

## Dialectics of Sharia Fintech Peer to Peer Lending: Opportunities and Challenges

Wardah Yuspin<sup>1</sup>, Muhammad Edi Hermawan<sup>2</sup>

<sup>1,2</sup>Faculty of Law, University of Muhammadiyah Surakarta, Indonesia  
wy204@ums.ac.id, C100180300@student.ums.ac.id

### Abstract

*The purpose of this study is to find out some of the dialectical or problematic regulations of sharia-based peer to peer lending financial technology in Indonesia. The discussion in particular, this study explores the problems that arise related to the regulations used in Islamic peer to peer lending fintech which are regulated using the Financial Services Authority Regulation (POJK) Number 77 of 2016 concerning Information Technology-Based Lending and Borrowing Services. In addition, this study will also discuss the urgency behind the importance of establishing sharia-based fintech peer to peer lending regulations as well as ideas about content material that should be included in the formation of special regulations regarding sharia peer to peer lending fintech. This research is a library research through a statute approach. This research uses data collection method in the form of literature study. Through literature study, researchers collect documents and data to be processed using content analysis method. The results of this study indicate that in the regulation of sharia peer to peer lending fintech there are several problems related to the regulations used, the first is that POJK Number 77 of 2016 which is used to regulate sharia peer to peer lending fintech has more connotations of conventional peer to peer lending fintech, so that there is confusion in terms of separating the rules of conventional peer to peer lending from sharia peer to peer lending. Second, the emergence of legal uncertainty because currently sharia peer to peer lending fintech must comply with POJK rules Number 77 of 2016 and the Fatwa of the National Sharia Council of the Indonesian Ulema Council (DSN MUI Fatwa) Number 117 of 2018. Even though the fatwa should not be a statutory regulation that used to regulate because fatwas are not included in the hierarchy of laws and regulations according to Law Number 12 of 2011 concerning the Establishment of Legislations. Third, there is no regulation regarding the Sharia Supervisory Board in charge of supervising sharia compliance and is closely related to consumer protection, and fourth, POJK Number 11 of 2016 has not regulated in detail the dispute resolution mechanism.*

### Keywords

regulation; fintech; peer to peer sharia lending; OJK regulation



## I. Introduction

In Indonesia or even the world, we have now entered the 5.0 industrial revolution, a significant development where economic activities are now carried out digitally, including economic activities in Indonesia. With economic development carried out digitally, it makes it easier, more efficient, and faster for humans to carry out economic activities. Economic activities can be carried out online through the internet network without having to come in person or face to face so that it can be done anytime and anywhere.

At this time, financial technology (fintech) services have also developed, namely the use of information technology to improve financial services such as start-ups and banking. Fintech itself has several types, in the financing and investment sector there are Peer to peer (P2P) Lending services, Supply Chain Finance, Crowdfunding, and others. Then the fintech payment sector also provides services in the form of E-commerce Payment, Mobile Banking, and Mobile and Online Wallet.

In Indonesia, the development of fintech is very rapid, such as in the financing and investment sector services, namely peer to peer lending which is starting to be in great demand by the public, this is very reasonable because nowadays many people need financing for business capital, education costs, needs, and other needs. . Peer to peer lending fintech services have been known to the Indonesian public since 2016 after the Financial Services Authority granted permits to fintech peer to peer lending companies in Indonesia such as Amarta, Koinworks, and other peer to peer lending fintech companies that continue to grow to this day. (Aam Slamet, 2018)

With the issuance of Financial Services Authority Regulation (POJK) Number 77 of 2016 concerning Information Technology-Based Lending and Borrowing Services, this was the beginning of the development of peer to peer lending fintech in Indonesia, as well as being the regulatory umbrella for companies that provide fintech peer to peer lending services in Indonesia. carry out its business activities. In Regulation of the Financial Services Authority (POJK) Number 77 of 2016 concerning Information Technology-Based Borrowing-Lending Services, several provisions have been set, for example regarding the mechanism for registering and registering fintech peer to peer lending, monitoring and monitoring mechanisms for fintech peer to peer lending, building a culture of collaboration. and innovation, literacy and inclusion, establishment of a peer to peer lending fintech ecosystem, consumer protection, effective risk management,

The development of fintech peer to peer lending in Indonesia does not just stop there, some time later, peer to peer lending fintech began to emerge with a new model, namely sharia-based peer to peer lending fintech that emerged because of community needs related to online lending and borrowing services but with the principle of lawful and avoid public concerns about usury. This sharia peer to peer lending fintech service is an online lending and borrowing service with the application of sharia principles and conformity with Islamic religious beliefs so that there is no determination of interest on funding in this sharia peer to peer lending fintech, where the contract is carried out at the beginning with a return agreement.

Fintech peer to peer lending This sharia law was first implemented in Indonesia in 2017, in that year there were 3 sharia peer to peer lending fintech companies that had been granted permission by the Financial Services Authority (OJK) to run their services, namely Ammana Fintech Syariah, PT. Dana Syariah Indonesia, as well as PT. Investree Radhika Jaya. All of these companies are engaged in capital and funding for business and venture capital. (Darman, 2018)

Although the services provided are in the form of sharia-based peer to peer lending, in running their business, these sharia peer to peer lending fintech companies still use or are based on the Financial Services Authority Regulation (POJK) Number 77 of 2016 concerning Money-Based Lending and Borrowing Services. Information Technology, even though it is very clear that conventional peer to peer lending fintech services are very different from sharia peer to peer lending fintech, because in sharia peer to peer lending fintech there must also be an operational compliance with sharia principles in accordance with the Fatwa of the Indonesian Ulema Council (DSN-MUI) Number: 117/DSN-

MUI/II/2018 concerning Information Technology-Based Financing Services Based on Sharia Principles.

Because there is still a dependence on regulations in sharia fintech peer to peer lending with conventional fintech peer to peer lending regulations, it is felt that this can lead to a problem in the future, because of course there will be ambiguity in the separation of rules between conventional and sharia policies. In the Financial Services Authority Regulation (POJK) there are rules regarding the amount of interest, even though this is clearly contrary to the principles of sharia fintech peer to peer lending in its application and regulatory reference. In addition, the Financial Services Authority Regulation is also considered less generalist and more inclined to conventional fintech peer to peer lending, this was stated by the Chairman of the Indonesian Sharia Fintech Association who stated that the Financial Services Authority Regulation Number 77 of 2016 was less general and he also added that the Financial Services Authority Regulation needed to make more general regulations so that it could also include sharia peer to peer lending fintech in it. (Ronald Yusuf, 2020)

Given this problem, it is important for the government, especially the Financial Services Authority, which oversees regulations related to economic activities in Indonesia, to be able to consider a regulation that specifically regulates sharia fintech, especially with regard to sharia peer to peer lending, so that there is a special guideline for lending transaction services. this sharia-based online borrowing, and to measure the extent to which the contribution of these regulations can run within the scope of sharia peer to peer lending fintech and can benefit the community, especially the majority of Muslims in Indonesia in responding to the development of the economic system after the industrial revolution 5.0.

Some of the descriptions of the problems that can be concluded are related to the legal uncertainty used to regulate sharia fintech peer to peer lending in Indonesia, where the use of POJK Number 77 of 2016 is a regulation to run conventional fintech peer to peer lending, the absence of separation of these rules has an impact on sustainability. Sharia peer to peer lending fintech because of course sharia principles with conventional principles are very different.

## **II. Research Method**

The approach method used in this research is a normative juridical approach. The juridical approach is an approach that refers to the applicable laws and regulations, while the normative approach is an approach that is carried out by researching library materials or secondary data on legal principles and case studies which in other words is often referred to as library law research. In this case, the problem is focused on the laws and regulations related to sharia financial technology peer to peer lending regulations that apply in Indonesia. The type of research used is normative legal research. The object of research studied focused on legislation, judge's decisions, legal theory, documents (both printed and electronic documents) as well as various previous research results that discuss issues related to sharia fintech peer to peer lending in Indonesia. The data used in this study is in the form of information (both online and in print) regarding the development of Islamic peer to peer lending fintech in Indonesia. Then the author will collect data related to what are the problems of sharia peer to peer lending fintech regulations, what urgency underlies the need to establish special regulations for sharia peer to peer lending fintech, and the basics of why the sharia peer to peer lending fintech regulatory model is in use. Indonesia must be created. In this research, the writer uses data collection method in the

form of literature study. Through literature study the author collects various related references, both in the form of books, documents, print and electronic media that have relevance to the problem being studied. From all the data obtained, the authors process the data by classifying all the data into certain categories based on problems formulated inductively. The data is then analyzed juridically and then further processed using content analysis methods, namely by understanding the construction of new thoughts to produce new ideas that are more concrete.

### III. Results and Discussion

#### 3.1 Regulation of Sharia Financial Technology Peer to Peer Lending in Indonesia

*Fintech peer to peer lending* Sharia was first implemented in the United Arab Emirates, precisely in Dubai in 2014 (Beehive, 2017). Sharia peer to peer lending fintech only entered Indonesia in 2017, in that year there were 3 sharia peer to peer lending fintech companies that had been granted permission by the Financial Services Authority (OJK) to run their services, namely Ammana Fintech Syariah, PT. Dana Syariah Indonesia, as well as PT. Investree Radhika Jaya. All of these companies are engaged in capital and funding for business and venture capital (OJK Report, 2017).

At this time the regulation regarding Islamic peer to peer lending fintech in Indonesia still uses POJK Number 77 of 2016 concerning Information Technology-Based Lending and Borrowing Services. The regulation actually does not specifically regulate sharia peer to peer lending fintech because the regulation is actually a regulation issued to regulate conventional peer to peer lending fintech regulations. This is done because sharia peer to peer lending fintech is still relatively new so that in using the legal basis it still uses the conventional peer to peer lending fintech rules.

When registering to establish a peer to peer lending company, there are several conditions that must be met, as stipulated in Article 2 paragraph (2) of POJK Number 77 of 2016 which explains that a peer to peer lending fintech company must be a legal entity, either in the form of a cooperative as well as a limited liability company (PT). Then in the early stages of registering a fintech peer to peer lending company, it is required to have an initial capital to be deposited at least 1 billion Rupiah. After that, the registration process can be carried out through 3 stages, the first stage is the registration process by the Financial Services Authority, for non-LJK peer to peer lending fintech companies or startup companies, the registration is carried out by the OJK as well as the application for Regulatory Sandbox testing. This is different from peer to peer lending fintech companies originating from Financial Services Institutions (LJK) whose submissions in terms of the Regulatory Sandbox testing are submitted to each field, both banking, Non-Bank Financial Industry (IKNB), and the capital market. The second stage, the regulatory sandbox testing process itself, for the regulatory sandbox testing process is carried out for a maximum period of 1 year and can be extended for 6 months if the testing has not been completed. And the third stage is the stage of applying for a fintech peer to peer lending company permit, in which case the application for this permit is a peer to peer lending fintech company required to have an independent capital of 2.5 billion Rupiah, the provisions are regulated in Article 4 paragraph (3) of the POJK. Number 77 of 2016. In Market 3 paragraph (1) point b it is also stated that not only Indonesian citizens can become providers of peer to peer lending fintech, but foreigners and foreign legal entities are also allowed to become founders or shareholders of peer to peer lending companies in Indonesia on condition that share ownership in peer to peer lending companies by foreigners or foreign legal entities, either directly or indirectly, is at most 85 percent of the

total shares. Then regarding the maximum amount of loan funds to customers, the maximum limit is set at 2 billion Rupiah, as stated in Article 6 paragraph (2) of POJK Number 77 of 2016.

Furthermore, in terms of supervision and monitoring of fintech peer to peer lending, POJK Number 77 of 2016 has also regulated it in Article 14 paragraph (2) which requires peer to peer lending fintech companies that have been registered and given permission by OJK to make periodic reports to OJK every 3 months and conducts internal monitoring by requiring fintech companies to have human resources who are experts in information technology, then in terms of supervision, peer to peer lending fintech companies must have at least one commissioner and one director who has experience and expertise in the service industry. finance.

In addition to POJK Number 77 of 2016, in its implementation, sharia peer to peer lending also refers to the Fatwa of the Indonesian Ulema Council (MUI Fatwa) Number 117 of 2018 concerning Information Technology-Based Financing Services based on Sharia Principles. The MUI Fatwa Number 177 discusses a lot about the provisions in carrying out the operations of sharia peer to peer lending fintech activities which emphasizes that the principles of implementing sharia fintech peer to peer lending must not conflict with sharia principles such as prohibiting usury, ambiguity in the agreement contract (*gharar*). ), lottery/speculation (*masyir*), is not transparent (*tadlis*), has a dangerous element (*dharar*), is detrimental to one party (*dzulm*), and is an unlawful object.

Then in the fatwa it also describes several types of contracts that are allowed in conducting peer to peer lending activities, there are at least 6 types of contracts, some of these types of contracts include:

- a. Sale and purchase (*Al – ba'i*), namely the transfer of ownership of the object that is exchanged between the seller and the buyer involving goods and prices;
- b. *Ijarah*, namely a contract of transfer of benefits or usufructuary rights to an item or service with payment of wages or can be called *ujrah* which is carried out within a certain time;
- c. *Mudharabah*, namely a contract made between the owner of capital (*shahibu mal*) and the manager of a business (*mudharib*), where the results of the cooperation are divided according to the ratio agreed in the contract, so that if the profit will be divided according to the contract agreement, but if there is a loss then the owner of the capital is the one who will bear it;
- d. *Wakalah bill ujah*, namely a contract in the form of delegation of power to perform a certain legal act accompanied by wages or rewards in the form of *ujrah*;
- e. *Qard*, namely a loan agreement entered into between the lender and the loan recipient with the stipulation that the borrower is required to return the loan funds in accordance with the time and method previously agreed upon;
- f. *Musharakah*, namely a contract agreement made between two or more parties to carry out a business together, each party contributing in the form of funds as business capital with the stipulation that later if a profit is obtained, it will be divided according to the agreed ratio or proportionally, as well as when it occurs. the loss will be borne proportionally by the parties.

In terms of the division of sharia peer to peer lending legal subjects, the MUI fatwa Number 117 of 2018 divides it into 3 types, namely organizers, financiers, and recipients of financing. For organizers, the MUI fatwa Number 117 of 2018 divides it into 5 models of information technology-based financing services carried out in sharia, the 5 service models are:



- a. Factoring or financing, which is a financing for business actors who have invoices to third parties by making a bailout (qard) by attaching an invoice or proof of invoice as a condition for obtaining receivables billing management services;
- b. Financing for the procurement of goods for business actors conducting online trading activities, namely financing provided to business actors conducting their business activities through a marketplace or e-commerce platform that previously collaborated with the organizers in terms of buying and selling transactions;
- c. Financing for the procurement of goods ordered by a third party (purchase order), which is a financing provided to business actors who have received orders for goods from third parties that are definite and tangible and the implementation of the procurement of goods requires capital or initial costs;
- d. Financing for employees, namely financing aimed at workers or employees to meet consumptive needs in which the cooperation scheme is carried out by deducting salaries through workplace institutions;
- e. Community-based financing, namely financing intended for community members who need money, with a cooperation scheme for repayment of payments through the coordinator or community administrator.

Arrangements for dispute resolution are also regulated in the MUI fatwa Number 117 of 2018, it is explained that in terms of dispute resolution, it is carried out by means of deliberation and consensus. And if the consensus deliberation that is carried out does not get a bright spot, then the dispute resolution will be carried out by following the applicable laws and regulations.

### **3.2 Problems and Ideas for Sharia Fintech Peer to Peer Lending Regulations**

#### **a. Legal Certainty Problems with Fintech Peer to Peer Lending Sharia Rules in Indonesia**

The use of information technology as a transaction medium is currently growing rapidly, the shift in the transaction model which was originally direct or face-to-face has now shifted to digital where one can make transactions remotely, anywhere, and anytime, this is proven by the emergence of one of the platforms which is sufficient for the community to carry out sharia-based digital lending and borrowing activities, namely sharia peer to peer lending fintech which has a lot of impact on the Indonesian people, who are predominantly Muslim, especially to provide convenience, speed, and efficiency in conducting transactions electronically or digitally.

With a large population of Indonesia, which reaches 260 million people and holds the status as the country with the most Muslims in the world, of course the emergence of Islamic peer to peer lending fintech in Indonesia is a potential opportunity. In addition, currently, the penetration of sharia banking in Indonesia is only 8% and as many as 92 million Indonesian adults have not been served in terms of financial services (unbanked), which makes Indonesia the country with the lowest financial services in Southeast Asia. Moreover, Indonesia also has great opportunities and potential for the development of the sharia peer to peer lending fintech industry because as much as 70% of the total population of Indonesia uses the internet. This is certainly a fertile ground for increasing the sharia peer to peer lending fintech industry in Indonesia.

From data taken from the OJK website as of December 2021, there are currently around 49 companies engaged in Islamic peer-to-peer lending in Indonesia registered with OJK, all of which are also members of the Indonesian Sharia Fintech Association (AFSI). Some examples of Islamic peer to peer lending fintech that may be familiar among Indonesian people are Dana Syariah, Investree Syariah, Ammana, Alami Syariah, and

many more. All of these sharia fintech companies play an important role in the development of the sharia peer to peer lending fintech industry in Indonesia.

Of course, with the emergence of many sharia peer to peer lending fintech companies in Indonesia, it is necessary to have legal regulatory pads that regulate them. And currently, the existence of Islamic peer to peer lending fintech in Indonesia uses POJK Number 77 of 2016 concerning Information Technology-Based Lending and Borrowing Services as its legal basis. From these facts emerge several problems or problems that actually cause legal uncertainty.

There are still many problems related to the regulation of sharia fintech peer to peer lending in Indonesia. So that there is a need for firmness from the government to form a special legal umbrella (umbrella act) that regulates sharia peer to peer lending fintech so that in the future there will be legal certainty and to welcome opportunities in the development of fintech peer to peer lending in Indonesia.

#### **b. The Urgency of Establishing Sharia Fintech Peer to Peer Lending Regulations and the Concept of Sharia Fintech Peer to Peer Lending Regulations in Indonesia**

As explained in the previous sub-chapter, efforts to establish special regulations for sharia fintech peer to peer lending in Indonesia are very important, not only as protection against legal certainty, but also related to strengthening and growing Indonesia's economy because the electronic finance industry will be increasingly. The rapid development is in line with the 5.0 industrial revolution so that the regulations regarding legal regulations must also be clear. The urgency of the establishment of special regulations for sharia peer to peer lending fintech in Indonesia is a step to support the realization of a sharia system that is compliant with sharia principles and can provide benefits to the financial services sector in an efficient and prudent manner. From several aspects:

##### **1). The Urgency of the Economic Aspect**

From the economic aspect, the presence of special regulations for Islamic peer to peer lending fintech is very necessary. At least there are several reasons related to the economic side. That is, a. as the fulfillment of the public's need for financial services that do not use the interest and usury system, b. the creation of a unified category between sharia fintech and conventional fintech which is regulated in each regulation, 3. It should be noted that the needs of the Indonesian people are increasing along with public awareness of science and technology, also supported by the number of Indonesian people whose majority are Muslims, it is considered if sharia peer to peer lending fintech services are more in line with the needs of the Indonesian people, with the emergence of more and more MSMEs and the need for access to the required sharia financing. As evidenced by the data released by the OJK as of May 2020, it was recorded that fintech disbursed as much as 109,175.31 billion Rupiah. 4. Given that one of the goals of the state is national development for the creation of a just and prosperous society, it is necessary to improve the regulation of the economic system, one of which is the establishment of this special regulation for sharia peer to peer lending fintech.

##### **2). The Urgency of Socio-Political Aspects**

From the socio-political aspect, regulation can be interpreted as a regulation or law which is a political product, namely a political need which is then poured into a normative rule that is binding on the community. Meanwhile, from sociology, the formation of this regulation is closely related to the socio-cultural aspects of Indonesia, where Indonesia is a country where the majority of the people are Muslims, even the most in the world. The existence of sharia peer to peer lending fintech in Indonesia must be supported by the national economic system as outlined in the form of special regulations for sharia peer to

peer lending fintech. This is a very vital tool because it relates to the suitability of the characteristics of Islamic peer to peer lending fintech.

### 3). Urgency of Legal Aspect

From the legal aspect, the establishment of special regulations for sharia peer to peer lending fintech is certainly very important considering the main reason for the formation of a regulation is because of law, sharia peer to peer lending fintech has different specificities from conventional peer to peer lending fintech so it also requires its own regulation. special. The Financial Services Authority as a regulator should facilitate supporting facilities for the existence of sharia peer to peer lending fintech in Indonesia by making special regulations for sharia peer to peer lending fintech.

In the formation of the regulations, the author at least gave ideas in terms of the hope of establishing regulations for sharia peer to peer lending fintech in the future. In order for the regulation to be comprehensive, to become a clear legal umbrella and not create legal uncertainty, the things that must be included in the regulation of sharia peer to peer lending fintech are as follows:

#### 1. Explanation related to the terminology of fintech peer to peer lending sharia

In sharia peer to peer lending fintech with conventional peer to peer lending fintech there are differences in terms of terminology, such as the term "borrowing" in conventional peer to peer lending fintech, in sharia peer to peer lending fintech it is called the term "Financing". other provisions that must be included in the regulation of sharia peer to peer lending fintech, namely regarding sharia contracts such as mudharabah, wakalah, wakalah bil ujah, ijarah, musyarakah, and other contracts. Then related to the principle of prohibition in terms of sharia also needs to be included, such as the terms usury, gharar, madlis, masyir, dharar, and other terms. These provisions may refer to some of the existing contents of the DSN MUI fatwa Number 117/2018.

#### 2. Principles, functions, and goals

The principle of the Islamic peer to peer lending fintech industry is the sharia principle. So that the business activities carried out must also be in accordance with sharia principles by carrying out business activities that do not contain elements of usury, gharar, madlis, masyir, dharar, haram and cause injustice. This principle must be emphasized in the formation of regulations later, because this is the main foundation in the operation of Islamic peer to peer lending fintech. Furthermore, related to the functions and objectives, the function of sharia peer to peer lending fintech is to collect funds and distribute funds that are financing for the community through an electronic system according to the principles permitted by sharia, for its own purposes, Sharia peer to peer lending fintech is a medium to help procure financing to the public in order to provide the potential to develop and provide benefits. Therefore, the principles, functions, and objectives of sharia fintech peer to peer lending are needed in the regulation so that later sharia peer to peer lending fintech does not deviate from its main goal, namely the welfare of the community.

#### 3. Regulation of legal entity form, ownership, and capital

The provisions that must be included in the regulation of sharia peer to peer lending fintech are related to the regulation of the legal entity form, ownership, and capital, this is considered very important for the sustainability of the sharia peer to peer lending fintech business. Regarding this matter, there are no problems for the regulation if you adopt the existing provisions in POJK Number 77 of 2018 because related to legal entities, ownership, and capital have been regulated in detail and there are no deviations from sharia principles.

#### 4. Type of Business Activity



The types of activities carried out in sharia peer to peer lending fintech must be described in such a way, especially in terms of sharia services. Because in sharia principles there are several types of financing contracts that vary and even have more product variations than conventional peer to peer lending fintech.

#### 5. Permissions

The important thing to be included in the special regulations for sharia peer to peer lending fintech later is related to licensing which includes complex licensing arrangements such as licensing applications, requirements, the licensing process, as well as related to the revocation of licensing for sharia peer to peer lending fintech. Regarding this arrangement, it seems that it can be adopted from POJK Number 77 of 2018 because this provision is not much different from the regulation of sharia peer to peer lending later and does not conflict with sharia principles.

#### 6. Agreements and electronic documents

In the agreement and the electronic document, it is necessary to emphasize the clauses which state that the clause is based on sharia principles, meaning that the clause does not conflict with the prohibitions contained in sharia peer to peer lending fintech such as the absence of clauses regarding loan interest and types of usury. other.

#### 7. Regarding governance, prudential principles, and risk management of sharia peer to peer lending fintech.

In its implementation, sharia peer to peer lending fintech business activities must comply with good corporate governance (good corporate governance system), the principle of prudence and risk management. The things that are included in it are the principle of transparency, the principle of responsibility, the principle of accountability, and the principle of professionalism. Then regarding the precautionary principle in question, which includes guaranteeing the confidentiality of data from users, this guarantee is very important so that there is no misuse of personal data of users or consumers.

#### 8. Sharia board supervision

As explained in the discussion in the sub-chapter above, it is important for sharia fintech peer to peer lending to form regulations governing the Sharia Supervisory Board for fintech peer to peer lending later. Because this is very fundamental to do considering that the activities of the electronic industry are relatively new, so there is a need for supervision so that there is no fraud that has a detrimental impact on users and even state finances.

#### 9. Dispute resolution

Regulations regarding dispute resolution are also very important to be regulated in special regulations for sharia peer to peer lending fintech. Because even now in terms of dispute resolution for fintech peer to peer lending, it is not very clear, the existing rules in POJK Number 77 of 2018 have not accommodated aspects of dispute resolution.

Some of the points mentioned above are some suggestions from the author to be included in special regulations for sharia peer to peer lending fintech later. As for other provisions that are not related to sharia principles or do not conflict with sharia principles, they can be adopted from those already in POJK Number 77 of 2018. So the most important implication that will be achieved later is the creation of legal capacity, the basic foundation for conducting peer to peer fintech activities. sharia lending, as well as the potential for the development of sharia peer to peer lending fintech itself in terms of providing benefits and benefits to the community.

## V. Conclusion

Financial technology peer to peer lending Sharia, which is now growing rapidly in Indonesia, still raises several problems in terms of legal certainty and regulations, some of these problems include the first, namely that POJK Number 77 of 2016 which is used to regulate sharia fintech peer to peer lending has more connotations of peer to peer fintech. conventional peer lending, so there is confusion in terms of separating the rules of conventional peer to peer lending from sharia peer to peer lending. Second, the emergence of legal uncertainty because currently sharia peer to peer lending fintech must comply with POJK rules Number 77 of 2016 and the Fatwa of the National Sharia Council of the Indonesian Ulema Council (DSN MUI Fatwa) Number 117 of 2018. Whereas the fatwa should not be a statutory regulation that is used to regulate because it is not included in the hierarchy of laws and regulations according to Law Number 12 of 2011 concerning the Establishment of Legislation. Third, there is no regulation regarding the Sharia Supervisory Board in charge of supervising sharia compliance and is closely related to consumer protection, and fourth, POJK Number 11 of 2016 has not regulated in detail the dispute resolution mechanism. Besides that, there is also an urgency to form special regulations governing sharia fintech peer to peer lending in Indonesia, from the urgency of forming these special regulations, there are several aspects in it, namely economic, social and political aspects, as well as legal aspects.

## References

- Ansori, Miswan. "Perkembangan dan Dampak Financial Technology (Fintech) Terhadap Industri Keuangan Syariah di Jawa Tengah". *Wahana Islamika: Jurnal Studi Keislaman*. Vol. 5, 1, (2019).
- Arief Sidharta, Reformasi Peradilan dan Tanggung Jawab Negara, Bunga Rampai Komisi Yudisial, Putusan Hakim: Antara Keadilan, Kepastian Hukum, dan Kemanfaatan. Jakarta: Komisi Yudisial Republik Indonesia, 2010.
- Darman. "Financial Technology (Fintech): Karakteristik dan Kualitas Pinjaman pada Peer to Peer Lending di Indonesia". *Jurnal Manajemen Teknologi*. Vol. 18, 2, (2009).
- Dorfleitner, Hornuf, Schmitt, & Weber, *FinTech in Germany*, German: Springer International Publishing, 2017.
- Griffoli, T. M., "Banking on Change, Finance & Development," Washington DC, International Monetary Funds, Vol. 54, 3, (2017).
- Fatwa Dewan Standar Majelis Ulama Indonesia Nomor 117/DSN-MUI/II/2018 Mengenai Layanan Pembiayaan Berbasis Teknologi Informasi Berdasarkan Prinsip Syariah. (2018). Indonesia.
- Hsueh, Hsiu-Wen. "Effect of Fintech on the Productivity in the Taiwan Banking Industry". *International Journal of e-Education, e-Business, e-Management and e-Learning*. Vol. 7, 4, (2017).
- Manta, Otilia P. *Financial Technologies (FinTech), Instruments, mechanisms and financial products*. Romania: Romania Academy, 2018
- Muzdalifa, et. al., "Peran Fintech Dalam Meningkatkan Keuangan Inklusif Pada UMKM di Indonesia (Pendekatan Keuangan Syariah)". *Jurnal Masharif al-Syariah: Jurnal Ekonomi dan Perbankan Syariah*. Vol. 3, 1, (2018).
- Peraturan Bank Indonesia Nomor 11/33/PBI/2009 tentang Pelaksanaan Good Corporate Governance bagi Bank Umum Syariah dan Unit Usaha Syariah.

Peraturan Bank Indonesia Nomor 19/12/PBI/2017 tentang Penyelenggaraan Teknologi Finansial.

POJK Nomor 77/POJK.01/2016 tentang Layanan Pinjam Meminjam Uang Berbasis Teknologi Informasi.

Sahroni, O. (2018). Fatwa Dewan Standar Majelis Ulama Indonesia Nomor 117/DSNMUI/II/2018 Mengenai Layanan Pembiayaan Berbasis Teknologi Informasi Berdasarkan Prinsip Syariah. Indonesia.

Undang-Undang Nomor 12 Tahun 2011 tentang Pembentukan Peraturan Perundang-undangan.

Undang-Undang Nomor 21 Tahun 2011 tentang Otoritas Jasa Keuangan.