

Analysis of Consumer Protection Policy on the Use of Sharia Fintech Services in Indonesia

Nur Moh. Faiz Amin ^{a*}, Tajul Arifin ^b,

^a UI Bunga Bangsa Cirebon, Indonesia

^bUIN Sunan Gunung Djati Bandung, Indonesia

*Corresponding author: faiz@bungabangsacirebon.ac.id

Manuscript received : 11-11-2024; revised : 24-12-2024; accepted : 23-12-2024. Date of publication : 24-01-2025

Abstract— This research is motivated by the many problems in the use of Fintec in economic transaction activities in contrast to what is in the policy on the use of sharia fintech services in Indonesia. The purpose of this study is to ensure that existing policies can provide maximum protection for consumers, especially in relation to the sharia principles underlying fintech operations. This study examines the applicable regulations, such as Fatwa DSN-MUI and OJK regulations, as well as the implementation practices of Islamic fintech in providing consumer protection. The results show that although consumer protection policies are adequate, challenges remain in terms of information transparency, dispute resolution, and effective supervision. This study suggests the need for clearer regulations and stricter supervision mechanisms to improve consumer protection in the Islamic fintech sector in Indonesia.

Keywords— Policy, Protection, Consumer, Sharia Fintech.

Copyright © 2025, Author

This is an open-access article under the [CC BY 4.0](https://creativecommons.org/licenses/by/4.0/)



I. INTRODUCTION

The development of financial technology (Fintech) in Indonesia has brought a significant impact in the financial sector¹, including in Islamic fintech services based on Islamic principles. Shariah fintech offers various financial products and services, such as financing, investment, and payment, that comply with Shariah provisions, such as the prohibition of *riba*, *gharar*, and *maysir*². Despite providing much easier access to finance for the public, the rapid growth of Shari'ah Fintech also poses challenges in terms of consumer protection. Without clear regulations and effective supervision, consumers are at risk of suffering losses due to lack of transparency, misuse of data, and uncertainty regarding the products offered. Therefore, it is important to analyze the extent to which existing policies are able to protect consumers in the use of Fintech Shari'ah services in Indonesia.

Consumer protection policies applied to Shari'ah Fintech services in Indonesia, focusing on regulations issued by the National Shari'ah Council of the Indonesian Ulema Council (DSN-MUI) and the Financial Services Authority (OJK). Then the extent to which existing regulations have provided maximum protection for consumers, both in terms of information transparency, clarity of the Shari'ah contract, and dispute resolution mechanisms. Basically, consumer protection policies have implications for the rights and obligations of entrepreneurs and consumers.

In Law No. 8 of 1999 concerning Consumer Protection, it is explained that related matters are all efforts that ensure legal certainty to provide protection to consumers. The Law explains that consumers have the right to obtain information, security, choose goods, and the right to compensation. All of these rights are part of efforts to create a balance between consumers and business actors, so that consumers are not in a weak position³. With the legal protection of consumer rights, it is expected to create a healthy and mutually beneficial relationship between the two parties. Consumers feel safe and confident in their transactions, while business actors are encouraged to improve the quality of products and services and run their businesses honestly and responsibly. This ultimately contributes to the creation of a fair, transparent and sustainable trading climate.

The development of financial technology (Fintech) has brought many conveniences to society, such as quick access to financial services, efficient transactions, and ease of obtaining loans. However, behind these benefits, there are various problems that need attention. One of the main problems is the lack of consumer protection. Many fintech users, especially online lenders, are victims of inhumane collection practices, high interest rates, and lack of information transparency.⁴ In addition, misuse of personal data is also a serious issue, where user data is often accessed without authorization and disseminated to third parties. Cybersecurity risks are also increasing, as the digital systems used by Fintech are vulnerable to hacking and data leaks.⁵ The ease of obtaining loans also triggers a new problem, namely overlending, where consumers get into debt from many applications at once without the ability to pay, which can lead to psychological distress. Therefore, the development of Fintech needs to be balanced with strong regulations, massive public education, and strict supervision so that its negative impacts can be minimized.

The main problem in this discussion is related to the policy of Law No. 8/1999 on Consumer Protection can respond to the challenges faced by consumers. Moreover, many problems arising from the development of the Fintech industry. The results of this study are expected to provide recommendations to improve consumer protection policies in the Sharia Fintech sector, to be more effective in dealing with issues that arise in the field such as misuse of personal data, low Sharia financial literacy, lack of service transparency, and potential violations of Sharia principles. The resulting recommendations are also expected to serve as a reference for regulators, industry players, and Shari'ah financial institutions in designing consumer protection strategies that are not only in accordance with the national legal framework, but also in line with Islamic values. That way, Shari'ah Fintech can grow sustainably and inclusively, and provide a sense of security and trust for the public as users of Shari'ah-based digital financial services.

Through the study of relevant research results, previous research has mostly discussed the technical and operational aspects of Shari'ah Fintech,⁶ while this research will focus on the policy analysis of Law No. 8/1999 on Consumer Protection in the use of Shari'ah Fintech in Indonesia. Therefore, this research will help the government or regulators (such as OJK or BI Shari'ah) in formulating policies that are specific, fair, and in accordance with Shari'ah principles, such as the prohibition of usury, gharar (uncertainty), and maisir (speculation). Meanwhile, for Fintech Shariah industry players themselves, it can be a basic concept in designing business models and services that are more user-friendly, safe, and in accordance with Islamic law. It can also expand the reach of services to people who were previously skeptical of the digital financial system.

II. METHOD

The research method used in this study is a qualitative approach with descriptive analysis. Data collection will be conducted through literature study and document analysis to explore information on consumer protection policies in sharia fintech services in Indonesia. Document analysis will include relevant regulations, such as the Consumer Protection Law, sharia fintech regulations, and policies related to data security and digital transactions. The data obtained will be thematically analyzed to identify policies that have been implemented, challenges faced, and provide recommendations to strengthen consumer protection in sharia fintech services in Indonesia.

III. RESULT AND DISCUSSION

Consumer Protection in the World and Asia

The concept of consumer protection focuses on efforts to ensure that consumers' rights are protected from unfair, deceptive or harmful business practices. This protection covers various aspects, such as ensuring consumers get clear and accurate information about the products or services they buy, as well as providing mechanisms to resolve disputes between consumers and businesses. It also includes oversight of product quality and safety, as well as preventing the abuse of market power by large companies that could harm consumers. In many countries, consumer protection is governed by regulations and laws that aim to create a balance between market freedom and consumer rights. The main principle of consumer protection is to ensure that consumers can make informed decisions, obtain safe products, and have access to complaints or claims if they suffer losses.

Worldwide consumer protection concerns include lead levels exceeding safe limits in a wide range of consumer products in 25 low- and middle-income countries, such as Armenia, Azerbaijan, Bangladesh, Bolivia, Colombia, Egypt, Georgia, Ghana, India (especially in the states of Maharashtra, Tamil Nadu, and Uttar Pradesh), Indonesia, Kazakhstan, Kenya, Kyrgyzstan, Mexico, Nepal, Nigeria, Pakistan, Peru, Philippines, Tajikistan, Tanzania, Tunisia, Turkey, Uganda, and Vietnam. Affected products include ceramic, metal, and plastic tableware, cosmetics, toys, paints, spices, sweets, staple/dry foods, and

herbal and traditional medicines. The percentage of samples containing lead exceeding the safe limit varied by country and product type, indicating different levels of lead exposure risk for consumers in different regions.⁹

In Peru, the use of acaricides to control livestock ticks can lead to contamination of food products originating from the livestock or agriculture industry, such as meat, milk, or other agrifood products, potentially posing a serious health problem for consumers.¹⁰ In addition, sustainable behavior is required. Thus, the goal of sustainability is to create a system that ensures the protection of consumer rights in a sustainable manner, without compromising the quality or viability of the products and services they consume.¹¹ Therefore, people should prioritize the purchase of products that have sustainable consumption values (Rehman et al., 2024). In Italy, attitudes, perceived behavioral control, curiosity, and social norms play an important role in shaping consumer intentions regarding truffle consumption.¹²

Consumer protection in the global market, especially in major importing countries such as the United States, China and Germany, is an increasingly important concern. Therefore, the development of a reliable, sequencing-independent tool to authenticate *Cyperus esculentus* (tiger nut) from related species, such as *Cyperus rotundus*, is urgently needed. This tool plays an important role in protecting consumers from the increasing risk of fraud or adulteration of botanical products in the global market. Thus, this research contributes to enhancing consumer safety amidst the challenges of globalization of botanical products.¹³ Similarly, South Korea seeks to ensure that trade transactions are conducted legally and in accordance with Islamic principles. This research is in line with studies on the health sector in markets such as the United States, the European Union, Asia, and South America.¹⁴ Similarly, there is a lack of consumer protection frameworks that address the difficulties faced by borrowers in the Asia-Pacific region, such as in Australia, Singapore, and Hong Kong, as well as discrepancies in the application of delayed payment policies during the COVID-19 crisis.¹⁵ Thus, in the context of consumer protection, market participants can avoid actions that may harm people in Asia.

Another challenge faced by food systems in Asia in terms of consumer protection relates to the impact of urbanization and how the systems adjust to these changes. In addition, there are concerns among consumers about food safety, especially in Southeast Asia, related to the presence of chemical residues in fruits and vegetables and the use of antibiotics in meat products. These concerns may affect consumption patterns, where consumers may tend to consume less fruits and vegetables due to concerns about pesticide content.¹⁶ Other issues that arise are potential constraints in the production of raw materials as well as issues related to waste. The use of bioplastics, for example, may exacerbate waste problems in East Asia.¹⁷ A similar problem exists in Central Asia, where public health protection related to the widespread use of pesticides is a major focus of health experts in various countries.¹⁸ Given the challenges faced in Asia, it is imperative to strengthen consumer protection in line with applicable regulations and laws.

The problems faced in the use of fintech in Indonesia lie in the inability to accommodate the latest technological developments, limited focus on specific regions, and lack of empirical validation. Therefore, legal protection for consumers is crucial to overcome obstacles in e-commerce transactions.¹⁹ In addition, ongoing consumer disputes are often caused by overlooked local potential,²⁰ In non-cash payment transactions using QRIS (Quick Response Code Indonesian Standard), there is also the threat of QR code counterfeiting by unlawful parties, as well as the risk of cyber-attacks and illegal banking practices that can disrupt the smooth operation of the payment system.²¹

On the other hand, personal data protection in Indonesia's fintech sector is necessary, including to prevent data leakage, misuse, and data trafficking that can lead to financial loss, crime, and violation of personal information privacy.²² Therefore, low legal awareness among the public means that many people do not understand their rights and obligations within the legal system. As a result, they are often unable to properly assess unlawful actions and their potential legal consequences.²³

There are various issues related to consumer protection, such as the liability of online transportation service application operators related to GPS manipulation,²⁴ weak personal data protection regulations that impact the level of consumer confidence,²⁵ and the absence of specific rules regarding wellness tourism that cause obstacles in existing regulations.²⁶ In addition, there are difficulties in defining appropriate legal responsibilities for problems that may arise due to cybersecurity risks in the use of investment applications.²⁷ On the other hand, socio-cultural, economic, and institutional issues also play a role, including uncertainty regarding the object of fiduciary collateral.²⁸ On the other hand, there is also an increase in illegal online loans that cause a lot of harm to consumers.²⁹ In addition, the rise of illegal online loans also causes great harm to consumers. Given the challenges in consumer protection and the use of e-commerce in the digital era, it is time to implement more effective regulations to ensure better protection.³⁰

Policy Derivation; A Study of Law No. 8/1999 on Consumer Protection

In the current era of globalization, the world is experiencing advances in technology that have brought about rapid changes and shifts in life. The utilization of this technology has encouraged trade activities and economic growth through businesses that are growing very rapidly in society. This is influenced by the development of internet-based digital technology. The internet as an electronic information and communication medium that has been widely used for various activities, including searching for data and news info, sending messages via email, and trading or business³¹ online, has also opened up new opportunities in the fields of education, entertainment, and digital government services that make it easier for people to access various needs without space and time restrictions.

Along with the rapid development of the internet and the increase in digital activities, the need for consumer protection policies has become increasingly important. Consumers now conduct transactions not only in person, but also online through various e-commerce platforms and other digital services. This opens up new potential risks, such as fraud, misuse of personal data, products that do not match the description, and services that do not meet standards.³² Therefore, clear and firm consumer protection regulations and policies are needed to guarantee consumer rights, provide a sense of security in transactions, and encourage businesses to be responsible and transparent. These policies must also be adaptive to technological developments in order to anticipate new challenges in the digital era.

Law No. 8/1999 on Consumer Protection is the main legal basis in guaranteeing consumer rights in Indonesia, including in the context of financial technology-based services (Fintech). In the digital era, Fintech has become one of the fastest growing sectors, offering various conveniences in financial transactions such as online loans, digital payments, and app-based investments. However, this development also brings new challenges, such as cost transparency, personal data security, and the risk of misuse of information by irresponsible parties.³³ Therefore, the implementation of the Consumer Protection Law needs to be synergized with specific regulations related to Fintech, such as regulations from the Financial Services Authority (OJK) and Bank Indonesia, to provide comprehensive protection. Fintech consumers must get clear information, the right to choose services freely, and an effective complaint mechanism in case of disputes. That way, the Fintech ecosystem can develop in a healthy and sustainable manner, without compromising consumer interests.

In addition to regulations from the government and financial institutions, the existence of policies from the National Sharia Council - Indonesian Ulema Council (DSN-MUI) also plays an important role in the development of Sharia-based Fintech in Indonesia. DSN-MUI has issued various fatwas that serve as guidelines for Shari'ah Fintech business actors so that their operations are in accordance with Islamic Shari'ah principles (Trimulato, 2022). Some of the aspects regulated include the contracts used in financing services, the prohibition of usury, gharar (uncertainty), and maysir (speculation), as well as the need for fairness and transparency in transactions. With these guidelines in place, Fintech Shariah can conduct its business ethically and in accordance with Islamic values, while providing security and trust to the Muslim community as the main consumers.³⁴ Collaboration between DSN-MUI, OJK, and Fintech Shari'ah industry players is key in creating an inclusive, trusted, and Shari'ah-based digital financial ecosystem.

In the implementation of Law No. 8/1999 on Consumer Protection in order to ensure protection for Financial Technology (Fintech) users, there are several important things that need to be considered, including:

a. Information Transparency

Fintech is required to provide clear, honest, and not misleading information regarding the products or services offered, including fees, interest, risks, consumer rights and obligations. This is in accordance with Article 4 of Law No. 8/1999 on the right to information.³⁵

b. Consumer Personal Data Protection

The use of personal data is a major issue in digital services. Therefore, Fintech must guarantee the confidentiality and security of consumer data, and not misuse it without consent. Although Law No. 8/1999 does not explicitly regulate personal data, the principle of protection against misuse of information remains relevant.³⁶

c. Fairness and Non-discrimination

Fintechs must treat all consumers fairly, without discrimination, and not utilize their dominant position to pressure consumers. This relates to the prohibition of harmful business practices as stipulated in Articles 8 and 10 of Law No. 8/1999.³⁷

d. Complaint and Dispute Resolution Mechanisms

Fintech should provide easily accessible and effective complaint facilities for consumers, and cooperate with out-of-court dispute resolution institutions, such as the Consumer Dispute Resolution Agency (BPSK) or internal mechanisms and the OJK.³⁸

e. Consumer Education

One important element in consumer protection is improving digital financial literacy. Fintech business actors need to actively educate users about product use, risks, and how to avoid fraud.³⁹

f. Supervision and Law Enforcement

The government, particularly through OJK and related agencies, needs to ensure that all fintech businesses comply with the provisions in Law No. 8/1999 on Consumer Protection. Administrative or legal sanctions must be strictly applied for violations.³⁹

g. Synchronization of Regulations

Law No. 8/1999 needs to be implemented in harmony with Fintech regulations issued by OJK, Bank Indonesia, and DSN-MUI (for Shari'ah Fintech), to avoid overlap or legal vacuum.⁴⁰

By taking into account the above points, the implementation of Law No. 8/1999 can be a strong foundation in ensuring the safety, convenience, and rights of Fintech users in the evolving digital era. Policy derivation from Law No. 8/1999 on Consumer Protection in the context of Shari'ah Fintech in Indonesia involves translating the basic principles of consumer protection into regulations that are more specific and relevant to the characteristics of technology-based financial services and Shari'ah values.

a. Integration of Principles of Consumer Protection Law and Shari'ah Law

In Shari'ah Fintech, consumer protection is not only seen from the aspect of positive law, but also from the aspect of ethics and Islamic mu'amalah principles. The articles in Law No. 8/1999 on the right to correct information, the right to security, and the right to have opinions and complaints heard, are in line with Islamic principles of honesty (shiddiq), transparency (tabligh), and justice ('adl). Therefore, policy derivation in Shari'ah Fintech requires harmonization between the Consumer Protection Law and DSN-MUI fatwas.⁴¹ The integration of these principles does not conflict with each other, but rather strengthens each other between the Consumer Protection Law and the principles of Shari'ah law

b. Derivative Regulations and Supervisory Institutions

The implementation of consumer protection in Fintech Shari'ah is strengthened by various derivative regulations, such as:

1) OJK Regulation on the organization of information technology-based money lending and borrowing services (POJK 77/2016) which requires transparency of information and protection of personal data.

2) Fatwa of DSN-MUI, such as Fatwa No. 117/DSN-MUI/II/2018 on information technology-based financing services based on Shari'ah principles, which regulates the provisions of contracts, prohibition of usury, and protection against exploitation.

These regulations are a direct derivative of the mandate of Law No. 8/1999 and strengthen the legal framework for the operation of Fintech Shari'ah.⁴²

c. Dual Supervision: OJK and DSN-MUI

In practice, Fintech Shari'ah is supervised in two layers:

1) By OJK, in terms of legality, consumer protection, and compliance with digital finance regulations.

2) By DSN-MUI and the internal Shari'ah Supervisory Board (DPS), to ensure that the products and services offered are in accordance with Shari'ah principles.⁴¹

This dual oversight is a form of policy derivation that ensures that Shari'ah Fintech consumers are not only protected in terms of state law, but also in terms of compliance with Islamic values.

The derivation of this policy still faces several challenges, such as limited consumer understanding of their rights in Fintech Shari'ah services and there is still a legal vacuum in disputes specific to Fintech Shari'ah. This is an obstacle because it is often not handled optimally at BPSK or dispute resolution institutions due to limited consumer understanding. Therefore, it is necessary to improve regulations, strengthen education on Shari'ah financial literacy, and synchronize between supervisory institutions so that the derivation of policies from Law No. 8/1999 can run effectively and inclusively, protecting consumers while encouraging healthy and sustainable growth of the Shari'ah Fintech industry.

Analysis of Consumer Protection Policy on the Use of Sharia Fintech in Indonesia

Consumer protection according to Law No. 8/1999 concerning Consumer Protection (UUPK) aims to ensure that consumer rights are protected, so that they can obtain goods and/or services that are safe, of high quality, and in accordance with their needs. This law covers various aspects, such as consumer rights, product safety and health, dispute resolution, business actor obligations, and prohibitions on fraudulent practices. Thus, UUPK seeks to create a balance between consumer rights and business actor obligations, and to ensure that transactions take place fairly, transparently, and do not harm either party.⁴³

Consumer protection in the use of Fintech is regulated in various legal provisions in Indonesia, one of which is in Law Number 19 of 2016 concerning Information and Electronic Transactions (ITE) and Law Number 21 of 2011 concerning the Financial Services Authority (OJK). In this law, Fintech is

required to guarantee the security of consumers' personal data, provide clear and transparent information regarding the products and services offered, and ensure that consumers can access services with their rights protected. In addition, Fintech service providers must be subject to OJK supervision which aims to maintain fair business practices, prevent fraud, and resolve disputes effectively. Thus, consumers have the right to receive protection for safe transactions and services and access to dispute resolution channels.⁴⁴

Consumer protection in the use of Fintech according to the Financial Services Authority (OJK) is regulated through various policies and regulations aimed at creating a safe and transparent ecosystem. OJK ensures that Fintech organizers are required to meet consumer protection standards which include information transparency, personal data security, and compliance with rules that prevent practices that are detrimental to consumers, such as fraud or manipulation. Fintech is also required to have a system that can guarantee transaction security and provide an effective dispute resolution mechanism. In addition, OJK also supervises and sanctions organizers who violate the rules to ensure that consumer interests are optimally protected.⁴⁵

The purpose of consumer protection regulations in the use of Fintech according to Bank Indonesia (BI) is to ensure that Fintech services that are developing in Indonesia provide maximum benefits to the community, while maintaining the stability of the financial system and protecting consumers from potential risks. BI focuses on consumer protection by ensuring transparency, clarity of information, and transaction security on the Fintech platform. In addition, this regulation also aims to prevent misuse of personal data, avoid unfair practices such as fraud or extortion, and ensure that Fintech operates according to the principle of prudence and does not harm consumers. Bank Indonesia also sets regulations regarding compliance with operational standards and good governance for Fintech providers, in order to create trust and support broader financial inclusion without negative impacts on consumers.⁴⁶

Consumer protection in the use of Sharia Fintech according to DSN-MUI Fatwa Number 117/DSN-MUI/II/2018 emphasizes the principles of caution, transparency, and justice that prioritize the protection of consumer rights. This fatwa emphasizes that Sharia Fintech organizers must ensure that all products and services offered are in accordance with Sharia principles, such as the prohibition of usury, gharar, and maysir. In addition, consumers must be given clear and transparent information about products, risks, costs, and existing rights and obligations. The dispute resolution process must also be regulated fairly, giving consumers the right to file complaints or disputes that arise. Thus, the DSN-MUI Fatwa aims to ensure that Sharia Fintech services operate in accordance with Sharia principles while providing maximum protection for consumers.⁴⁷

As an effort to protect consumers, it is important to have strict labeling regulations in the European market, such as in the circulation of tuna fish products that still experience mislabeling. This can mislead consumers and prevent them from making wiser purchasing decisions regarding environmental and health aspects. Therefore, stricter supervision and regulation are needed to ensure that accurate information is conveyed to consumers and to ensure that products in circulation can be traced and are safe for consumption.⁴⁸ Consumer protection laws aim to evaluate the effectiveness of (unfair contract terms directive) in protecting consumers' personal data and addressing digital vulnerabilities that arise in the ever-evolving technology market. In addition, consumer protection regulations are designed to strengthen consumer protection in the digital economy, so that every business activity can be protected by the laws applicable to consumers⁴⁹

Consumer protection laws are essential to address the challenges of proving the presence of illegal substances in food products, which can complicate legal proceedings against violators. In addition, there is still uncertainty regarding consumer protection regarding the halalness of a product, because the information provided is often questionable. Therefore, the government has an obligation to protect consumers from fraud or abuse related to halal products, and it is essential to ensure that applicable laws can be implemented effectively.⁵⁰

From an Islamic legal perspective, consumer protection is not only focused on consumers as beneficiaries of the product, but also emphasizes the importance of fair legal protection for all parties involved in the transaction. The concept of *khiyâr* in Islamic law plays an important role in standard contracts, which give consumers the right to accept or cancel the contract. This underlines that Islam highly values honesty and transparency in transactions, in order to ensure justice and blessings for all parties involved.⁵¹ Another view suggests that consumer protection can be linked to the principles that govern the daily lives of Muslims, such as preserving the environment and avoiding waste of resources. Islam teaches to avoid *israf* (waste) and maintain ecological balance, which can be understood as part of consumer protection in the context of wise and sustainable use of resources. Thus, consumer protection in the Islamic financial transaction system has the potential to support the achievement of sustainable development goals.⁵²

Other studies also cover several aspects, including the importance of consumer protection in the context of international law, where this protection is implemented through product liability laws based on strict civil liability. In addition, consumer protection is also discussed in the context of Islamic law, with efforts to update consumer protection laws from this perspective. At the Southeast Asian level, the ASEAN Committee on Consumer Protection (ACCP) plays a role in implementing and overseeing regional mechanisms to promote consumer protection in the ASEAN economic community.⁵³ Consumer protection in Islam is not only limited to things that are prohibited in the contract, but also includes the concept of *khayâr*, which is very relevant to the protection of consumer rights. In this concept, consumers have the right to continue or cancel the contract. In addition, Islam also emphasizes fair legal protection for all parties in the transaction, not only for consumers as recipients of the product, but also to ensure efficient administrative processes and the use of balanced and fair standard contracts.⁵¹

The use of Sharia Fintech services in the Islamic concept emphasizes the principles of trust and justice in financial activities, and prioritizes these aspects over material gain, with a focus on transparency to reduce potential problems that can be detrimental.⁵⁴ On the other hand, the medium of exchange in transactions through Sharia Fintech can only be recognized if it is recognized by the government as a legal currency, even though regulations governing it already exist.⁵⁵ In Fintech practices such as peer-to-peer lending, especially from the perspective of business ethics and the principles of Islamic justice, online lending has the potential to cause legal problems and harm consumers. In addition, the negative impact of online loans is quite disturbing to the community, with the rampant terror via telephone, SMS, or WhatsApp aimed at parties who are not involved. Therefore, stricter regulations are needed to address these issues.⁵⁶ However, in developing the Fintech model, internal factors such as limited quality human resources in the fields of IT and Sharia finance are the main challenges. Therefore, it is important to have a strong IT system to overcome these problems. Some suggested strategies include cooperation between Islamic banks and Fintech companies, increasing capacity in the IT sector, and developing IT-based funding products that can support the retail and MSME sectors.⁵⁷

IV. CONCLUSION

In conclusion, consumer protection in the world and Asia faces various challenges related to detrimental business practices, unsafe products, and frequent fraud, especially in the food and e-commerce sectors. Countries in the Asian region, including Indonesia, still experience obstacles in implementing effective consumer protection, especially in dealing with technology and personal data issues, as well as potential losses caused by online transactions and illegal products. In the context of fintech, existing regulations in Indonesia, such as the Consumer Protection Law, the ITE Law, and OJK supervision, have provided a legal basis to ensure transaction security and consumer rights protection. However, there is still a need to strengthen supervision, transparency, and the application of the principle of prudence in the fintech sector, including sharia fintech, so that consumers can be better protected. This is in line with the view of Islamic law which emphasizes transparency, fairness, and consumer protection in financial transactions, as well as the importance of fair and sustainable regulations to create a safe and just economic system for all parties.

The development of digital technology drives the growth of Fintech, but also poses new risks for consumers. Therefore, Law No. 8 of 1999 needs to be implemented effectively with regulatory support from OJK, Bank Indonesia, and DSN-MUI, especially in Sharia Fintech. Consumer protection must include transparency, data security, fairness, and education. Dual supervision and legal harmonization are needed so that Fintech develops safely, ethically, and in accordance with Sharia principles.

V. ACKNOWLEDGMENT

The author would like to thank his teammates in this research. The writing of this article would not have been achieved optimally without cooperation between the teams. The author would also like to thank all stakeholders who have helped to obtain the data needed in this research, especially to colleagues as lecturers at universities. because they have provided positive inspiration and education so that the author can carry out the research well

VI. REFERENCES

- Nugroho, V. A. S. & Kurniawan, L. Pengaruh Teknologi Fintech dalam Transformasi Industri Asuransi dan Implikasi Regulasi di Indonesia. *Hakim J. Ilmu Huk. dan Sos.* 2, 235–245 (2024).
- Wigati, S., Akbar, D. & Wicaksana, D. H. Relevansi dan Tantangan Penerapan Prinsip Ekonomi Syariah dalam Era Ekonomi Digital. *Ma'mal J. Lab. Syariah dan Huk.* 5, 498–517 (2024).
- Tampubolon, W. S. Upaya Perlindungan Hukum Bagi Konsumen Ditinjau Dari Undang Undang Perlindungan Konsumen. *J. Ilm. Advokasi* 4, 53–61 (2016).
- Kharisma, D. B. Problematika Mekanisme Penyelesaian Pinjaman Gagal Bayar Pada Pinjaman Online Di Indonesia. *J. Rechtsvinding*

- 1, 1–7 (2020).
- Agusta, H. Perlindungan Data Pribadi Penerima Pinjaman Dalam Transaksi Pinjam Meminjam Uang Berbasis Teknologi Informasi (Peer To Peer Lending). *Krtha Bhayangkara* **14**, 156–183 (2020).
- Wicaksono, R., Nugroho, A. A. & Agustanti, R. D. Perlindungan Hukum Terhadap Konsumen Indihome Ditinjau Dari Undang-Undang Perlindungan Konsumen. *J. Ilm. Penegakan Hak* **8**, 149–159 (2021).
- Marzuki, P. M. Penelitian Hukum, Edisi Revisi, Cetakan Ke-12. *Jakarta: Kencana* 133–136 (2016).
- azemi, A. *et al.* Mineral pollutants and coliform contamination in groundwater pose health risks to consumers: a spatiotemporal study in a mining-impacted area. *Sci. Rep.* **14**, 26293 (2024).
- Sargsyan, A. *et al.* Rapid Market Screening to assess lead concentrations in consumer products across 25 low-and middle-income countries. *Sci. Rep.* **14**, 9713 (2024).
- Rosario-Cruz, R., Domínguez-García, D. I. & Almazán, C. Inclusion of anti-tick vaccines into an integrated tick management program in Mexico: a public policy challenge. *Vaccines* **12**, 403 (2024).
- Andatu, M. Regulasi Implementasi Keuangan Berkelanjutan Bank Syariah Dan Bank Konvensional Di Indonesia Analisis Komparasi. at (2021).
- Laganà, V. R., Lombardi, F., Di Gregorio, D. & Nicolosi, A. Consumption Preferences for Truffles and Truffle-Based Products: An Application of the PLS-SEM Model. *Sustainability* **16**, 5002 (2024).
- Wetters, S., Häser, A., Ehrlich, T., Scheitle, C. & Nick, P. Tracing tiger nut (*C. esculentus* L.): functional food from the colossal *Cyperus* genus. *Eur. Food Res. Technol.* **250**, 225–238 (2024).
- Kulkov, I., Kulkova, J., Leone, D., Rohrbeck, R. & Menvielle, L. Stand-alone or run together: artificial intelligence as an enabler for her technologies. *Int. J. Entrep. Behav. Res.* **30**, 2082–2105 (2024).
- Leong, E. Regulating Borrower Hardship in Australia, Singapore, and Hong Kong: Payment Holidays During COVID-19 and Beyond. *J. Consum. Policy* **45**, 411–433 (2022).
- Renting, H., Caron, P. & Bricas, N. Priorities for inclusive urban food system transformations in the Global South. *Sci. Innov. food Syst. Transform.* 281 (2023).
17. Filho, W. L. *et al.* Consumer attitudes and concerns with bioplastics use: An international study. *PLoS One* **17**, e0266918 (2022).
18. Jumaeva, A. Hygienic aspects of the possibility of using the new insecticide Seller in agriculture. in *E3S Web of Conferences* vol. 460 11003 (EDP Sciences, 2023).
19. Morić, Z., Dakic, V., Djekic, D. & Regvart, D. Protection of Personal Data in the Context of E-Commerce. *J. cybersecurity Priv.* **4**, 731–761 (2024).
20. Diab, A. L., Iswandi, I., Yaqub, A., Muthalib, L. M. & Baharuddin, A. Z. Safeguarding Consumers: The Role of Industry and Trade Office in Countering Monopolistic Practices and Ensuring Business Protection. *Volksgesit J. Ilmu Hak. Dan Konstitusi* 299–312 (2023).
21. Samosir, H. E. S., Natsir, I., Setiawan, H., Hendra, J. & Sipayung, B. Perspective of Sharia Economic Law and Positive Law for Non-Cash Payment Qris Users in Indonesia According to The SDG. *J. Lifestyle SDGs Rev.* **4**, e01741–e01741 (2024).
22. Rohendi, A. & Kharisma, D. B. Personal data protection in fintech: A case study from Indonesia. *J. Infrastructure, Policy Dev.* **8**, 4158 (2024).
23. Fibrianti, N., Santoso, B., Setyowati, R. & Rindyawati, Y. Legal Culture and Legal Consciousness of Consumers: The Influence on Regulation and Enforcement of Consumer Protection Laws. *JILS* **8**, 1267 (2023).
24. Salvia, H., Priowirjanto, E. S. & Suwandono, A. Operator Responsibilities in Safeguarding Consumer Rights Against GPS Spoofing in Ride-Hailing Services. *PADJADJARAN J. ILMU HUK. (JOURNAL LAW)* **11**, 208–230 (2024).
25. Prastyanti, R. A. & Sharma, R. Establishing Consumer Trust Through Data Protection Law as a Competitive Advantage in Indonesia and India. *J. Hum. Rights, Cult. Leg. Syst.* **4**, 354–390 (2024).
26. Irawati, J. & Steven Theonald, P. S. LEGAL CHALLENGES IMPEDING THE DEVELOPMENT OF LOCAL WISDOM-BASED WELLNESS TOURISM POTENTIAL. *Jurisdiction J. Hak. Dan Syariah* **14**, 212–232 (2023).
27. Hutaaruk, R. H., Sudirman, L., Disemadi, H. S. & Tan, D. Convergence Of Consumer Protection, Investment Law, And Cybersecurity: An In-Depth Analysis of Three-Way Legal Intersections in Investment Apps. *Jurisdiction J. Hak. dan Syariah* **14**, 127–153 (2023).
28. Bahar, T. M. A., Kamello, T., Suhadi, S., Saidin, S. & Trihasworo, R. H. B. Contractual Obligations in Financing with Fiduciary Security in Indonesia in the Context of Justice. *Lex Sci. Law Rev.* **7**, 215–248 (2023).
29. Imanuddin, I. & Anggraeni, R. R. D. Construction of Consumer Protection Against Illegal Online Loan Transactions As a Means of IUS Constituendum in Indonesia. *J. IUS Kaji. Hak. dan Keadilan* **11**, 539–556 (2023).
30. Lira, M. A., Buana, A. P. & Mamonto, M. A. W. W. Consumer Legal Protection Related to Goods Storage Agreements in Shopping Centers in Realizing Justice. *J. IUS Kaji. Hak. dan Keadilan* **12**, 237–250 (2024).
31. Fista, Y. L., Machmud, A. & Suartini, S. Perlindungan Hukum Konsumen Dalam Transaksi E-commerce Ditinjau dari Perspektif Undang-Undang Perlindungan Konsumen. *Binamulia Hak* **12**, 177–189 (2023).
32. Mahran, Z. A. & Sebyar, M. H. Pengaruh Peraturan Menteri Perdagangan (PERMENDAG) Nomor 31 Tahun 2023 terhadap Perkembangan E-commerce di Indonesia. *Hakim J. Ilmu Hak. dan Sos.* **1**, 51–67 (2023).
33. Subagiyo, R. Era Fintech: Peluang Dan Tantangan Bagi Ekonomi Syariah. *El-Jizya J. Ekon. Islam* **7**, 316–336 (2019).
34. Regita, R. Problematika Pengawasan Kesyariahan Peer-to-Peer Fintech Syariah: Analisis POJK Nomor 10/POJK.05/2022 dan Peran DSN MUI. *Al-Muamalat J. Hak. dan Ekon. Syariah* **10**, 130–145 (2025).
35. Ahimsa, T. Transparansi Informasi sebagai Bentuk Perlindungan Konsumen di Sektor Jasa Keuangan: Studi Komparasi di Indonesia, Singapura, dan Malaysia. *Dialogia Iurid.* **13**, 65–91 (2022).
36. Milafebina, R., Lesmana, I. P. & Syailendra, M. R. Perlindungan Data Pribadi terhadap Kebocoran Data Pelanggan E-commerce di Indonesia. *J. Tana Mana* **4**, 157–169 (2023).
37. Dharmayanti, S., Ardiansah, A. & Kadaryanto, B. Pemenuhan Ketersediaan Kelas Rawat Inap Standar Bagi Peserta Jaminan Kesehatan Nasional Dalam Perspektif Hak Asasi Manusia. *Innov. J. Soc. Sci. Res.* **3**, 1171–1181 (2023).
38. Faris, N. & Winario, M. Perlindungan Konsumen Dalam Perbankan Syariah: Perspektif Hukum Ekonomi Syariah. *Multidiscip. J. Relig. Soc. Sci.* **1**, 29–39 (2024).
39. Alfiana, A., Fanggalda, F. O., Norrahman, R. A. & Farida, F. Analisis Kualitatif Kebijakan Pengembangan Produk FinTech dalam Meningkatkan Akses Keuangan dan Perilaku Konsumen di Indonesia. *Sanskara Akunt. dan Keuang.* **2**, 28–37 (2023).
40. Novita, Y. D. & Santoso, B. Urgensi Pembaharuan Regulasi Perlindungan Konsumen di Era Bisnis Digital. *J. Pembang. Hak. Indone.* **3**, 46–58 (2021).
41. Santriati, A. T. & Juwita, D. R. Perlindungan Hak Konsumen dalam Perspektif Hukum Islam dan Undang-Undang Perlindungan Konsumen Nomor 8 Tahun 1999. *Opinia J.* **2**, 32–51 (2022).
42. Widjaja, G. Maqasid Syariah Dalam Regulasi Fintech. *Borneo J. Islam. Stud.* **5**, 23–36 (2024).

43. Indonesia, R. Undang-Undang No. 8 tahun 1999 tentang perlindungan konsumen. *Lembaran Negara RI Tahun 8*, 36–37 (1999).
44. Saragih, L. K., Budhijanto, D. & Somawijaya, S. Perlindungan hukum data pribadi terhadap penyalahgunaan data pribadi pada platform media sosial berdasarkan undang-undang republik indonesia nomor 19 tahun 2016 tentang perubahan atas undang-undang nomor 11 tahun 2008 tentang informasi dan transaksi elek. *J. Huk. De'rechtsstaat* **6**, 125–142 (2020).
45. POJK no 22 tahun 2023. Perlindungan Otoritas Jasa Keuangan Di Sektor Jasa Keuangan. (2023).
46. Peraturan Bank Indonesia. Peraturan Bank Indonesia Nomor 19/12/PBI/2017 tentang Penyelenggaraan Financial Technology. *Bank Indoneses.* 1–14 (2017).
47. Indonesia, M. A. R. Fatwa DSN 117/DSN-MUI/II/2018. <https://putusan3.mahkamahagung.go.id/peraturan/detail/11eb40220b53a5349f7b313134303532.html> (2018).
48. Sotelo, C. G. *et al.* Tuna labels matter in Europe: Mislabelling rates in different tuna products. *PLoS One* **13**, e0196641 (2018).
49. Squeff, T. de A. F. R. C. & Mucelin, G. Contratos internacionais online de consumo: transformação digital desde o Mercosul. *Rev. Estud. Const. Hermenêutica e Teor. do Direito* **13**, 444–466 (2021).
50. Ab Halim, M. A., Salleh, M. M. M., Ahmad, A. A., Ab Rahman, S. & Nusran, M. Economic growth of halal industry: Enhancing governance and halal legal framework in the ASEAN (Goal 12). in *Good Governance and the Sustainable Development Goals in Southeast Asia* 140–154 (Routledge, 2022).
51. Munthe, A. K. Penggunaan Perjanjian Buku dalam Transaksi Bisnis Menurut Hukum Islam. *AHKAM J. Ilmu Syariah* **15**, (2015).
52. Andatu, M. & Hilabi, A. Implementasi Regulasi Keuangan Berkelanjutan Pada Bank Syariah dan Bank Konvensional di Indonesia. *Al Irsyad J. Stud. Islam* **2**, 23–34 (2023).
53. Shukri, M. H. M., Ismail, R. & Markom, R. Exploring the Relationship between Consumer Protection and Product Liability: Civil and Islamic Perspectives. *Malaysian J. Consum. Fam. Econ.* **32**, 177–195 (2024).
54. Edward, M. Y., Fuad, E. N., Ismanto, H., Atahau, A. D. R. & Robiyanto, R. Success factors for peer-to-peer lending for SMEs: evidence from Indonesia. *Innovations* **20**, 16–25 (2023).
55. Alam, S. & Noor, H. Mined and non-mined crypto currencies: A critical analysis from shariah perspective. *Int. J. Innov. Sci. Res. Technol.* **5**, 429–437 (2020).
56. Astuti, H. D. *et al.* Principle 5 C in the practice of Peer to Peer lending (P2P) financial technology in the perspective of business ethics and islamic justice. (2022).
57. Iskandar, R. D. M., Maryanti, T., Jayaprawira, A. R. & Sari, S. N. Indonesian islamic banking fintech model strategy: Anp method. *Aptisi Trans. Technopreneursh.* **4**, 142–152 (2022).