



THE IMPLEMENTATION OF CASHLESS PAYMENT SYSTEM IN THE MSMEs SECTOR IN THE PERSPECTIVE OF ISLAMIC ECONOMICS TO ENCOURAGE THE DEVELOPMENT OF THE DIGITAL ECONOMY (CASE STUDY OF POSBLOC MEDAN CITY)

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Abstract: The development of the digital economy presents new, increasingly diverse financial service products. One of them is non-cash payments or cashless payments, which are the latest innovations and are increasingly prevalent in buying and selling payments to MSMEs. This study aims to find out how the Cashless system is implemented in the MSME sector in the city of Medan, then to find out how the Islamic economic perspective is in implementing the Cashless payment system. This study uses a qualitative research method with data collection techniques, namely by observation, interviews, documentation on the UMKM posbloc in Medan city as well as a study of the literature to be analyzed with the author's observations to answer the formulation of the problem on this problem. The results of this study show that the Cashless system used by the Medan city posbloc is in several ways, namely debit cards, credit cards or by scanning the QRIS code (Quick Response Code Indonesian Standard). APMK (Payment using a card) or with a QRIS scan which has been promoted by Bank Indonesia provides convenience in making transactions with a cashless system without cash more efficiently and effectively. According to the Islamic economic perspective, QRIS is permissible because there is no usury in buying and selling payments to MSMEs. However, there are still a number of obstacles in the implementation of the cashless posbloc payment system in Medan city, one of which is the internet which is not stable enough, and the lack of outreach.

Keywords: *cashless, islamic economics, msme, digital economy*

A. Introduction

The development of technological sophistication is now so developed that it facilitates the activities of a group of people. The Industrial Revolution brings new innovations in accessing financial transactions. An example of Internet technology development is financial technology in the payment system to facilitate payment transactions through a cashless society or the phenomenon of payment using electronic money. This phenomenon facilitates economic activities to complete buying and

sellingsactions. The business world is also changing, and today's designated business sectors must be able to adapt to change, requiring mastery in using the internet.¹

On August 14, 2014, Bank Indonesia (BI) launched the National Non-Cash Movement (GNNT) to build a safe, easy, and efficient way of payment, which in turn can support the functioning of the national financial system effectively and efficiently. In the aftermath of the Covid-19 pandemic, non-cash transactions are essential to reduce the risk of contracting and re-spreading. Cashless payments are an effort to eliminate the spread of the virus after the COVID-19 pandemic. Examples of non-cash payments include Go-Pay or the like, as well as e-wallet applications OVO, DANA, and LinkAja. Regarding the increasing need for non-cash payments, Bank Indonesia has also introduced a Quick Response (QR) code standard for transactions with server-based e-money, e-wallets, or mobile banking called QR Code Indonesia Standard (QRIS) that will be implemented thoroughly starting January 1, 2020.²

The increasing development of technology and information will positively impact the digital economy's development. The cashless transaction system is an example of realization efforts between information technology and digital economic development. According to the results reported by Bank Indonesia, 48 payment system service providers have been approved to conduct cashless transactions. There are 14 bank parties and 34 non-bank parties. Innovative forms of cashless payment systems are debit/ATM cards, credit cards, money orders, checks, bank accounts, and electronic money. According to Bank Indonesia 2019 data, the trend holder of cashless payment is electronic money, with the use of 95.75 trillion, and has increased from the last year of 2018, with the use of 60.00 trillion.³

This data represents a revolution in how people live in the digital economy era. They have switched to using non-cash financial instruments in their daily transactions. It is an opportunity and a challenge for the development of Indonesia's Islamic economic system. Islamic economics is considered an economic system that adheres to moral values and is transparent in all activities. It is crucial for Islamic economists to be able to provide education about this change in all its forms. Thus, the current social revolution can be strengthened to preserve the values of Islamic economics while providing opportunities for the continued development of Islamic economics in this digital-era society. In addition, the cashless social revolution in the digital era is one of the 2019-2024 Indonesian Islamic Economic Master Plan as a form of strengthening

¹ Siti Aisyah and others, 'Implementasi Teknologi Financial Dalam Qris Sebagai Sistem Pembayaran Digital Pada Sektor Umkm Di Kota Binjai', *Pengabdian Kepada Masyarakat*, 3.1 (2023), h 103.

² Mega Mayasari and others, *Kajian Literatur Cashless Payment Dan Desain Sistem Informasi Satu Code Untuk Semua Pembayaran*, *Jurnal Akuntansi, Ekonomi Dan Manajemen Bisnis*, 2022.

³ Josef Evan Sihaloho, Atifah Ramadani, and Suci Rahmayanti, 'Implementasi Sistem Pembayaran Quick Response Indonesia Standard Universitas Sumatera Utara', *Jurnal Manajemen Bisnis*, 17.2 (2020), h 288

Indonesia's digital economy.⁴

QRIS helps merchants transact with buyers more efficiently or make non-cash payments. With the socialization of Payment System Service Providers (PJSP) to switch to QRIS, the total number of QRIS merchants in Medan City began to increase. Until June 2020, there were 156,526 QRIS merchants in North Sumatra. Total QRIS merchants increased by 5.39% month-on-month to 8007. Among them, in May 2020, the total number of QRIS merchants in North Sumatra was 148,519. According to Wiwiek Sisto Widayat, Head of BI Representative of North Sumatra, QRIS merchants already exist throughout North Sumatra. Most opportunities are in Medan City, with 90,952 merchants, accounting for about 58.1% of the total QRIS merchants in North Sumatra. Other significant opportunities are in Deli Serdang Regency at 11.8% and Pematang Siantar at 3.1%.⁵

Medan City has one of the public creative spaces available for Medan City MSMEs, namely Medan Posbloc. The existence of Medan Posbloc started from the decision of Medan Mayor Bobby Nasution in collaboration with SOEs (PT Pos Properti Indonesia and PT Ruang Kreatif Pos Medan) and the government. According to Law Number 10 of 2010 and Medan City Regional Regulation Number 2 of 2012, in the area of buildings designated as cultural heritage buildings, there are many MSMEs/SMEs engaged in creative industries such as cooking, music, film, fashion, and handicrafts. It aims to support SME business activities in Medan City in the creative space by revitalizing the Medan Post Indonesia building. The construction work of this posbloc is a place for SMEs to develop, especially around the city of Medan, so that it can help them develop and grow. The exciting thing about Posbloc in Medan is that it uses a cashless system and cashless payments; all tenants must use Cashless by scanning a QR barcode, one code for all payments, or QRIS. It is conducive to encouraging the development of the digital economy.

Table 1. Income Data of MSMEs Posbloc Medan City

AMOUNT OF INCOME	MSME TENANT	POSBLOC (15%)
JANUARY 2023	Rp. 1,505,236,212	Rp. 225,785,432
FEBRUARY 2023	Rp. 1,148,205,212	Rp. 172,230,782
MARCH 2023	Rp. 1,129,347,024	Rp. 169,402,054

Source: Management, Possbloc Kota Medan

⁴ Dita Anis and others, 'Cahsless Society Di GoPay : Ekonomi Islam Perspektif', 3.2 (2020), h 142-143.

⁵ Rina Anasti Nasution, 'Analisis Persepsi Pedagang Pada Penggunaan Qris Sebagai Alat Transaksi Umkm Di Kota Medan', *Universitas Islam Negeri Sumatera Utara*, 2021, <http://repository.uinsu.ac.id/11006>.

The data above I obtained is the sales data of MSMEs tenant in Posbloc Medan City. Posbloc Medan City gets 15% of the sales proceeds with the obligation of the cashless payment system. Furthermore, based on interview research, researchers obtained data from both parties that visitors to Posbloc Medan City stated about using the cashless system. They said it was still difficult to adapt to the cashless system because they were still accustomed to cash, so according to visitors, they still had difficulties with this cashless system. However, in terms of MSME traders, Posbloc management funds have advantages with this cashless system because it is not difficult to get small nominal cash and transparency in the system for sales data.

Previous researchers related to the discussion of cashless payments, which are also the same, namely research conducted by Dita Anis Zafani and Moh. Musfiq Arifqi (2020) entitled "Cashless Society on GoPay: An Islamic Economic Perspective," with the results of this study confirmed that Cashless Society transactions with GoPay can be called following Islamic economic principles. It can be proven in the transaction that there are no disadvantaged parties between the customer and the service provider and have no particular interest in the payment.⁶

Furthermore, previous research was also conducted by Dzakisyah Alyus Mubarak and Muhammad Heru Akhmadi Politeknik Keuangan Negara STAN 2022 entitled "Implementation of the Digital Payment Application System in the Implementation of Cashless-Based Payments during the Covid-19 Pandemic". The results of this study show that the application of digital payments in non-cash payments is efficient. Even so, there are obstacles in the low system, way of thinking, and human resources, so the application is not optimal. In increasing user interest, it is necessary to improve the DigiPay application and continue to socialize it with MSMEs and Expenditure Treasurers.⁷

The following research was conducted by Gabriella Junita Tobing et al., Padjajaran University 2021 with the title "Analysis of the Regulation on the Use of QRIS as a Payment Channel in MSME Practices in Order to Encourage the Development of the Digital Economy". According to the results of this study, it was found that the implementation of QRIS based on existing regulations through PADG was not optimal and broad, so further regulations are needed to change the issue of digital economic innovation, which allows the use of QRIS to involve small parties. Therefore, MSMEs can play a role in supporting the progress of Indonesia's digital economy.⁸

The above problems with the increasing phenomenon of non-cash or cashless

⁶ Anis and others. h 141

⁷ Dzakisyah Alyus Mubarak, Muhammad Heru Akhmadi, and Erlita Nurma Wati, 'Implementasi Sistem Aplikasi Pembayaran Digital Payment Dalam Pelaksanaan Pembayaran Berbasis Cashless Di Masa Pandemi Covid-19', *Jurnal Manajemen Keuangan Publik*, 6.2 (2022), h 115

⁸ Qurotul Aini, Untung Rahardja, and Anggy Fatillah, 'Penerapan Qrcode Sebagai Media Pelayanan Untuk Absensi Pada Website Berbasis Php Native', *Sisfotenika*, 8.1 (2018), h 491.

payments in MSMEs encourage the development of the digital economy. So the authors are interested in researching to see indicators of constraints and convenience in implementing the cashless system with the title *Implementation of the Cashless Payment System in the MSME Sector According to the Islamic Economic Perspective in Order to Encourage Digital Economic Development (a case study of Posbloc MSMEs in Medan City)*" as for this study, namely to find out how well the implementation of the Cashless payment system in the PosBloc MSME sector in Medan City, and to find out the Cashless payment system in the MSME sector according to the Islamic economic perspective and what are the obstacles in implementing the Cashless payment system in the PosBloc MSME sector in Medan City.

B. Theoretical Studies

1. Definition of Implementation

Implementation is an activity to distribute policy outputs (to deliver policy outputs) carried out by implementers to target groups to realize policies. Meanwhile, according to Syahida, implementation means providing the means to implement a policy and can have an impact / effect on something. Implementation is a process of public expertise in a country. Implementation is carried out after a policy has been made with clear objectives. Implementation can also be said as a process related to program policies that will be implemented by an organization or institution.⁹

2. Implementation Indicator

Four factors influence implementation performance according to Kapioru, namely:

- a. Environmental condition. The environment greatly affects implementation performance, where this environment includes the socio-cultural environment and the involvement of all parties who will implement the program/policy.
- b. Inter-organizational relationship. Implementing a program/policy needs support and coordination with other agencies. For this reason, coordination and cooperation between agencies are needed for the success of a program or policy.
- c. Resources. Policy implementation needs to be supported by good resources. Both human resources and non-human resources.
- d. Character of implementing agencies. It includes the bureaucratic structure, norms, and patterns of relationships that occur within the bureaucracy, all of which will affect the implementation of a program.¹⁰

3. Cashless Payment System

Cashless is a word used to describe financial transactions that no longer involve using cash in metal or paper form. Cashless payments are all financial transactions that

⁹ Putri Surya Sartika, *Implementasi Aplikasi Quick Response Code Indonesian Standard (Qris) Pada Nasabah Bank Syariah Indonesia Di Aceh (Studi Pada Bank Syariah Indonesia Kantor Cabang Daud Beureueh 1)*, Universitas Islam Negeri Ar-Raniry Banda Aceh, 2022.

¹⁰ *Ibid*, Putri Surya Sartika

do not use money, such as demand deposits and checks, but use electronic systems, such as ATM payments, debit cards, credit cards, and advanced technologies such as electronic commerce, banking, e-commerce, or electronic payments.¹¹ A cashless society is when people or communities no longer see real money, such as pieces of paper or metal coins. Instead, electronic money is used as a medium of exchange. The emergence of a cashless society is also evidenced using physical cash in transactions requiring considerable capital, especially in terms of issuing, circulating, and distributing physical cash, as well as maintaining and replacing damaged cash:¹²

- a. Awareness of some potential fraud and crime arising from physical currency, such as the circulation of counterfeit notes.
- b. Public awareness not to rely on currency will make it easier for the government to coordinate and monitor every financial and trade transaction report by having access to electronic currencies that are difficult to manipulate.
- c. Transactions not involving remittances in kind will also reduce the potential for corruption and collusion between the parties involved, especially concerning public services.

4. Cashless Payment Tools

1) Electronic Money

Electronic Money (e-money) is a prepaid card product whose monetary value is stored electronically in a digital device. Electronic value can be obtained by submitting a certain amount of cash or debiting money from a bank account and storing it in its electronic device.¹³ E-money or electronic money is a means of payment where the mechanism uses technology to make buying and selling activities faster, more precise, and more efficient. The use of e-money is almost the same as credit and debit cards, but in using e-money, the community does not need an account. People only need to buy an electronic card, then top up the balance, and e-money can be used.¹⁴

Bank Indonesia Regulation No. 11/12/2009 PBI concerning the electronic money, the so-called electronic money is a payment method that completes the following components:¹⁵

¹¹ Moh Asep Zakariya Ansori, 'Efektivitas Pembayaran Non Tunai (Cashless) Pada Bump Pesantren Modern Ummul Quro Al-Islami', *Ad Diwan*, 1.1 (2021), h 2.

¹² Andi Firdha Muafiah, 'Fenomena Cashless Society Di Era Milenial Dalam Perspektif Islam', *Al-Musthofa: Journal of Sharia Economics*, 8.5 (2019), h 4.

¹³ Purnama Ramadani Silalahi, Khairina Tambunan, and Tryana Ramadhany Batubara, 'Dampak Penggunaan QRIS Terhadap Kepuasan Konsumen Sebagai Alat Transaksi', *ULIL ALBAB: Jurnal Ilmiah Multidisiplin*, 1.2 (2022), h 123.

¹⁴ Tri Ina Fadhila Rahma Nur 'Alimah, Marliyah, 'Faktor-Faktor Yang Mempengaruhi Minat Mahasiswa FEBI UINSU Dalam Menggunakan Uang Elektronik Pada Aplikasi Dana', *Jurnal Manajemen Akuntansi (JUMSI)*, 4.1 (2023), h 350.

¹⁵ Bank Indonesia, 'Bank Indonesia E-Money', *E-Finance*, 11/12/PBI/ (2009)

- a. Issued by the issuer following the amount given in advance of money held by the issuer.
- b. The nominal amount of currency stored in the electronic system of the application, e.g., e-wallet
- c. Used for payment methods by merchants who do not create electronic money.
- d. The stored value of electronic money is managed by the holder and the issuer.

2) Debit Card

PBI Number 12/2/PBI/2012 Amendments to PBI No. 11/11/PBI/2009 regarding the Use of Cards to Organize Activities as a Payment Instrument, explains that debit cards are APMK and can be used in paying for activities that must arise due to economic activities, covering purchase transactions that immediately fulfil the responsibility of the card owner and automatically deduct the card owner's money from banks or institutions other than banks that are obliged to collect funds based on current laws and regulations. A debit card is a means of paying transactions by using a card that is automatically debited to the customer's account at the issuing bank. In some debit card issuing banks, one card functions as both a debit card and an ATM card.¹⁶

3) Credit Card

PBI Number 12/2/PBI/2012 Amendment to PBI Number 11/11/PBI/2009 Regarding the Implementation of Payment Instrument activities to Cover the Obligations that arise from Economic Activities, including Shopping Transactions or Cash Withdrawals; if the Receiving Bank or Card Issuer bank is responsible for prepaying the cardholder, the cardholder needs to make a one-time payment (debit card) or instalment payment within the agreed time. Credit cards are cards issued by banks or other financial institutions and offered to customers as a payment method. Payment by using a credit card involves many mutually beneficial parties, each of which is related to an agreement. In the credit card usage mechanism, there are at least 3 parties who are directly involved in every use and payment of the credit card. The participating parties are banks/financial institutions, merchants (MSMEs) , and cardholders.¹⁷

5. QRIS (Quick Response Code Indonesia Standard)

QRIS is a national QR code payment standard and was decided by Bank Indonesia to simplify the procedure for paying in Indonesia. QRIS (Indonesian Quick Response Code Standard) to encourage digital transactions through internet-based e-money, digital wallets, and mobile banking. From the description above, it can be explained that QRIS is

¹⁶ Bank Indonesia, 'Peraturan Bank Indonesia Nomor 4 / 2 / PBI / 2012.

¹⁷ Muhammad Ramadhan, *Implementasi Transaksi Non Tunai Pada Taman Rekreasi Selecta Kota Batu Jawa Timur*, 2018. h.29-30

a collaboration between Bank Indonesia (BI) and the Indonesian Payment System Association (ASPI) to produce a way to pay that is not complicated and controlled by the system. The existence of QRIS allows access to various QR-based Payment Service Providers (PJSP) in one QR code. It means that even though consumers use different digital transaction tools, stores (customers) only need to provide 1 QR code. It cannot be denied that people in Indonesia are now actively using various payment applications. Moreover, there are now 38 e-wallets licensed in Indonesia. It shows that the cashless society in Indonesia is growing, and there is an increasing need for a national QR code standard.¹⁸

Starting January 1, 2020, BI requires payment transaction service providers to use the QRIS system. With the aim that the payment method does not use expensive and effective payments, MSMEs can be more efficient so that the conclusion can support the highest economic growth. BI's theme of the "UNGGUL" spirit of QRIS is:¹⁹

- a. Universal QRIS translation that is comprehensive and intended for all people and can be used to make payment methods domestically and abroad.
- b. Easy, which means people can interact easily and safely with mobile phones.
- c. Profit is that business with QRIS benefits consumers and merchants because the process is carried out effectively with one QR code that can be used in all mobile payment applications.
- d. Direct is a payment in QRIS established instantly because the system is fast and direct, it can help pay transactions work efficiently.

6. Cashless Payment System According to Islamic Economic Perspective

Islamic economists give different explanations about the meaning of Islamic economics but have the same meaning. Basically, Islamic economics is a branch of science that seeks to observe, analyze, and solve economic problems with Islamic methods. Islamic economics seeks to study human efforts in obtaining *falah* and existing resources with the process of exchanging objects and services using economic exchange systems in the form of money associated with Islamic principles. This Islamic economic system is based on the revelation of Allah SWT, namely the Qur'an and as-Sunnah / al-Hadith, and the source of interpretation of the revelation is said to be *ijtihad*. The laws that come from the Qur'an and Al-Hadith, which are *qath'I* texts, are eternal and fixed so that they cannot be changed, but the scriptures that are *Shanna* they can change according to changes in time, location, and times that are affected.²⁰

¹⁸ Bank Indonesia, 'QRIS', *Bank Indonesia*, 2020.

¹⁹ Dyah Ayu Paramitha and Dian Kusumaningtyas, *Qris*, 2020

²⁰ Hendra Kusuma and Wiwiek Kusumaning Asmoro, 'Perkembangan Financial Teknologi (Fintech) Berdasarkan Perspektif Ekonomi Islam', *ISTITHMAR : Jurnal Pengembangan Ekonomi Islam*, 4.2 (2021), h 147.

Islam considers electronic money as a product of modern social activity to be legal or acceptable because, in fact, everything is accepted in muamalah as long as it remains in the path of sharia and legal truth. Electronic money is a new form of money in a changing world. Islam also does not condemn taking advantage of e-money services because what is prohibited is trying to use money to buy money, but in this case e-money users buy "easy business" service providers. The trade using e-money profits from the services they sell, while consumers benefit from the quality of the service. E-money is allowed, based on the argument of the Quranic letter An-Nisa: 29.²¹

يَا أَيُّهَا الَّذِينَ ءَامَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبُطْلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِنْكُمْ وَلَا تَقْتُلُوا أَنْفُسَكُمْ إِنَّ اللَّهَ كَانَ بِكُمْ رَحِيمًا

O you who believe, do not eat of each other's wealth by unlawful means, except by way of trade between you, and do not kill yourselves; Allah is Most Merciful to you.

The National Sharia Council of the Indonesian Ulema Council has issued an order on e-money which is declared valid with the following provisions:²²

- 1) Electronic money is a payment method that meets the following conditions:
 - a. Issued at the amount paid in advance by the issuer.
 - b. Nominal amounts are stored electronically on a registered system.
 - c. The value of electronic money held by the issuer is not a deposit regulated by banking regulations.
 - d. For payments to merchants who are not electronic money issuers.
- 2) Sharia e-money is electronic money that meets the rules of sharia law.

DSN-MUI Fatwa Number: 116/DSN-MUI/IX/2017 regarding Sharia Electronic Money. In the provisions regarding the contract and legal personnel, the contract between the issuer and the electronic money holder is a Wadi'ah contract or Qardh contract:²³

- A. The provisions of the wadi'ah contract: (1) The total amount of electronic money set up is transferable, and the holder can use/submit the money at any time (2) The issuer cannot use the fixed amount of electronic money but only with the authorization of the cardholder (3) If the issuer uses the funds and there is a risk of loss, the issuer must pay in total (4) The company may or may not guarantee the money deposited by the electronic money holder to the issuer.

²¹ Muhammad Ridwan Firdaus, 'E-Money Dalam Perspektif Hukum Ekonomi Syariah', *Tahkim*, 14.1 (2018) h 152.

²² Novia Nengsih, 'Analisis Terhadap Fatwa Dewan Syari'ah Nasional Majelis Ulama Indonesia (DSNMUI) Tentang Uang Elektronik Syariah (Studi Kartu Flazz BCA, Go-Pay, Dan Grab-Pay)', *Jurisdictie*, 10.1 (2019). h 63-64

²³ Zahra Aulia Mufidah and Rachmad Risqy Kurniawan, 'Electronic Money Sebagai Alat Transaksi Dalam Pandangan Islam', *Ulumul Qur'an: Jurnal Ilmu Al-Qur'an Dan Tafsir*, (2022).

- B. Qardh contract: (1) The amount of electronic money in the mouth is a fee that can be withdrawn/collected by the holder at any time (2) The donor can use (deposit) the money guaranteed by the electronic money user, (3) The donor must use. return electronically at any time the capital of the money used as a contract (4) The authority may prevent the money issuer from using the debt during the air check.

7. MSMEs (Micro, Small, and Medium Enterprises)

Indonesian small businesses hold an influential function in the Indonesian economy, both in terms of the number of businesses and in terms of employment.²⁴ MSME is a people's business that can be seen from the number of workers. Small businesses have a workforce of between 5-9 people, while medium-sized businesses have a workforce of between 20-99 people. From this explanation, it can be concluded that MSMEs are productive economic businesses that stand alone, are owned, and are managed by a person or group of people with a certain amount of wealth (assets), income (turnover), and labour.²⁵

MSMEs based on the concept of Islamic Economics, is a human activity in worship and leads to social welfare in improving the quality of life. The orders given by God apply to all groups regardless of rank, status, and status of people. It has been described in the Quran in QS At-Taubah (09) verse 105 which reads as follows²⁶ :

وَقُلْ أَعْمَلُوا فَسَيَرَى اللَّهُ عَمَلَكُمْ وَرَسُولُهُ وَالْمُؤْمِنُونَ وَسَتُرَدُّونَ إِلَىٰ عِلْمِ الْغَيْبِ وَالشَّهَادَةِ فَيُنَبِّئُكُمْ بِمَا كُنْتُمْ تَعْمَلُونَ

Meaning: "And say: "Work, and Allah and His Messenger and the believers will see your work, and you will be returned to the One who knows the unseen and the manifest, and He will tell you what you have done."

C. Research Methods

The method used in this research to analyze data in the implementation of the implementation of the cashless payment system at the Medan city posbloc so that in this study using qualitative methods, namely a data analysis used for normative (juridical) aspects through descriptive analysis methods, by describing the data obtained and connecting them with each other to get a conclusion.²⁷ The data collection stage is carried out using three different methods: First, the interview is a dialogue between two parties;

²⁴ Muhammad Lathief Ilhamy, 'Strategi Pemberdayaan UMKM Sektor Peternakan Ayam Organik (Studi Pada Koperasi HidaSyah Sumatera Utara)', *Human Falah*, 5.2 (2018), h 296.

²⁵ W Thoibah, M Arif, and R D Harahap, 'Implementasi Green Marketing Pada UMKM Upaya Memasuki Pasar Internasional (Studi Kasus Pada Creabrush Indonesia)', *Jurnal Ekonomika Dan Bisnis* 2.3 (2022), h 801.

²⁶ F Diani and F A Lubis, 'Analisis Implementasi E-Katalog Terhadap Perkembangan UMKM Di Kota Medan Dalam Mendukung Kemajuan Ekonomi Syariah', *Jurnal Ilmiah Ekonomi Islam*, 8.02 (2022),h 1977.

²⁷ H Khusairi, 'Kompleksitas Kawin Siri: Antara Hukum Islam Dan Undang-Undang Perkawinan Di Indonesia', *Istinbath*, 21.1 (2022), h 168.

namely, the interviewer provides questions, and the interviewee provides an explanation of the answers. Observation is observing, examining, and recording behaviour systematically for a specific purpose. Third, documentation is based on the type of each process of proof of the results of observation.

This research describes the problems related to its object, namely the use of cashless systems in digital payments by posbloc MSMEs in Medan. Data sources can be divided into two types, namely: premier data obtained from field investigations, as well as information that can be obtained from informants through interviews. Interviews were conducted from January to February 2023 with several informants, namely the manager of posbloc Medan city, posbloc MSME employees in Medan City, as well as 5 visitors to posbloc Medan city as a service unit that implements the Cashless payment system and implements non-cash payments and sales. While secondary data obtained from library research is used to obtain information through library research, which can be in the form of periodicals, books, regulations, and other forms published in the media and computers.

Data analysis in qualitative research is carried out before entering the field, during the field, and after completion of the field. In this case, the analysis started by formulating and explaining the problem before going to the field and continued until the author of the research results. Data analysis becomes a guide for further research until if possible grounded theory. This study uses analysis during the field model Miles and Huberman that activities in qualitative data analysis are carried out interactively and take place continuously until completion so that the data is saturated. Activities in data analysis are data reduction, data presentation, and conclusion drawing / verification.²⁸

D. RESULTS AND DISCUSSION

1. Implementation of Cashless Payment System at PosBloc Medan City

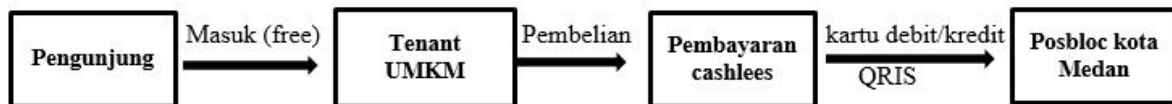
A cashless payment system is a form of payment method that supports the revolution. At the beginning of the system used by all circles was payment in cash using banknotes and giro. However, now there are cashless transactions or cashless provide several options to users in the use of payment instruments using cards (APMK) as tools, namely debit cards / ATM cards, credit cards, and e-money media, or you can scan the QR code. The presence of non-cash transactions is intended to encourage using easy, safe, effective, and transparent payment methods to minimize crime. By encouraging the development of the digital economy, Bank Indonesia aims to create an efficient and effective payment system such as QRIS; QRIS is Bank Indonesia's innovation in Cashless payment methods that use QR codes because business processes have been integrated to

²⁸ Marlina, H Busaini, and Muhammad Irwan, 'Pemahaman Zakat Di Kalangan Pengusaha Rumah Makan Di Kota Mataram', *Jurnal Hukum Islam*, 17.1 (2018), h 14.

make payments easier, faster, and more secure. One of them is placed in PosBloc Medan City, which has MSMEs in Medan City. Posbloc Medan City is required to use the Cashless payment system for all PosBloc resident MSMEs. The use of the Cashless system requires all MSMEs only to accept payments via Cashless from each customer. This system uses a QR code, known as QRIS, a code for all electronic payments.

Implementing the Cashless payment system at Posbloc Medan City is quite good and running smoothly. Most millennials or young people who often visit this place because there are also some museum displays from the post office. So the millennial generation, who is already technologically literate, is familiar with Cashless payments with debit / credit cards or can also scan the QRIS code. The following researchers present a scheme of the Cashless payment system at the MSME tenant posbloc Medan City:

Cashless System Scheme of MSME Posbloc Medan City



Source: Processed by Researchers, 2023

The implementation of the Cashless payment system in MSMEs posbloc medan city can be observed based on the scheme above. Visitors enter for free at Posbloc Medan City, and if they want to buy at MSME tenants, they make payments with the cashless system can be done with a debit or credit card or scan the QRIS code. After, visitors can enjoy and relax at Posbloc Medan City. However, payment via credit card cannot all tenants provide in the form of credit card payments; it only accepts the form of QRIS scans and debit cards.

Payment through QRIS has a few steps. When you enter the payment page, you can select a payment method. Then select "Electronic Money", then select "QRIS". Then "Pay Now" will appear; you can click on it. After that, you will be directed to the transaction value confirmation page. You need to evaluate the business value. Use e-money or e-wallet applications to scan QR codes that accept, among others, LinkAja, Gopay, OVO, DANA, ShoopePay, Bukalapak, and all mobile banking services. Then use the attached QR code. Therefore, whatever QR payment application the user uses, transactions can be made. All PosBloc UMKM tenants in Medan City provide QRIS codes to accept customer payments. This policy reduces physical contact and virus spread after the Covid 19 outbreak. It is also helpful to improve the digital economy; the bankruptcy system has the advantage of being fast and efficient in business because it is associated with digital technology.

Cashless Society not only supports business efficiency but also supports the smooth operation of Bank Indonesia, which serves to maintain financial stability and supports government efforts to prevent corruption or money laundering. So that Cashless implementation provides many benefits in transactions, both in terms of visitors and from MSMEs. The results conducted by researchers based on the results of interviews that transactions with the Cashless system are as follows:

a. Safe

The security aspect is essential in payment transactions. The Cashless system guarantees security to anyone who uses it, namely security in transactions and its users using a password pin system. Therefore, the Cashless system can be more helpful in protecting the assets of visitors and MSMEs for fear of being vulnerable to criminal acts. However, with the existence of this Cashless system, all income earned on the MSMEs can be stored safely on the system, reducing the worry of criminal acts.

b. Transparent and Accountable

One of the benefits of a cashless system is transparency and accountability. This is because all income from MSME sales can be recorded clearly and specifically on the system. So that the owner of MSMEs can pay attention to how much the proceeds from sales are in the Cashless system and where the income comes from, either from QRIS or credit debit card payments. The benefits of being transparent and accountable are reflected in the Qur'an surah al baqarah/2: 282. In detail, it is explained in the Qur'an surah Al Baqarah: 282 that recording is essential to be carried out to maintain trust, be fair to others, and avoid fraudulent treatment with a precise recording stage so that transparency will also be built. So MSME owners can trust employees in Cashless system payment transactions because the system directly connects them.

c. Practical

Unlike cash payments, Cashless payments are effortless because visitors do not need cash with much value but provide their money in the nominal electronic money. Money storage with two tools such as debit/ATM cards, credit, and electronic money, or using applications such as Go pay, DANA, M-Banking and others. The practical convenience experienced by Posbloc MSMEs in Medan City is that there is no need to provide small nominal money for visitors' change because they have used the Cashless system according to the nominal spent and can be directly integrated with the banking system so that the nominal income can be known through the MSMEs account in the bank.

2. Analysis of Implementation Indicators of Cashless Payment System at PosBloc Medan City

1. Environmental conditions

The environmental conditions at Posbloc Medan City are very supportive of the

cashless payment system. As the results of an interview with the posbloc manager said, "From the beginning, it was inaugurated on October 29, 2022, posbloc medan only accepts payments via cashless, either with QRIS or debit cards, so that MSMEs that work with posbloc medan city have agreed to an agreement with a cashless payment system." The impact caused by the posbloc environment in Medan city with this cashless payment is easier and more efficient in terms of payment and safe from fraud and crime Moreover, it supports the digital economy.

2. *Inter-organizational relationship*

The implementation of this cashless payment system has been supported by all parties in Posbloc, both its management and the owners of its MSMEs tenants. The procedure for using cashless at Posbloc Medan City is quite good; when we make purchase transactions at MSME tenants, we can pay cashless. In addition, the application carried out by Posbloc Medan City is by implementing and requiring a cashless system for all MSME tenant payments. The Cashless can be used at Posbloc Medan City by scanning the QRIS code (Quick Response Code Indonesian Standard) or with a debit card, which can be done by all MSMEs. For credit cards can only be done at one MSME in Posbloc Medan City.

3. *Resources*

The implementation of the Cashless system in the posbloc of the city of Medan is still not entirely practical because human resources or citizens of the city of Medan will not be digitally literate about payments via QRIS so that most visitors aged 40 years and over are quite difficult to make payment transactions through this Cashless system because they will not be digitally literate. Human resources that have not developed with electronic payment innovations with the Cashless system. In addition, there are also several obstacles experienced by the Medan city posbloc, namely: 1) Lack of socialization regarding the Cashless System policy, Lack of information , or socialization to visitors or consumers regarding the Cashless payment obligation policy at Posbloc Medan City. So that when consumers visit and buy at MSME tenants, consumers feel surprised to be required to pay Cashless, while consumers do not have a balance in the e-wallet, only carrying cash. It is an obstacle to payment at the MSME tenant, so tenants provide a solution to accept the cash and be paid Cashless by the tenant employee. 2) Unstable Internet Connection, Furthermore, there are also obstacles regarding some signals or factors of one e-wallet that are difficult to connect to the Qris code, so you have to prepare a balance in another e-wallet. Internet that may be slow can make obstacles in this Cashless payment because it requires a strong signal in order to connect the QRIS barcode code with the e-wallet for Cashless payment transactions.

4. *Characteristic Implementing Agencies*

The strategy used by posbloc Medan city in providing information about the implementation of the cashless implementation of Medan city is with social media on Instagram Medan city, as well as through visitors with a mouth-of-mouth system telling each other about the cashless system policy. In addition, the management also provides

convenience for cashless use.

If the contents of the e-money top up, the posbloc provides this service, making it easier for visitors to use cashless. Based on an interview with the manager of Posbloc Medan City, "So far, the obstacles experienced in implementing the cashless system are few; it is likely that if the electricity fails, there will be network disruptions, but it is very minimal, so if there are other obstacles, we from Posbloc will help". So that cashless implementation can run well.

3. Implementation of Cashless Payment Systems in the MSME Sector according to the perspective of Islamic economics

Islam recognizes that the times are fast and dynamic. Islam provides guidance and freedom to mankind in creating various ideas or innovations through methods based on the interpretation of the first traditions. Islam also teaches disqualifications or warnings that everyone must heed to know the extent of the freedom given. Among the dangers is that the business activities carried out must not contain elements of lying, gharar (misunderstanding), dharma (harm), shikar (hoarding), and jahalah (unclear). Giving discounts or rebates must also be fair and not arbitrary, and not just those at the top who benefit.

Payment with the Cashless system is only for MSME owners who receive payment for services or sales of goods provided to consumers. However, based on the National Sharia Fatwa as Muslims, we return to the agreement. MSME owners also try to make it easier for consumers to pay if they forget their wallets or bring money, so they can use the Cashless system. As well as to reduce crime or fraud in financial transactions. Therefore, it can be said that the law of having a Cashless system that uses digital wallets in Islam is believed to be valid. In addition, digital wallets also support transactions when not carrying cash. In addition, the Financial Technology contract with the Cashless payment system does not contradict the Islamic economic system as long as it follows the principles of the validity of a contract and fulfils the terms and conditions and applicable laws.²⁹

According to the National Sharia Fatwa, however, as Muslims, we go back to the agreement to understand the principles of usury. For that, Cashless users with digital wallets must understand and read the Indonesian Ulema Council No. 116/DSN MUI/IX/2017 on Sharia electronic money, explaining that Sharia electronic money is electronic money that meets Sharia principles. The agreement between the issuer and the electronic money holder is a wadi'ah or qardh contract. According to Buya Yahya,³⁰ The law of payment with digital wallets is based on knowledge from many religious experts,

²⁹ Kusuma and Asmoro. h 158

³⁰ Tira Nur Fitria and others, 'Transaksi Menggunakan E-Wallet : Bagaimana Perspektif Ekonomi Islam?', *Jurnal Ilmiah Ekonomi Islam*, 8.02 (2022),h 1820.

such as about usury when it comes to it as follows: "If we intend to pay for services, then legally we are halal. The explanation is simple: it is good when we first pay for our needs through the existing system, deduct the balance, and give it to the operator. So by using the Cashless system on digital wallets, if we do this only for buying and selling transactions, no usury will be contained. For digital payments, it is also to pay for the services they sell to consumers.

So implementing buying and selling payments through the Cashless system is allowed in Islam because it does not include usury because there is no additional payment in the Cashless, paid according to the nominal purchase. It is the A cashless system facilitates payment, an innovation from the development of the digital economy. As mentioned earlier, the teachings of Islam have a wide range. Buying and selling transactions are also regulated in Islam according to the primary law of Sharia, whose primary source is the Qur'an, the source of Islamic law. The spirit of Islamic buying and selling can be found in several verses.³¹ which means: ...Whereas. Allah has justified buying and selling and forbidden usury... (Q.S al-Baqarah (2): 25). The verse in detail confirms the legal status of Islamic buying and selling transactions. The transaction is valid if no verse explicitly prohibits it. Using digital payments is a form of Islamic innovation that is encouraged occasionally.

E. CONCLUSIONS

From the discussion that has been discussed, it can be concluded that the implementation of the Cashless system in posbloc in Medan city is successful among MSME owners and consumers. The Cashless system used by posbloc MSMEs in Medan City uses the Indonesian Quick Response System, or QRIS, which has a code that can connect payments to e-wallets, mobile banking, and debit cards. It has been decided or required by Posbloc Medan City for mandatory payments in the Cashless system. The implementation indicators in the cashless payment system are quite good and can be fully implemented. Implementing the Cashless system from an Islamic economic perspective allows businesses to be free from usury and based on the national Sharia Fatwa. However, as Muslims, we return to the agreement and understand the principle of the oath. For this reason, digital wallet users must understand and read the Indonesian Ulema Council No. 116/DSN MUI/IX/2017 concerning sharia electronic money explaining that Sharia electronic money is electronic money that meets sharia principles. So, basically, the rules of the Cashless system are the same because of the digital wallet, e-wallet, or mobile banking to make things easier. There will be no usury if we use cash payments only for buying and selling businesses. The Cashless system is a development and encouragement for developing the digital economy. But there are still many obstacles in the implementation of the Cashless system, namely there are still many guests who do not know the Cashless payment service on the internet without payment or a better e-wallet connection

³¹ Kusuma and Asmoro.h 160

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