

## FATWA, AUTHORITY, AND DIGITAL TRADE: A Critical Legal-Discursive Analysis of Dropshipping Rulings in Indonesia and Egypt

**Lutfi Chakim, Nur Hidayah, Hasanudin**

UIN Syarif Hidayatullah Jakarta, Indonesia

Email: lutfi\_chakim23@mhs.uinjkt.ac.id

Received: February 03, 2025; Reviewed: May 03, 2025; Accepted: June 18, 2025;

Published: June 30, 2025

### *Abstract*

*The development of the digital economy, which has given rise to new business models such as dropshipping, has sparked legal debates within Islam. This paper explores the legal and institutional dynamics shaping Islamic legal responses to dropshipping in the digital economy by conducting a comparative fatwa analysis between DSN-MUI (Indonesia) and Dār al-Iftā' al-Miṣriyah (Egypt). While both institutions seek to maintain Shariah integrity, their divergent conclusions DSN-MUI's permissibility under a salam contract versus Dār al-Iftā' al-Miṣriyah's rejection under a murabahah framework reveal deeper ideological and contextual distinctions. Using critical constructivist discourse analysis, the study examines how fatwas reflect legal reasoning, power relations, regulatory objectives, and ideological orientations of fatwa-issuing bodies. The findings highlight the pluralism in*

*Islamic economic jurisprudence and underscore the importance of contextual and policy-sensitive interpretations of Shariah in the evolving digital economy. The paper concludes with policy implications that advocate for empirical validation, cross-jurisdictional engagement, and doctrinally grounded innovation in contemporary fiqh al-muamalat. This study reveals the pluralism of dropshipping fatwa and the importance of contextual approaches and empirical validation in the development of Islamic economic fiqh in the digital era.*

Perkembangan ekonomi digital melahirkan model bisnis baru seperti dropshipping telah memunculkan perdebatan hukum dalam Islam. Penelitian ini mengeksplorasi dinamika hukum dan kelembagaan yang membentuk respons hukum Islam terhadap dropshipping dalam ekonomi digital dengan melakukan analisis fatwa komparatif antara DSN-MUI (Indonesia) dan Dār al-Iftā' al-Miṣriyah (Mesir). Sementara kedua lembaga berusaha untuk menjaga integritas Syariah, kesimpulan mereka yang berbeda izin DSN-MUI di bawah kontrak salam versus penolakan Dār al-Iftā' al-Miṣriyah di bawah kerangka murabahah mengungkapkan perbedaan ideologis dan kontekstual yang lebih dalam. Dengan menggunakan analisis wacana konstruktivis kritis, penelitian ini meneliti bagaimana fatwa tidak hanya mencerminkan penalaran hukum tetapi juga relasi kekuasaan, tujuan peraturan, dan orientasi ideologis badan penerbit fatwa. Temuan ini menyoroti pluralisme dalam yurisprudensi ekonomi Islam dan menggarisbawahi pentingnya interpretasi Syariah kontekstual dan sensitif kebijakan dalam ekonomi digital yang berkembang. Makalah ini menyimpulkan dengan implikasi kebijakan yang mengadivokasi validasi empiris, keterlibatan lintas yurisdiksi, dan inovasi yang didasarkan secara doktrin dalam fiqh al-muamalat kontemporer. Studi ini mengungkap pluralisme fatwa dropshipping

*dan pentingnya pendekatan kontekstual serta validasi empiris dalam pengembangan fiqh ekonomi Islam era digital.*

**Keywords:** *dropshipping fatwa, digital trade, contemporary fiqh al-muamalat.*

## Introduction

Dropshipping is a new system in the business world that involves the utilisation of applications, websites, and/or other content services based on digital technology as electronic platforms for transactions and/or trade facilitation, such as through electronic-based business systems (*e-commerce*). The emergence of dropshipping is debated in Islamic jurisprudence. Because classical Islamic law correctly emphasises ownership (*milkiyah*) and the transfer of ownership (*intiqāl al-milkiyah*) as important pillars of legitimate commercial contracts, modern online transactions often disrupt or redefine these conditions. As a result, Muslim scholars and institutions face pressing questions about how to compromise basic legal doctrine with the realities of contemporary markets.<sup>1</sup>

Based on the data, Grand View Research, a San Francisco-based market research and consulting firm, provides a report on the analysis of dropshipping market size, share & trends by product type for the years 2023-2030 with global dropshipping market size of USD 225.99 billion in 2022 and is expected to record a compound annual growth rate (CAGR) of 23.4% from 2023 to 2030. This research company also groups the report of the global dropshipping market, which will continue to grow from 2018 to 2030 according to the prospects of its region in the world, including North America, Europe, Asia Pacific, Latin America, the Middle East, and Africa<sup>2</sup>. In this study, Indonesia is included in the Asia Pacific, while Egypt is included in the Middle East Region. According to research by Mumtozbegim Kholmatova (2022), the dropshipping industry is in high demand because the transaction processes and methods are

<sup>1</sup> Cemil LĂV, "Stoksuz E-Satış (Dropshipping) Modelinin İslâm Hukuku Açısından Tahlili," *Hıtit İlahiyat Dergisi* 22, no. 2 (December 30, 2023): 2, <https://doi.org/10.14395/hid.1336315>.

<sup>2</sup> [Https://www.grandviewresearch.com/industry-analysis/dropshipping-market#](https://www.grandviewresearch.com/industry-analysis/dropshipping-market#), n.d., n.d., accessed June 12, 2024.

faster and easier. It is based on trending data from over 700,000 Wix Stores (one of the leading e-commerce platforms and website builders for online stores) worldwide. Online dropshipping stores launch on average 15% faster than other online retailers.<sup>3</sup>

This paper examines and compares two seminal fatwas on dropshipping: one by the National Sharia Council – Indonesian Ulema Council (DSN-MUI) and the other by Dār al-Iftā' al-Miṣrīyah. Although both institutions have authoritative status in their respective jurisdictions, their legal reasoning, contact preferences, and epistemological orientation differ significantly. DSN-MUI conditionally permits dropshipping through a reinterpretation of the salam contract. On the contrary, Dār al-Iftā' al-Miṣrīyah expressly prohibits the practice based on the classical prohibition against selling what one does not own (*bai'mā lā yamlik*).

Despite the increasing number of fatwas on digital business models, including dropshipping, there is still inadequate critical engagement with the discursive, institutional, and ideological underpinnings of this ruling. Most comparative legal analyses treat fatwas as neutral interpretations of divine law, ignoring their connection to national power structures, regulatory frameworks, and ideologies.<sup>4</sup> Moreover, the practical implications of such a fatwa on Muslim entrepreneurs, especially in the context of legal pluralism, are poorly explored<sup>5</sup>.

Theoretically, Islamic legal scholarship often lacks a robust methodology for interrogating fatwas as discursive artefacts shaped by institutional norms and socio-political forces. While studies in comparative fiqh offer contextual analysis of contracts and evidence, few apply Critical Discourse Analysis (CDA) to explore how legal authority, market ideology, and state-religion relations are embodied in the production of fatwas<sup>6</sup>.

---

<sup>3</sup> Mumtazbegim Kholmatova, "Top 10 Businesses to Start with Small Money," *Asian Journal of Research in Business Economics and Management* 12, no. 3 (2022): 11, <https://doi.org/10.5958/2249-7307.2022.00020.2>.

<sup>4</sup> Wael B. Hallaq, *An Introduction to Islamic Law* (Cambridge: Cambridge university press, 2009), 144.

<sup>5</sup> Hussein Ali Agrama, "Reflections on Secularism, Democracy, and Politics in Egypt," *American Ethnologist* 39, no. 1 (February 2012): 26, <https://doi.org/10.1111/j.1548-1425.2011.01342.x>.

<sup>6</sup> Muhammad Qasim Zaman, *Scholars in Contemporary Islam: Guardians of Change*, Princeton Studies in Muslim Politics (Princeton (NJ): Princeton University Press, 2002), 1–14; R.

Empirically, there is a notable lack of scholarly literature that situates fatwas within the institutional context of their issuing bodies, particularly in cross-national comparisons. The contrast between Indonesia's pluralistic and semi-autonomous DSN-MUI and the Egyptian-regulated Dār al-Iftā' al-Miṣrīyah presents a unique opportunity to examine how fatwas serve as a tool of religious guidance and regulatory governance.<sup>7</sup>

This paper seeks to (1) compare the legal content and contractual reasoning in the fatwa of DSN-MUI and Dār al-Iftā' al-Miṣrīyah on dropshipping; (2) analyse how institutional structures, national ideologies, and state-religious relations shape the interpretation of Islamic commercial law; (3) examine the epistemological assumptions and power dynamics embedded in the two fatwas using Critical Discourse Analysis; and (4) contribute to the emerging field of Islamic Economic Law by highlighting the plurality, contestation, and contextuality of fatwa discourse in the digital era.

This paper argues that the differences of fatwas on dropshipping not only lie in the doctrinal aspect, but they also reflect institutional ideologies and broader legal-political contexts. Dār al-Iftā' al-Miṣrīyah maintains a formalist and state-aligned fiqh reading that prioritises doctrinal conformity, while DSN-MUI adopts a pragmatic and maqāṣid-oriented interpretation that is responsive to Indonesia's dynamic e-commerce landscape. These differences reveal how fatwas operate as a rule of law and a discursive instrument of moral, economic, and ideological governance.

The rest of the paper is structured as follows: Part 2 presents a methodological framework drawn from Critical Discourse Analysis and comparative Islamic legal theory; Part 3 provides doctrinal background on dropshipping and relevant contract principles in Islamic law;<sup>8</sup> Part 4 conducts a comparative analysis of both fatwas, highlighting their legal reasoning, language, and assumptions; Part 5 discusses the institutional and ideological context that

---

Michael Feener et al., eds., *Islamic Law in Contemporary Indonesia: Ideas and Institutions*, Harvard Series in Islamic Law 5 (Cambridge, Mass: Harvard University Press, 2007), 1001.

<sup>7</sup> Glenn A. Bowen, "Document Analysis as a Qualitative Research Method," *Qualitative Research Journal* 9, no. 2 (August 3, 2009): 35, <https://doi.org/10.3316/QRJ0902027>. Samuel Messick, "FOUNDATIONS OF VALIDITY: MEANING AND CONSEQUENCES IN PSYCHOLOGICAL ASSESSMENT," *ETS Research Report Series* 1993, no. 2 (December 1993): 4, <https://doi.org/10.1002/j.2333-8504.1993.tb01562.x>.

<sup>8</sup> Faridatus Syuhadak, Urgensi Fatwa Dalam Perkembangan Hukum Islam, *De Jure: Jurnal Hukum dan Syariah*, Vol 5, No 2: Desember 2013.

influences each fatwa, focusing on the relationship between the state, religion, and legal authorities; Part 6 reflects on broader implications for Islamic economic law, legal pluralism, and regulatory discourse; Part 7 concludes with theoretical and policy insights and suggests directions for future empirical research.

Prior studies have been conducted on the comparison of Islamic economic fatwas, especially in Indonesia and Egypt, reviewing 1) Comparison of Bank Interest Fatwa according to MUI and Dār al-Iftā' al-Miṣrīyah;<sup>9</sup> (2) Comparison of the Ijtihad Method of Indonesian and Egyptian Ulama on Innovation and Exchange of Waqf Rolls;<sup>10</sup> and (3) Comparison of DSN-MUI Fatwa with Middle Eastern Ulama Fatwa on Multi-Level Marketing.<sup>11</sup> Some of the studies mentioned, in addition to explaining the concept of fiqh *mu'āmalah mālīyah*, also discuss the regulations in the legal framework that apply in Indonesia and Egypt for comparison.

Some previous studies have not focused on comparing fatwas between Indonesia and Egypt, particularly in the context of buying and selling in the digital era. Therefore, this paper aims to examine the Fatwa of the National Sharia Council (DSN-MUI) with the fatwa of Dār al-Iftā' al-Miṣrīyah regarding the dropshipping system in buying and selling transactions, which is confirmed by data from dropshipping industry players in both countries, as well as the availability of regulations in each country if found.

The two countries were chosen due to their strong religious ties, as evidenced by scientific research, including the work of Michael Laffan and Nico J.G. Kaptein (2005), which is reflected in fatwas.<sup>12</sup> Another fact: in 2024, the Ministry of Religion of the Republic of Indonesia, in collaboration with the Education Fund Management Institute (LPDP), held a collaboration,

---

<sup>9</sup> Hamidah, "Fatwa Halal Dan Haram Bunga Tabungan: Menurut MUI Dan Dār al-Iftā' al-Miṣrīyah" (Universitas Islam Indonesia (UII), 2019).

<sup>10</sup> Ali Mutakin, "FATWA INOVASI DAN TUKAR GULING WAKAF (Studi Perbandingan Metode Ijtihad Ulama Indonesia Dan Mesir)" (Graduate School Syarif Hidayatullah State Islamic University, 2021).

<sup>11</sup> Muhammad Sofwan Jauhari, "Fatwa Ulama Indonesia Mengenai Multi Level Marketing (Mlm) Komparasi Fatwa DSN MUI Dengan Fatwa Ulama Timur Tengah" (Graduate School Syarif Hidayatullah State Islamic University, 2019).

<sup>12</sup> "Nico J.G. Kaptein & Michael Laffan, 'Fatwa in Indonesia', Islamic Law and Society, Vol. 12, No 1, Leiden (2005), 1-8," n.d.

particularly in February<sup>13</sup> and March,<sup>14</sup> organising Daurah with the theme of Strengthening Fatwa Taking, with the resource person Darul Iftā' Egypt. This reinforces the importance of the Egyptian fatwa institution in the development of Sharia economic law in Indonesia.

### Research Methods

This study employs a qualitative and interpretive methodology that draws upon Critical Discourse Analysis (CDA) and comparative Islamic legal theory. The use of CDA enables the researcher to uncover how fatwas on dropshipping are not merely doctrinal but discursive, produced within particular institutional, ideological, and political contexts<sup>15</sup>. This approach highlights how legal language serves as a mechanism of power, authority, and normative direction in shaping the ethical economy of digital commerce.

Critical Discourse Analysis (CDA), as developed by Norman Fairclough, views discourse as a form of social practice that is both shaped by and shapes societal structures. By analysing the lexical choices, argumentative strategies, and presuppositions within the fatwas, this study reveals how Islamic legal texts embed and project institutional authority, legal reasoning, and socio-economic objectives<sup>16</sup>. In tandem with the CDA, the study employs a comparative Islamic legal method, involving a systematic examination of the doctrinal foundations, contractual frameworks, and jurisprudential logic underlying the two fatwas. The comparative approach facilitates an understanding of how different legal traditions and institutional structures within Indonesia and Egypt influence the interpretation of Islamic commercial law.<sup>17</sup>

<sup>13</sup> "Ministry of Religion Sends 50 Islamic Boarding School Scholars to Study Strengthening Fatwa in Egypt," accessed April 13, 2024, <https://kemenag.go.id/nasional/kemenag-kirim-50-ulama-pesantren-studi-penguatan-fatwa-di-mesir-FOBd7>.

<sup>14</sup> "Apresiasi Kualitas Peserta Penguatan Pengambilan Fatwa, Darul Ifta' Mesir Terbuka Untuk Kelanjutan Program," accessed April 13, 2024, <https://kemenag.go.id/internasional/apresiasi-kualitas-peserta-penguatan-pengambilan-fatwa-darul-ifta-mesir-terbuka-untuk-kelanjutan-program-mKWsX>.

<sup>15</sup> Norman Fairclough, *Critical Discourse Analysis: The Critical Study of Language*, Language in Social Life Series (London ; New York: Longman, 1995), 5–19.

<sup>16</sup> Fairclough, 97–102. Ruth Wodak and Michael Meyer, eds., *Methods of Critical Discourse Studies*, 3rd edition (Los Angeles London New Delhi Singapore Washington DC: Sage, 2016), 2–3.

<sup>17</sup> Hallaq, *An Introduction to Islamic Law*, 18–20. Mohammad Hashim Kamali, *Shari'ah Law: An Introduction*, Reprinted (Oxford: Oneworld Publ, 2010), 162–78.

This study uses primary and secondary data. The primary data includes DSN-MUI Fatwa number 145 of 2021 concerning dropshipping, Dār al-Iftā' al-Miṣrīyah (Drop Shipping) (Fatwa Date: February 13, 2022) (Fatwa Number: 6464), which discusses the same topic, along with official documents, online portals, and translated texts. Secondary sources include journal articles, books, and regulatory commentaries that contextualise the fatwas within broader legal and economic frameworks. Data was collected from documentation and interviews. The documentation traces the sources of data contained in the documents, especially the official records of DSN-MUI and Dār al-Iftā' al-Miṣrīyah, as well as sites that contain dropshipping practices, such as <https://shaimaaalmahdy.com/best-dropshipping-sites-in-egypt/> and others. The interview was conducted with Nora Burhanuddin, a businessperson living in Egypt; Toriq al-Ghazi,<sup>18</sup> an entrepreneur who pursues micro businesses in Indonesia; Mr. Makhsus, a dropshipping activist on amazon.com; and Sisi, one of the young Indonesian women as an entrepreneur & owner of online stores in various marketplaces in Indonesia.

This study is limited to textual analysis and institutional discourse; no direct fieldwork was conducted. However, the interpretive depth of the CDA method and the comparative legal framework allows for a rich understanding of the normative, regulatory, and ideological dimensions of the fatwas. This methodological combination ensures both analytical rigour and contextual sensitivity, making it suitable for a cross-national examination of Islamic legal discourse on digital commerce.

## Discussion

### Textual Level: Discursive Framing and Legal Language

DSN-MUI, through Fatwa No. 145/DSN-MUI/XII/2021, legalised dropshipping under a modified salam (greeting) contract, emphasising the clarity of contracts and forward shipping. The language is facilitative and conditional. On the contrary, Dār al-Iftā' al-Miṣrīyah in Dār al-Iftā' al-Miṣrīyah (Dropshipping) (Fatwa Date: February 13, 2022) (Fatwa Number: 6464) describes the system with *murābahah* as a valid option. Since the seller owns the goods before, it adopts a large amount of forbidding preservation.

---

<sup>18</sup> Toriq al-Ghazi, Interview with Toriq al-Ghazi's brother, at the informant's residence, May 7, 2024.

A few matters have been selected for comparison in this article. Between the DSN-MUI fatwa and the Dār al-Iftā' al-Miṣrīyah fatwa, there is a convergence of several aspects, but there is also a divergence between the DSN-MUI fatwa and the Middle Eastern ulema fatwa. In another aspect, the most obvious similarity is that buying and selling are allowed through the dropshipping system. The two fatwa bodies recognise the dropship system as a form of trading transactions in goods or services through digital platforms that utilise internet intermediary media while still complying with government regulations. Furthermore, the convergence and divergence of the two points of view are presented in the following Table.

Table 1: Comparison of DSN-MUI and Dār al-Iftā' al-Miṣrīyah Perspectives

No	Aspect	DSN-MUI	Dār al-Iftā' al-Miṣrīyah	Information
1	Contract Type	<i>Salam</i> - Prepaid, future delivery	<i>Murābahah</i> - Cost-plus sale, delivery at the outset	Different contractual models reflecting buyer-seller responsibility
2	Object of Sale	Goods are delivered at the end, not real goods, but custom- ordered <sup>19</sup> .	Real and existing goods; delivered immediately	Timing and nature of goods differ between contracts- <i>salam</i> <sup>20</sup> / <i>murābahah</i> <sup>21</sup>

<sup>19</sup> Eva Andriani, Muhammad As'ad Mubarok Al Jauhari, Sri Warjiyati, Syovinatus Sholicha, Arifatul Ma'ani, Siti Dalilah Candra Wati, "Contextualization Of 'Aqd Al-Salam In The Practice Of Selling And Buying The Dropship Model: Study Of Fiqh Al-Hadith", *Journal of Namibian Studies*, 34, S2, (2023): 2085.

<sup>20</sup> Tahir Mahmood and Noman Arshed, "On Improving the Adoption of *< i>Bai' Salam* by Islamic Banks of Pakistan: An Interpretive Phenomenological Analysis," *Journal of Islamic Accounting and Business Research* 15, no. 7 (August 6, 2024): 1134–35, <https://doi.org/10.1108/JIABR-10-2022-0261>.

<sup>21</sup> Aris Anwaril Muttaqin et al., "Developing an Islamic Business Model: A Case for Agricultural Value Chain Finance in Agrobank, Malaysia," *ISRA International Journal of Islamic Finance* 15, no. 3 (September 30, 2023): 92, <https://doi.org/10.55188/ijif.v15i3.612>.

3	Payment	Full payment (100%) made at the start <sup>22</sup>	Payment can be made in stages or <i>lumpsums</i> <sup>23</sup>	In murābahah, acquisition price/margin may be hidden to avoid <i>gharar</i> (uncertainty) and <i>nizā'</i> (disputes)
4	Timeline	Contract ends upon delivery and acceptance	The grace period agreed upon at the outset	The timing of transfer is the key distinction <sup>24</sup>
5	Legal Basis	Law No. 21/2008, Consumer Protection Law No. 15/2004, Consumer Law No. 8/1999, EIT Law, Commercial Code Articles 86, 87, 91, 468	E-Signature Law No. 181/2018, Cybercrime Law No. 175/2018	Both fatwas align with national e-commerce and consumer protection regulations.
6	Platform			Use of digital platforms (apps/websites) to facilitate transactions

<sup>22</sup> Anas Maulan, Burhanudin Harahap, and Sasmini, “Comparative Analysis of Murabahah Financing Agreement with Musyarakah Mutanaqisah Financing Agreement in Indonesia’s Sharia Banking System,” *International Journal of Law and Society (IJLS)* 2, no. 1 (March 29, 2023): 44, <https://doi.org/10.59683/ijls.v2i1.31>.

<sup>23</sup> Meshari Al-Daihani et al., “An Islamic Crowdfunding Model for the Agricultural Sector: A Proposal Based on Salam and Muzāra‘ah-Waqf Scheme,” *ISRA International Journal of Islamic Finance* 16, no. S1 (May 6, 2024): 8–9, <https://doi.org/10.55188/ijif.v16iS1.566>.

<sup>24</sup> Hafiz Samiullah Daud and Saqib Sharif, “Exploring the Feasibility of Muzara‘ah Based Islamic Running Finance Model as an Alternative for Agriculture Credit,” *Journal of Islamic Accounting and Business Research* ahead-of-print, no. ahead-of-print (January 1, 2024), <https://doi.org/10.1108/JIABR-12-2022-0352>.

7 Responsibility	<p>Dropshipper bears risk during shipment, although not in physical possession</p>	<p>Risk passes from the supplier to the dropshipper upon transfer; then the dropshipper bears it until received by the consumer</p>	<p>In <i>salam</i>, risk is on the dropshipper; in <i>murābahah</i>, it is shared depending on the phase</p>
------------------	--	---	--

Source: Processed author's data

From the table above, the DSN-MUI fatwa focuses on providing Sharia guidelines regarding the dropship system with a *salam* contract. Therefore, it better meets the qualifications of business practices in the digital market that provide electronic business services with the implementation of online systems in Indonesia. In its fatwa, it provides detailed provisions regarding dropshipping with Sharia principles in the form of (1) general provisions, (2) legal provisions, (3) characteristics of dropship, (4) provisions related to *sighat al-'aqd* (words that show the will regarding the contract expressed in the implementation of the contract), (5) provisions related to the parties to the contract, (6) criteria for *mabi'*, payment, and handover, (7) mechanism for dropship and delivery of goods (*mabi'*), (8) mechanism for transactions in dropship with payment by COD, (9) implementation of contract provisions, (10) dispute resolution, and (11) closing provisions. The strength of the DSN-MUI fatwa is evident in its normative aspects, as it is reflected in various considerations and the legal basis of the fatwa. When viewed from the level of decision, at the empirical level, there is little consideration; this fact confirms that the existence of normativeness stems from a significant amount of Sharia. The legal basis for determining fatwas on new economic practices, such as dropshipping, is strengthened by the Qur'an, hadith, fiqh rules, and the opinions of scholars (both classical and contemporary), allowing for a response and providing guidelines within Islamic Sharia.

Meanwhile, the Fatwa of Dār al-Iftā' al-Miṣrīyah tends to be more specific and limited because it focuses on answering the questions asked, starting from

the consideration of contemporary economic cases. Among the advantages of the Egyptian fatwa institution of adhering to the *murābahah* contract in dropshipping is the responsibility, especially related to the mitigation of the risk of damage to goods because all such risks are borne alternately in stages in the dropshipping system (by adhering to *murābahah*) as follows: 1) the object of sale/goods in the dropship buying and selling system is borne by the original owner (the first seller), even though it has been paid. This applies as long as the object of sale has not been moved, has not been handed over to the first buyer, and has not reached the last buyer. The expedition service provider acts as the authorised representative of the dropshipper and/or buyer in transactions that utilise the cash on delivery (COD) payment method. 2) At this stage, *mabi'* (the object of buying and selling) is the responsibility of the first buyer (the second seller after the dropshipper buys from the first seller/owner of the goods for the first time) until the goods reach the consumer (the last buyer) because it adheres to the *salam* contract. 3) After the goods reach the consumer (the final buyer), the responsibility for the goods is only borne by the consumer and is no longer borne by anyone else involved in the dropship buying and selling system. This also shows that al-*murābih*/second seller/financier plays the role of the party who purchases goods or provides financing.

*Murābahah* financing is a modification of the contract of sale and purchase, as outlined in classical and contemporary fiqh books, and is subsequently established as a form of trust sale and purchase. It is called the sale and purchase of trust because the parties to the sale and purchase are open to each other to convey information related to the object, the capital (purchase price), and the profits obtained. However, this matter, for the Egyptian Dār al-Iftā', follows the *qoul*/opinion of the scholars, which does not require the knowledge of the purchase price during the sale and purchase that is carried out without the elements of *gharar*, *riba*, and *jahālah*. Legal cause ('illat) requires the purchase price and profit to be known by the two parties. That is, the seller and the buyer in *murābahah* have *maqṣad* (purpose) to avoid *jahālah* (ambiguity of the aspect of the object of the goods in buying and selling), which has the potential to cause disputes between the seller (dropshipper) and the buyer (*murābih*).

*Maqāṣid al-Shari‘ah* (objectives of Islamic law) is one of the referential foundations for Dār al-Iftā' in the provisions of its fatwa on buying and selling with the dropship system. The continuity of the sale and purchase contract is allowed in Islam because it fulfils the buyer's wish to own goods or services while aiming to achieve the seller's intention to get a profit. It is essential to note that in the buying and selling process, if the seller sells their goods non-cash at a certain time and before maturity, and then buys them back in cash, this transaction is not permitted because the substance of this contract is a loan that incurs interest. The existence of *maqāṣid* behind its convenience is widely acknowledged; it is also necessary to consider the disadvantages of dropshipping, including fraud by sellers who manipulate photos or exaggerate information about goods, shipping errors, and shifting responsibility between sellers and suppliers in the event of buyer complaints.<sup>25</sup>

In simple terms, for DSN-MUI, buying and selling with the dropship system adheres to the *salam* contract (a form of selling commissioners). Therefore, it must meet the applicable conditions and principles. According to Fatwa number 145 of 2021, the validity of the contract that occurs in the practice of dropshipping requires a sale and purchase agreement between the dropshipper (commissioner/second seller) and the supplier (commit/first seller) even though the goods are not handed over to the dropshipper but directly to the consumer (the final buyer). If, in the practice of dropshipping, there is no sale and purchase agreement between the dropshipper and the supplier, it will affect the contract related to the contract pillars. Business facts in Indonesia, according to the informants in this study, are about dropshipping: what is sold is not real assets ('ain al-mabī'), but the specifications are explained in detail, and the delivery of goods will be carried out at a later date. Especially for dropship transactions that use COD (cash on delivery) payment facilities, the *salam* contract begins with the receipt of an offer from the customer and promises (*wa‘d*) to buy goods/objects at the agreed time (in the future). Meanwhile, the dropshipper does the same, in which they promise (*wa‘d*) to sell the goods offered online. Thus, the flow of supply and demand becomes the basis

---

<sup>25</sup> 30183847 Muhammad Dayyan, “Rekonstruksi Akad Pembiayaan Murabahah Pada Perbankan Syariah Di Aceh” (doctoral, UIN AR-RANIRY, 2022), 6, <https://repository.ar-raniry.ac.id/id/eprint/19996/>.

for requests/orders from customers (final buyers), and then the dropshipper immediately procures goods.

Meanwhile, according to Dār al-Iftā' al-Miṣrīyah, the dropshipping buying and selling system adheres to the *murābahah* contract. In its fatwa number 6464 of 2022 concerning dropshipping, the *murābahah* contract can be carried out without knowing the acquisition price and the amount of additional profits for both parties. This is because the legal cause of transparency (*'illat*) between the seller and the buyer about the known price of acquisition (capital) in *murābahah* and the amount of profit obtained by both parties in the contract aims to avoid the occurrence of *jahālah* (unclear matters in buying and selling) that cause *gharar* (ambiguity of the contract) and disputes between the seller and the buyer. It is not an issue as long as the *'illat* can be circumvented through business practices. According to one of the informants in this study (Mr. Makhsus, one of the dropship members in <https://www.amazon.ae/>), the online marketplace has goods/real assets stored in their warehouses, of course, at a price agreed through the system. This means that price transparency has been achieved. Therefore, it is legal for businesspeople to run a business with a *murābahah* contract. For Dār al-Iftā', the fatwa on the ability of the dropshipping system is included in the general ability of buying and selling and business to meet the needs of the community, provided that no *gharar* (ambiguity of consequences or ambiguity in the contract) is involved, *darar* (transactions that can cause damage/persecution, mutual harm) is avoided, there is no element of *jahālah* (ignorance of the criteria of the object of sale), and regulations and laws that organise the transaction are considered.

Second, in terms of the fatwa institution of DSN-MUI and Dār al-Iftā' al-Miṣrīyah in addition to making the postulates of *naqlī*, as well as the opinions of scholars, as the legal basis for ratifying fatwas, the content of the fatwas of both also strengthens its position with a positive legal foundation that supports dropshipping business activities on digital platforms, although dropshipping is not regulated in detail because electronic evidence is recognised as valid evidence in court according to the law that has been mentioned earlier; both in Indonesia and Egypt.

### Discourse Practice: Institutional Positioning and Authority Production

DSN-MUI is a semi-autonomous entity embedded in Indonesian legal pluralism. Its existence is rooted in Sharia spirit, which is then framed and operated legally and safely in accordance with Bank Indonesia (BI) and Financial Services Authority (OJK) regulations. Bank Indonesia plays the role of the guardian of macroeconomic stability and the payment system as a whole, while the OJK as the macroprudential regulator and supervisor, adopting the DSN-MUI fatwa into a binding state regulation (POJK) (Law Concerning Financial Sector Development and Reinforcement (P2SK Law) Article 337 letter h confirms that the MUI is the institution authorised to establish Sharia fatwas)<sup>26</sup>. Research on fatwas by Imam Mustofa and Hasanudin (2022)<sup>27</sup> concluded that in Indonesia, DSN-MUI is the agency for forming the authority of sharia economic law. This fatwa institution operates through collective *ijtihad* and multi-stakeholder consultation in the issuance of Sharia economic fatwas<sup>28</sup>. Its flexibility reflects the dynamism of Islamic finance in Indonesia. In contrast to Dār al-Iftā' al-Miṣrīyah, which acted as a centralised state institution in the Egyptian legal bureaucracy, it adhered to the dominant sect. His fatwas carried formal state authority, which was marked by the president's appointment of the Grand Mufti directly to this Egyptian fatwa institution.

Of the fatwa institutions in Indonesia, the Indonesian Ulema Council (MUI) stands as the most popular fatwa institution<sup>29</sup> because it contains representatives from various Islamic organisations that also issue fatwas. In 1999, the Indonesian Ulema Council (MUI) established a special fatwa institution in the field of *fiqh mu'amalāt*, known as the National Sharia Council

<sup>26</sup> "UU4TAHUN2023.Pdf," accessed June 7, 2025, <https://jdih-old.kemenkeu.go.id/download/58fac07c-7165-4c55-882d-965687f8090b/UU4TAHUN2023.pdf>.

<sup>27</sup> Imam Mustofa, "TEXT AUTHORIZATION IN THE DEVELOPMENT OF SHARIA ECONOMIC LAW IN INDONESIA: Study of the Fatwa of the National Sharia Council of the Indonesian Ulama Council," *JURISDICTIE* 13, no. 2 (January 30, 2023): 231, <https://doi.org/10.18860/j.v13i2.18935>.

<sup>28</sup> Fakhruddin Fakhruddin, Hakmi Hidayat, and Dwi Hidayatul Firdaus, "MODERATION IN DSN-MUI FATWAS: Achieving Justice and Balance in the Sharia Economic System," *Jurisdictie: Jurnal Hukum Dan Syariah* 15, no. 2 (January 3, 2025): 478, <https://doi.org/10.18860/j.v15i2.26883>.

<sup>29</sup> Muhammad Khalid Masud, "The Significance of *Istiftā'* in the *Fatwā* Discourse," *Islamic Studies* 48, no. 3 (2009): 341-366.

(DSN-MUI). During this research, 160 fatwas were issued, with fatwa No. 160 on *Ijārah al-Māl al-Musytarak* (common property) and *al-Māl Al-Musyā'* (property with unclear boundaries in physical ownership) on July 4, 2024, as the last fatwa. The fatwas issued by DSN-MUI concern problems in the fields of economics and business, such as banking, insurance, capital markets, and Sharia businesses. An Islamic ruling regarding dropshipping was also issued under fatwa number 145/DSN-MUI/XII/2021.

Meanwhile, in Egypt, one of the many pillars of Islam is the fatwa institution *Dār al-Iftā' al-Miṣrīyah*. In addition to general fatwas, this institution provides many Sharia economic fatwas. In Egypt, the *Dār al-Iftā'* fatwa institution holds a strategic position. The composition of those who are members of the institution has the competence and capacity to master Sharia science. Fatwas issued by institutions are often used as the main reference for Muslims. The codification of fatwas issued by the Egyptian Fatwa Institute, under the guidance of the local government, is often adopted in many policies throughout the country. On its official website, the classification of Sharia economic fatwas is displayed, including buying and selling, insurance, debts and *duyūn* (receivables), *ta'wīdhāt* (various compensation), pawns, *shufāh* (acquisition/preference/right to purchase associated property), *qardh* (loans), *luqāṭah* (found objects), contemporary *mu'āma*, grants, *wakālah*, investment, exchange, *ijārah*, *hijr*, and *salam*.

DSN-MUI has an official website at <https://dsnmui.or.id/><sup>30</sup> and *Dār al-Iftā' al-Miṣrīyah* at <https://www.dar-alifta.org/ar>.<sup>31</sup> Both are actively publishing the text of their fatwas through online media and experiencing further development. The DSN-MUI issues fatwas in PDF format as the original document, bearing the institution's identity, address, and date of fatwa issuance, thereby maintaining the originality and clarity of the document. The latter, on the other hand, publishes fatwas in HTML text, including the name of the *mufti*, the date and the classification of the fatwa. The text of the fatwa regarding dropshipping is the subject of this research, and related fatwas were collected from the official websites of the two institutions.

<sup>30</sup> "Beranda - DSN-MUI," accessed June 4, 2025, <https://dsnmui.or.id/>.

<sup>31</sup> "حكم البيع في المتاجر الإلكترونية (دروب شيبينج) - دار الإفتاء المصرية," accessed June 4, 2025, <https://www.dar-alifta.org/ar/fatwa/details/17106/>.

Differences are obvious in the structure of the fatwas on dropshipping issued by the two institutions: all DSN-MUI fatwas, including fatwa No. 145/DSN-MUI/XII/2021 on dropshipping, are not listed in *Istiftā*, while regarding the structure of the fatwa of *Dār al-Iftā' al-Miṣrīyah*, the editorial of *the Istiftā/question* from *mustaftī* is included in the published fatwa text.

The DSN-MUI fatwa on dropshipping is more general and universal, as it was designed to provide guidelines for a Sharia-based dropshipping system that adheres to the *salam* contract and does not impose special conditions. Businesspeople utilising dropshipping systems come up with varied innovations relevant to their business objectives. Dropshipping systems can vary among businesses, while the Fatwa *Dār al-Iftā' al-Miṣrīyah* tends to be more specific and limited, as it focuses on answering the questions asked, including the case of the digital economy. Therefore, this fatwa is suitable for businesses with specific dropshipping systems or for other entities with a business model that is identical to the one described, subject to certain conditions. Nevertheless, there are advantages of this Egyptian fatwa institution regarding dropshipping, especially related to responsibility, with regard to the mitigation of the risk of damage to goods, since all risks of goods are borne alternately in stages in the dropshipping system (adhering to *murābahah*). With this consideration, the researcher examines these two fatwas, which differ in their content, designations, and objects.

DSN-MUI's *ijtihad* on dropshipping is more structured and systematic, beginning with the description of several considerations for issuing fatwas. These considerations include postulates related to the content of fatwas, sourced from the Qur'an, Hadith, fiqh rules, scholars' opinions, and previous fatwas. The nuances of the DSN-MUI fatwa on dropshipping are more dominant in providing guidance to dropshipping industry players, ensuring that the business practices pursued are compliant with Sharia principles. Meanwhile, the *ijtihad* undertaken by *Dār al-Iftā' al-Miṣrīyah* regarding dropshipping encompasses several approaches, including the *madhhabī* approach (*qaulī* and *manhajī*), which bases its opinions on the scholars of the *madhhab* (the school of thought) as a reference point. The content of this fatwa on dropshipping also refers to the generality of the verses of the Qur'an and the Hadith of the Prophet PBUH about buying and selling that have been previously addressed in a fatwa. In

addition, the *maqāṣidī* approach is also referred to in relation to the reality of the dropshipping business in the digital era, which is the initial description of fatwas aimed at achieving human needs. The fatwas of the two institutions in this study emphasises their compliance with the national legal system related to dropshipping. However, the laws in the two countries differ according to their respective policies. This reality reflects the ideology of the fatwa of DSN-MUI and *Dār al-Iftā' al-Miṣrīyah*, which combines classical *turāth* with the needs of modern times, focusing on the progress of digital economists. These economists are oriented towards maintaining social and state stability, transcending textual laws.

The two fatwa institutions from different countries in this study demonstrate the strong science-based religious connections present in the fatwa. The research of Michael Laffan & Nico JG Kaptein (2005)<sup>32</sup> confirms that Indonesian people still refer to Middle Eastern scholars in requesting fatwas. The research of the two researchers above, entitled Fatwas in Indonesia, has been published by Islamic Law and Society, as done by the FKASWJ (Ahlus Sunnah Wal Jamaah Communication Forum) led by Ja'far Umar Talib on the Maluku Jihad. Twice a year, in 2024, the Ministry of Religion of the Republic of Indonesia, in collaboration with the Education Fund Management Institute (LPDP), organised Daurah with the theme "Strengthening Fatwa Taking" with the resource person representing Egypt's Darul Iftā'. This reinforces the importance of the Egyptian fatwa institution in the development of Sharia economic law in Indonesia. However, for Indonesia, the position of the DSN-MUI does not hold any legal force, especially in the context of Islamic finance, according to Law Number 21 of 2008 concerning Islamic Banking. A study by Hesham Abdelgawad (2024) reported that *Dār al-Iftā' al-Miṣrīyah* has the authority to ratify the digital economy fatwa. This is evidenced by its existence, which can significantly affect the legal position of cryptocurrencies in Egypt. The issuance of the Bitcoin fatwa by Egypt's Dār al-Iftā' serves as the basis for the enactment of the Central Bank and Banking Sector Law No. 194 of 2020 and other major law amendments related to monetary violations.<sup>33</sup>

<sup>32</sup> "Nico JG Kaptein & Michael Laffan, 'Fatwas in Indonesia', Islamic Law and Society, Vol. 12, No 1, Leiden (2005), 1-8.," n.d.

<sup>33</sup> Hesham Abdelgawad, "The Impact of Islamic Law on Cryptocurrency Regulation in Egypt," *SSRN Electronic Journal*, 2025, <https://doi.org/10.2139/ssrn.5161810>.

The dropship fatwas issued by the DSN-MUI and Egypt's Dār al-Iftā' are not only a legal product but also a way for these two institutions to position themselves and build authority in contemporary religious discourse, especially in the realm of the digital economy. The different approaches taken by the two institutions reflect their respective ways of Sharia in the modern context. The concept of the fatwa of Dār al-Iftā' al-Miṣrīyah tends to be more specific-inductive, focusing on answering questions dialogically to a dropshipping system based on digital technology. Meanwhile, the DSN-MUI fatwa is more general-deductive because it tends to provide guidelines for a Sharia-based dropshipping system. Despite the differences, both have the same goal: ensuring that the economic practices of the people remain compliant with Sharia principles, while demonstrating the breadth of interpretation of Islamic law in response to changing times.

### Sociocultural Practice: National Legal Culture and Epistemological Authority

In the context of Islamic Governance in modern times, according to Atho Mudzhar, the States of Egypt and Indonesia are among the countries that combine or compromise secular law with Islamic law because, in addition to accepting secular law as an inheritance from colonial countries, they also maintain religious justice for family law. Therefore, the practice of issuing fatwas to this type of country is expected to continue, considering that it is essential for the development of Islamic law.<sup>34</sup> Fatwa serves as an answer to Islamic legal issues, including *muamalah*, particularly regarding the utilisation of digital platforms<sup>35</sup>. At the social level, the fatwa is one of the products of *ijtihad* in Islamic law, providing authoritative guidelines for society to improve.

The existence of a fatwa as a product of the mufti's *ijtihad* also highlights the existence of multiple opinions. This difference is due to several factors, ranging from varied understandings of the text of legal sources (the Qur'an and

---

<sup>34</sup> Mohammad Atho Mudzhar, *Fatwa-Fatwa Majelis Ulama Indonesia: sebuah studi tentang pemikiran hukum Islam di Indonesia 1975-1988*, edisi dwibahasa, Seri INIS 17 (Jakarta: INIS, 1993), 3.

<sup>35</sup> Muhammad Shuhufi et al., "Islamic Law and Social Media: Analyzing the Fatwa of Indonesian Ulama Council Regarding Interaction on Digital Platforms," *Samarah: Jurnal Hukum Keluarga Dan Hukum Islam* 6, no. 2 (December 31, 2022): 824, <https://doi.org/10.22373/sjhk.v6i2.15011>.

Hadith) and different sociocultural levels of the community and the place of domicile, to differences in methodology<sup>36</sup>.

The complexity of the dropship system across different regions, business climates, or business forms does not rule out the possibility of diverse dynamics emerging in Sharia economic fatwas. Indonesian and Egyptian scholars have a disparity in their conceptions about dropshipping, which leads to different legal views on issuing fatwas.

According to DSN-MUI, buying and selling with the dropshipping system adheres to the *salam* contract and all its provisions. In fatwa number 145 of 2021, the validity of the contract that occurs in the practice of dropshipping requires the existence of a purchase and sale agreement between the dropshipper (the second commissioner/seller) and the supplier (the first commitment/seller) even though the object of the order is not directly handed over to the dropshipper, but the object of sale and purchase is direct to the consumer (the final buyer). Meanwhile, Dār al-Iftā' al-Miṣrīyah argues that buying and selling with a dropshipping system in the digital market adheres to the *murābahah* contract in accordance with the applicable terms and principles. Fatwa Number 6464 of 2022 concerning dropshipping states that the *murābahah* contract can still be executed even though the capital price and the amount of profit obtained by the seller and buyer are unknown. Substantially, '*illat* transparency in *murābahah* by both parties is a preventive measure against the occurrence of *jaha}lab*. Things that are not definitively determined in the sale and purchase (e.g., type, form, and nature) will also have the potential to give rise to elements of *gharar* (contract ambiguity) and *nizā'* (dispute between the seller and buyer). As long as it can be circumvented, it does not affect the sustainability of the contract. This view incorporates several mujtahid opinions from scholars of the *madhhab* who possess credibility to offer a strong opinion based on evidence or a more suitable opinion for the benefit of the *ummah*, thereby ensuring that the goals of *Sharia* are achieved and not neglected. Among others, these views are represented by the following scholars: Ibn Maudūd al-Mūṣilī, representing the *madhhab hanafī* (6th century AH/12 AD); Ibn Rushd al-Hafid, representing the *madhhab mālikī* (6th century AH/12 AH); and al-Zarkashī, representing

---

<sup>36</sup> Dedi Supriyadi, *Sejarah hukum Islam: dari kawasan jazirah Arab sampai Indonesia*, Cet. 1 (Bandung: Pustaka Setia, 2007), 130.

the *madhab* hanbalī (8th/14th century AD). Dār al-Iftā' categorises dropshipping by adhering to the *murābahah* contract because there is a characteristic of dropshipping that is criticised for selling goods that are not yet owned (*bai' mā lā yamlik*). Dropshippers are only intermediaries (brokers) between buyers and suppliers. By adhering to the *murābahah* contract, the dropshipper acts as a legitimate seller because they already own the goods before reselling them, which is in line with the conditions of *murābahah*. The essence of Dār al-Iftā's reasoning can be understood in several ways. First, dropshipping is based on *murābahah* to avoid the practice of selling goods that are not yet owned, thereby preventing conventional dropshipping from containing elements of *gharar*. Second, this practice should be incorporated into the legal framework of muamalah to maintain the clarity of contracts and prices in accordance with Sharia. Through the analysis of the contract structure, it is ensured that dropshipping is halal and in accordance with Sharia.

The author's criticism of this distinction stems from several reasons: first, regarding different Interpretations of Fiqh, there are various schools and views in Islamic jurisprudence. Some scholars may be stricter in understanding the principle of "not selling goods you do not have", while others are looking for Sharia solutions that are more accommodating to modern business practices. Hafiz Falak Shair Faizi's (2024) research confirms that in the interpretive methodology of Islamic law, a debate arises between traditionalists who advocate strict adherence to classical texts and reformists who promote contextual reinterpretation<sup>37</sup>. Both the National Sharia Council of the Indonesian Ulema Council (DSN-MUI) and Egypt's Dār al-Iftā' al-Miṣrīyah' proactively respond to the dropshipping phenomenon by offering fatwa solutions that allow the practice to continue within the Sharia corridor. DSN-MUI recommends the use of the *salam* contract as an appropriate alternative, while Egypt's Dār al-Iftā' al-Miṣrīyah ' tends to accommodate the *murabahah* contract, although it is done without knowing the exact cost of goods.<sup>38</sup>

---

<sup>37</sup> Hafiz Falak Shair Faizi and Dr. Hafiz Sfarish Ali, "The Core Principles of Islamic Jurisprudence within Legal Theory: A Comprehensive Analysis," *Online Journal of Research in Islamic Studies* 11, no. 2 (December 30, 2024): 69, <https://doi.org/10.22452/ris.vol11no2.4>.

<sup>38</sup> Ibrahim, Khudari. 2014. "Mudharabah Principle Of Banking Products". *Jurnal IUS Kajian Hukum Dan Keadilan* 2 (1). <https://doi.org/10.12345/ius.v2i4.156>.

According to Hidayah and Azis (2023), a more comprehensive interpretation of the 22ndi t important, 22ndi t does not only prioritise legal certainty (textual), especially in dispute decisions that demand substantive justice<sup>39</sup>. This concept emphasises that the law must develop according to the needs of society and should not be applied rigidly without considering the social and historical context. The application of a more comprehensive interpretation of the law prioritises legal certainty and substantive justice in resolving Islamic banking disputes.

Second, regarding the assumption of dropshipping conditions, each fatwa institution has slightly different assumptions about how dropshipping operates or how dropshipping can be reconfigured to conform to Sharia principles.

As mentioned in the introduction, according to Grand View Research data on business development, the dropshipping industry has established dropshipping systems in North America, Europe, the Asia Pacific, Latin America, the Middle East, and Africa.<sup>40</sup> Indonesia and Egypt are among those that have the dropshipping market size, share and trends by product type for 2023. The breadth of the territory and the large number of dropshipping enthusiasts, such as Mumtozbegin Kholmatova's research (2022), outlined that this dropshipping industry is in high demand because of its faster process and easier transaction method, where online dropshipping stores launch an average of 15% faster than other online retailers.<sup>41</sup> Therefore, a comparison of contemporary fatwas reveals differences in viewpoints that are influenced by the socio-economic context and the fiqh approach employed. The fatwas issued by DSN-MUI have served different purposes at various times. Sometimes, they are issued in response to questions surrounding business problems or as a reaction to developments in the capital market.<sup>42</sup> Therefore, in the DSN-MUI, the fatwa on dropshipping needs to be understood to understand its consequences and relevance in facilitating digital economy innovation. Meanwhile, the Egyptian

---

<sup>39</sup> Nur Hidayah and Abdul Azis, "Implementation of Progressive Law in Sharia Banking Dispute Settlement: Case Study of Religious Court Decisions in Indonesia," *Ulumuna* 27, no. 1 (June 26, 2023): 252–53, <https://doi.org/10.20414/ujis.v27i1.652>.

<sup>40</sup> <https://www.grandviewresearch.com/industry-analysis/dropshipping-market#>.

<sup>41</sup> Kholmatova, "Top 10 Businesses to Start with Small Money," 11.

<sup>42</sup> Yuli Andriansyah, "Analysis of Fatwas by the National Sharia Board-Indonesian Council of Ulama on the Stock Market," *Millah: Journal of Religious Studies*, August 30, 2023, 533, <https://doi.org/10.20885/millah.vol22.iss2.art9>.

fatwa institution issues a fatwa on dropshipping<sup>43</sup> while maintaining its fiqh tradition, which tends to be conservative in terms of modern *muamalah* transactions, such as there is no transparency margin in the *murabahah* taken from the opinions of the classical scholars in the book of *turāth*. It is said that the recognition of *wakālah* and *simsarāh* contracts in dropshipping reflects the efforts of scholars to bridge the needs of the modern market with Islamic legal principles (El-Gamal, 2020, Journal of Islamic Business Ethics).

To complete the description of the dropship scheme in this study, the researcher conducted interviews with several businesspeople related to the dropship scheme in Indonesia and Egypt, as well as reviewed several websites that explain the dropshipping system. Observing the concept of dropshipping based on Sharia principles stipulated in Fatwa No. 145/DSN-MUI/XII/2021 can be analysed from the stakeholder perspective. The mechanism of dropshipping and shipping of goods (*mabi*) is determined according to several aspects.

First, Dropshippers advertise products through various platforms, including applications, websites, and other information technology-based content services used for transactions and trade facilitation via e-commerce electronic systems. Sales like this make the products offered accessible to a wider audience.

Second, customers/ or consumers interested in products marketed online can negotiate with dropshippers before making a purchase decision. Some marketplaces offer a live chat feature that enables sellers and buyers to discuss the products being sold. When the customer has decided to buy the product offered, the dropshipper must purchase the goods from the supplier. Then, the order will be shipped directly by the supplier, on behalf of the dropshipper, to the customer as per the address provided.

Third, for the delivery of goods from the supplier to the last returner (consumer), the process of the supplier sending the goods on behalf of the dropshipper to the buyer using the expedited service describes the relationship between them. This contract is not the core because delivery can be done directly without a delivery service provider. If the goods are damaged during delivery, the expedition service provider is liable for the damage caused by its own negligence.

---

<sup>43</sup> Mohamed Youssef, "Islamic Finance and Social Justice: A Policy Framework for Egypt's Economic Transformation" (SSRN, 2025), 13, <https://doi.org/10.2139/ssrn.5244972>.

Fourth, the payment system through an escrow account<sup>44</sup> is considered a cash payment as a basis for the *salam* contract.

Fifth, after the goods arrive at the buyer, the dropshipper does not immediately receive the funds stored in the escrow account as their right, because the buyer still has a right to decide whether to continue the sale. If the ordered item is received in good condition and according to the description at the time of offering, then, as the fifth aspect, the dropshipper receives their rights in the form of funds stored in an escrow account.

From this flow, the dropshipping fatwa with Sharia principles requires a sale and purchase agreement between the supplier and the dropshipper, resulting in two separate sales and purchase agreements: one between the dropshipper and the supplier, and another between the dropshipper and the customer/consumer. At the same time, this system aligns with one of the principles of *maqāṣid shari'ah*, which ensures the security of the two parties involved in the transaction. For the dropshipper, the funds to which he is entitled are guaranteed to be safe, while the buyer is also guaranteed the safety of the purchased product. The two parties benefit each other without any party being wronged/absolutely *tasaruf* (legal behaviour carried out by a person on the basis of his or her wishes that gives birth to rights and obligations on the basis of Sharia), and there is no coercion involved.<sup>45</sup>

Sisi (one of the online business owners who often sells his products through marketplaces in Indonesia) explains the dropshipping flow in Indonesia that he often uses as follows:<sup>46</sup> 1. The seller displays a certain item, 2. Consumers choose goods, 3. Consumers put goods in the shopping cart, 4. Consumers perform the purchase by transferring money, the price of goods, along with shipping costs, 5. the seller gets a notification from the marketplace to send the

---

<sup>44</sup> Escrow is another term for a joint account. Payment methods through this system have a disparity with the payment process through bank transfers. If in bank transfers, the third party is a bank, while with a joint account system as a third party is a payment institution that has been trusted by both business actors and consumers. See Azni Azni et al., "Legal Review Of The Application Of Online Buying And Selling Transactions In E-Commerce According To Kuiperdata And Ite Law," *JURNAL HUKUM SEHASEN* 10, no. 1 (April 30, 2024): 319, <https://doi.org/10.37676/jhs.v10i1.5994>.

<sup>45</sup> Abdulloh Arif Mukhlas, "Criticism Of The Dropship Technique: (Islamic Economic Perspective)," *JOSSE: Journal of Social Science and Economics*, no. Vol. 1 No. 1 (2022): JOSSE: Journal of Social Science and Economics (2022): 29.

<sup>46</sup> Sisi, Wawancara dengan Sisi, Melalui WhatsApp, Mei 2024.

goods, 6. the seller sends the goods, 7. Goods reach consumers, 8. After everything is done without any problems, the seller gets funds (already transferred by the buyer) worth the price of the product sold. This flow is an example done by informants on Shopee, one of the popular marketplaces in Indonesia. This was agreed upon by Toriq al-Ghazias, one of the actors in entrepreneurial activities that focus on micro businesses in the printing sector. The activities of the informants mentioned last often involve trading and selling goods via dropshipping in various marketplaces in Indonesia.

The practice of dropshipping in Egypt, outside of the explanation of the content of the fatwa institution under review, is principally the same as the dropshipping system in general, as mentioned on <https://shaimaaalmahdy.com/best-dropshipping-sites-in-egypt/>,<sup>47</sup> which promotes two dropship management websites, including AliExpress and Marketlii. Website managers open the opportunity for anyone who wants to partner to run a business with a dropshipping system, with an overview of the steps mentioned on <https://www.marketlii.com/>.<sup>48</sup> First, business enthusiasts must be registered on the site and create a personal account. Second, in terms of selecting products of interest, members can search and choose the products they want to sell from the site. Third, the seller is required to upload images and describe the product clearly and in detail to ease customers. Fourth, the seller can set the price of the product offered. Fifth, after receiving the order, the marketplace platform manager/website manager will ship the product to the buyer, and the seller can follow and track the delivery. Sixth, payment should be made to the seller's account upon confirmation of the product's delivery to the buyer. These steps are similar to those provided on <https://best.aliexpress.com/>.<sup>50</sup>

Similarly, Nora Burhanudin's sister, a young entrepreneur who has long lived in Egypt, in his interview, explained dropshipping practices in Egypt. As explained, customers buy goods by transferring money to the dropshipper's

---

<sup>47</sup> ”أفضل مواقع الدروب شينج في مصر 2024 | دروب شينج مصر“ accessed April 5, 2024,

<https://shaimaaalmahdy.com/best-dropshipping-sites-in-egypt/>.

<sup>48</sup> ”Marketlii,” accessed April 5, 2024, <https://www.marketlii.com/>.

<sup>49</sup> ”AliExpress - Online Shopping for Popular Electronics, Fashion, Home & Garden, Toys & Sports, Automobiles and More.,“ accessed April 5, 2024, <https://best.aliexpress.com/>.

<sup>50</sup> ”AliExpress - Online Shopping for Popular Electronics, Fashion, Home & Garden, Toys & Sports, Automobiles and More.“

account. Then, the dropshipper pays the supplier the amount specified in the dropshipper's purchase price from the supplier, plus the shipping costs. In addition to sending purchase money, dropshippers also send customer data to suppliers, including names, addresses, and contact numbers, as the goods will be directly sent by the supplier to the buyer, rather than by the dropshipper. If the purchase is done on the application/web, the person in charge of the application acts as an intermediary (purely or conscientiously).

According to Nora, one of the informants in this study, explained on Sunday, May 5, 2024, that the current souq.com site (<https://www.souq.com>) will immediately redirect visitors to the <https://www.amazon.ae/> site<sup>51</sup> upon clicking. Therefore, the author was assisted by Mr. Makhsus, who does a dropshipping business on the site. Meanwhile, Toriq and Sisi provided extensive information about the dropshipping system in various Indonesian marketplaces. The first of the two informants mentioned last as entrepreneurs explained that their activities are quite familiar with the dropshipping system in the marketplace, while the second informant mentioned last is active with an online business with a dropshipping system in Indonesia.

Mr Makhsus shared his experience as a dropshipper in <https://www.amazon.ae/> through the following illustration: 1) As a member who has the opportunity to run a dropshipping buying and selling system on the Amazon business website, Mr Makhsus displays cellphone sales in the storefront, along with the product's criteria and prices; 2) Mr Michael (prospective buyer) wants to buy a cellphone unit by browsing on the Amazon site, then finds and feels suitable for the cellphone that has been displayed at a price in the storefront of Mr Makhsus's online store located on the website at a price of US\$ 1,000; 3) Because he is serious about buying the item, Mr Michael is making the payment by transferring it to the Amazon account as per displayed price; 4) Mr Makhsus as the dropshipper will get a notification to fulfil the purchase; 5) Mr Makhsus then transfers US\$ 850, an amount below the price shown, i.e. US\$ 1,000, to an Amazon account; 6) the purchased product is then sent by Amazon to Mr. Michael as per the address. 7) After all the processes are completed and the product is received without complaints within three to five days, Mr Makhsus, as the dropshipper, receives a fund transfer of US\$1,000 from Amazon.

---

<sup>51</sup> Nora Burhanudin, Interview with Nora Burhanudin's brother, WhatsApp., May 7, 2024.

According to the informant, Amazon provides its members with the flexibility to buy and sell using the dropshipping system by offering Amazon's goods in each member's storefront. The informant added that Amazon owns the goods and has a storage warehouse. In the context of fiqh *muamalah*, Mr Makhsus, acting as a dropshipper in the above transaction, purchased goods from Amazon with a value of US\$850 (cost of goods) and then sold the item to Mr Michael for US\$1,000. Henceforth, Amazon has sent it directly to Mr. Michael, resulting in a US\$150 profit for Mr. Makhsus.

Handover in the *murābahah* system is an indicator of the transfer of ownership from the owner of the mobile phone to Mr Michael. For example, the marketplace / online marketplace establishes a concession with the original owner of the item. Then, the marketplace manager already has a selling object displayed in the online store storefront before selling it to Mr Michael through a member as a dropshipper (Mr Makhsus). In the Fatwa Dār al-Iftā' al-Miṣrīyah, dropshippers sell or offer goods owned by the business platform manager through the online marketplace using the *murābahah* mechanism (in principle, the goods belong to the dropshipper). The item will then be sent directly by the marketplace to the buyer's address without the need to stock the goods at the dropshipper's place. Here, it appears that the *murābahah* contract does not stand alone, as it involves an element of a *wakālah* contract from the dropshipper to the marketplace manager.<sup>52</sup>

It can be understood that the DSN-MUI recognises that dropshipping can be applied as long as it adheres to the principles and conditions of buying and selling in Islam and utilises *salam* contracts and other contracts, such as *wakālah* (representative) and *simsarāh* (intermediary). This is reflected in DSN-MUI Fatwa No. 145/DSN-MUI/XII/2021, which provides flexibility for online business actors, especially MSMEs, to implement the dropshipping model as long as there is transparency, clarity of contracts, and no fraud against consumers. Meanwhile, Dār al-Iftā' tends to adopt a stricter approach to dropshipping. This institution considers that selling goods that are not physically owned can contain elements of *gharar* (uncertainty) and *talaqqi*

---

<sup>52</sup> Johari Johari, Maghfirah Maghfirah, Ahmad Maulidizen, Habiburrahman Rizapoor, Istihsān Method and Its Relevance to Islamic Law Reform: Content Analysis of Fatwa of Majelis Ulama Indonesia on Corneal Transplant, *De Jure: Jurnal Hukum dan Syar'iah*, Vol 15, No 1 (2023).

*rukban* (buying goods before the trader knows about the products), which are prohibited in Sharia. Therefore, dropshipping is only allowed if the dropshipper acts as a transparent representative and does not set the selling price themselves, meaning they do not act as the owners of the goods but as the official agents of the owners.

In terms of the purpose and context of a Fatwa, DSN-MUI explicitly issued a fatwa to provide Sharia guidance on dropshipping, which is increasingly prevalent in Indonesia, thereby seeking to find the most relevant and practical solution. *Dār al-Iftā'* may focus more on the more traditional basic principles of buying and selling. In general, the *salam* contract is an exception to the rule of "it is not permissible to sell goods that are not owned" in Islamic jurisprudence, with certain strict conditions to avoid *gharar*. Therefore, DSN-MUI sees the *salam* contract as the most appropriate solution to legitimise the practice of dropshipping in Sharia.

The difference in the application of the contract by DSN-MUI and *Dār al-Iftā' al-Miṣrīyah* reflects the importance of the context in determining fatwas. By understanding the local situation and needs, fatwas can become more relevant solutions and remain within the Sharia corridor. Therefore, Indonesia and Egypt accept secular and Islamic laws, and fatwas are enriched with many sources. Hidayah et al. (in the context of the decision on banking disputes) emphasised the urgency of updating existing legal sources to keep up with legal<sup>53</sup> developments. Thus, the dropshipping fatwa will accommodate regulations, increase legal certainty, and adjust to technological innovations in the digital economy.

Fatwas in Indonesia and Egypt are still considered as the laws in force in each country to legitimise dropship fatwas. According to the research by Habibullah Nur Fauzan, Irvan Iswandi, and Alfi Satria, no specific law discusses the dropshipping system, and their research refers to Law No. 8 of 1999 concerning consumer protection,<sup>54</sup> particularly in Article 4, letter d. Law No. 8

---

<sup>53</sup> Nur Hidayah et al., "Sharia Banking Disputes Settlement: Analysis of Religious Court Decisions in Indonesia," *Al-Risalah: Forum Kajian Hukum Dan Sosial Kemasyarakatan* 23, no. 1 (June 27, 2023): 86, <https://doi.org/10.30631/alrisalah.v23i1.1347>.

<sup>54</sup> Habibullah Nur Fauzan, Irvan Iswandi, and Alfi Satria, "TINJAUAN HUKUM ISLAM DAN HUKUM POSITIF PADA PRAKTIK JUAL BELI ONLINE DENGAN METODE KERJASAMA DROPSHIP," *Journal of Islamic Studies* 1, no. 3 (November 4, 2023): 365, <https://doi.org/10.61341/jis/v1i3.028>.

of 1999, Article 19, paragraph 1 states, "Business actors are responsible for providing compensation to consumers due to consuming goods or services produced or traded" (Law No. 8 of 1999). This Article implies that dropshippers as business actors bear the responsibility to cover losses.

Online buying and selling transactions are also regulated by Law No. 19 of 2016, which amends Law No. 11 of 2008 concerning Electronic Information and Transactions (EIT Law). They are also regulated under Article 1320 of the Civil Code<sup>55</sup> in the matter of the conditions for the agreement's validity. These conditions include 1) the agreement of those who bind themselves (in buying and selling with the dropshipping system, including suppliers, dropshippers, and consumers), 2) the ability to engage (minimum age of 18 years according to UUJN No. 2 of 2014), 3) a certain item (it involves an object being transacted), and 4) a halal cause (not prohibited by law or not contrary to decency or public order). The first two conditions are referred to as subjective conditions, while the others are termed objective conditions. This matter can be further explored in the Civil Code, particularly in Article 1243, which serves as a legal basis for online buying and selling, specifically dropshipping. It regulates preventive measures to mitigate the risk of moral hazard, which has legal consequences of default by both the seller and the buyer. These measures may involve compensation for costs incurred due to a breach of contract, following a declaration of negligence in fulfilling obligations.

In addition to the Civil Code, the positive law in Indonesia also<sup>56</sup> has a tie-up with the dropship system.<sup>57</sup> Article 86 stipulates that the expedition is the subject of transportation law, having an important correlation with the sender, carrier, and goods recipients. The exporter's responsibility for the goods handed over by the shipper to him is stipulated in Article 87, including organising the delivery and ensuring the safety of the goods to be handed over to the rightful recipient or the next carrier. The principle of responsibility of the carrier is regulated in Article 91, while the carrier's responsibility for the safety of the

---

<sup>55</sup> [Https://Jdib.Mahkamahagung.Go.Id/Legal-Product/Kitab-Undang-Undang-Hukum-Perdata/Detail](https://Jdib.Mahkamahagung.Go.Id/Legal-Product/Kitab-Undang-Undang-Hukum-Perdata/Detail), n.d., n.d., accessed April 13, 2024.

<sup>56</sup> [Https://Jdib.Mahkamahagung.Go.Id/Legal-Product/Kitab-Undang-Undang-Hukum-Dagang/Detail](https://Jdib.Mahkamahagung.Go.Id/Legal-Product/Kitab-Undang-Undang-Hukum-Dagang/Detail), n.d., n.d., accessed April 13, 2024.

<sup>57</sup> Novendri Mohamad Nggilu, Wahidullah Wahidullah, Evi Noviawati, Dian Ekawaty Ismail, Indonesia's Constitutional Identity: A Comparative Study of Islamic Constitutionalism, *De Jure: Jurnal Hukum dan Syar'iah*, Vol 16, No 2 (2024).

goods sent is set out in Article 468. The responsibility mentioned last is the presumption of liability principle for any mistakes or losses that occur during the process of transporting goods. If the expedition company can prove its innocence, then it is free from liability. In conditions related to commissioners (dropshippers), commitments (business owners/principals/producers), and customers that are not specifically regulated in the internal agreement by the Penal Code are referred to the general provisions in the civil code.<sup>58</sup> Government Regulation Number 80 of 2019 concerning Electronic Systems-Based Trades (PMSE) regulates consumer protection related to expeditions. This government regulation accommodates electronic commerce, both connected online and carried out separately offline (Article 1, Number 15). Furthermore, trade organisers, through electronic systems, are responsible for providing protection (Article 26) and compensation to consumers (Article 70) for losses suffered by consumers due to defaults in electronic transactions, including losses incurred by consumers during the delivery of goods (Article 63).<sup>59</sup>

At the time this research was conducted, no law regulated the dropshipping system. However, several laws can be used as a legal basis for electronic buying and selling in Egypt. Maher Milad Iskander, an Egyptian lawyer, mentions several laws.<sup>60</sup> A study by Rasha M. Elakkad (2024) asserts that Electronic Signature Law No. 15/2004 deals with the handling of intellectual property, which was followed by the establishment of the Economic Court in 2008 in Egypt.<sup>61</sup> Furthermore, Mahmoud Fayyad's (2023) study<sup>62</sup> highlights Consumer Protection Law No. 181 of 2018 and the Egyptian Electronic

---

<sup>58</sup> A. Rani and B. Santoso, "Characteristics of the Agency Covenant in Legal Review Civil," *International Journal of Social Science Research and ...*, 2023, 467, <https://ijssrr.com/journal/article/view/1113>.

<sup>59</sup> Gea Ossita Sugito, Salim Hs, and Diangsa Wagian, "Legal Protection for Consumers in E-Commerce Expeditions," *Indonesian Journal of Law and Economics Review* 19, no. 1 (January 1, 2024): 9, <https://doi.org/10.21070/ijler.v19i1.989>.

<sup>60</sup> Joseph Iskander, <Https://Eg.Andersen.Com/Ar/Ecommerce-in-Egypt/>, n.d., n.d., accessed October 9, 2024.

<sup>61</sup> Rasha M. Elakkad, "An Empirical Test of Endogenous Growth Model for Egypt," *المجلة العلمية للدراسات التجارية والبيئية* 15, no. 1 (March 30, 2024): 352, <https://doi.org/10.21608/jces.2024.349496>.

<sup>62</sup> Mahmoud Fayyad and Reinhard Steennot, "Reviewing the Organization of the Consumer Right to Withdraw in Electronic Transactions in Qatar," *International Journal on Consumer Law and Practice* 11, no. 1 (November 23, 2023): 40, <https://repository.nls.ac.in/ijclp/vol11/iss1/3>.

Commerce Law (e.g. Articles 17 and 19), providing protection for consumers to obtain the right of withdrawal following a defect in the merchandise or a non-conformity with the specifications. Furthermore, Nermin Elsherif and Tasniem Anwar (2024) examined Cybercrime Law No. 175/2018, which was passed by the President of Egypt, Abdul Fattah Assisi, in August to combat electronic crime. One of the actions taken includes blocking websites that pose a threat to national security. This law defines "electronic crime" as well as material evidence, penalties, and consequences<sup>63</sup>. The next is the National Strategy for E-Commerce (2017-2020). The strategy<sup>64</sup> was launched in December 2017 in collaboration with the UN Conference on Trade and Development. According to Saifaddin Galal on the official website of <https://www.statista.com/statistics/462957/internet-users-egypt/> (June 5, 2023) and quoted by M. Elsaed,<sup>65</sup> in 2023, it is estimated that the e-commerce industry will generate revenue of around 6.78 billion US dollars. This growth reinforces the importance of e-commerce in Egypt's business landscape. Information and communication technology in Egypt plays a crucial role in facilitating the seamless flow of electronic transactions, both domestically and across borders. The ideas align with Egypt's vision and ideals for achieving growth in Gross Domestic Product (GDP) and greater prosperity for its citizens by 2030. Although this strategy is not a binding law, according to Maher Milad Iskander, what has been prepared by the Egyptian Ministry of Communication and Information supports the country's vision for the e-commerce ecosystem to continue growing and ensure its security<sup>66</sup>. Various matters related to the above legislation are in line with the fatwa of Dār al-Iftā' regarding the *maqāṣid shari'ah*/objectives of Islamic law (goals, values, and *faidah* to be achieved from the descent of Sharia) in maintaining and obtaining property, especially

<sup>63</sup> N. Elsherif and T. Anwar, "From Emancipation to Confusing the Nation: Social Media and Figurations of Disinformation a Decade After the Arab Uprisings," *International Journal of Communication*, 2024, 1484, <https://ijoc.org/index.php/ijoc/article/view/20310>.

<sup>64</sup> UNCTAD., *ICT Policy Review: National E-Commerce Strategy for Egypt* (UN, 2017), 34, <https://books.google.co.id/books?id=nWhyzgEACAAJ>.

<sup>65</sup> M. Elsaed et al., "Analyzing The Factors Affecting Online Trust in B2C E-Commerce and Its Impact on Purchase Intention in Egypt," *The Academic Journal* ..., 2024, 46, [https://ajccr.journals.ekb.eg/article\\_348226.html](https://ajccr.journals.ekb.eg/article_348226.html).

<sup>66</sup> Joseph Iskander, <Https://Eg.Andersen.Com/Ar/Ecommerce-in-Egypt>, n.d., n.d., accessed October 9, 2024.

regarding public funds and violations of the law.<sup>67</sup> The affirmation of the fatwa safeguarding property (*hifz al-māl*) is one of the parts of the substance of *maqāṣid shari‘ah*. If it occurs in a condition that threatens anyone who violates the law in any form, such as theft, embezzlement, robbery, or unlawful taking, then the level of haram law increases, particularly when the money is public property belonging to all citizens.

The dropshipping fatwa from the DSN-MUI and Dār al-Iftā' Egypt show how Islamic law seeks to adapt to the reality of modern business, such as dropshipping. Through fatwas, they seek ways to legitimise this practice under Sharia law, provided certain conditions are met. In Indonesia, the DSN-MUI fatwa has great "moral" and "social" power in the national legal culture. Although it is not a law, this fatwa is highly trusted and used as a guideline by the Muslim community and Islamic economic actors. DSN-MUI is a recognised authority responsible for determining the validity of Islamic law in Indonesia. Therefore, they often look to global fatwa institutions such as Egypt's Dār al-Iftā' as a reference and comparison in developing *ijtihad* that is relevant to the needs of the ummah. In other words, these fatwas served as a bridge between the classical texts of Islamic law and contemporary economic practices, which were then accommodated and accepted within the framework of Indonesian legal culture through recognised religious authorities.

### Practical Implications and Discursive Effects

The DSN-MUI fatwa allows Indonesian dropshippers to align their businesses with Sharia compliance under a realistic legal framework. However, limited awareness, implementation, immature regulations, and security issues need to be addressed through supportive regulations, public education, and collaboration with Islamic financial institutions.<sup>68</sup> On the other hand, it is essential to maintain a balance between technological innovation, Sharia ethical principles, and aspects of legal protection. This is reflected in the implementation of various regulations in Indonesia, such as the Penal Code, the

<sup>67</sup> <https://Www.Dar-Alifta.Org/Ar/Fatawa/17266>, n.d., n.d., accessed October 9, 2024.

<sup>68</sup> Sawitri Yuli Hartati, Emelia Kontesa, and Agri Baskara, "Sharia Fintech In The Digital Age: Human Rights in Sharia Fintech Through Criminal Law Safeguards," *IJCLS (Indonesian Journal of Criminal Law Studies)* 8, no. 2 (November 30, 2023): 289, <https://doi.org/10.15294/ijcls.v8i2.48678>.

Electronic Information and Electronic Transactions Law (IET Law), and the Personal Data Protection Law (PDP Law), all aiming to regulate digital transactions, maintain the confidentiality of personal data, and prevent financial crimes. Thus, fatwas function more as a normative legitimiser than a rule-enforcer.

The existence of the DSN-MUI has an influence that cannot be considered separately on both government institutions and regulations. A study conducted by the Indonesian Media Research and Development Agency in 2003 on public perception of the fatwa banning bank interest indicates that the fatwa issued by the DSN-MUI has a great influence on the dynamics of people's lives. The anti-bank interest fatwa from the National Sharia Council-Indonesian Ulema Council in 2003 proved to be quite influential. Of the 3,294 survey respondents, 1,798 people (54.586%) intended to follow the fatwa by transferring their accounts to Islamic banks. Meanwhile, 1,496 respondents (45.42%) were not affected. Although not representative of all Muslims, these results suggest that they have an influence on the behaviour of some individuals.<sup>69</sup>

The Dār al-Iftā' fatwa, widely circulated online in various languages, can influence Muslim entrepreneurs globally, including those in Indonesia. However, when such fatwas are applied without considering the differences in the local social, economic, and cultural context, especially in business practices such as dropshipping, this may raise doubts. An overly literal and rigid interpretation of fatwas taken from the Egyptian context can be an obstacle to the innovation and flexibility of halal business models such as dropshipping. In some conservative views, dropshipping is considered problematic in terms of ownership of goods and transaction clarity. However, in the context of Indonesia and the global digital economy, this model is common and adaptable to the market.

The significant role of the Dār al-Iftā' al-Miṣrīyah fatwa is evident in shaping the country's legal views on the use of cryptocurrencies. The fatwa issued by Dār al-Iftā' regarding Bitcoin was one of the important factors that prompted the passage of the Central Bank and Banking Sector Law No. 194 of 2020, as

---

<sup>69</sup> Akmal Bashori, Mutho'am Mutho'am, and Wan Noor Hazlina Wan Jusoh, "Epistemology of Fatwas on Digital Transaction in Indonesia," *Jurnal Hukum Islam* 21, no. 2 (December 15, 2023): 254, [https://doi.org/10.28918/jhi\\_v21i2\\_02](https://doi.org/10.28918/jhi_v21i2_02).

well as changes to other laws regulating monetary violations. In this context, Dar al-Iftā's approach to the phenomenon of the digital economy can also be attributed to the practice of dropshipping, which is part of modern electronic commerce. As dropshipping grows in popularity as a non-stock ownership business model, clear fatwas and regulations are needed to ensure the conformity of this practice with Sharia principles, as has been done with digital currencies such as Bitcoin.<sup>70</sup>

Thus, both DSN-MUI and Dār al-Iftā' (in general) are aware of the potential of dropshipping in supporting the digital economy. Therefore, the fatwas issued are not intended to prohibit but to provide guidance, enabling dropshipping practices to be performed legally, in a halal manner, and in compliance with Sharia principles, thereby providing sustainable economic benefits for both the community and the state. This fatwa demonstrates the institution's commitment to not hinder innovation, but instead to guide it within the Shariah framework.

## Conclusion

This study confirms that the fatwa in the digital economy is a discursive product that is not only based on Islamic legal reasoning but is also influenced by institutional dynamics, socio-political contexts, and the ideological orientation of fatwa institutions. Through a critical constructivist discourse analysis approach, a comparison between the DSN-MUI and Dār al-Iftā' al-Miṣrīyah fatwa on the practice of dropshipping reveals how two institutions equally committed to maintaining the integrity of Sharia can produce different legal conclusions. DSN-MUI legitimises the practice of dropshipping within the framework of the *salam* contract, while Dār al-Iftā' al-Miṣrīyah rejects it based on the framework of *murabahah*. These methodological and interpretive differences reflect the pluralism in Islamic economic jurisprudence as well as differences in approaches systemic deductive versus contextual inductive in responding to the challenges of the digital economy. These findings underscore the importance of acknowledging the plurality of fatwas and the necessity of

---

<sup>70</sup> Abdelgawad, "The Impact of Islamic Law on Cryptocurrency Regulation in Egypt," 381.

adopting a contextual and policy-sensitive approach in formulating contemporary Islamic law. Therefore, this paper recommends the need for empirical validation of digital economy practices, cross-jurisdictional dialogue in the preparation of fatwas, and doctrinal-based innovations in the development of relevant and applicable fiqh al-muamalat in the era of digital transformation.

Based on the findings of this study, future research should focus on empirically validating the practical applications of digital economy practices across different jurisdictions to assess the real-world impact of various fatwas. Furthermore, a cross-jurisdictional dialogue involving fatwa institutions from diverse Islamic contexts could foster a more harmonised and contextually relevant approach to Islamic legal interpretations, particularly in addressing the challenges of the digital economy. Future research could also explore doctrinal innovations within Islamic jurisprudence, focusing on developing dynamic and applicable frameworks for fiqh *al-muamalat* that align with the rapid transformations of the digital era, ensuring they remain relevant and responsive to contemporary socio-political and economic contexts.

## References

Abdelgawad, Hesham. "The Impact of Islamic Law on Cryptocurrency Regulation in Egypt." *SSRN Electronic Journal*, 2025. <https://doi.org/10.2139/ssrn.5161810>.

Abdulloh Arif Mukhlas. "Criticism Of The Dropship Technique: (Islamic Economic Perspective)." *JOSSE: Journal of Social Science and Economics*, no. Vol. 1 No. 1 (2022): JOSSE: Journal of Social Science and Economics (2022): 26–37.

Agrama, Hussein Ali. "Reflections on Secularism, Democracy, and Politics in Egypt." *American Ethnologist* 39, no. 1 (February 2012): 26–31. <https://doi.org/10.1111/j.1548-1425.2011.01342.x>.

Al-Daihani, Meshari, Khadar Dirie, Mahmudul Alam, and Ahmad Abdullah. "An Islamic Crowdfunding Model for the Agricultural Sector: A Proposal Based

on Salam and Muzāra‘ah-Waqf Scheme.” *ISRA International Journal of Islamic Finance* 16, no. S1 (May 6, 2024): 4–23. <https://doi.org/10.55188/ijif.v16iS1.566>.

“AliExpress - Online Shopping for Popular Electronics, Fashion, Home & Garden, Toys & Sports, Automobiles and More.” Accessed April 5, 2024. <https://best.aliexpress.com/>.

Andriansyah, Yuli. “Analysis of Fatwas by the National Sharia Board-Indonesian Council of Ulama on the Stock Market.” *Millah: Journal of Religious Studies*, August 30, 2023, 525–52. <https://doi.org/10.20885/millah.vol22.iss2.art9>.

“Apresiasi Kualitas Peserta Penguatan Pengambilan Fatwa, Darul Ifta’ Mesir Terbuka Untuk Kelanjutan Program.” Accessed April 13, 2024. <https://kemenag.go.id/internasional/apresiasi-kualitas-peserta-penguatan-pengambilan-fatwa-darul-ifta-mesir-terbuka-untuk-kelanjutan-program-mKWsx>.

Azni, Azni, Widya Timur, Ferawati Royani, and Hurairah Hurairah. “Legal Review Of The Application Of Online Buying And Selling Transactions In E-Commerce According To Kuhperdata And Ite Law.” *JURNAL HUKUM SEHASEN* 10, no. 1 (April 30, 2024): 317–28. <https://doi.org/10.37676/jhs.v10i1.5994>.

Bashori, Akmal, Mutho’am Mutho’am, and Wan Noor Hazlina Wan Jusoh. “Epistemology of Fatwas on Digital Transaction in Indonesia.” *Jurnal Hukum Islam* 21, no. 2 (December 15, 2023): 231–78. [https://doi.org/10.28918/jhi\\_v21i2\\_02](https://doi.org/10.28918/jhi_v21i2_02).

“Beranda - DSN-MUI.” Accessed June 4, 2025. <https://dsnmui.or.id/>.

Bowen, Glenn A. “Document Analysis as a Qualitative Research Method.” *Qualitative Research Journal* 9, no. 2 (August 3, 2009): 27–40. <https://doi.org/10.3316/QRJ0902027>.

Daud, Hafiz Samiullah, and Saqib Sharif. “Exploring the Feasibility of Muzara’ah Based Islamic Running Finance Model as an Alternative for Agriculture Credit.”

*Journal of Islamic Accounting and Business Research* ahead-of-print, no. ahead-of-print (January 1, 2024). <https://doi.org/10.1108/JIABR-12-2022-0352>.

Elsaeed, M., A. Elsamadicy, E. Negm, and ... "Analyzing The Factors Affecting Online Trust in B2C E-Commerce and Its Impact on Purchase Intention in Egypt." *The Academic Journal* ... 2024. [https://ajccr.journals.ekb.eg/article\\_348226.html](https://ajccr.journals.ekb.eg/article_348226.html).

Elsherif, N., and T. Anwar. "From Emancipation to Confusing the Nation: Social Media and Figurations of Disinformation a Decade After the Arab Uprisings." *International Journal of Communication*, 2024. <https://ijoc.org/index.php/ijoc/article/view/20310>.

Fairclough, Norman. *Critical Discourse Analysis: The Critical Study of Language. Language in Social Life Series*. London ; New York: Longman, 1995.

Faizi, Hafiz Falak Shair, and Dr. Hafiz Sfarish Ali. "The Core Principles of Islamic Jurisprudence within Legal Theory: A Comprehensive Analysis." *Online Journal of Research in Islamic Studies* 11, no. 2 (December 30, 2024): 57–72. <https://doi.org/10.22452/ris.vol11no2.4>.

Fakhruddin, Fakhruddin, Hakmi Hidayat, and Dwi Hidayatul Firdaus. "MODERATION IN DSN-MUI FATWAS: Achieving Justice and Balance in the Sharia Economic System." *Jurisdictie: Jurnal Hukum Dan Syariah* 15, no. 2 (January 3, 2025): 477–98. <https://doi.org/10.18860/j.v15i2.26883>.

Fauzan, Habibullah Nur, Irvan Iswandi, and Alfi Satria. "TINJAUAN HUKUM ISLAM DAN HUKUM POSITIF PADA PRAKTIK JUAL BELI ONLINE DENGAN METODE KERJASAMA DROPSHIP." *Journal of Islamic Studies* 1, no. 3 (November 4, 2023): 356–67. <https://doi.org/10.61341/jis/v1i3.028>.

Fayyad, Mahmoud, and Reinhard Steennot. "Reviewing the Organization of the Consumer Right to Withdraw in Electronic Transactions in Qatar." *International Journal on Consumer Law and Practice* 11, no. 1 (November 23, 2023). <https://repository.nls.ac.in/ijclp/vol11/iss1/3>.

Feener, R. Michael, Mark E. Cammack, Harvard Law School, and Harvard Law School, eds. *Islamic Law in Contemporary Indonesia: Ideas and Institutions*. Harvard Series in Islamic Law 5. Cambridge, Mass: Harvard University Press, 2007.

Hallaq, Wael B. *An Introduction to Islamic Law*. Cambridge: Cambridge university press, 2009.

Hamidah. "Fatwa Halal Dan Haram Bunga Tabungan: Menurut MUI Dan Dār al-Iftā' al-Miṣriyah." Universitas Islam Indonesia (UII), 2019.

Hartati, Sawitri Yuli, Emelia Kontesa, and Agri Baskara. "Sharia Fintech In The Digital Age: Human Rights in Sharia Fintech Through Criminal Law Safeguards." *IJCLS (Indonesian Journal of Criminal Law Studies)* 8, no. 2 (November 30, 2023): 271–96. <https://doi.org/10.15294/ijcls.v8i2.48678>.

Hidayah, Nur, and Abdul Azis. "Implementation of Progressive Law in Sharia Banking Dispute Settlement: Case Study of Religious Court Decisions in Indonesia." *Ulumuna* 27, no. 1 (June 26, 2023): 227–57. <https://doi.org/10.20414/ujis.v27i1.652>.

Hidayah, Nur, Abdul Azis, Tira Mutiara, and Diah Larasati. "Sharia Banking Disputes Settlement: Analysis of Religious Court Decisions in Indonesia." *Al-Risalah: Forum Kajian Hukum Dan Sosial Kemasyarakatan* 23, no. 1 (June 27, 2023): 75–92. <https://doi.org/10.30631/alrisalah.v23i1.1347>.

Ibrahim, Khudari. 2014. "Mudharabah Principle Of Banking Products". *Jurnal IUS Kajian Hukum Dan Keadilan* 2 (1). <https://doi.org/10.12345/ius.v2i4.156>.

Iskander, Joseph. <Https://Eg.Andersen.Com/Ar/Ecommerce-in-Egypt/>. n.d. Accessed October 9, 2024.

———. [Https://Eg.Andersen.Com/Ar/Ecommerce-in-Egypt/%D9%82%D8%A7%D9%86%D9%86%](Https://Eg.Andersen.Com/Ar/Ecommerce-in-Egypt/%D9%82%D8%A7%D9%86%D9%88%D9%86/). n.d. Accessed October 9, 2024.

Jauhari, Muhammad Sofwan. "Fatwa Ulama Indonesia Mengenai Multi Level Marketing (Mlm) Komparasi Fatwa DSN MUI Dengan Fatwa Ulama Timur Tengah." Graduate School Syarif Hidayatullah State Islamic University, 2019.

Johari Johari, Maghfirah Maghfirah, Ahmad Maulidizen, Habiburrahman Rizapoor, Istihsān Method and Its Relevance to Islamic Law Reform: Content Analysis of Fatwa of Majelis Ulama Indonesia on Corneal Transplant, *De Jure: Jurnal Hukum dan Syar'iah*, Vol 15, No 1 (2023).

Kamali, Mohammad Hashim. *Shari'ah Law: An Introduction*. Reprinted. Oxford: Oneworld Publ, 2010.

Kholmatova, Mumtozbegim. "Top 10 Businesses to Start with Small Money." *Asian Journal of Research in Business Economics and Management* 12, no. 3 (2022): 10–15. <https://doi.org/10.5958/2249-7307.2022.00020.2>.

LiV, Cemil. "Stoksuz E-Satış (Dropshipping) Modelinin İslâm Hukuku Açısından Tahlili." *Hıtit İlahiyat Dergisi* 22, no. 2 (December 30, 2023): 569–87. <https://doi.org/10.14395/hid.1336315>.

M. Elakkad, Rasha. "An Empirical Test of Endogenous Growth Model for Egypt." *المجلة العلمية للدراسات التجارية والبيئية* 15, no. 1 (March 30, 2024): 335–58. <https://doi.org/10.21608/jces.2024.349496>.

Mahmood, Tahir, and Noman Arshed. "On Improving the Adoption of *Bai' Salam* by Islamic Banks of Pakistan: An Interpretive Phenomenological Analysis." *Journal of Islamic Accounting and Business Research* 15, no. 7 (August 6, 2024): 1134–55. <https://doi.org/10.1108/JIABR-10-2022-0261>.

"Marketlii." Accessed April 5, 2024. <https://www.marketlii.com/>.

Masud, Muhammad Khalid. "The Significance of *Istiftā'* in the *Fatwā* Discourse." *Islamic Studies* 48, no. 3 (2009): 341–66.

Maulan, Anas, Burhanudin Harahap, and Sasmini. "Comparative Analysis of Murabahah Financing Agreement with Musyarakah Mutanaqisah Financing Agreement in Indonesia's Sharia Banking System." *International Journal of*

*Law and Society (IJLS)* 2, no. 1 (March 29, 2023): 43–51.  
<https://doi.org/10.59683/ijls.v2i1.31>.

Messick, Samuel. "FOUNDATIONS OF VALIDITY: MEANING AND CONSEQUENCES IN PSYCHOLOGICAL ASSESSMENT." *ETS Research Report Series* 1993, no. 2 (December 1993).  
<https://doi.org/10.1002/j.2333-8504.1993.tb01562.x>.

Mudzhar, Mohammad Atho. *Fatwa-Fatwa Majelis Ulama Indonesia: sebuah studi tentang pemikiran hukum Islam di Indonesia 1975-1988*. Edisi dwibahasa. Seri INIS 17. Jakarta: INIS, 1993.

Muhammad Dayyan, 30183847. "Rekonstruksi Akad Pembiayaan Murabahah Pada Perbankan Syariah Di Aceh." Doctoral, UIN AR-RANIRY, 2022.  
<https://repository.ar-raniry.ac.id/id/eprint/19996/>.

Mustofa, Imam. "TEXT AUTHORIZATION IN THE DEVELOPMENT OF SHARIA ECONOMIC LAW IN INDONESIA: Study of the Fatwa of the National Sharia Council of the Indonesian Ulama Council." *JURISDICTIE* 13, no. 2 (January 30, 2023): 210–36.  
<https://doi.org/10.18860/j.v13i2.18935>.

Mutakin, Ali. "FATWA INOVASI DAN TUKAR GULING WAKAF (Studi Perbandingan Metode Ijtihad Ulama Indonesia Dan Mesir)." Graduate School Syarif Hidayatullah State Islamic University, 2021.

Muttaqin, Aris Anwaril, Muhammad Adib Samsudin, Ahmad Dahlan Salleh, Azlin Alisa Ahmad, and Akhmad Syakir Kurnia. "Developing an Islamic Business Model: A Case for Agricultural Value Chain Finance in Agrobank, Malaysia." *ISRA International Journal of Islamic Finance* 15, no. 3 (September 30, 2023): 81–99. <https://doi.org/10.55188/ijif.v15i3.612>.

"Nico JG Kaptein & Michael Laffan, 'Fatwas in Indonesia', *Islamic Law and Society*, Vol. 12, No 1, Leiden (2005), 1-8.," n.d.

Novendri Mohamad Nggilu, Wahidullah Wahidullah, Evi Noviawati, Dian Ekawaty Ismail, Indonesia's Constitutional Identity: A Comparative

Study of Islamic Constitutionalism, *De Jure: Jurnal Hukum dan Syar'iah*, Vol 16, No 2 (2024).

Rani, A., and B. Santoso. "Characteristics of the Agency Covenant in Legal Review Civil." *International Journal of Social Science Research and ...*, 2023. <https://ijssrr.com/journal/article/view/1113>.

Shuhufi, Muhammad, Fatmawati Fatmawati, Muhammad Qadaruddin, Jalaluddin B, Muttaqien Muhammad Yunus, and Nainunis M.Nur. "Islamic Law and Social Media: Analyzing the Fatwa of Indonesian Ulama Council Regarding Interaction on Digital Platforms." *Samarah: Jurnal Hukum Keluarga Dan Hukum Islam* 6, no. 2 (December 31, 2022): 823. <https://doi.org/10.22373/sjhk.v6i2.15011>.

Faridatus Syuhadak, Urgensi Fatwa Dalam Perkembangan Hukum Islam, *De Jure: Jurnal Hukum dan Syar'iah*, Vol 5, No 2: Desember 2013.

Sugito, Gea Ossita, Salim Hs, and Diangsa Wagian. "Legal Protection for Consumers in E-Commerce Expeditions." *Indonesian Journal of Law and Economics Review* 19, no. 1 (January 1, 2024). <https://doi.org/10.21070/ijler.v19i1.989>.

Supriyadi, Dedi. *Sejarah hukum Islam: dari kawasan jazirah Arab sampai Indonesia*. Cet. 1. Bandung: Pustaka Setia, 2007.

UNCTAD. *ICT Policy Review: National E-Commerce Strategy for Egypt*. UN, 2017. <https://books.google.co.id/books?id=nWhyzgEACAAJ>.

"UU4TAHUN2023.Pdf." Accessed June 7, 2025. <https://jdih-old.kemenkeu.go.id/download/58fac07c-7165-4c55-882d-965687f8090b/UU4TAHUN2023.pdf>.

Wodak, Ruth, and Michael Meyer, eds. *Methods of Critical Discourse Studies*. 3rd edition. Los Angeles London New Delhi Singapore Washington DC: Sage, 2016.

Youssef, Mohamed. "Islamic Finance and Social Justice: A Policy Framework for Egypt's Economic Transformation." SSRN, 2025. <https://doi.org/10.2139/ssrn.5244972>.

Zaman, Muhammad Qasim. *The Ulama in Contemporary Islam: Custodians of Change*. Princeton Studies in Muslim Politics. Princeton (N.J.): Princeton university press, 2002.

“أفضل مواقع الدروب شينج في مصر 2024 | دروب شينج مصر” Accessed April 5, 2024. <https://shaimaaalmahdy.com/best-dropshipping-sites-in-egypt/>.

“حكم البيع في المتاجر الإلكترونية (دروب شينج) - دار الإفتاء المصرية” Accessed June 4, 2025. <https://www.dar-alifta.org/ar/fatwa/details/17106/%D8%AD%D9%83%D9%85%D8%A7%D9%84%D8%A8%D9%8A%D8%B9-%D9%81%D9%8A%D8%A7%D9%84%D9%85%D8%AA%D8%A7%D8%AC%D8%B1%D8%A7%D9%84%D8%A5%D9%84%D9%83%D8%AA%D8%B1%D9%88%D8%A8%D8%B4%D9%8A%D8%A8%D9%86%D8%AC>.