
Peer-To-Peer Lending Activities and Their Impact on Sustainable Development in Indonesia

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Abstrak

Penelitian ini menginvestigasi dampak pinjaman Fintech Peer-to-Peer (P2P) terhadap pembangunan berkelanjutan di Indonesia, dengan fokus khusus pada perannya dalam meningkatkan inklusi keuangan bagi Usaha Mikro, Kecil, dan Menengah (UMKM). Berlandaskan pada Teori Intermediasi Keuangan dan Maqashid al-Syariah, penelitian ini menerapkan desain metode campuran sekuensial eksplanatori untuk menganalisis dualitas fintech sebagai katalis ekonomi sekaligus potensi risiko sistemik. Analisis kuantitatif menggunakan model regresi linier pada data panel (2020-2024) dari Otoritas Jasa Keuangan (OJK) dan Badan Pusat Statistik (BPS), dengan meneliti 95 entitas P2P yang terdaftar. Hasil statistik menunjukkan adanya korelasi positif yang signifikan antara volume transaksi pinjaman P2P dan rasio kredit UMKM, yang secara langsung mendukung Tujuan Pembangunan Berkelanjutan 8 (Pekerjaan Layak dan Pertumbuhan Ekonomi). Secara kualitatif, studi ini mengonfirmasi bahwa meskipun fintech mampu menjembatani kesenjangan pembiayaan yang kritis, lintasan keberlanjutannya membutuhkan kerangka regulasi yang kuat untuk memitigasi risiko *shadow banking* dan praktik pinjaman predator. Pada akhirnya, penyelarasan inovasi fintech dengan pilar etika Maqashid al-Syariah akan memastikan bahwa ekosistem keuangan digital memprioritaskan ketahanan ekonomi jangka panjang, kemanfaatan sosial, serta distribusi modal yang berkeadilan di Indonesia.

Keywords :

Fintech Peer To Peer Lending; Index Sustainability; MSME; Sustainable Development, Maqashid Syariah

Abstract

This study investigates the impact of Fintech Peer-to-Peer (P2P) lending on sustainable development in Indonesia, with a specific focus on its role in enhancing financial inclusion for Micro, Small, and Medium Enterprises (MSMEs). Grounded in Financial Intermediation Theory and Maqashid al-Sharia, this research employs an explanatory sequential mixed-methods design to analyze the duality of fintech as an economic catalyst and a potential systemic risk. Quantitative analysis utilizes a

linear regression model on panel data (2020-2024) from the Financial Services Authority (OJK) and the Central Statistics Agency (BPS), examining 95 registered P2P platforms. The statistical findings reveal a significant positive correlation between P2P lending transaction volumes and the MSME credit ratio, thereby directly supporting Sustainable Development Goal 8 (Decent Work and Economic Growth). Qualitatively, the study confirms that while fintech bridges critical financing gaps, its sustainable trajectory necessitates robust regulatory frameworks to mitigate shadow banking and predatory lending risks. Ultimately, aligning fintech innovations with the ethical pillars of *Maqashid al-Sharia* ensures that digital financial ecosystems prioritize long-term economic resilience, social benefit, and equitable capital distribution in Indonesia.



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INTRODUCTION

As a vast nation, Indonesia possesses immense industrial potential across various sectors, further bolstered by a significant demographic bonus. Data from the Central Statistics Agency (BPS) highlights this potential through several key indicators: a population of 274 million, with 84% under the age of 54 (Risandini F, 2022). Furthermore, the digital landscape is characterized by a 60% *smartphone* penetration rate among 202 million internet users, alongside a 124% mobile subscription rate. In terms of financial metrics, the country reports 38% financial literacy, 76% financial inclusion (Badan Pusat Statistik, 2024).

Regarding the financial technology sector, *e-commerce* transactions in Indonesia experienced a 54% growth rate in 2020. Projections indicate that the digital economy is poised to expand further, potentially reaching a value of USD 124 billion by the year 2025 (OJK, 2025). Meanwhile, statistical indicators for the Indonesian Fintech lending landscape reveal a robust framework: there are 148 operational platforms managing total assets valued at USD 128 billion, accumulated USD 11 billion loan with 49 million account borrowers, and 549 thousand account giver loans (OJK, 2026)

Conversely, despite this immense potential, *sharia fintech* statistics in the nation with the globe's largest Muslim population reveal that there are only eight *Sharia fintech* participants in Indonesia, managing a total of USD 5.2 billion in assets. (Capgemini Research Institute, 2020). Can concluded that Still there is potential big For development *Fintech peer-to-peer lending* in Indonesia.

Despite the vast array of opportunities available, the sector is not immune to immediate and persistent challenges. Various practical issues concerning *fintech lending* in Indonesia, particularly those emerging during the Covid-19 pandemic, have fostered a negative public perception regarding the industry's role and existence (Hadiyati, 2021).

What factors contributed to the rise in negative perceptions during the pandemic? This shift occurred because the Covid-19 crisis forced many Indonesians to seek urgent financial assistance to sustain their livelihoods and navigate a period of intense economic instability.

Consequently, a prevailing trend in Indonesia during the COVID-19 pandemic was the increasing number of individuals, particularly from lower-to-middle-income backgrounds, who became ensnared in *Fintech Lending* schemes (Sugandi, 2021). These practices often involved extremely high interest rates applied to the principal loans disbursed. The operational methods of *fintech lending* significantly impact the psychological well-being of its victims—frequently identified by the term PINJOL, an acronym for online loans. There have been instances where individuals resorted to self-harm or suicide due to the intense social pressure and humiliation they experienced (MNC, 2021).

Furthermore, the absence of robust regulations creates a risk where digital enterprises may be exploited for the benefit of specific capital owners seeking personal gain within society. The lack of comprehensive regulatory structures creates a vulnerability where digital platforms can be leveraged for the personal benefit of specific capital owners, often at the expense of the broader public (Oluka, 2024).

These inadequate regulatory frameworks may incentivize the expansion of shadow banking; according to Bank Indonesia, the evolution of digital technology has enabled fintech to capture financial services traditionally reserved for conventional banks and established institutions, thereby intensifying shadow banking risks for the public (Salsabila, 2024). Inadequate regulatory frameworks present a significant risk by potentially enabling *shadow banking* practices within this sector. As noted by Bank Indonesia, the advancement of digital technology has allowed fintech to increasingly provide and take over financial services traditionally managed by banks and other financial institutions, thereby escalating *shadow banking* risks (Roy, 2019).

There is a growing apprehension that the proliferation of *shadow banking*, driven largely by fintech peer-to-peer lending, could undermine economic stability. These operations often involve the disbursement of high-interest credit, which risks elevating *non-performing loan* (NPL) levels and triggering defaults. Such high NPL ratios are fundamentally at odds with the tenets of business sustainability, which prioritize long-term endurance over temporary growth (Käfer, 2017). Should fintech providers focus exclusively on rapid profit and capital accumulation at the expense of rigorous lending criteria, the sector may face an early period of decay.

Conversely, Indonesian small and medium enterprises (SMEs) face substantial hurdles in securing financing, which stifles their growth and diminishes their economic contributions. The disproportionately low volume of credit extended to SMEs compared to large corporations highlights a significant gap in financial inclusion. Several factors drive this issue. Primarily, SMEs frequently lack the collateral or established credit histories that traditional financial institutions require for loan approval (Tambunan, 2018).

Traditional financial institutions and micro-finance entities, including Fintech P2P lending platforms, often refrain from extending credit to small enterprises because they are perceived as high-risk borrowers. Furthermore, a significant number of SMEs operate within the informal sector, characterized by limited financial documentation and a lack of formal business structures, which complicates the ability of lenders to assess their creditworthiness (Tang, 2024). Additionally, there is a marked lack of awareness among SME owners regarding available financing options and the methods to access them; many remain unaware of government-supported loan programs or alternative financing solutions (Chimucheka, 2013).

Furthermore, Indonesia's complex geography presents a significant barrier to financial inclusion. A vast number of SMEs are situated in remote rural regions that lack adequate banking services. Regional infrastructure gaps and limited connectivity further restrict financial institutions from effectively reaching these businesses. This geographic imbalance results in an inequitable environment, where urban enterprises benefit from significantly better access to capital than their rural counterparts (Abdurrahman, 2025).

This geographical disparity fosters unfair competition for SMEs, as those in urban regions enjoy superior access to funding compared to their rural counterparts. Compounding this issue is the low level of financial literacy among SME owners, many of whom lack the essential knowledge or skills to manage their finances effectively or develop the robust business plans required for loan applications. This lack of financial proficiency makes it increasingly difficult for them to convince lenders of their creditworthiness (Abdallah, 2025).

The consequences of limited financial inclusion and low credit ratios for SMEs are extensive, significantly restricting their capacity to invest in their enterprises, expand operations, and generate new employment opportunities. Consequently, overall economic growth and development are impeded. Despite being vital pillars of the Indonesian economy due to their substantial contributions to both employment and GDP, the nation risks failing to realize its full potential if these financial challenges remain unaddressed (Nursini, 2020).

Furthermore, Indonesia risks failing to realize its full economic potential if these financial hurdles remain unaddressed. The lack of access to formal credit often compels SMEs to turn to informal lending sources, which frequently impose exorbitant interest rates and predatory terms. Such practices can lead to escalating debt cycles and financial instability, threatening the long-term viability of small and medium enterprises.

This study is grounded in the integration of *Financial Intermediation Theory* and *Maqashid al-Syariah* as the *grand theory* for examining inclusive and sustainable financial ecosystems. Financial intermediation theory clarifies the core roles of financial institutions—including digital entities like *fintech P2P lending*—in mitigating information asymmetry and reducing transaction costs between surplus and deficit units, specifically MSMEs.

By addressing information asymmetry and lowering transaction costs for MSMEs, financial institutions facilitate essential resource allocation. Within a sustainability framework, this intermediation function is further enriched by the *Maqashid al-Syariah* perspective, particularly concerning the preservation of wealth (*hifdz al-mal*) and the generation of social benefits (Saifurrahman & Kassim, 2023). This integrated theoretical approach posits that technology-driven financial innovation must transcend simple capital accumulation. Instead, it should prioritize equitable economic distribution, the mitigation of systemic risks—such as problematic credit—and the long-term viability of the real sector.

Consequently, *fintech* serves as an empowered infrastructure for intermediation and a vital catalyst for achieving sustainable development goals in Indonesia. This research intends to further investigate the relationship between two primary economic entities in Indonesia: *Fintech* P2P lending and MSMEs. Despite inherent challenges, *fintech* P2P lending is positioned to support sustainable development through its significant penetration and influence on financing for the small business sector. MSMEs themselves have long been recognized as the backbone of the Indonesian economy, especially when viewed through the lens of sustainable development (Masruil, 2020).

MSMEs serve as the cornerstone of Indonesia's economic landscape, particularly when evaluated through the lens of sustainable development. This study investigates the interplay between *Fintech* P2P lending and Small and Medium Enterprises (SMEs) as two pivotal components of the national economy within a sustainability framework. While grappling with operational hurdles, *Fintech* P2P lending platforms are increasingly acknowledged as essential instruments for advancing national sustainability goals by enhancing financial inclusion for the SME sector. Historically, these enterprises have functioned as the fundamental support of the Indonesian economic framework, especially when integrated with long-term sustainable growth objectives (Karina, 2025).

This research aims to further investigate the correlation between two vital Indonesian economic components: *Fintech* P2P lending and Small and Medium Enterprises (SMEs), specifically within the framework of sustainable development. Despite various operational hurdles, *Fintech* P2P lending platforms are increasingly viewed as instrumental in advancing national sustainability goals by expanding financial access for the SME sector. SMEs have historically been established as the fundamental pillars of the Indonesian economy, particularly when integrated into long-term sustainable development strategies.

METHODS

Research Design

This research adopts an explanatory sequential mixed-methods design to ensure a thorough interpretation of the findings. By establishing a primary analytical framework rooted in quantitative data and augmenting it with qualitative literature reviews, the study investigates the intricate relationship between Fintech P2P lending and Small and Medium Enterprises (SMEs). These two entities represent vital economic pillars within the broader landscape of Indonesia's pursuit of sustainable development.

Research Population and Sample

The research population encompasses all *P2P lending fintech companies* currently active in Indonesia. A purposive *sampling technique* was applied, utilizing inclusion criteria that required fintech firms to be officially registered and fully supervised by the Financial Services Authority (OJK).

Population in this studies covers all over company *P2P lending fintech companies* operating in Indonesia. Purposive *sampling technique* implemented with criteria inclusion in the form of company *fintech* that has registered official and supervised in a way fully by the Financial Services Authority (OJK), which results in sample as many as 95 entities *fintech P2P lending* .

Definition Operational Variables

For ensure precision measurement , research This use two variables main operationalized as following :

1. Variables Independent (X): Activity *Fintech P2P Lending* . Variables This represents the volume of activity financing distributed by *fintech* to society , which is measured in a way quantitative through indicator *Outstanding Loans* (in unit Trillion Rupiah).
2. Variables Dependent (Y): MSME Financial Access. Variable This reflect level inclusion and support financing to business micro , small and medium , which are measured use indicator Ratio MSME Credit (in percentage).

Collection Techniques

Data Data quantitative used is secondary data panel data type (*panel data*), which is combination between sequential data time (*time series*) during five- year period from 2020 to 2024, and cross data location (*cross-section*). Main data source withdrawn from publication statistics official Financial Services Authority (OJK) and the Central Statistics Agency (BPS) of Indonesia.

Data Analysis Techniques

Quantitative data analysis done with using a linear regression model for test influence activity *P2P lending* to ratio MSME credit . Testing hypothesis (F Test and t Test) were conducted at the level significance (α) 5% or *confidence interval* 0.05. Statistical data

processing executed use device SPSS software for evaluate model feasibility (ANOVA) and the significance of the regression parameters . The hypothesis statistics formulated as follows :

- H0: There is significant influence from activity *Fintech P2P Lending* to Ratio MSME Credit in Indonesia.
- H1: There is no significant influence from activity *Fintech P2P Lending* to Ratio MSME Credit in Indonesia

RESULT AND DISCUSSION

Fintech P2P Lending Activities in Indonesia

Fintech peer-to-peer lending has achieved notable success in the Indonesian financial sector. Empirical data indicates a substantial capacity for these platforms to function as influential *shadow banking* organizations, leading the development of the non-bank financial industry in Indonesia.

In Indonesia, 95 fintech firms are currently registered and authorized by the OJK to operate, with cumulative financing reaching USD 2.3 billion by December 2024. During the same period, the total assets within the Indonesian fintech sector amounted to USD 3.7 million (OJK, 2025).

Although these assets remain modest when compared to the total assets of financial institutions and their overall share of Indonesia's national GDP, fintech P2P lending has demonstrated significant year-on-year growth. This trajectory suggests that digital business models like P2P lending are poised to play an increasingly vital role in Indonesia's economic development.

P2P lending platforms have demonstrated significant annual growth, despite their total assets remaining relatively small compared to traditional financial institutions and Indonesia's overall GDP. This consistent upward trend suggest that digital business models, particularly P2P lending, are assuming a more central role in the country's economic development (Ikhlas M, 2026).

Although their aggregate assets remain modest relative to traditional financial institutions and Indonesia's total GDP, the steady upward trajectory of P2P lending platforms indicates that digital business models are increasingly central to the nation's economic evolution. This raises an essential question: how can P2P fintech effectively advance sustainable economic development? At its core, fintech serves as a foundational infrastructure that, in synergy with banking, insurance, and social finance, reinforces Indonesia's sustainability roadmap. By enabling integrated support across the financial services industry, it aligns economic, social, and environmental objectives to encourage enduring growth (Gabriella Lavenia Sutjiono, 2024). Accordingly, it is vital for financial service providers, including those in the fintech space, to design systems and products that harmonize economic feasibility—maintaining a steady balance between revenue and operational expenditures—with the advancement of broader societal well-being.

It is essential for financial service providers, particularly within the fintech sector, to architect systems and products that align economic viability—ensuring a consistent equilibrium between revenue and operational costs—with the promotion of wider societal welfare. To realize this objective, the industry must develop offerings that effectively reconcile economic sustainability, characterized by the balance of income and overhead, with the generation of impactful social results.

To effectively contribute to a sustainable economy, P2P fintech must move beyond basic financial services to develop systems that harmonize economic viability with significant social impact. This necessitates a strategic focus on bridging the gap between operational sustainability—maintaining a healthy balance between income and costs—and the pursuit of broader societal welfare.

To meaningfully advance a sustainable economy, P2P fintech must transcend rudimentary financial offerings and architect systems that integrate economic viability with substantial social impact. This requires a deliberate focus on reconciling operational sustainability—achieved by balancing revenue against overhead—with the advancement of broader societal well-being. The question then emerges: how does P2P fintech anchor itself within this sustainable framework? At its core, fintech functions as a vital infrastructure that reinforces traditional sectors such as banking and insurance. Its primary value resides in its capacity to underpin a holistic support system for sustainable progress, harmonizing economic incentives with social and environmental goals to foster a more durable financial ecosystem (Alfiana, 2025).

How does P2P fintech establish itself within a sustainable economic framework? Fundamentally, fintech serves as a critical infrastructure that complements traditional sectors like banking, insurance, and social finance. Its essential value lies in providing a comprehensive support system for sustainable progress by aligning economic, social, and environmental interests. Following Indonesia's sustainability roadmap, the financial services industry—including fintech—must develop products and systems that harmonize economic viability, such as balancing revenue and operational costs, with long-term growth and societal well-being. To achieve this, the financial services sector—including Fintech—must develop products and systems that harmonize economic interests by ensuring a stable equilibrium between generated revenue and operational expenditures..

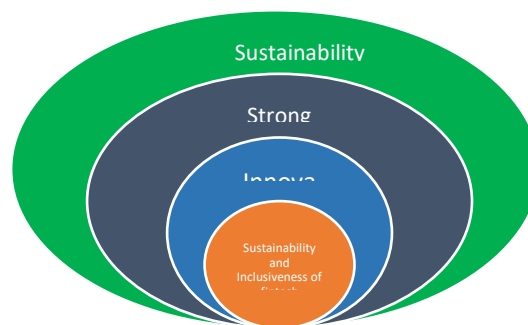
Furthermore, it is critical to evaluate the broader social consequences: do these financial products genuinely enhance public welfare, or do they inadvertently contribute to rising suicide rates? Additionally, the environmental impacts on the surrounding ecosystem must be carefully considered.

Expanding upon this, how is Fintech capable of addressing these multi-faceted demands? The answer lies in the core principles of sustainability that animate the sector. Sharia, in this context, can be compared to a pristine spring—a vital source of life that sustains humans, animals, and plants alike, offering rejuvenation and survival to all who draw from it.

Fintech operations must adhere to the principles of a sustainable economy, which, according to Al-Ghazali, are primarily reflected through five key dimensions: the protection of religion, life, intellect, lineage, and property. Any regulation or framework embodying these five pillars is defined as *maslahah*. Consequently, a Fintech enterprise fails to achieve its purpose if it does not generate tangible benefits for the economic, social, and environmental landscapes where human life is situated (Sheikh R, 2025).

Furthermore, fintech operations integrate the principle of inclusivity, which is defined by an open-minded and pluralistic framework that rejects elitism and ensures accessibility for all groups. Despite Indonesia being a Muslim-majority nation, prioritizing inclusivity remains essential. A sustainable fintech approach focuses on continuous innovation and system updates to achieve the widest possible public reach, thereby ensuring that the objective of enhancing societal welfare is realized (Sadalia, 2025).

Figure 1. A sustainability Approach



Source: Proceed by The Authors

To establish a sustainable and inclusive fintech ecosystem, a comprehensive paradigm shift is required that prioritizes economic sustainability and positions support for MSMEs as a primary transactional objective. Sustainable economics must be institutionalized through robust, transparent regulations and a strategic sustainable finance roadmap, ultimately driving sustainable innovation. Empirical data suggests that fintech development in Indonesia holds significant promise; however, without deliberate efforts to harness this potential, such opportunities may remain unfulfilled. For fintech to achieve meaningful market penetration, it must adopt universally accepted methodologies that align with these broader economic goals (Marisyah F, 2024).

Empirical evidence highlights the substantial promise of Fintech development in Indonesia; however, this potential may remain unrealized without strategic efforts to effectively harness it. To secure significant market penetration, Fintech must implement standardized and widely accepted methodologies that align with broader economic objectives. To ensure significant market penetration, Fintech must adopt standardized and widely recognized methodologies that are in harmony with broader economic goals (Narayan, 2019).

In this era of sophisticated technological and financial support, information technology facilitates the extensive development of business applications. However, the fundamental priority must remain centered on ensuring that these Fintech innovations offer meaningful contributions to human welfare. By providing a concrete impact on the advancement of MSMEs, Fintech acts as a crucial catalyst for fostering sustainable development across Indonesia.

In the contemporary landscape of advanced financial and technological infrastructure, the accessibility of information technology allows for the widespread creation and utilization of business-oriented applications. Nevertheless, the primary focus must remain on ensuring that these innovations—specifically Fintech—meaningfully enhance human welfare. By delivering a substantive impact on the growth and resilience of MSMEs, Fintech serves as a vital catalyst in advancing sustainable development throughout Indonesia.

The Impact of P2P Lending Activities on Sustainable Development

Furthermore, an empirical quantitative analysis will be conducted using regression calculations to examine the relationship between Peer-to-Peer (P2P) Lending fintech activities in Indonesia—represented by transaction volume data (Outstanding)—and the MSME credit ratio, utilizing annual data for the 2020-2024 period.

Table 1. Fintech outstanding data and ratio MSME credit

	2020	2021	2022	2023	2024
Ratio MSME	10.8	11.63	19	19.36	30
Credit	1.08 T	1.147 T	1.351T	1,457 T	16,027 T
Outstanding Fintech	0.155 T	182.9 T	50.1 t	59.6T	75.6

Source: OJK and Statistics Sources (processed data by The Authors)

Table 2. SPSS Output

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regressi on	3,514	1	3,514	.001	.982 ^b
	Residual	18089.369	3	6029.790		
	Total	18092.883	4			

a. Dependent Variable: Fintech

b. Predictors: (Constant), MSMEs

Sourced: Proceed By The Authors

Table t value from df 3 and confident interval 0.05 is 2.353, the calculated t value significant at 0.982.

1. Calculated t value $0.982 < \text{from } t \text{ table} = 2.353$
2. Hypothesis H₀ is accepted , H₁ is rejected , meaning There is influence from P2P Lending activities towards ratio MSME credit

Qualitative analysis indicates that P2P Fintech financing contributes to various facets of sustainability. By enhancing financial inclusion, it bolsters SMEs, stimulates the economy, and generates more employment opportunities. This aligns with broader sustainable development goals concerning decent work and economic growth (SDG 8), provided that stringent regulations govern P2P lending activities in Indonesia. Furthermore, by easing access to capital for businesses in sectors that promote environmental sustainability or social impact, Fintech P2P lending indirectly supports other SDGs. The efficiency and accessibility of these platforms also strengthen the financial resilience of SMEs, allowing them to navigate economic shocks and contribute to a more stable economy. These qualitative findings are supported by SPSS statistical calculations, which demonstrate the impact of P2P lending activities on the MSME ratio.

This study also explores the inherent risks and complexities associated with the industry. As the sector continues its rapid expansion, stringent regulatory supervision is vital to protect consumers, safeguard data privacy, and maintain the stability of the financial system. Addressing critical hurdles such as excessive interest rates, predatory lending, and the risk of mounting debt for vulnerable populations is necessary to ensure that Fintech P2P lending provides equitable benefits and fosters inclusive economic progress. Furthermore, strong oversight is essential for long-term financial stability, particularly given the interconnected nature of modern financial systems.

To ensure that the benefits of Fintech P2P lending are distributed equitably and foster inclusive growth, several critical challenges must be addressed. These include mitigating high interest rates, curbing predatory lending practices, and preventing debt accumulation among vulnerable populations. Furthermore, due to the interconnected nature of modern financial systems, stringent supervision is required to monitor the long-term impact of these platforms on overall financial stability.

Moving forward, adopting a balanced approach is of paramount importance. Indonesia must implement and evolve appropriate regulations and protections for Fintech P2P lending technology. Enhancing financial literacy among both borrowers and lenders is vital to ensure responsible participation within these platforms. Further research is necessary to comprehend the long-term effects of Fintech P2P lending on sustainable development, including its impact on income inequality, environmental sustainability, and social inclusion. By proactively addressing challenges and seizing opportunities, Indonesia can leverage the potential of Fintech P2P lending to drive sustainable and inclusive economic growth, thereby contributing to broader development objectives.

CONCLUSION

In conclusion, this paper examined the trajectory of Fintech P2P lending in Indonesia, exploring its operational mechanics and the factors influencing its contribution to sustainable development. Despite being a nascent industry, Fintech P2P lending demonstrates substantial potential to bridge critical financing gaps, particularly for SMEs that are frequently underserved by traditional financial institutions. Empirical evidence reveals a path of rapid expansion, signaling the sector's growing significance within the Indonesian financial system. However, this progress presents both challenges and opportunities for sustainable advancement, especially when viewed through the lens of Maqashid al-Sharia.

Empirically, this study confirms that increased P2P lending transaction volumes positively correlate with enhanced MSME credit ratios, validating its role in driving sustainable economic growth and supporting SDG 8. However, realizing the full potential of this financial intermediation requires robust regulatory interventions to mitigate systemic risks, such as predatory lending and the adverse effects of shadow banking. Ultimately, aligning fintech innovations with the ethical pillars of Maqashid al-Syariah will ensure that digital financial ecosystems not only accelerate capital distribution but also prioritize social benefit, financial inclusivity, and long-term economic resilience in Indonesia.

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