

The Role of Islamic Electronic Banking in the Transformation of E-commerce: An Analytical Study of Key Sharia-Compliant Electronic Platforms

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Abstract:

This study addresses the global shift toward a digital economy, where electronic transactions dominate financial and commercial activities. In this context, Islamic finance stands out as a Sharia-compliant alternative that must adapt to digital changes without compromising religious principles. The research focuses on Islamic electronic financial platforms, examining their operational models and their commitment to Islamic jurisprudence. It aims to assess their role in advancing Sharia-compliant e-commerce and to highlight their potential in shaping and promoting a robust Islamic digital economy.

Keywords: *Islamic Electronic Banking, E-commerce, Islamic Trading Platforms.*

1. Introduction

In the midst of the accelerating digital transformation witnessed by the global financial sector, Islamic electronic banking emerges as a vital link between technological advancement and Sharia requirements. With the growing volume of e-commerce worldwide, the demand for digital financing solutions that adhere to the provisions of Islamic law, away from the ambiguities of *riba* (usury) and *gharar* (uncertainty), is increasing. This

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integration between technology and Islamic finance opens new horizons for the development of specialized electronic platforms that combine the efficiency of digital performance with adherence to jurisprudential controls, thereby enhancing the trust of the Muslim consumer and contributing to the growth of the Islamic digital economy.

Within this context, the research problem of our paper is:

What is the role of Islamic electronic banking in the transformation of e-commerce?

This study aims to analyze the pivotal role of Islamic electronic banking in enabling and developing e-commerce that is compliant with Islamic law, by evaluating the business models of Islamic digital platforms and the extent of their compatibility with Sharia principles and regulations. It also aims to monitor the innovative practices adopted by these platforms to enhance the user experience while maintaining adherence to Islamic jurisprudence rulings, and to assess their impact on driving the growth of the Islamic digital economy. This work has been divided into three main axes:

- Distinguishing Between Traditional Electronic Banking and Islamic Electronic Banking.
- Halal Standards in E-Commerce.
- Leading Shariah-Compliant E-Commerce Platforms Across the Globe.

2. Distinguishing Between Traditional Electronic Banking and Islamic Electronic Banking :

Electronic banking is considered an advanced banking system that enables customers to conduct all financial transactions via digital means using the latest information and communication technologies. These services include withdrawal and deposit operations, electronic payments, credit granting, financial transfers, securities trading, and other traditional banking services without the need for physical presence at the bank branch. This technology has contributed to overcoming geographical and time barriers, as customers can now execute their financial transactions with ease and convenience from their homes, offices, or even while on the move. Electronic banking also encompasses all financial dealings between individuals, financial institutions,

companies, and government entities. It is worth noting that banking institutions increasingly rely on these modern technologies, such as advanced computer networks, internet systems, and data analysis solutions, to reduce operational costs and enhance efficiency while maintaining the quality of services provided. The spread of this banking model has been aided by the increasing digital awareness of customers, the proliferation of smart devices, and the rising level of technological literacy among users, making electronic banking services an ideal option that meets the needs of the modern era (Al-Manna', 2021,p38).

To delve deeper into the concept of Islamic electronic banking, it becomes evident that, while it shares the same technological foundations as conventional electronic banking, it is fundamentally distinguished by its strict adherence to the principles and rulings of Islamic Sharia. It represents a comprehensive digital banking system that designs its financial services in accordance with Sharia-compliant frameworks, effectively reconciling the demands of the digital era with the immutable principles of Islamic law. Islamic electronic banking encompasses an integrated ecosystem of specialized financial institutions and entities that offer digital banking solutions aligned with Islamic jurisprudence, aiming to meet clients' needs without resorting to conventional banking systems. Among the most prominent of these entities are:

2.1 Islamic Electronic Banks: Islamic electronic banks represent a digital banking model that delivers financial services through electronic platforms, while maintaining full compliance with the principles of Islamic Sharia. These banks rely on smartphone applications and internet-based platforms to provide Sharia-compliant banking solutions that allow clients to conduct their financial transactions with ease and security, ensuring that such transactions are free from prohibited elements such as *riba* (usury) and *gharar* (excessive uncertainty), This model successfully integrates technological advancement with strict adherence to Sharia regulations, thereby offering digital alternatives that meet a wide range of banking needs in a manner consistent with Islamic principles (Manzari, 2020, 1220) , Islamic electronic banks can be classified into three main types:

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- **Informational websites** – offering general information only.
- **Interactive websites** – enabling communication with the bank.
- **Transactional websites** – allowing customers to carry out full banking operations online (Al-Hamz, 2003, p 96).

These categories are illustrated in the following table:

Table N⁰(01): Types of Islamic Electronic Banks

Transactional Website	Interactive or Communicative Website	Informational Website
This advanced level enables customers to manage their accounts and carry out all financial transactions electronically—including payments, transfers, and bill settlements—without the need to visit the bank in person.	This type of website facilitates interactive communication between the bank and its customers through:– Email– Electronic application forms– Account information updates	This represents the basic level of electronic banking, limited to providing information about the bank’s products and services, without enabling any electronic transactions.

Source: (Shendi , 2011 , p 152)

Islamic electronic banks offer a wide range of banking services (Manzari, 2020, p 1222), including:

- Online banking (E-Banking)
- Electronic bill payment
- Securities trading
- Mobile banking services
- Issuance of electronic payment instruments
- Digital financing services
- Automated Teller Machines (ATMs)
- Electronic fund transfer (E-Switch)
- SWIFT services

2.2 Islamic Digital Financing Companies: These are fully digital financial institutions operating through advanced electronic platforms, offering Sharia-compliant financing solutions such as *Murabaha*, *Mudaraba*, and *Ijara*, without the need for traditional physical branches. These entities are built upon three main pillars:

- **Digital technologies:** including mobile applications, artificial intelligence, and blockchain;
- **Sharia supervision:** through specialized regulatory boards;
- **Financial inclusion:** by addressing the needs of individuals, startups, and small businesses

Prominent examples include “Tamweel” in Saudi Arabia, which specializes in real estate, personal, and small business financing, and “E-Tamweel” in the United Arab Emirates, which delivers Islamic financing services via an integrated mobile application (Dhibih, 2024)

2.3 Islamic Electronic Non-Banking Financial Institutions (NBFIs): Islamic electronic non-banking financial institutions provide digital financial services aligned with Sharia principles, without taking the form of conventional banks. They are essential to the Islamic digital finance landscape, with notable examples including waqf institutions and Islamic takaful companies. As their role expands, there is a growing need to define their structure clearly and highlight their economic and social contributions within the broader Islamic financial ecosystem.

- **Electronic Waqf Institutions:** These entities are non-profit charitable organizations established for the purpose of managing, supervising, and developing *waqf* (endowment) assets, with their returns dedicated to supporting public welfare and philanthropic causes. They operate within a clearly defined legal framework—either through federal or local legislation, or via specialized regulatory systems that govern their activities (Al-Salahat, 2005, p 50).

Islamic endowments (whether in the form of real estate, cash, or educational assets) are now managed through digital platforms that employ advanced technological solutions. These systems ensure full transparency and strict compliance with Sharia regulations.

- **Islamic Takaful Companies (Digital Platforms):** Islamic takaful and insurance companies are founded on the principle of mutual cooperation (*ta'awun*), which serves as the cornerstone of Islamic insurance. This model offers both economic benefits and fosters social solidarity in managing risks. Takaful operates by pooling

participants' contributions into a non-profit fund with independent legal and financial liability, from which compensations and expenses are covered. Surpluses are distributed according to a specific accounting framework, while the fund is managed and invested by a specialized company in full compliance with Sharia regulations (Muwafaq, 2010, p 5).

These companies now offer takaful services—positioned as a Sharia-compliant alternative to conventional insurance—via digital platforms, relying on the foundational principles of donation and mutual assistance.

2.4 Islamic Crowdfunding Platforms: Before delving into the definition of Islamic crowdfunding platforms, it is important to first understand the general concept of crowdfunding. Crowdfunding platforms serve as mechanisms through which idea owners can present their projects—using various media tools to articulate their vision and financial requirements—while specifying a minimum funding threshold necessary for project implementation.

Supporters then come together to contribute financially through designated funding channels, in exchange for a share in the returns according to the terms outlined on the platform, often shared via social media (Qimish & Ketaf, 2022, P 301).

Crowdfunding is made possible through the interaction of three core elements:

- A public call for contributions;
- Widespread participation from a large number of investors;
- An electronic intermediary platform that connects fund seekers with potential financiers.

These components work in concert to facilitate an effective crowdfunding process

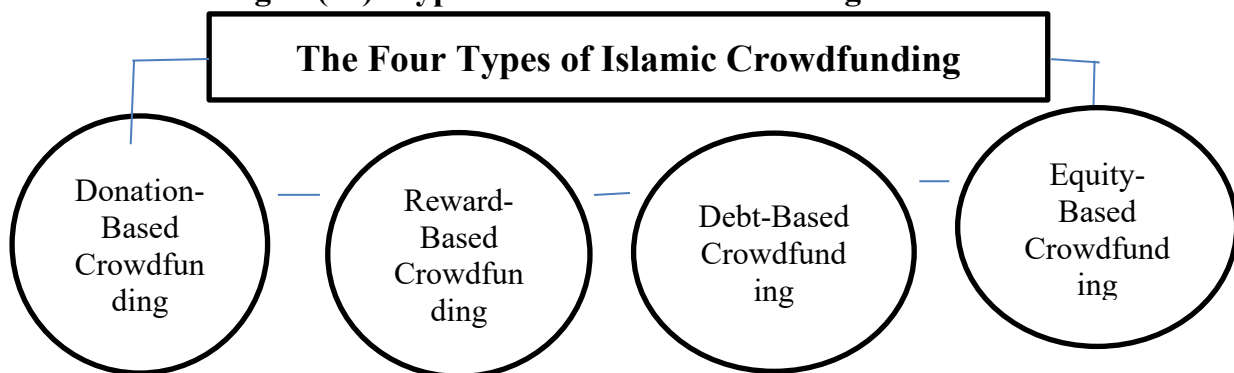
To ensure the effective utilization of crowdfunding in Islamic countries, the model must be adapted to align with the economic and social specificities of these societies. This can be achieved by adhering

to a set of Sharia-compliant principles, the most important of which include:

- Focusing on funding projects that align with the Maqasid al-Shariah (objectives of Islamic law), while excluding prohibited activities such as gambling (maysir) and unlawful speculation (gharar).
- Establishing a structured governance framework for contributors and investor protection mechanisms that are consistent with Sharia principles.
- Developing a clear legal framework that prevents future engagement in interest-bearing (riba) transactions or investment in financial instruments or activities that conflict with Islamic values.
- Ensuring the legitimacy of funding sources, and verifying that the capital used is derived from halal (permissible) sources.
- Creating a Sharia Supervisory Board to oversee the platform and its projects, thereby ensuring ongoing compliance with Islamic guidelines throughout all stages of the financing process (Qimish & Ketaf, 2022, P 302).

The main types of crowdfunding that comply with the objectives of Islamic law can be illustrated as follows :

Fig N⁰(01): Types of Islamic Crowdfunding Platforms



Source : <https://blog.ethis.co/islamic-crowdfunding-platforms-malaysia/> .

3. Halal Standards in E-Commerce:

E-commerce is considered one of the fundamental pillars of the digital economy, which is built upon key components such as electronic trade and

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information technology. This form of commerce encompasses all activities and processes related to the buying and selling of goods, services, and information over the Internet or through other networks, such as global or local commercial platforms.

E-commerce represents an evolution from traditional trade methods, leveraging technological advancements to enhance efficiency by reducing costs and increasing effectiveness through expanded market reach and better customer responsiveness.

Some economists even regard it as a modern mechanism for information exchange and the execution of commercial transactions, utilizing communication and information technologies among the parties involved in business and virtual enterprises (Heba Mostafa Kafi, 2017, P 96) .

With the continuous acceleration in the growth of e-commerce, various forms have emerged, reflecting the nature of interactions among different parties involved, such as businesses, consumers, and governments. These forms include traditional models—such as Business-to-Business (B2B) and Business-to-Consumer (B2C)—as well as more modern frameworks involving governmental interaction with other sectors. These classifications can be illustrated through the model commonly referred to as the "Coppell Matrix" (Mohamed Omar Al-Shweirf, 2013, P 67).

Table N⁰(02): Categories of E-Commerce (Coppell Matrix)

Description	Consumer (C)	Business (B)	Government (G)
Government (G)	G2C – Government to Consumer	G2B – Government to Business	G2G – Government to Government
Business (B)	B2C – Business to Consumer	B2B – Business to Business	B2G – Business to Government
Consumer (C)	C2C – Consumer to Consumer	C2B – Consumer to Business	C2G – Consumer to Government

Source: (Al-Shweirf , 2013 , p)

- **G2G (Government to Government):** This category involves interactions between government agencies or between two different governments. It is typically used for coordination purposes or

strategic commercial operations and is considered one of the most critical activities at the national level.

- **G2B (Government to Business):** In this model, the government uses digital platforms to exchange information with businesses—particularly in areas such as tax administration and customs procedures.
- **G2C (Government to Consumer):** This type includes the provision of government services and information directly to citizens, such as public awareness initiatives, consumer protection, and announcements of job opportunities.
- **B2G (Business to Government):** This model encompasses all activities that businesses conduct in relation to government entities, including tax payments, bidding on tenders, or applying for various permits.
- **B2B (Business to Business):** This form refers to commercial transactions between businesses and their suppliers or subsidiaries. It includes tasks like placing orders and sending invoices electronically and is considered the most prevalent type of e-commerce.
- **B2C (Business to Consumer):** This model revolves around the direct sale of goods and services to consumers. Known as e-retailing or digital marketing, it takes place via online marketplaces and virtual storefronts.
- **C2G (Consumer to Government):** This type involves individuals interacting with the government by, for example, paying taxes and fees, or applying for government-advertised jobs through official online portals.
- **C2B (Consumer to Business):** In this model, consumers actively seek products or services and compare prices among companies by browsing through their websites and online platforms.
- **C2C (Consumer to Consumer):** This model refers to transactions where one consumer sells goods or services directly to another consumer without a third-party intermediary. It is commonly referred to as peer-to-peer (P2P) commerce (Nouri Mounir, 2017, P 13) .

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For e-commerce to expand and become accessible within any society, an enabling environment and a set of fundamental requirements must be in place (Al Abdali, 2005,P15). These requirements can be categorized as follows:

- **Electronic Infrastructure:** This represents the foundational pillar for the development of e-commerce, encompassing telecommunications networks, computers and mobile devices, software systems, skilled human capital, and technical support, in addition to the presence of information technology sectors. The spread of the Internet—considered a primary channel for commercial exchange—depends largely on the availability of digital devices and the increasing number of users.
- **Legislative and Legal Framework:** E-commerce legislation includes the set of laws and regulations that govern the nature of online transactions. These aim to protect the rights of involved parties, regulate electronic contracts, resolve disputes, and address issues such as intellectual property rights, cybercrimes, and digital signatures.
- **Availability of Human Capital:** The presence of qualified personnel specializing in information and communication technologies (ICT) is a key success factor for e-commerce. Equally important is the readiness of society to adopt such technologies, which can be achieved through improving the educational system, promoting digital awareness, and integrating technology into educational institutions.

E-commerce systems face several challenges (Mohamed Abdel Halim Omar, P 293), the most prominent of which include:

- **Issues related to national sovereignty and the preservation of values and assets:** These include difficulties in controlling unethical content and products that violate religious and social norms, as well as the limited effectiveness of governments in collecting taxes and customs duties. Additionally, states face challenges in monitoring electronic financial transfers, which increases the risk of money laundering. There are also concerns related to the protection of

intellectual property rights over digital content—such as copyrights and design rights—due to the ease of sharing such materials electronically without effective restrictions.

- **Buyer-related challenges:** These encompass fraudulent practices, including deception and the provision of false or misleading information about goods and services. The issue of the buyer's right of withdrawal is also significant, particularly in the context of receiving services electronically. Moreover, there are security risks associated with content piracy and credit card data theft by cybercriminals.
- **Challenges affecting both sellers and buyers:** These include cyberattacks in the form of viruses or malware that damage or alter the data exchanged during transactions, which can harm the selling companies. Furthermore, the rapid and continuous evolution of internet technologies imposes financial and technical burdens on all parties involved.
- **Legal challenges:** Chief among these is the lack of a suitable legislative framework to regulate this type of commerce, as well as the challenge of verifying and authenticating commercial transactions through electronic signatures and digital contracts .

Islamic Sharia aims to achieve public interest by promoting benefits and preventing harm. It regulates transactions through general, flexible principles that allow for *ijtihad* (independent reasoning) to accommodate contemporary developments without deviating from the boundaries of Sharia. Accordingly, Islam does not prohibit the use of the Internet in commerce, provided that such activities are conducted in accordance with Islamic legal guidelines , The challenges associated with this form of transaction can be mitigated through technical means and by adhering to Sharia rulings—particularly in the protection of rights and the prevention of fraud. In light of the absence of a unified legal framework, Islamic countries can safeguard their ethical and value systems by adopting legislation derived from Sharia, complemented by modern technologies. These efforts may be undertaken in the following ways (Mohamed Abdel Halim Omar, P 294) :

- **Rules Related to Achieving Benefits and Interests:**

- **Legitimate Benefit:** Transactions must involve a legitimate benefit; it is impermissible to deal in goods or content prohibited by Islamic law, such as alcohol or unethical materials commonly found online. The use of firewalls is considered a necessary tool to block access to such content, and service providers must be obligated to implement and monitor these protective measures in compliance with Shariah principles.
- **Mutual Consent:** This refers to the presence of free and equal will between the two parties of a transaction, without any form of coercion. In the context of e-commerce, this condition is generally fulfilled, as each party enters into the transaction voluntarily and with full autonomy, reinforcing the legitimacy and transparency of the deal.
- **Availability of Information (Transparency):** This means that both parties should have access to accurate and sufficient information to make informed decisions. In e-commerce, product details and prices are typically displayed openly; however, there is a risk of misleading or exaggerated information. Nevertheless, the digital environment allows users to expose such violations through online reviews and ratings, thereby protecting other consumers from dishonest merchants.
- **Justice and Fairness:** Justice requires a balance of rights and interests between the parties, ensuring that each can freely choose goods or services in a manner that serves their individual benefit. E-commerce provides a favorable setting for such balance, as it offers freedom of choice and a variety of options, contributing to a relative equilibrium in benefit and return .
- **Rules Related to Avoiding Harm and Corruption:**
 - **Prevention of Gharar (Uncertainty):** This principle requires avoiding ambiguity or uncertainty in contracts, where the outcomes are unclear or one party is unsure of achieving the intended objective. E-commerce transactions are generally free from *gharar*, as they are executed immediately—whether the transaction involves digital services or physical goods purchased based on clear online

specifications—and delivery is typically prompt upon completion of the agreement.

- **Prevention of Injustice (Zulm):** This principle ensures that each party receives their rightful due. In e-commerce, injustice is relatively rare due to the structured nature of transactions; however, the main concern arises in the buyer's ability to claim compensation or return products in the case of defects or incomplete delivery.

- **Prevention of Harm (Darar):** This entails avoiding transactions that cause harm to individuals—such as those involving *riba* (usury)—or to society at large, such as the dissemination of unethical or prohibited content online, which poses a threat to moral values and religious beliefs .

The relationship between Islamic electronic banking and Islamic e-commerce is one of complementarity, as both aim to support financial and commercial transactions in accordance with the principles of Islamic Shariah. Islamic e-banking provides financial tools and services such as financing, money transfers, and Shariah-compliant payment options based on Islamic contracts like *musharakah* (partnership) and *murabaha* (cost-plus financing), thereby facilitating secure and efficient commercial transactions , Islamic e-commerce, in turn, relies on legitimate payment and financing systems offered by Islamic banks and financial institutions, including crowdfunding platforms, interest-free loans, and electronic wallets. These tools play a vital role in supporting small and medium-sized enterprises (SMEs) and streamlining digital business operations in a Shariah-compliant framework .

4. Leading Shariah-Compliant E-Commerce Platforms Across the Globe:

Islamic e-commerce platforms represent one of the most significant manifestations of digital economic development in Muslim countries. These platforms provide a commercial space that aligns with the principles of Islamic Shariah, allowing users to engage in financial and commercial transactions without falling into prohibited practices such as *riba* (usury) or *gharar* (excessive uncertainty) , Such platforms help foster trust between transacting parties and contribute to the growth of Islamic e-commerce by offering transparent and equitable digital payment and financing solutions.

This, in turn, paves the way for broader opportunities for economic integration and the achievement of sustainable development at both the Islamic and global levels (Manzari, 2020, P 84) , In this section, we will explore the most prominent and impactful of these platforms as follows :

4.1 PayHalal Platform (Malaysia):PayHalal is recognized as the first Shariah-compliant electronic payment gateway in Malaysia. It offers integrated payment solutions, including credit card processing, bank transfers, digital wallets, and a *Buy Now, Pay Later* (BNPL) service free from *riba* (interest). The platform focuses on providing a secure and transparent e-payment environment that upholds Islamic values by avoiding prohibited transactions such as *riba* and *gharar*.

PayHalal leverages advanced technologies, including artificial intelligence, to ensure that all products and services transacted through the platform comply with Shariah principles. Additionally, the platform facilitates zakat and waqf contributions by automating procedures and providing instant reports for donors, thereby enhancing transparency and credibility in Islamic financial transactions.

PayHalal has also established strategic partnerships with prominent companies, including Atome, to provide Shariah-compliant financing services that support interest-free BNPL models. These efforts contribute to the growth of Islamic e-commerce both within Malaysia and internationally (PayHalal; Malaysia, 2022)

Table N⁰(03): A Comparison Between the PayHalal Platform and Conventional Electronic Payment Platforms

Feature	PayHalal Platform	Conventional Electronic Payment Platforms
Shariah Compliance	Shariah-compliant; prohibits <i>riba</i> (interest) and <i>gharar</i> (excessive uncertainty)	Does not focus on Shariah compliance
Financing Services	Interest-free "Buy Now, Pay Later" financing	Mostly based on interest-bearing financing
Halal Verification	Utilizes AI to verify the Shariah-compliance of products	No verification of product permissibility

Zakat & Waqf Support	Automates zakat and waqf processes with transparent reporting	Does not offer dedicated services for zakat and waqf
Security & Transparency	High-level encryption and protection aligned with Islamic ethical standards	High security, but lacks specific Shariah-based standards
Geographical Focus	Targets Islamic markets, with a strong focus on Malaysia	Available globally, but not specifically focused on Muslim regions

Source: Prepared by the two researchers based on: *MATRADE, "Mapping Malaysia's Resource Centres: SOUQA FINTECH SDN. BHD. (PAYHALAL)", 2020*

4.2 MenaPay Platform (United Arab Emirates): Headquartered in Dubai, MenaPay is one of the most prominent digital payment solutions targeting the Middle East and North Africa (MENA) region, serving over 400 million users across more than 20 countries. The platform offers a comprehensive system for secure and convenient money transfers and payments through multiple channels, including QR codes, email, phone numbers, and usernames—with transactions completed within seconds.

MenaPay supports merchant payments via credit cards and bank transfers and offers advanced financial services such as tokenized stock investments, digital asset management, digital collateral services, and green mining. These features enable users to generate income through their financial activities. Additionally, the platform features a social marketplace where influencers can promote their products and services and receive financial support from followers—without the need for traditional bank accounts—thus supporting the growth of the digital economy in the region.

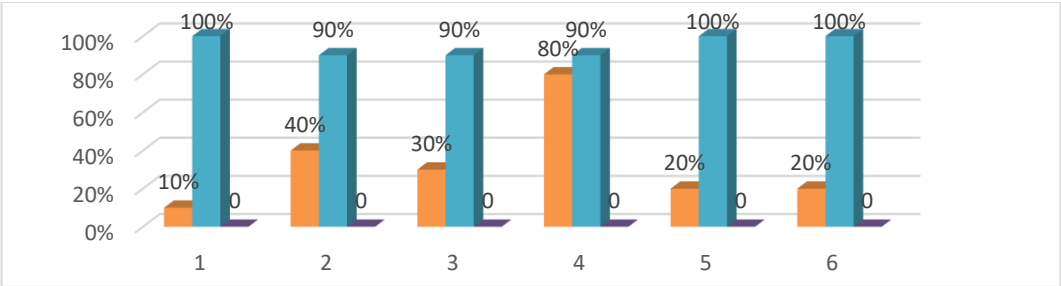
The platform utilizes its own digital token, MPAY, based on the ERC-20 standard, which is used for payments and green mining activities. A portion of the platform's revenues is distributed to MPAY token holders. MenaPay aims to meet the needs of emerging markets by providing innovative digital financial solutions that align with the aspirations of communities across the region, with a particular focus on expanding Shariah-compliant financial services (MenaPay, 2020).

MenaPay is considered an innovative digital solution designed to facilitate financial transactions in the MENA region. It is built on

blockchain technology to provide a decentralized, fast, and secure payment system. The platform uses a stablecoin known as MenaCash, pegged 1:1 to the US dollar, which helps minimize the volatility commonly associated with cryptocurrencies and makes it suitable for everyday use.

The platform also offers flexible digital wallets compatible with smartphones and desktop devices, supporting over 30 cryptocurrencies. This enables users to carry out low-cost, high-efficiency international transactions. MenaPay places great emphasis on Shariah compliance, offering 100% interest-free services within an Islamic financial framework—making it an ideal choice for users in Muslim communities. The platform aims to unify diverse payment systems across the region and expand access to digital financial services for a wide segment of the population, thereby advancing digital transformation efforts and reinforcing the role of the Islamic economy in targeted societies (MenaPay Platform for Promoting Digital Currency Culture in the Middle East).

Fig N⁰(02): A Comparison Between the MenaPay Platform and Other Electronic Payment Platforms



Source: Prepared by the two researchers based on: ([MenaPay,2024](#))

The blue color represents the MenaPay platform, while the other color represents conventional other platforms .

4.3 XTB Platform (Poland): Formerly known as X-Trade Brokers, the XTB platform is one of the leading global platforms compliant with Islamic Shariah. Founded in Warsaw, Poland in 2002, it is regulated by prestigious regulatory bodies such as the UK Financial Conduct Authority (FCA) and the Dubai Financial Services Authority (DFSA).

The platform offers an Islamic (Swap-Free) account, free from overnight rollover commissions or interest-bearing transactions, and excludes the trading of Shariah-prohibited assets such as shares of alcohol and gambling companies through an integrated automatic filter in its main platform, xStation 5. Islamic services can be accessed through the platform's official website by selecting "Open an Islamic Account" during registration, along with submitting identity and residence verification documents. XTB is known for its high transparency in explaining the terms of its Islamic account and provides Arabic-language customer support. It also offers specialized educational materials on Shariah-compliant trading via its online academy. Users are encouraged to verify Shariah compliance through the DFSA certificates available on the official platform website (Open an Islamic Account with XTB).

4.4 AvaTrade Platform (United Arab Emirates): AvaTrade is a leading global trading platform established in 2006, with a strong reputation in the online investment market. Based in the United Arab Emirates, it is regulated by the Abu Dhabi Securities and Commodities Authority (ADGM), ensuring its transparency and adherence to strict financial standards. The platform offers traders an integrated environment through advanced platforms such as MetaTrader 4, MetaTrader 5, as well as a web version and mobile apps. AvaTrade also provides special support for Islamic accounts that are free from interest (Swap-Free) to comply with Shariah principles. With these features, AvaTrade offers secure and flexible trading solutions that cater to all investors (AvaTrade Best Company Rating (2025)).

AvaTrade offers a comprehensive trading platform that provides investors access to diverse financial markets, including Forex, global stocks, commodities, cryptocurrencies, and CFDs. It features ultra-fast trade execution and competitive spreads starting from just 0.9 pips. The platform is designed to meet the needs of all traders by offering an Islamic account that is free from interest (Swap-Free), in compliance with Shariah principles, with a minimum deposit requirement of just \$100, making it ideal for beginners and those with small capital.

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Additionally, the platform offers extensive educational resources, including a specialized video academy, interactive webinars, and advanced training courses to help traders enhance their skills. Practically, AvaTrade serves tens of thousands of traders globally and was recently ranked among the top 5 Islamic trading platforms for 2025 according to "Thiqah" and "Yaqeen" reports. It has recorded a massive monthly trading volume, demonstrating its high liquidity and efficient order execution. The platform has also received numerous prestigious international awards for service quality, technological innovation, and adherence to the highest regulatory and Shariah standards, further enhancing investor confidence and solidifying its position as one of the most trusted global investment destinations (AvaTrade Company Evaluation in Saudi Arabia Update (May 2025)) .

Table N⁰(04): Performance and Features of the AvaTrade Platform

Feature	Details	Statistic
Financial Instruments	Forex, stocks, commodities, cryptocurrencies, CFDs	Covers over 1000 financial assets
Spread	Starts from 0.9 pips	Below market average (1.2 pips)
Islamic Accounts	Interest-free (Swap-Free)	37% of platform users in the Middle East
Minimum Deposit	\$100	Suitable for 89% of beginner traders
Monthly Trading Volume	~80 billion USD	Among the top 5 most liquid platforms
Awards	Over 15 international awards	Named "Best Islamic Broker" for 3 consecutive years

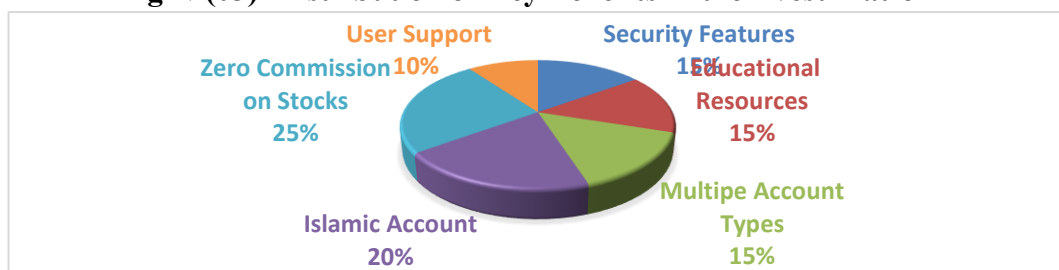
Source: Prepared by the researchers based on the following sources: (El-Gamal, 2006), (JP Morgan , 2023), ([Journal of Islamic Economics » Home](#), 2024) , ([The Fintech Times](#) , 2024)

4.5 Evest Platform (Vanuatu): Evest is an international brokerage firm based in the Republic of Vanuatu, offering a variety of trading services, including Forex, stocks, commodities, cryptocurrencies, and indices. The platform is distinguished by its user-friendly interface, supported by mobile applications and advanced web platforms, along with fast trade execution and continuous technical support in both Arabic and English. One of the key features of Evest is its provision of Islamic trading accounts that are free from interest (Swap-Free), making it an

ideal choice for Muslim traders seeking a Shariah-compliant trading environment. The platform also offers commission-free stock trading and allows users to access over 100 global financial markets, enhancing investment opportunities and diversification in financial portfolios (*Evest Online Trading Platform | Zero Commission on Stocks*)

Evest Platform relies on a high-level security system, which includes Rapid-SSL encryption technologies and advanced firewall systems to protect user data, in addition to a policy of segregating customer funds from the company's funds to ensure the highest level of financial security. The platform has gained the trust of hundreds of thousands of traders worldwide, showing significant growth in its user base and trading volume. This excellence has earned it several awards, including the "Fastest Growing Forex Broker" at the Dubai Financial Exhibition in 2021. Additionally, Evest offers a comprehensive educational academy aimed at helping traders hone their skills and improve their investment performance, making it a well-rounded platform that combines security, professionalism, and compliance with Shariah regulations (*Evest Company Review*).

Fig N⁰(03): Distribution of Key Benefits in the Evest Platform



Source: Prepared by the researchers based on: (EVEST Review - Investing.Com IN)

The attached pie chart illustrates the distribution of the key benefits offered by the Evest platform. It shows that the "commission-free stock trading" feature holds the largest share at 25%, followed by the "Islamic account" feature at 20%. The remaining percentages are distributed across other benefits such as a variety of account types, abundant educational resources, robust security systems, and customer support, with percentages ranging from 10% to 15%. These data were derived from reviews and analyses published on Investing.com, which highlights that the Evest platform stands out with its diverse account options, rich

educational content, high security levels, and continuous customer support, in addition to the commission-free trading feature, which makes it particularly attractive to investors seeking to reduce costs and enhance efficiency .

Islamic e-commerce platforms represent an advanced model that reflects the ability of Islamic jurisprudence to adapt to modern technological transformations. These platforms provide a business environment that adheres to Sharia principles, ensuring justice and transparency while protecting participants from Sharia prohibitions such as usury (riba) and uncertainty (gharar). Supporting these platforms contributes to strengthening the Islamic digital economy and opening new horizons for economic integration and sustainable development, making them a key pillar in building a modern and balanced Islamic economy. In this context, the importance of in-depth study of the jurisprudential rulings related to e-commerce becomes evident to ensure the continuity of these platforms within a clear and evolving Sharia-compliant framework (Al-Mukhlaafi, 2019).

5. CONCLUSION

Islamic e-banking represents a unique model that embodies the integration of digital innovation with Sharia compliance, serving as a key foundation for enabling Islamic e-commerce to compete in the global digital market. This study emphasizes the need to develop an integrated framework that keeps pace with the technological revolution while preserving Islamic identity, through enhancing financial transparency, adopting best digital practices, and developing effective Sharia supervisory mechanisms. It also opens the door to future research to explore the opportunities for utilizing emerging technologies like blockchain and artificial intelligence to enhance the efficiency of Islamic financial platforms, while emphasizing the importance of building a digital Islamic financial culture that meets the requirements of the modern era without compromising Sharia principles. From this perspective, the following conclusions were reached:

- Islamic banking is distinct from traditional electronic banking due to its strict adherence to Sharia principles, such as the prohibition of usury

(riba) and uncertainty (gharar), without compromising digital efficiency. This gives it a unique character that combines compliance with Sharia law and the benefits of technological advancements.

- The mechanisms of Islamic electronic banks can be classified into three main levels: informational, interactive, and transactional. These banks offer advanced digital financial services, such as electronic Murabaha and Islamic crowdfunding, blending digital innovation with Sharia compliance.

- The study proposed a Sharia framework for regulating digital transactions, based on achieving legitimate benefits, mutual consent between parties, and avoiding Sharia prohibitions such as riba, gharar, and unethical goods. The importance of adopting digital Sharia-compliant supervisory mechanisms, such as using artificial intelligence for product classification and review, was also emphasized.

- Leading Islamic digital platforms such as PayHalal in Malaysia and MenaPay in the UAE have developed integrated payment and financing solutions based on three key principles: full transparency in presenting operating mechanisms and fees, providing electronic Zakat and Waqf services, and utilizing the latest financial technologies such as blockchain and AI to ensure complete Sharia compliance. This demonstrates a successful model of digital Islamic finance that blends tradition with modernity.

- Islamic trading platforms such as AvaTrade and XTB have proven their commitment to Sharia standards by offering Swap-Free accounts and implementing precise mechanisms to exclude assets and financial activities incompatible with Islamic law.

Recommendations:

- Establishing integrated legal systems to regulate Islamic e-banking at an international level.

- Strengthening coordination between e-commerce platforms and Sharia supervisory bodies.

- Supporting technical research to create automated supervisory mechanisms (such as AI systems) to verify Sharia compliance

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An Analytical Study of Key Sharia-Compliant Electronic Platforms***

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