice of electronic money in LinkAja Syariah has met the principles of shariah in implementing the electronic money scheme on products that have been analyzed by researchers and from the point of view of maqashid shariah, electronic money schemes give birth to many maslahat.*

**Keywords:** *Fiqh Muamalah, Electronic Money, LinkAja Shariah*

### 1. INTRODUCTION

In this modern era, technology has become one of the primary needs of society in utilizing all resources required. The presence of technology makes it easier for humans to utilize resources so that it becomes easier and more efficient. The development of technology is not only to meet the needs of society but also very helpful in economic activities.

Significant technological developments make human life run very rapidly, effectively, and efficiently. It is undeniable that this lifestyle encourages the emergence of non-cash technology-based payment systems such as the use of debit cards, credit cards, ATM cards, and electronic money (Anam, 2018). This is due to technological developments that are increasingly touching certain sectors through the internet.

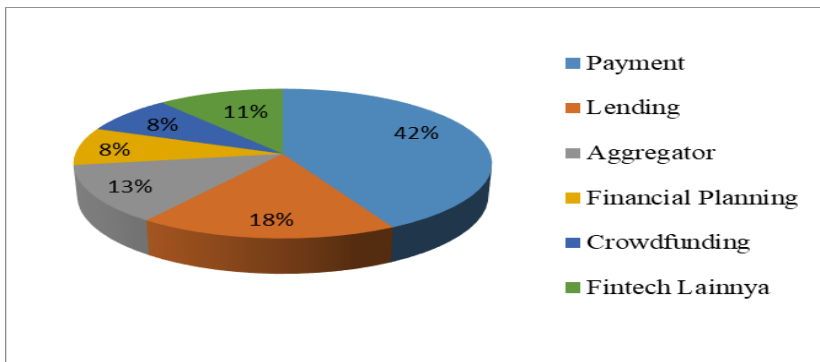
According to (Inda, 2018), the internet is one of the technologies that is greatly enjoyed by the community. The Indonesian Internet Service Providers Association (APJII) noted that the number reached 196.7 million or 73.7% of the population. This number will increase by about 25.5 million users in 2020. The largest contribution of internet users is still held by the island of Java to the number of internet users, which is 56.4%. Then the second largest internet users are followed by Sumatra Island with 22.1%, Sulawesi Island at 7%, Kalimantan at 6.3%, Bali-Nusa Tenggara at 5.2%, and Maluku-Papua at 3%. (JatmikoDwi, 2020).

From the above statement, it can be concluded that over time and the development of technology, the medium of exchange evolved from time to time into electronic money, none other than to facilitate human activities, whether from the social sector or the economic sector. Until now, the benefit of electronic money itself is to make it easier for people to make online buying and selling transactions and make transfers. The development of internet use by the public which seems to have increased in a significant period is one of the reasons for technology and information systems to innovate, especially financial technology to meet the various needs of the community, one of which is access to financial services and transaction processing (Inda, 2018).

Financial technology has been regulated by DSN MUI in DSN MUI Fatwa No. 117/DSN-MUI/II/2018. In the fatwa, DSN MUI explained that shariah financial technology is the implementation of financial services based on shariah principles that bring together or connect financiers (investors) with financing recipients (borrowers) to carry out financing contracts through an electronic system using the internet network. Then the MUI fatwa states that shariah financial technology business activities must not conflict with Shariah principles, which include avoiding *usury*, *gharar* (unclear contract), *maysir* (unclear goals/speculation) *tadlis* (not transparent), *dharar* (danger), *zhulm* (loss of one of the parties), and haram.

Financial Technology has long emerged in Indonesia, precisely in the 1800s with the advent of the telegraph, and is growing year after year until the current digital era. According to the (Financial Technology In Indonesia, 2017), the sector of payments (*payment*) dominate fintech companies in Indonesia amounted to 42.22%, and sector lending (*lending*) amounted to 17.78%, an aggregator sector amounted to 12.59%, the financial planning sector (*financial planing* ) by 8.15%, the sector *crowdfunding* by 8.15% and the other fintech sector by 11.11%.

Diagram 1 Development of Fintech in Indonesia



Data source: Muliaman D. Hadad, OJK Presentation, Financial Technology in Indonesia, 2017

The rapid development of technology has made the payment system evolve from paper money to electronic money, raising big questions for the people of Indonesia, which is a country with a majority capacity Muslim community: "What is the law on electronic money?". Therefore, this study was conducted to analyze one of the *payment*-based companies which first issued shariah features, namely LinkAja Syariah.

The type of research carried out in this thesis is descriptive, namely, the type of systematic research carried out intending to know the value of a problem variable, it can consist of one or more variables but not by making comparisons or forming a relationship with other variables (Rochaety & Tresnati, 2019). This type of descriptive research is very relevant when used to examine a case as a problem.

Sources of data contained in the study are primary and secondary data sources. As for the primary, it is done by interviewing related parties, and the secondary is done employing a literature study.

## 2. LITERATURE REVIEW

### **Fiqh Muamalah**

Etymologically the word *fiqh* is understanding or understanding. Terminologically, *fiqh* originally meant religious knowledge covering all religious teachings, whether in the form of *aqidah*, morals, or worship, the same as the meaning of *shari'ah Islamiyah*. However, with the development of the times, *fiqh* is defined as part of *shariah Islamiyah*, namely knowledge of Islamic *shariah* law relating to the actions of mature and reasonable human beings taken from detailed arguments.

Muamalah language comes from the word *amala yu'amilu* which means to act, do each other, and practice each other. Meanwhile, the term Muamalah is the exchange of goods or something that provides benefits in a specified way. Muamalah can also be interpreted as all religious rules that regulate the relationship between human beings, and between humans and the natural surroundings regardless of differences. The following is an explanation of the four main functions of management.

The definition of muamalah *fiqh* According to Idris Ahmad is God's rule that regulates human relations with humans in their efforts to obtain the tools for their physical needs in the best way. Based on the description above, it can be concluded that the meaning of Fiqh Muamalah is knowledge of legal provisions regarding efforts to acquire and develop assets, buying and selling, debt receivables, and depository services among community members according to their needs, which can be understood and the *syara'* arguments. detailed.

### **Electronic Money**

Electronic Money is an electronic payment instrument obtained by first depositing a certain amount of money to the issuer, either directly or through

issuing agents, or by debiting an account at a bank, and the value of the money is entered into the value of money in electronic money media, which expressed in Rupiah which is used to make payment transactions by directly reducing the value of money in the electronic money media. (Hidayati et al., 2006)

According to (Bank Indonesia Regulation Concerning Electronic Money, 2018), electronic money is a means of payment that meets the following elements:

- a. Issued on the basis of the value deposited in advance by the holder to the issuer.
- b. The value of money is stored electronically in a medium such as a server or chip.
- c. Used as a means of payment to merchants who are not the issuers of electronic money.
- d. The value of electronic money deposited by the holder and managed by the issuer is not a deposit as referred to in the law governing banking.

The law of using and transacting using electronic money is basically the same as using ordinary paper money because both have the same function, namely as a means of payment for buying and selling transactions of goods or services carried out by consumers to fulfill their needs.

According to the shariah perspective, the law on electronic money is halal. This halalness is based on the rule: *"Every transaction in muamalah is basically allowed unless there is a clear argument that it is forbidden, then at that time the law will turn out to be haram."*

Therefore, every chip or electronic money server that is issued must meet the provisions in accordance with the principles of shariah so that its use does not become unlawful. Another factor that supports the legality of electronic money is the demand for human needs for electronic money itself, and the consideration of the many benefits that exist in it, thus making electronic money legal to use both religiously and in state regulations. (DSN MUI Fatwa No. 54 Regarding Shariah Card, 2006).

### 3. RESEARCH METHODOLOGY

Type of research conducted in this thesis is descriptive. Descriptive research is a type of research that is systematically carried out to know the value of a problem variable, it can consist of one or more variables but not by making comparisons or forming a relationship with other variables (Rochaety & Tresnati, 2019). This type of descriptive research is very relevant when used to examine a case as a problem.

This research was carried out systematically and sequentially starting from collecting, processing, and inferring data with methods/techniques that were planned to solve a problem at hand. While the approach used in this research is qualitative with descriptive characteristics. This study collects data

directly from the source of the object and literature review, while the researcher becomes the main instrument of the analysis (Subandi, 2011). With this form of research, the results of the study will be more comprehensive and in-depth, so that the fiqh review of LinkAja Syariah electronic money will be specific.

#### 4. RESULTS AND DISCUSSION

The LinkAja Syariah electronic money program studied in this study is limited only to the features found on the front page of the LinkAja Syariah application.

##### 1. Features *top-up* LinkAja Syariah

The features of *top-up* balance service is provided by LinkAja Syariah for the users to be able to recharge their balance. Here's how to *top-up your* balance through the LinkAja Syariah application:

- a. Enter the LinkAja Syariah application, on the home menu click the "fill balance"
- b. feature. Several choices of top-up methods will appear, select the desired top-up method.

##### LinkAja Top-up Feature Scheme Shariah

In the *top-up* first scheme, LinkAja Syariah uses a contract *qardh* (debt). According to (Sudiarti, 2018), the pillars of the contract *qardh* with its implementation in the *top-up* LinkAja syariah practice are as follows:

- The user as a *muqtaridh* (the party who is owed) fills the balance by depositing money to LinkAja Syariah with the *selected top-up* method.
- LinkAja as a *muqridh* (debtor) has the right to invest borrowed money from the user in Islamic banking.
- The syariah bank submits a profit-sharing from the investment results with an agreed percentage.
- LinkAja Syariah returns the loan money in the form of a LinkAja Syariah balance to the user.
- The *shigat* (ijab-kabul) in this transaction is the user's approval to *top-up* on LinkAja Syariah.

##### Analysis of the Conformity of Top-up Features with DSN MUI FatwaDSN

In its implementation, the feature *top-up* that uses *qardh* contracts on LinkAja Syariah is in accordance with the Fatwa- MUI on the use *qardh* on transactions of electronic money as follows:

- a. Characteristically of debt
- b. Publishers can use (invest) money debt holders of electronic money in Islamic Financial Institutions

- c. issuer is obliged to return the principal amount of the receivables holders of electronic money at any time as agreed
- d. Authority may restrict publishers in use of debt funds in consideration of the *benefit*

## 2. . Send Money

Feature The money transfer service feature is the LinkAja Syariah feature that gives users access to send their money (*transfer*) using *transfer* methods available (Snap QR, Phone Number, Bank Account). Here's how to send money (*transfer*) via the LinkAja Syariah application:

- a. Enter the LinkAja Syariah application, on the home menu click the “send money”
- b. feature. Several options for sending money will appear, select the desired method of sending money. The LinkAja Syariah Money Transfer Feature Scheme

The contract used in the money transfer transaction is *Wakalah Bil Ujroh* contract (represented by setting wages). According to (Mubarak, 2017), the pillars of the *wakalah bil ujroh* contract and their correlation with practices that occur at Linkaja Syariah are as follows:

- The sender of money as *Muwakkil* (the party who authorizes to be represented)
- LinkAja Syariah as the *Representative* (the party who receives the representative) The
- balance sent as *Muwakkal FIH* (Object represented)
- fee (*fee*) administration to send money as *Ujroh*
- Approval of users in a transaction does not send money as *shigat* (*ijab-qabul*)

## Analysis Compliance Features Send money with DSN MUI

in implementation, send money LinkAja Syariah compliance with The DSN-MUI fatwa regarding the use of the contract *wakalah bil ujroh* which the author then correlates with the practice of sending money at LinkAja Syariah. The criteria for *wakalah bil ujroh* that must be met according to the DSN-MUI are as follows:

- a) *Ijab qabul* must be declared by the parties to show their will in holding this representative contract.
- b) It is binding and cannot be canceled unilaterally.
- c) The person who represents (*muwakkil*) is the legal owner of the thing being represented.
- d) *Muwakkil* must be a *mukallaf* or a child *mumayyiz*.
- e) *Representatives* must be legally proficient, able to carry out their duties, and be trustworthy in their duties.

f) The things that are represented must be clearly known by the person who represents, does not conflict with Islamic Shari'a

### 3. Postpaid Bill Payment Features (Postpaid Electricity, Cable TV, Provider, and PDAM)

The postpaid bill payment service feature is the LinkAja Syariah feature that is given to users to pay bills owned by users such as postpaid electricity bills, cable TV bills, provider card bills, and PDAM bills. Here's how to pay postpaid bills:

- a. Enter the LinkAja Syariah application, on the home menu, select the postpaid bill you want to pay. Postpaid payment services that the researchers concluded include: PLN Postpaid, Cable TV, Postpaid Provider Cards (Telkomsel, XL, Indosat, Tri, Smartfren)
- b. Choose the required payment method (example: Telkomsel postpaid card)
- c. Enter the Telkomsel number you want to pay

### Payment Feature Scheme LinkAja Syariah Postpaid Bills The postpaid

bill payment service feature is a LinkAja Syariah feature that is given to users to pay bills owned by users such as postpaid electricity bills, cable TV bills, provider card bills, and PDAM bills. The contract used in the postpaid bill payment service transaction is the *ijarah* contract (leasing of goods or services). According to (Sudiarti, 2018), the pillars of the *ijarah* contract and their correlation with practices that occur at LinkAja Syariah are as follows:

- Billas *arrearsmu'jir* (the party using the service)
- LinkAja Syariah as *musta'jir* (the service provider) The
- the object of the bill as *ma'jur* (object transaction)
- fee (*fee*) lease administration as *Ujroh*

### Suitability Analysis Features postpaid bill Payment with DSN MUI fatwa

postpaid bill payment product complies with Islamic principles, because the scheme uses *ijarah* contract in accordance with the DSN-MUI fatwa and AAOIFI standards. The criteria for the *ijarah* contract that must be met according to the DSN-MUI Fatwa are as follows:

- The object of the *ijarah* is the benefit from the use of goods and/or services.
- Benefits of goods or services must be able to be assessed and can be implemented in the contract
- Benefits of goods or services must be permissible (not forbidden).
- Benefits must be identified specifically in such a way as to eliminate *jahalal* (ignorance) that would lead to disputes.
- Benefit specifications must be clearly stated, including the timeframe. It

can also be identified by specifications or physical identification.

- Rent or wages are something that is promised and paid by the customer to LKS as payment of benefits. Something that can be used as a price in buying and selling can also be used as rent or wages in Ijarah.

### 3. Product Purchase Features of LinkAja Syariah Partners

The service feature of purchasing LinkAja Syariah partner products is a LinkAja Syariah feature that is given to users to be able to make purchases of products at *merchants* registered LinkAja Syariah. such as Credit/Data, Prepaid Electricity, Transportation Tickets. Here's how to buy LinkAja Syariah partner products:

- a. Enter the LinkAja Syariah application, then click the "Toll/Data" feature (example of buying merchant products)
- b. Select the provider card you want to top up with (example: Telkomsel)
- c. Enter the Telkomsel number you want to top up with credit

### Feature Scheme Purchase of LinkAja Syariah Partner Products The contract

Used in service transactions to purchase LinkAja Syariah partner products is a *wakalah bil ujroh* contract (representative with wages). According to (Sudiarti, 2018) regarding the pillars of *wakalah bil ujroh* and their correlation with practices that occur at Linkaja Syariah, they are as follows:

- buyers as *Creditmuwakkil* (authority to be represented)
- LinkAja Syariah as *representative* (receiving representatives)
- Credit as *muwakkal fih* (represented object)
- Buyer's approval to buy as a *shigat* (ijab-kabul)

### Analysis of the Conformity of LinkAja Syariah Partner Product Purchase Features with MUI DSN Fatwa

In its implementation, the purchase service for products *merchant* LinkAja Syariah partner uses the *wakalah bil ujroh* contract which is practiced by LinkAja Syariah. in accordance with the DSN-MUI Fatwa regarding the *wakalah bil ujroh* which contract the author then correlates with the implementation of the *top-up* LinkAja Syariah product. The criteria for *wakalah bil ujroh* that must be met are as follows:

- a. *Ijab qabul* must be declared by the parties to show their will in holding this representative contract.
- b. It is binding and cannot be canceled unilaterally.
- c. The person who represents (*muwakkil*) is the legal owner of the thing being represented.
- d. *Muwakkil* must be a *mukallaf* or a child *mumayiz*.



- e. Representatives must be legally proficient, able to carry out their duties and be trustworthy in their duties.
- f. The things that are represented must be clearly known by the person who represents them, not contrary to Islamic law.

#### 4. Payment Features for LinkAja Syariah Partner Merchant Products

The payment service products is *merchant* feature for LinkAja Syariah partner LinkAja Syariah feature that is given to users to be able to make transactions at *merchants* who have collaborated with LinkAja Syariah, or in other words, have been registered on the list *merchant of* LinkAja Syariah. Here's how to make a payment on products *merchant at* Syariah LinkAja partner with QR Code:

- a. Get into the LinkAja application of Syariah, and then click on the feature "pay" with a logo scan down amid the homepage menu.
- b. Point the camera at the QR Code of the LinkAja Syariah partner merchant. The LinkAja Syariah

#### Partner Merchant Purchase Feature Scheme The contract

used in the payment service transaction for the product shopping of the *merchant* LinkAja Syariah partner is a *wakalah bil ujroh* contract (lease). According to (Sudiarti, 2018), the pillars of the contract of *wakalah bil ujroh* and their correlation with the practices that occur at LinkAja Syariah are as follows:

- QR Code users as *muwakkil* (the party giving the authority to be represented) purchase products *merchant* LinkAja Syariah using the LinkAja Syariah *QR Code*
- as *representatives* (receiving party representatives) purchase order the buyer to the *merchant* LinkAja
- objects purchased as *muwakkal fiih* (represented objects)
- fee (*fee*) administration lease QR Code as *Ujroh* provider of technology

#### analysis Compliance Features Purchase Merchant Partners LinkAja Syariah with DSN MUI

In the implementation, payment services for products *merchant* LinkAja Syariah partner with a *QR Code* using the contract *wakalah bil ujroh* which is practiced by LinkAja Syariah is in accordance with the DSN-MUI Fatwa concerning the contract *wakalah bil ujroh* which the author then correlates with the implementation of the *top-up* LinkAja Syariah product. The criteria for *wakalah bil ujroh* that must be met are as follows:

- a. *Ijab qabul* must be declared by the parties to show their will in holding this representative contract.
- b. It is binding and cannot be canceled unilaterally.
- c. The person who represents (*muwakkil*) is the legal owner of the thing being represented.

- d. *Muwakkil* must be a *mukallaf* or a child *mumayiz*.
- e. Representatives must be legally proficient, able to carry out their duties, and be trustworthy in their duties.
- f. Things that should be known clearly represented by those who represent, does not conflict with Islamic law.

Table. 1 Analysis Product Conformity Against Shariah LinkAja DSN MUI

No	Shariah LinkAja Product	Fatwa DSN-MUI	Conformity
1	<i>Top-up</i> directly with Shariah LinkAja using <i>qardh</i>	Fatwa National Shariah Council No: 19/DSN-MUI/IV/2001	Appropriate
2	<i>Top-up</i> through LinkAja Shariah partners using contract <i>wakalah bil ujroh</i>	National Shariah Council Fatwa No: 113/DSN-MUI/IX/2017	Appropriate
3	Send money to fellow LinkAja Syariah users use the contract <i>wakalah bil ujroh</i>	National Shariah Council Fatwa No: 113/DSN-MUI/IX/2017	Compliant
4	Postpaid Bill Payment Services using <i>Ijarah</i> contract	National Shariah Council Fatwa No: 09/DSN-MUI/IV/2000	Appropriate
5	Purchase Services for LinkAja Syariah Partner Products using <i>wakalah bil ujroh</i> contract	National Shariah Council Fatwa No: 113/DSN-MUI/IX/2017	Compliant
6	LinkAja Syariah Partner Product Payment Services ( <i>QR Code</i> ) using the <i>Wakalah bil ujroh</i> contract	National Shariah Council Fatwa No: 113/DSN-MUI/IX/2017	Compliant

## 5. CONCLUSION

Based on the results of the analysis and discussion in the previous chapter, it can be concluded that:

*First*, LinkAja Syariah has implemented the DSN MUI fatwa on every product feature available, whether in the LinkAja Syariah application, or the product implementation scheme.

*Second*, electronic money which is the result of technological innovation in the financial sector has many *benefits*, in other words, the presence of electronic money goes hand in hand with Maqashid Syariah. As

for some of the *benefits* that exist in electronic money:

- Security in electronic money is guaranteed. It is because the electronic money is protected by a complete security system. For example electronic money is *registered and* protected by a security system in the form of a PIN or *fingerprint* that can protect it from all forms of crime or negligence such as theft, loss, and other forms of crime. However, keep in mind that *unregistered* electronic money is usually not equipped with a PIN or fingerprint.
- The legality of electronic money is guaranteed. This can be proven by avoiding electronic money from things that are not justified by syara, such as avoiding usury (Transactions in electronic money are basically buying and selling transactions / exchanging usury goods, namely exchanging cash for electronic money. Exchange of money cash and electronic money must be the same amount, if the amount is not the same, then electronic money is classified in the form of usury al-fadl, which is an addition obtained from one of the two goods exchanged in the exchange of similar goods. So that electronic money does not contain usury, of course at when exchanging cash with electronic money the amount must be the same, this is in line with Bank Indonesia Regulation Number 16/8/PBI/2014, Amendment to Bank Indonesia Regulation Number 11/12/PBI/2009 concerning Electronic Money, Article 13 paragraph 1 which reads:

"Issuers are prohibited from issuing electronic money with an electronic money in great value or greater than the value of money deposited with the Issuer" (Bank Indonesia, 2014). This regulation prevents electronic money from riba al-fadl. In addition, the exchange between the value of cash and the value of electronic money must be done in cash, otherwise, it is classified as usury al-nasiah. For example, when the holder or merchant redeems the value of electronic money to the value of cash to the issuer, the issuer must fulfill the billing right on time without any delay in payment. Electronic money is also protected from Maysir because its implementation is based on the need for payment instruments that can work quickly and precisely, not based on the needs of transactions containing Maysir, avoiding fraud such as counterfeit money and transactions are carried out with good cooperation between the issuer and the holder and traders, as well as transparency in the management of float funds proves that the operation of electronic money has been avoided from fraud where no party is harmed.

- In addition to avoiding things that are prohibited by syara', the halalness of electronic money is also supported by a clear contract because electronic money transactions are carried out without coercion and are carried out with procedures that are following Islamic law, which are carried out directly and do not contain usury as previously stated. . Then electronic money is also under the concept of money in Islam, this can be proven by the functions of money in Islam.
- Do not cause excessive spending, this can be proven by the existence of

a maximum limit on the value of electronic money. The maximum value limit for electronic money is five million Rupiah for registered types of electronic money, while for unregistered electronic money the maximum is one million Rupiah. With the relatively small maximum value of electronic money, it will not encourage the public (holders) to be consumptive (excessive spending) and minimize losses from misuse of electronic money.

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