

Contemporary Fatwas on Online Marketplaces in Malaysia: A Shariah-Compliant Response to Digital Transactions

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Abstract: The exponential growth of e-commerce in Malaysia has prompted significant discourse on the integration of Islamic legal principles within digital marketplaces. This study critically examines contemporary fatwas issued by Malaysian religious authorities, including the National Fatwa Council and the Shariah Advisory Council, in response to emerging digital transaction models such as pre-orders, Buy Now Pay Later (BNPL) schemes, and e-wallet usage. Employing a qualitative methodology grounded in document analysis and case studies, the research investigates how classical muamalah principles—particularly the prohibition of *riba* (usury), *gharar* (excessive uncertainty), and *maisir* (gambling), as well as the requirement of *taradhin* (mutual consent)—are contextualized within modern commercial environments. Findings reveal that these fatwas serve as both doctrinal references and regulatory tools that uphold the ethical integrity of online transactions while addressing critical consumer rights and business responsibilities. This study contributes to the theoretical expansion of Islamic commercial jurisprudence by bridging classical fiqh with digital financial innovation. Its specific contribution lies in constructing a normative-practical framework for Shariah-compliant e-commerce, offering guidance not only for Malaysian stakeholders but also for Muslim-majority and minority contexts globally. The research underscores the importance of harmonizing Shariah standards, enhancing Islamic financial literacy, and institutionalizing halal assurance mechanisms in the digital economy.

Keywords: Shariah-Compliant E-Commerce; Contemporary Fatwas; Halal Certification; Digital Marketplace; Islamic Business Ethics

Introduction

Over the past decade, Malaysia has witnessed a remarkable transformation in its e-commerce landscape, mirroring global trends driven by rapid technological advancements and evolving consumer behavior. With the increasing penetration of internet access and the widespread use of smartphones, consumers are shifting away from traditional retail towards digital platforms for shopping, communication, and financial transactions. According to the Department of Statistics Malaysia, the country's e-commerce revenue exceeded RM 1 trillion in 2021, reaching RM 1.09 trillion a 21.8% increase compared to previous years. This surge underscores the growing reliance on digital commerce as a key driver of Malaysia's economic development.¹

One of the most significant contributors to this trend is the changing behavior of consumers, particularly among younger demographics such as Generation Z. These digital natives value convenience, speed, and personalization in their shopping experiences. Research indicates that 83% of Malaysian internet users have engaged in online shopping, highlighting a significant shift toward digital consumerism. This trend has compelled businesses to adapt by embracing digital transformation, investing in online platforms, mobile applications, and integrated payment systems to remain competitive in an increasingly digital marketplace.²

However, Malaysia's unique sociocultural and religious context adds an important dimension to this transformation. As a Muslim-majority country, Malaysia emphasizes the integration of Islamic principles into its economic and financial systems, including the realm of digital commerce. The incorporation of Shariah-compliant guidelines into e-commerce transactions is not only a matter of religious obligation but also a strategic approach to promoting ethical, transparent, and equitable business practices. These guidelines include ensuring fairness in pricing, the avoidance of *riba* (usury), transparency in product information, and the prohibition of elements of *gharar* (uncertainty) and fraud.³

The growing emphasis on Shariah-compliant e-commerce is not limited to serving Muslim consumers. In fact, the ethical values enshrined in Islamic commercial jurisprudence such as trustworthiness, accountability, and social justice resonate with broader consumer expectations and global ethical standards. As a result, businesses that adopt these guidelines can foster greater consumer trust, enhance their brand reputation, and appeal to a wider audience seeking integrity in digital transactions.

Furthermore, the implementation of Shariah principles in e-commerce also has implications for businesses and digital platform developers. This includes ensuring Shariah-compliant payment systems, clarity in contractual terms, ethical advertising, and fair dispute resolution mechanisms. These requirements call for collaboration between regulatory authorities, Islamic finance institutions, scholars, and industry players to build a robust and inclusive digital economy.

¹ Chin, M., Foo, L., & Falahat, M. 2023. "Digital Free Trade Zone in Facilitating SMEs for Globalisation: A Malaysian Perspective." *Business and Economic Research* 13(2): 40. <https://doi.org/10.5296/ber.v13i2.20835>.

² Fadzil, A., Ghazali, P., Yaacob, M., & Muhayiddin, M. 2018. "Determinant Factors of E-Commerce Entrepreneurship in Malaysia." *International Journal of Asian Social Science* 8(12): 1228–1235. <https://doi.org/10.18488/journal.1.2018.812.1228.1235>.

³ Lee, M., & Ong, T. 2023. "Malaysian Competition Law in E-Commerce." *Asian Journal of Law and Policy* 3(3): 137–158. <https://doi.org/10.33093/ajlp.2023.10>.

This article aims to delve into the development of e-commerce in Malaysia, with a particular focus on the role of Shariah-compliant principles in shaping ethical and responsible digital practices. It aims to analyze the implications of these guidelines for businesses and consumers alike and to provide insights into how stakeholders can navigate the complexities of the digital economy while aligning with Islamic values. In doing so, the article aspires to contribute to the broader discourse on ethical e-commerce practices in Malaysia and beyond, highlighting how religious principles can coexist with and enhance modern technological progress.

Research Method

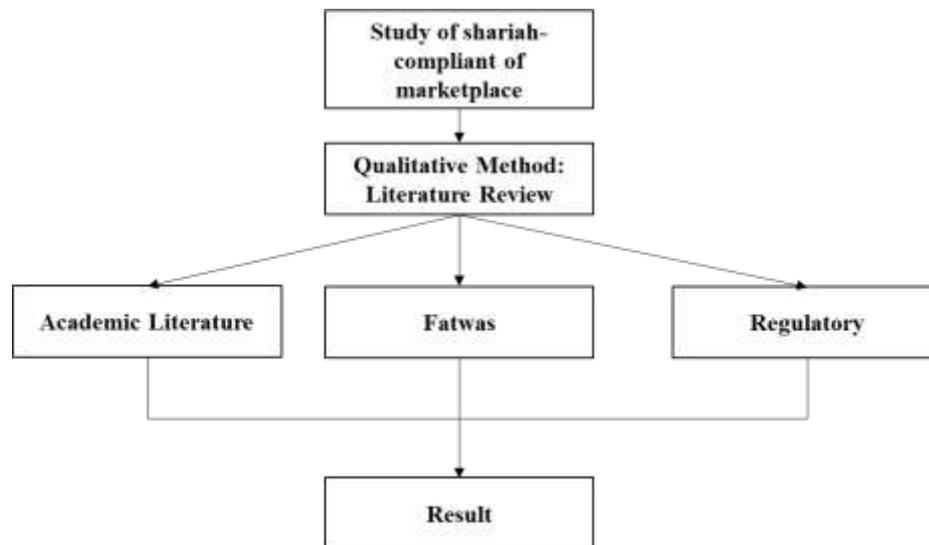
This study adopts a qualitative methodology, integrating case study analysis and literature review to examine the application of Shariah-compliant practices in online marketplaces. The objective is to explore the responsibilities and rights of consumers and sellers within the framework of Islamic commercial law, particularly in addressing ethical and legal issues in digital transactions.

The research relies on secondary data, including academic literature, recent fatwas, and regulatory documents discussing topics such as consumer protection, halal certification, and compliance challenges in Islamic e-commerce.⁴

Case studies of selected online platforms are used to highlight practical applications and institutional responses related to Shariah compliance.⁵ These cases provide insight into best practices and recurring challenges in the field.

In conclusion, this methodology supports a comprehensive, ethics-driven understanding of Shariah-compliant online marketplaces, contributing to better practices in Malaysia's evolving digital economy.

Figure 1. Diagram of Research Framework



⁴ Erlangga, E., Persada, S., Apriyansyah, B., & Lin, S. 2022. "Consumer Intrinsic Factors and Impulsive Buying on Shopee." <https://doi.org/10.2991/aebmr.k.211226.024>.

⁵ Harahap, A., & Atika, A. 2024. "Analisis Implementasi Gadai Emas pada Bank Syariah Indonesia." *Journal of Business Finance and Economics* 5(2): 253–266. <https://doi.org/10.32585/jbfe.v5i2.5726>.

The Islamic Concept of Trade in the Framework of *Muamalah*

The Islamic concept of transactions, known as *muamalah*, emphasizes fundamental principles aimed at ensuring fairness, transparency, and avoidance of prohibited practices such as *riba* (usury), *gharar* (excessive uncertainty), and *maysir* (gambling). These core principles serve as foundational elements in guiding the ethical conduct of business transactions within the Islamic framework. The maxim of justice (*adl*) is inherent in *muamalah*, which calls for equitable treatment of parties involved in transactions, ensuring that neither party suffers unfair disadvantages.⁶ The prohibition of *riba* is particularly significant as it aims to prevent exploitation in financial engagements while promoting equity. *Gharar*, which refers to excessive ambiguity in contracts, is also banned to maintain clarity in agreements and avoid potential disputes. *Maisir* is discouraged because it encourages speculative behavior, which undermines economic stability by fostering irresponsible financial practices.⁷

For a sale to be valid according to Islamic jurisprudence (*fiqh*), several conditions must be adhered to. Firstly, there needs to be mutual consent between the parties involved, as derived from the concept of *taradhin* (mutual agreement), indicated in the Quran.⁸ Additionally, the subject matter of the sale must be lawful (*halal*) and capable of being delivered, ensuring that it does not involve any elements prohibited by Islamic law. The price should also be clear, with neither ambiguity nor injustice. Parties engaged in the transaction must be of sound mind and reach the age of maturity, so that they understand the implications of their commitments. Furthermore, the seller must possess the item being sold, and the buyer must be able to pay accordingly, ensuring a fair exchange. These conditions create a robust framework for conducting transactions that align with Islamic principles, allowing for economic interactions to flourish ethically and responsibly.⁹

The principles of *muamalah* serve as significant guidelines within Islamic finance and economics. They not only outline the ethics of transactions but also set a clear framework for what constitutes a lawful and valid sale according to *fiqh*. By understanding and adhering to these principles, individuals and businesses can engage in economic activities that are both compliant with Islamic teachings and beneficial to society at large.

In Islam, economic transactions are governed by the principles of *muamalah*, which refer to the rules of interpersonal dealings. These rules aim to preserve justice, transparency, and mutual benefit in social and commercial interactions. The underlying foundation of *muamalah* is deeply rooted in Islamic ethics, the *maqasid al-shariah* (objectives of Islamic

⁶ Afandy, M., Dinurri'annah, U., Atmaja, F., Nurozi, A., & Asmuni, A. 2022. "Concept of 'An-Taradhin Minkum in the Perspective of Qur'an and Hadith." *KNE Social Sciences* 7(10): 285–296. <https://doi.org/10.18502/kss.v7i10.11366>.

⁷ Madjid, S. 2018. "Prinsip-Prinsip (Asas-Asas) Muamalah." *Jurnal Hukum Ekonomi Syariah* 2(1): 14–28. <https://doi.org/10.26618/j-hes.v2i1.1353>.

⁸ Afandy, M., Dinurri'annah, U., Atmaja, F., Nurozi, A., & Asmuni, A. 2022. "Concept of 'An-Taradhin Minkum in the Perspective of Qur'an and Hadith." *KNE Social Sciences* 7(10): 285–296. <https://doi.org/10.18502/kss.v7i10.11366>.

⁹ Mustaqim, D. 2023. "Analisis Fatwa DSN-MUI No. 146/DSN-MUI/IX/2021 tentang Online Shop." *AB-JOIEC* 1(1): 1–13. <https://doi.org/10.61553/abjoiec.v1i1.9>.

law), and divine commandments, ensuring that economic activities uphold moral integrity and social responsibility.

The Ethical Foundations of Muamalah and Their Application in Contemporary E-Commerce

Muamalah, or social and commercial interactions in Islam, is grounded in the principles of justice (*ʿadl*), mutual consent (*taradhin*), and the prohibition of exploitative elements such as *riba* (usury), *gharar* (excessive uncertainty), and *maisir* (gambling). These principles not only shape traditional commercial contracts but also provide a robust ethical framework for modern digital transactions. This article explores the foundational ethics of Islamic commerce and examines their applicability in the context of contemporary e-commerce. Emphasis is placed on upholding Shariah compliance through transparency, fairness, and moral accountability, contributing to a more equitable and faith-aligned digital economy.¹⁰

1. Justice (*ʿAdl*) and Mutual Consent (*Taradhin*) as the Core of *Muamalah* Ethics

Justice (*ʿadl*) is a central value in Islamic jurisprudence and is consistently emphasized throughout the Qur'an as a divine imperative. Within commercial transactions, justice ensures that neither party is subjected to exploitation and that both parties enjoy equal access to rights and obligations. The Qur'an states:

“Indeed, Allah commands you to render trusts to whom they are due and when you judge between people to judge with justice...”
(*Surah An-Nisa*, 4:58)

Mutual consent (*taradhin*) is another essential requirement for a valid Islamic transaction. Islam explicitly prohibits coercive or deceptive business practices. A valid contract must be based on full awareness and voluntary agreement from all involved parties. This is evident in the following verse:

“O you who believe! Do not consume one another's wealth unjustly, but only [in lawful] business by mutual consent...”
(*Surah An-Nisa*, 4:29)

These principles are foundational to establishing transparency, fairness, and ethical conduct in both traditional and digital marketplaces.

2. The Prohibition of Riba (Usury/Interest)

One of the most explicitly prohibited elements in Islamic commercial law is *riba*, commonly understood as usury or unjustified gain from lending or trading. The Qur'an strongly condemns this practice:

“Those who consume riba will not stand [on the Day of Resurrection] except as one stands who is being beaten by Satan into insanity... But Allah has permitted trade and forbidden riba.” (*Surah Al-Baqarah*, 2:275)

“O you who believe! Fear Allah and give up what remains [due to you] of riba if you are indeed believers.”
(*Surah Al-Baqarah*, 2:278)

¹⁰ Hasan, M., & Latif, M. 2024. “Maqasid al-Sharī'ah and Halal Certification Self-Declare Systems.” *Mazahib* 23(1): 41–78. <https://doi.org/10.21093/mj.v23i1.6529>.

Riba undermines economic justice by enabling wealth accumulation without productive effort and imposes asymmetrical risk between parties. Its prohibition is reinforced by the Prophet Muhammad ﷺ:

“The Messenger of Allah cursed the one who consumes riba, the one who pays it, the one who records it, and the two witnesses to it.”
(*Sahih Muslim, Hadith No. 1598*)

Hence, financial systems and digital payment platforms must be structured to avoid interest-based mechanisms in favor of Shariah-compliant alternatives such as *murabaha* or *ijarah*.

3. Prohibition of Gharar (Excessive Uncertainty) and Maisir (Gambling)

Another key ethical restriction in Islamic commercial law is the prohibition of *gharar*, which refers to excessive ambiguity or uncertainty in the terms of a contract. The Prophet Muhammad ﷺ said:

“Do not sell what is not with you.”
(*Sunan Abi Dawud, Hadith No. 3503*)

*“The Prophet forbade the sale of *Habl al-Habala* (a speculative transaction) and sales involving ambiguity.”*
(*Sahih Muslim, Hadith No. 1513*)

The goal of this prohibition is to prevent disputes, deception, and unjust enrichment. Similarly, *maisir* (gambling) is condemned as it involves wealth generation through chance rather than effort, which violates the principles of equity and productivity:

“They ask you about wine and gambling. Say, ‘In them is great sin and [yet, some] benefit for people. But their sin is greater than their benefit.’”
(*Surah Al-Baqarah, 2:219*)

In the digital context, this prohibits speculative investments, games of chance, and high-risk financial instruments that resemble gambling.

4. Legal Conditions for a Valid Sale (Bay`) in Islamic Law

Islamic jurisprudence outlines specific conditions for the validity of a sale, ensuring the legitimacy and fairness of commercial transactions. These conditions include:

- a) Mutual consent – Parties must engage freely, without coercion or deception.
- b) Permissible subject matter – Goods must be halal (permissible) and free from impurities (*najis*).
- c) Clarity of price and item – No ambiguity regarding the object or cost of sale.
- d) Ownership and possession – The seller must legally own or have the right to sell the item.
- e) Legal capacity – Both parties must be of sound mind, mature (*baligh*), and competent to contract.

The following hadiths affirm these requirements:

“The buyer and the seller have the option [to cancel the bargain] as long as they have not separated.”
(*Sahih al-Bukhari, Hadith No. 2110*)

“Whoever sells a defective product without disclosing its defect remains under the anger of Allah.”
(Ibn Majah, Hadith No. 2246)

These stipulations foster a high standard of accountability and protect the sanctity of commercial dealings in Islam.

Contemporary Fatwas on Online Marketplaces in Malaysia: A Shariah-Compliant Response to Digital Transactions

As digital commerce evolves rapidly, the emergence of complex online transaction models has prompted the need for clear Shariah-based guidance. In Malaysia, as a leading hub of Islamic finance and a Muslim-majority country, recent fatwas from the Jawatankuasa Fatwa Majlis Kebangsaan Bagi Hal Ehwal Agama Islam Malaysia (MKI) and state-level fatwa councils have addressed key contemporary issues in digital marketplaces such as pre-orders, Buy Now Pay Later (BNPL) schemes, and e-wallet usage. These rulings reflect the *ijtihad* (independent reasoning) of contemporary scholars who aim to align technological innovation with timeless Islamic principles of justice (*adl*), transparency (*bayyinah*), and avoidance of harm (*darar*).

1. Pre-Order Transactions: Permissibility Under Akad Salam

Pre-order transactions, widely used in modern e-commerce platforms, involve buyers paying in advance for goods to be delivered later. The Fatwa Council has endorsed these arrangements under the classical Islamic contract of *salam*, which is a forward sale contract allowed in Shariah under specific conditions.¹¹

Conditions for permissibility include clearly defined product specifications, agreed-upon pricing, and a transparent delivery timeline. These elements aim to eliminate *gharar* (uncertainty) and promote ethical clarity. The Prophet Muhammad (peace be upon him) said; “Whoever pays in advance for something, let him do so for a specified weight and a specified measure and for a specified period” (Sahih al-Bukhari, Hadith No. 2240).¹²

By contextualizing *salam* within digital platforms, scholars affirm that modern pre-order systems can be Shariah-compliant, provided no elements of *riba* or *gharar* are present.

2. Buy Now Pay Later (BNPL): Conditions to Avoid Riba

BNPL schemes, where consumers defer payment with or without markup, raise significant Shariah concerns, especially regarding *riba jahiliyyah* (interest upon delay). The National Fatwa Council emphasizes that BNPL is permissible if the price is fixed at the time of sale and no additional charges are imposed upon late payment unless they are administrative and non-profit in nature.¹³

The financial terms must be transparent, fair, and not designed to exploit consumers. This is in accordance with the Quranic guidance: “But if the debtor is in difficulty, then let

¹¹ Moslem, H., & KH, H. 2023. “Analysis of Akad Salam (Pre-Order) in Online Buying and Selling.” *Syarikat* 6(2): 387–398. [https://doi.org/10.25299/syarikat.2023.vol6\(2\).14744](https://doi.org/10.25299/syarikat.2023.vol6(2).14744).

¹² Mohamad, A., Angsor, M., Adi, M., & Min, A. 2025. “Malaysia's E-Commerce Landscape: Legal Structures and Operational Hurdles.” <https://doi.org/10.1117/12.3059023>.

¹³ Alfarisi, M., & Suhedi, S. 2023. “Living Economy: Relevansi Fatwa DSN-MUI tentang Online Shop dalam Etika Bisnis Seller E-Commerce pada Aplikasi TikTok.” *Tawazun Journal of Sharia Economic Law* 6(2): 293. <https://doi.org/10.21043/tawazun.v6i2.23324>.

there be postponement until [a time of] ease. But if you give [from your right as] charity, then it is better for you..." (Quran, Al-Baqarah 2:280).

Such schemes, when properly structured, support responsible financing and financial inclusion while upholding Islamic ethical standards.

3. E-Wallets: Digital Instruments of Halal Convenience

E-wallets, such as Touch 'n Go and GrabPay, are increasingly used for online transactions. Recent fatwas recognize their permissibility under Islamic law, provided that the funds stored do not bear interest, and the platform does not engage in haram activities.¹⁴

The Quran states, "Allah intends for you ease and does not intend for you hardship" (Al-Baqarah 2:185), underscoring the importance of technological convenience aligned with ethical conduct. E-wallets enhance transactional efficiency and promote financial inclusivity without violating Shariah tenets.

4. Broader Impact of Fatwas: Ensuring *Maqasid al-Shariah* in E-Commerce

Recent fatwas not only provide *fiqh*-based legitimacy but also reflect the broader goals of *Maqasid al-Shariah* (higher objectives of Islamic law), which include the preservation of wealth (*hifz al-mal*), prevention of harm (*daf' al-darar*), and promotion of social welfare (*maslahah*).¹⁵

By addressing emerging marketplace models, Malaysia's fatwa institutions help ensure that innovation in e-commerce does not override Islamic ethical boundaries. These guidelines are vital in maintaining consumer trust and promoting responsible digital commerce.

Shariah Challenges and Issues in Online Marketplaces

In recent years, the digitalization of commerce through online marketplaces has significantly influenced consumer behavior and supply chain dynamics. For Muslim consumers, the growing demand for halal products intersects with the increasing reliance on e-commerce platforms. While this shift provides greater accessibility, it also introduces complex Shariah-related challenges, particularly in ensuring the authenticity and compliance of products marketed as halal. These concerns demand rigorous examination to uphold Islamic ethical standards, protect consumer interests, and maintain the integrity of the halal economy.

1. Fraudulent Practices and Misleading Information

One of the most pressing Shariah issues in online commerce is the prevalence of fraudulent practices and misleading product information. In the absence of physical inspection and face-to-face transactions, consumers are particularly vulnerable to deception and misrepresentation. This may include inaccurate labeling, false claims regarding product origin, or omission of ingredients that are not halal-compliant.

According to Haryono et al., misleading promotional strategies that exploit religious sensitivities, especially the halal label can significantly erode consumer trust and

¹⁴ Alfarisi, M., & Suhedi, S. 2023. "Living Economy: Relevansi Fatwa DSN-MUI tentang Online Shop dalam Etika Bisnis Seller E-Commerce pada Aplikasi TikTok." *Tawazun Journal of Sharia Economic Law* 6(2): 293. <https://doi.org/10.21043/tawazun.v6i2.23324>.

¹⁵ Madjid, S. 2018. "Prinsip-Prinsip (Asas-Asas) Muamalah." *Jurnal Hukum Ekonomi Syariah* 2(1): 14–28. <https://doi.org/10.26618/j-hes.v2i1.1353>.

compromise ethical market behavior. This problem is exacerbated by insufficient regulatory monitoring of online sellers, many of whom operate through third-party platforms without direct accountability.¹⁶

As emphasized by Ikawati et al., transparent and detailed product information is critical for mitigating these risks. Digital platforms should prioritize integrity in descriptions, visual content, and certification disclosure to ensure informed decision-making and compliance with Islamic ethical standards (*akhlaq al-tijarah*).¹⁷

2. Halal Certification and Traceability Issues

Another major concern lies in the ambiguity of halal status of products sold online. In many cases, items are labeled halal without sufficient evidence or proper certification from recognized authorities. This is particularly problematic for processed foods, cosmetics, pharmaceuticals, and imported goods, where complex supply chains make traceability more difficult.

Research by Othman et al. in 2022 indicates that both Muslim and non-Muslim consumers are often uncertain about the authenticity of halal claims in digital marketplaces. These uncertainties not only affect purchasing decisions but may also expose consumers to prohibited (*haram*) substances or unethical production methods.¹⁸

Furthermore, Ikawati et al. in 2024 notes that a lack of consumer understanding regarding the criteria and processes of halal certification often leads to confusion and misplaced trust. In response, Haryono et al. in 2023 advocate for the integration of halal assurance systems including QR code-based traceability and real-time verification within online platforms to enhance transparency and accountability.

The broader implication is that halal compliance in e-commerce must extend beyond mere labeling. It requires comprehensive documentation, supply chain traceability, and verification mechanisms that align with Shariah principles and industry standards.

3. Uncertainties in Logistics, Shipping, and Returns

The logistics dimension of online commerce introduces new risks and uncertainties in the context of halal product compliance. This includes shipment delays, poor packaging, and unclear return policies, all of which can impact product quality and religious acceptability.

As Zailani et al. in 2019 observe, perishable or sensitive halal products such as fresh meat, dairy, or items requiring ritual purity may suffer quality degradation or contamination during storage and transport if proper guidelines are not followed. Inadequate information on shipping timelines or conditions can cause consumer dissatisfaction and mistrust, particularly when expectations of halal compliance are unmet.¹⁹

¹⁶ Haryono, A., Susilowati, F., Mardiana, L., Rahmatika, F., & Rohmah, R. 2023. "Trust in Halal Cosmetic Reviews." *Invest Journal of Sharia & Economic Law* 3(2): 167–188. <https://doi.org/10.21154/invest.v3i2.7113>.

¹⁷ Ikawati, L. R., Santoso, A. R., & Yuliani, S. 2024. "Transparansi Informasi Produk dalam E-Commerce Halal." *Jurnal Bisnis dan Teknologi* 10(2): 70–85.

¹⁸ Othman, N., Ahmad, M., & Wahid, H. 2022. "Halal Awareness in Online Shopping." *International Journal of Halal Studies* 8(3): 101–115.

¹⁹ Zailani, S., Arrifin, Z., & Supian, N. 2019. "Halal Logistics: A Value Chain Perspective for E-Commerce." *Journal of Islamic Marketing* 10(4): 984–1000.

To address these concerns, it is essential for e-commerce providers to adopt transparent shipping protocols and clearly communicate return or refund procedures. Implementing halal-friendly logistics solutions, including segregated storage, halal-certified couriers, and time-sensitive delivery systems, is vital to upholding Shariah compliance and protecting consumer rights.

4. Toward a Shariah-Compliant Digital Marketplace

Resolving these Shariah challenges in online trade requires a multi-stakeholder approach involving regulatory bodies, certification authorities, marketplace operators, and consumers. Key recommendations include:

- a) Enforcing strict verification of halal claims through recognized certification bodies.
- b) Educating consumers on halal standards, certification recognition, and red flags for fraudulent products.
- c) Embedding transparency in product listings, including visible halal logos, expiration dates, and country of origin.
- d) Developing halal-compliant logistics networks to ensure integrity from producer to consumer.
- e) Applying Islamic business ethics such as honesty (*sidq*), trust (*amanah*), and responsibility (*mas'uliyah*) in digital transactions.

By integrating these values, digital platforms can reinforce public confidence and position themselves as ethical leaders in the halal e-commerce industry.

The rapid expansion of online marketplaces presents both opportunities and challenges for halal commerce. Shariah concerns such as deceptive practices, ambiguous halal labeling, and logistical shortcomings threaten the integrity of Islamic trade principles in the digital age. To safeguard consumer trust and uphold the objectives of Islamic law (*maqasid al-shariah*), it is essential to establish comprehensive frameworks that promote transparency, accountability, and ethical conduct. As the halal digital economy continues to grow, adherence to Shariah principles will be instrumental in ensuring its sustainability and credibility.²⁰

The Implications of Fatwas on Online Marketplaces in Malaysia: Shariah Compliance, Consumer Rights, and BNPL Challenges

In recent years, the exponential growth of e-commerce in Malaysia has necessitated the development of legal and ethical frameworks that align with Islamic principles. In response to this demand, several contemporary fatwas have been issued to regulate online trading practices, particularly within Muslim-majority contexts. These fatwas carry far-reaching implications for both consumers and sellers, especially concerning their duties under Islamic law and the protection of consumer rights in digital transactions. This article examines the ramifications of such fatwas with a focus on three central areas: the Shariah responsibilities of online sellers, the rights of Muslim consumers, and the unique challenges introduced by Buy Now Pay Later (BNPL) systems.²¹

²⁰ Haryono, T., Rahman, A., & Fadilah, R. 2023. "Halal Assurance Systems in E-Commerce." *Jurnal Ekonomi Syariah* 11(1): 45–60.

²¹ Mohamad, A., Angsor, M., Adi, M., & Min, A. 2025. "Malaysia's E-Commerce Landscape: Legal Structures and Operational Hurdles." <https://doi.org/10.1117/12.3059023>.

1. Shariah Responsibilities of Online Sellers

Under Islamic jurisprudence, the permissibility of trade is governed by the principles of *muamalah*, which emphasize fairness, transparency, and ethical conduct. Online sellers operating in Malaysia's digital marketplaces bear a fundamental obligation to ensure that their business activities adhere to Shariah-compliant standards. This includes a duty to disclose accurate information about the halal status of their products and to avoid elements that are explicitly prohibited in Islam, such as *riba* (interest), *gharar* (uncertainty), and *maisir* (gambling).²² Sellers are required to verify halal certifications through proper authorities and ensure that no misleading or deceptive practices are employed in product descriptions or pricing strategies.

Fatwas pertaining to digital commerce stress the importance of transparency and truthfulness as integral to valid contracts (*aqd*) in Islam. Sellers must refrain from concealing defects, engaging in exploitative pricing, or using promotional strategies that could mislead consumers. These obligations are consistent with the Qur'anic injunction to "give full measure and weight with justice" (Qur'an 6:152), highlighting the spiritual and social dimensions of ethical commerce. By embedding these principles into their operations, online sellers contribute to the establishment of a trustworthy and equitable marketplace.²³

2. Consumer Rights in E-commerce Transactions

Muslim consumers are endowed with specific rights under Islamic law, particularly the right to be informed, the right to fair treatment, and the right to redress. Contemporary fatwas reinforce these rights by stipulating that consumers must be provided with full and honest disclosure regarding the nature of products, terms of sale, pricing structures, and any ancillary conditions, especially when engaging in deferred payment schemes such as BNPL.²⁴ These requirements aim to ensure that consumers are not subject to *gharar* or uncertainty, which would render a transaction invalid under Shariah.

Furthermore, Islamic legal principles require that all transactions be conducted with mutual consent (*taradhi*), implying that consumers should be free from coercion, manipulation, or deceptive marketing tactics. The fatwas highlight the necessity of maintaining a customer service infrastructure that allows consumers to seek clarification, submit complaints, and receive appropriate remedies when aggrieved. In doing so, they promote an ethical digital environment grounded in *adl* (justice) and *ihsan* (benevolence).²⁵

3. Challenges Associated with BNPL Systems

While BNPL services offer flexibility and access to goods for a broader segment of the population, their operational models raise significant Shariah compliance concerns. The deferred payment feature may lead to ambiguity in repayment terms, the imposition of late

²² Kiranawati, Y., Aziza, S., Nasim, A., & Ningsih, C. 2023. "Islamic Banking Governance in Maqashid Sharia Perspective." *Share: Jurnal Ekonomi dan Keuangan Islam* 12(1): 59–74. <https://doi.org/10.22373/share.v12i1.15446>.

²³ Zailani, S., Arrifin, Z., & Supian, N. 2019. "Halal Logistics: A Value Chain Perspective for E-Commerce." *Journal of Islamic Marketing* 10(4): 984–1000.

²⁴ Cordoba, B., Waite, C., & Walsh, L. 2024. "Food Insecurity and Buy-Now-Pay-Later Use by Young Australians." *Young Consumers* 25(6): 725–747. <https://doi.org/10.1108/yc-11-2023-1912>.

²⁵ Othman, N., Ahmad, M., & Wahid, H. 2022. "Halal Awareness in Online Shopping." *International Journal of Halal Studies* 8(3): 101–115.

fees, or the inclusion of hidden charges all of which risk contravening Islamic financial principles, particularly if they result in *riba*.²⁶ Additionally, the ease of access to credit through BNPL systems may encourage irresponsible spending habits and financial distress, particularly among younger, less financially literate consumers.

Fatwas addressing BNPL schemes call for greater regulatory oversight and ethical structuring of such products to ensure that they align with Shariah requirements. Sellers offering BNPL must ensure that contract terms are explicitly stated, free from hidden costs, and do not involve interest-bearing penalties. Transparency and consent are essential to preserve the validity and integrity of such transactions.²⁷ Importantly, mechanisms should be in place to evaluate the consumer's financial capability prior to the offering of deferred payment options to prevent exploitation and over-indebtedness.

The issuance of fatwas regulating online marketplaces in Malaysia reflects an ongoing effort to harmonize contemporary commercial practices with Islamic ethical and legal standards. These fatwas serve not only as doctrinal guidance but also as regulatory instruments that safeguard the rights of consumers and delineate the responsibilities of sellers. As digital commerce continues to evolve, adherence to Shariah principles becomes imperative in fostering a just, transparent, and sustainable e-commerce ecosystem. Ensuring compliance not only preserves the spiritual integrity of transactions but also enhances consumer trust, promoting long-term economic welfare in accordance with Islamic values.

Theoretical Contribution

This study offers a significant theoretical contribution to the growing body of literature on Shariah-compliant e-commerce, particularly within the context of Muslim-majority countries such as Malaysia. By integrating Islamic principles of *muamalah* into contemporary digital commerce, the research broadens the conceptual framework on how religious values can be effectively applied within modern technological environments.

First, the study enriches academic discourse on Islamic business ethics in the digital domain. It demonstrates that foundational principles such as justice (*ʿadl*), mutual consent (*taradhin*), and the prohibitions of *riba* (usury), *gharar* (excessive uncertainty), and *maisir* (gambling) remain highly relevant and adaptable to the regulation of online transactions. This marks a theoretical advancement beyond the predominantly finance-focused literature, by extending Shariah principles into the realm of e-commerce and digital marketplaces.

Second, the research introduces a normative-practical approach by analyzing contemporary fatwas related to emerging digital transaction models such as pre-orders, Buy Now Pay Later (BNPL) schemes, and e-wallet usage. Through the lens of *ijtihad* (independent reasoning) and formal religious rulings, the study constructs a theoretical bridge between classical Islamic jurisprudence and modern commercial innovations. This contributes to the ongoing development of adaptable Islamic legal theory in response to technological progress.

Third, by addressing practical challenges in digital trade such as misleading information, halal certification ambiguity, and logistical uncertainties the study contributes to the theoretical framework for Islamic consumer protection in digital environments. It

²⁶ Kumar, S., & Nayak, J. 2024. "Risky Indebtedness and BNPL Adoption." *Asia Pacific Journal of Marketing and Logistics* 36(7): 1697–1716. <https://doi.org/10.1108/apjml-08-2023-0759>.

²⁷ Othman, N., Ahmad, M., & Wahid, H. 2022. "Halal Awareness in Online Shopping." *International Journal of Halal Studies* 8(3): 101–115.

expands current understandings of consumer rights in Islamic law and sets the stage for future exploration into ethical governance in e-commerce ecosystems.

Finally, the emphasis on *maqasid al-shariah* such as the preservation of wealth (*hifz al-mal*), prevention of harm (*daf' al-darar*), and promotion of public welfare (*maslahah*) further elevates the theoretical foundation of Shariah-compliant e-commerce. This holistic approach underlines the relevance of Islamic legal objectives not only as theological mandates but also as strategic frameworks for building ethical, inclusive, and sustainable digital economies. This study contributes not only to practical policy formulation and platform design but also establishes a robust theoretical basis for the development of Shariah-compliant e-commerce models in the era of digital transformation.

Conclusion

As Malaysia's digital economy continues to expand, ensuring Shariah compliance in online marketplaces has become a critical concern for Muslim consumers and businesses. This study has demonstrated that contemporary fatwas serve as essential references in addressing emerging issues in digital transactions, including pre-orders, buy-now-pay-later schemes, e-wallet usage, halal certification, and consumer protection. These rulings underscore the enduring relevance of classical Islamic principles such as the prohibition of *riba*, *gharar*, and *maysir*, as well as the requirement of mutual consent (*'an-taradhin*) in navigating the complexities of modern commerce. Despite the adaptability of Islamic jurisprudence to digital challenges, gaps remain in implementation, public awareness, and regulatory enforcement. There is a pressing need for greater integration between Shariah advisory institutions, e-commerce platforms, and regulatory bodies to ensure consistent standards. Additionally, fostering Islamic financial literacy and consumer ethics will be vital in empowering users to make informed and responsible choices. Ultimately, a Shariah-compliant digital economy in Malaysia is not only achievable but also essential for building trust, fairness, and inclusivity in online trade. Contemporary fatwas must continue evolving in tandem with technological advancements, providing principled yet practical guidance that bridges the traditional foundations of Islamic commerce with the realities of the digital marketplace.

As the digital economy evolves, there is a growing need for future research to strengthen the integration of Shariah principles into e-commerce. While this study provides a conceptual foundation through fatwa analysis, upcoming research should emphasize empirical validation by involving consumers, sellers, and platform operators. Surveys and fieldwork can help assess how Shariah-compliant practices influence trust, satisfaction, and behavior in digital transactions. Comparative studies between countries—such as Malaysia, Indonesia, and the UK—are also valuable to understand how different legal and cultural settings affect the implementation of Islamic e-commerce ethics. In addition, research should explore the potential of emerging technologies like blockchain and AI to enhance Shariah compliance, particularly in areas such as halal traceability and contract validation. Further investigation is also needed into the ethical risks of BNPL schemes, especially their financial impact on Muslim consumers. Future studies can help shape policies on halal certification, consumer protection, and dispute resolution that align with Islamic law. Halal logistics, especially for perishable or purity-sensitive products, also requires attention to ensure integrity throughout the supply chain. Collectively, these research directions will support the development of a more ethical, inclusive, and Shariah-aligned digital economy.[]

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