

Digitalizing Creative Economy Legality: A Sharia Perspective on Sragen's Competitiveness

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Abstract: Digital transformation has expanded market opportunities for creative-economy enterprises while simultaneously increasing the importance of formal business identity, halal assurance, intellectual-property protection, and access to digital public services. Sragen Regency has strengthened its physical creative-economy ecosystem through the establishment of the Sentra Industri Kreatif dan Kerajinan (SIKK). Nevertheless, the relationship between such infrastructure and the legal readiness of local creative businesses requires careful normative assessment. This study examines how the digitalization of business legality may contribute to the competitiveness of Sragen's creative economy and how this process can be evaluated from the perspective of Islamic economic law. The research employs normative legal research using statutory, conceptual, and policy-document approaches. The legal corpus includes Government Regulation No. 28 of 2025 on Risk-Based Business Licensing, Government Regulation No. 42 of 2024 on Halal Product Assurance, Government Regulation No. 24 of 2022 on the Creative Economy, relevant intellectual-property legislation, DSN-MUI Fatwa No. 146/DSN-MUI/XII/2021, official OSS/BKPM and BPJPH materials, regional policy documents, and recent peer-reviewed scholarship. The study does not infer local behavioural prevalence in the absence of empirical evidence. Instead, it identifies normative and documented implementation risks relating to legal formalization, digital capability, institutional coordination, and accessibility. The analysis demonstrates that a Business Identification Number (NIB) concerns administrative legality and does not by itself determine the validity of a transaction under Islamic law. Within the *maqāṣid al-sharī'ah* framework, business formalization and intellectual-property protection can support *ḥifẓ al-māl*, while halal assurance primarily supports *ḥifẓ al-dīn* and may contribute to *ḥifẓ al-naḥs* where product safety and *ṭayyib* considerations are involved. *Sadd al-dharī'ah* supports reducing opportunities for corruption and opaque discretionary procedures, but it cannot justify digital-only licensing that excludes less digitally capable users. Accordingly, an inclusive, assisted, auditable, and interoperable digital-legality ecosystem is proposed as the most appropriate model for strengthening legal certainty and the competitiveness of Sragen's creative economy.

Keywords: creative economy; business legality; OSS-RBA; halal certification; intellectual property; *maqāṣid al-sharī'ah*; Sragen.

INTRODUCTION

Digitalization has significantly transformed the organization of production, marketing, payments, intellectual-property exploitation, and relationships between businesses and consumers. For creative-economy actors, digital platforms have reduced geographical barriers and enabled products and services to reach wider markets with lower transaction costs. At the same time, this transformation has increased the importance of formal business identity, contractual transparency, intellectual-property protection, product assurance, and access to digitally administered public services. Research on Indonesian small businesses indicates that digital literacy plays an important role in business transformation, although capability gaps persist among enterprises and across different dimensions of technological adoption (Arninda et al., 2025; Raharjo et al., 2024). Research on Indonesia's creative industries similarly demonstrates that digital connectivity and infrastructure influence competitiveness by affecting market access, information flows, and transaction efficiency (Prihantono, 2022).

The legal dimension of digital transformation is particularly important for micro, small, and creative enterprises. Indonesia has progressively restructured business licensing through the Online Single Submission Risk-Based Approach (OSS-RBA). The current framework is Government Regulation No. 28 of 2025 concerning Risk-Based Business Licensing, which replaced Government Regulation No. 5 of 2021. Under this regulatory framework, licensing requirements are differentiated according to the risk characteristics of business activities, while OSS serves as the principal electronic infrastructure through which licensing processes are administered. Within this system, the Business Identification Number or

Nomor Induk Berusaha (NIB) functions as an important administrative identity for business actors and provides access to various components of the formal licensing ecosystem.

Business formalization, however, should not be conceptually reduced to possession of a single administrative document. For creative-economy enterprises, legal readiness may also include sector-specific permits, intellectual-property protection, contractual certainty, and halal certification where required by law. Government Regulation No. 24 of 2022 concerning the implementation of the Creative Economy Law explicitly connects creative-economy development with intellectual-property-based financing, marketing, infrastructure, incentives, and government responsibilities. Contemporary scholarship also demonstrates that intellectual property can constitute an economically valuable resource for creative enterprises and may support commercialization and financing, although its institutional implementation remains challenging in practice (Atikah et al., 2022; Mayana & Santika, 2025).

The halal-assurance regime is another relevant component of the legal environment for particular creative-economy subsectors. Government Regulation No. 42 of 2024 regulates Halal Product Assurance and provides the current regulatory basis for ensuring legal certainty regarding the halal status of products. Digital services through SIHALAL facilitate administrative processing for regular certification and the self-declare pathway applicable to qualifying micro and small enterprises. Research in Indonesia indicates that halal certification should not be understood merely as a religious label because it may also affect enterprise performance, market acceptance, competitive positioning, and consumer confidence. Azizah (2025), based on a study of 925 MSMEs across 32 Indonesian provinces, found a positive relationship between halal certification and operational and financial performance. Fianto et al. (2026) similarly demonstrate that government support, compatibility, and competitive intensity influence MSMEs' intention to obtain halal certification. (Azizah, 2025; Fianto et al., 2026)

Sragen Regency provides a relevant local context for examining the relationship between infrastructure development, legal formalization, and competitiveness. The regional government inaugurated the Sentra Industri Kreatif dan Kerajinan (SIKK) in December 2024 as infrastructure intended to support local creative industries and handicraft enterprises. This initiative demonstrates institutional commitment to strengthening the local creative-economy ecosystem. Nevertheless, physical infrastructure alone cannot ensure that businesses operating within or around such an ecosystem possess sufficient legal identity, intellectual-property protection, halal certification where applicable, or the digital capability required to navigate national regulatory systems.

A methodological limitation must therefore be explicitly acknowledged. Available official datasets do not provide a reliable denominator that would allow this study to determine what proportion of all creative-economy actors in Sragen possess or do not possess an NIB. The Ministry of Investment/BKPM publishes district- and municipality-level data concerning MSMEs possessing NIBs, including data available for 2025, but this population cannot automatically be equated with the distinct category of "creative-economy actors in Sragen." Consequently, this study does not claim that "most" or "the majority" of Sragen's creative-economy actors lack NIBs. Such a conclusion would require a specifically matched local dataset or empirical field research.

This limitation is important because normative legal research cannot independently establish the prevalence of behavioural attitudes, digital-literacy levels, informal practices, or cultural resistance among a local population. Evidence from Indonesian MSMEs indicates that digital literacy and accessibility can affect technology adoption and business transformation (Arninda et al., 2025; Raharjo et al., 2024), but those findings should not automatically be attributed to Sragen's creative-economy actors. In this study, such evidence is used as comparative literature identifying potential implementation risks rather than as direct empirical findings concerning local actors.

The Islamic-law dimension also requires conceptual precision. The absence of an NIB concerns administrative and regulatory legality under Indonesian state law, but it does not automatically render a commercial transaction invalid or *bāṭil* under Islamic jurisprudence. Contractual validity in Islamic commercial law is determined by the applicable pillars and requirements of the contract, including legal capacity, mutual consent, a lawful subject matter, sufficient clarity, and the absence of prohibited elements. DSN-MUI Fatwa No. 146/DSN-MUI/XII/2021 concerning Online Shops Based on Sharia Principles emphasizes clear contractual expression, lawful objects, transparent information, and

avoidance of deceptive practices in online commerce. Administrative legality and Sharia contractual validity must therefore be analytically distinguished even though formal business identity can contribute to legal certainty, accountability, and the broader realization of *maṣlaḥah*.

Against this background, this study develops an integrated analytical framework linking business licensing, halal assurance, and intellectual-property protection with *maqāṣid al-sharī'ah* and the doctrines of *sadd al-dharī'ah* and *fath al-dharī'ah*. Rather than assuming that digitalization itself automatically creates competitiveness, this study understands competitiveness through the mechanisms of legal certainty, market access, access to financing, protection and commercialization of intellectual assets, and consumer or institutional trust. Digitalized legality is therefore conceptualized as an enabling institutional mechanism through which legal certainty and regulatory compliance may improve the conditions necessary for stronger business competitiveness.

The study examines how Indonesia's digital legal infrastructure for business licensing, halal assurance, and intellectual-property protection affects the legal readiness and potential competitiveness of creative-economy enterprises in Sragen. It further evaluates how this infrastructure should be understood through *maqāṣid al-sharī'ah*, *sadd al-dharī'ah*, and *fath al-dharī'ah* while ensuring accessibility and preventing the emergence of new forms of digital exclusion.

METHODS

This study applies normative legal research to examine the digitalization of business legality in the context of Sragen's creative economy. Normative legal research is appropriate because the principal objective is to analyse legal norms, regulatory structures, legal concepts, and policy implications rather than to measure the behaviour or attitudes of local business actors. This study does not employ surveys, interviews, participant observation, focus-group discussions, or other empirical methods capable of establishing behavioural prevalence among creative-economy actors in Sragen. Accordingly, statements concerning digital-literacy constraints, administrative perceptions, accessibility issues, or institutional barriers are presented as documented regulatory or implementation risks identified from official materials and peer-reviewed scholarship rather than as empirically measured characteristics of Sragen's entire creative-economy population.

The statutory approach is employed to examine the positive legal framework governing business licensing, creative-economy development, halal assurance, and intellectual-property protection. The principal legal materials include Government Regulation No. 28 of 2025 concerning Risk-Based Business Licensing, Government Regulation No. 42 of 2024 concerning Halal Product Assurance, Law No. 24 of 2019 concerning the Creative Economy, Government Regulation No. 24 of 2022 concerning the implementation of the Creative Economy Law, relevant Indonesian intellectual-property legislation, and DSN-MUI Fatwa No. 146/DSN-MUI/XII/2021 concerning Online Shops Based on Sharia Principles. These legal materials are analysed according to their regulatory objectives, legal functions, rights and obligations, and relationship with digital administrative systems.

The conceptual approach is used to analyse *maqāṣid al-sharī'ah*, particularly *ḥifẓ al-māl*, *ḥifẓ al-dīn*, and *ḥifẓ al-nafs*, together with the doctrines of *sadd al-dharī'ah* and *fath al-dharī'ah*. These concepts are not treated as automatic religious labels for digital policies. Instead, they function as evaluative principles for assessing whether digital legal systems protect legitimate economic interests, religious compliance, consumer welfare, accessibility, transparency, and public benefit. Recent scholarship on Islamic economics and digital transformation supports the use of *maqāṣid* as a normative framework capable of connecting technological efficiency with ethical, distributive, and welfare considerations (Bashori et al., 2024; Lestianingsih et al., 2025; Wahyudi et al., 2026).

The policy-document approach supplements the statutory and conceptual analyses by examining implementation-relevant materials. These include official OSS and BKPM datasets and guidance, BPJPH materials concerning SIHALAL and halal certification, official central and regional government materials concerning creative-economy development, and documents relating to the establishment and policy function of SIKK in Sragen. Sragen is therefore treated as the regional policy context in which

national legal instruments are analysed rather than as a “case” in the technical doctrinal sense of a judicial decision.

For methodological accuracy, this study does not employ the term “case approach” because no judicial judgment or *ratio decidendi* constitutes the principal object of analysis. The regional context of Sragen is instead examined through policy documents, official information, and the application of national regulatory frameworks. This distinction is necessary to avoid conflating a judicial case approach with a regional regulatory-context analysis.

Legal, policy, and academic materials were selected purposively according to their direct relevance to business licensing, halal assurance, intellectual property, creative-economy development, Islamic commercial law, and digital public administration. Priority was given to currently valid legislation, official institutional documents, government statistics, fatwas, and peer-reviewed scholarship published during the last ten years. News reports and popular online sources were excluded as principal doctrinal authorities and were used only where necessary to document contextual events that were not otherwise available in formal policy publications.

The legal materials were analysed using normative interpretation and structured comparison. The analysis examined the legal function of each regulatory instrument, the rights and obligations created by it, its relationship with electronic administrative systems, its potential implications for business protection and competitiveness, and its compatibility with *maqāṣid*-based principles. The findings were then synthesized to formulate an inclusive model of digital-legality governance that can be considered within the institutional context of Sragen.

RESULTS AND DISCUSSION

Digital Legal Infrastructure and Sragen’s Creative-Economy Context

The establishment of SIKK represents an important physical component of Sragen’s creative-economy ecosystem. Nevertheless, the economic function of such infrastructure depends on more than buildings, production equipment, galleries, meeting rooms, or digital facilities. Creative businesses require an institutional and legal environment that enables them to obtain appropriate legal identity, comply with applicable regulations, protect intellectual assets, access financing, establish consumer confidence, and participate in wider markets.

Government Regulation No. 28 of 2025 positions business licensing within a risk-based administrative framework. The significance of NIB within this framework is primarily administrative because it functions as a business identity and provides access to the OSS-based licensing ecosystem. Formal business identification may therefore improve regulatory visibility, simplify interaction with administrative authorities, and facilitate access to other formal business processes.

The legal consequences of not possessing an NIB, however, should not be overstated. The absence of an NIB does not automatically eliminate an individual’s status as a legal subject, extinguish contractual rights, or invalidate every commercial transaction undertaken by that individual. The legal consequences depend on the nature of the business activity, the regulatory requirements applicable to that activity, the contractual relationship between the parties, and the relevant provisions of private and administrative law.

This clarification is particularly important from the perspective of Islamic law. Contractual validity in Islamic jurisprudence depends on fulfilment of the applicable pillars and requirements of the contract rather than on possession of a particular administrative document issued by the state. DSN-MUI Fatwa No. 146/DSN-MUI/XII/2021 emphasizes the importance of clarity, lawful objects, accurate information, proper contractual expression, and avoidance of deceptive or prohibited practices in online transactions. The absence of administrative licensing may create problems of regulatory compliance and legal certainty, but it should not be equated automatically with the invalidity of the underlying Sharia contract.

From a *maqāṣid* perspective, formalization nevertheless remains relevant because administrative legality can contribute to legal certainty, accountability, business traceability, institutional recognition, financing access, and protection of economic rights. The appropriate analytical formulation is therefore

that administrative legality and Sharia contractual validity constitute distinct legal dimensions that may interact in the broader pursuit of *maṣlaḥah*.

Statistical Boundaries of NIB Ownership in Sragen

An important revision concerns the claim regarding the proportion of Sragen business actors who do not possess NIBs. Official BKPM data provide information concerning the number of MSMEs that possess NIBs at provincial and district or municipality levels. Such data are institutionally authoritative for identifying formally registered businesses. However, they do not provide a directly comparable denominator for the total number of actors specifically classified as part of Sragen's creative economy.

The category of MSMEs used in investment and licensing statistics is not necessarily identical to the category of creative-economy actors used in sectoral policy. Statistical classifications used by BPS may likewise differ from the subsector classifications applied in creative-economy policy. For this reason, combining different datasets to estimate a percentage of creative-economy actors without NIBs would create a methodological risk because the numerator and denominator would refer to non-identical populations.

The appropriate conclusion is therefore limited to the observation that official NIB registration data are available, but current publicly accessible data are insufficient to establish the proportion of all Sragen creative-economy actors who remain unregistered. This limitation should not be treated merely as a weakness of the study. It also demonstrates a policy need for the Sragen Regency Government to develop an integrated local database that maps creative-economy actors according to subsector, business scale, NIB status, relevant intellectual-property status, halal-certification applicability, and digital-support requirements. Such data would provide a stronger evidence base for future empirical assessment.

OSS-RBA, Legal Certainty, and Inclusive Formalization

The transition toward OSS-RBA reflects Indonesia's broader effort to simplify and standardize business licensing. Digital licensing systems can reduce processing time, improve procedural traceability, standardize administrative requirements, and reduce some forms of discretionary face-to-face interaction. These features are particularly relevant for micro and small enterprises that have historically faced complex licensing procedures and information asymmetry.

Research on OSS-RBA nevertheless demonstrates that technological infrastructure alone does not guarantee effective implementation. Wiranti (2023) highlights the juridical role of OSS within the risk-based licensing framework, while Wahyuniarti et al. (2024) demonstrate implementation challenges involving micro and small enterprises in Surakarta. These findings suggest that licensing reform should be assessed not only from the perspective of legal design but also from the perspective of administrative accessibility and institutional coordination. (Wahyuniarti et al., 2024; Wiranti, 2023)

Digitalization can also reproduce existing inequality when access to digital devices, connectivity, digital skills, or administrative knowledge is uneven. Research on Indonesian small enterprises shows that digital literacy significantly influences business transformation and technology adoption (Arninda et al., 2025; Raharjo et al., 2024). Broader research on digital public services similarly demonstrates that digital government can create exclusionary effects when technological efficiency is not accompanied by accessibility measures and human assistance.

These findings should not be interpreted as direct empirical evidence concerning Sragen's creative-economy actors. Instead, they provide comparative evidence of implementation risks that should be anticipated in regional policy. For Sragen, the normative implication is that digital licensing should be developed through an assisted-digital model in which electronic processes remain the principal administrative mechanism while business actors who experience technological or procedural difficulties retain access to trained human assistance.

Within the institutional environment of SIKK, assistance can include support for OSS registration, identification of appropriate KBLI classifications, explanation of business-risk categories, document preparation, digital account management, and referral to sector-specific licensing institutions. Such support would enable digitalization to function as an instrument of legal inclusion rather than merely as a transfer of administrative responsibility from government officers to individual business actors.

Intellectual Property, *Ḥifẓ al-Māl*, and Creative-Economy Competitiveness

Intellectual property has particular significance in the creative economy because the economic value of creative enterprises frequently lies in intangible assets such as designs, brands, artistic works, digital content, industrial designs, know-how, and other forms of creativity. Intellectual-property protection therefore plays a role not only in preventing unauthorized use but also in strengthening the ability of creators to commercialize and derive economic value from their work.

Atikah et al. (2022) identify intellectual-property rights as an important resource for Indonesia's creative economy. Mayana and Santika (2025) further demonstrate that Indonesia has developed a regulatory framework for intellectual-property-based financing through the Creative Economy Law and Government Regulation No. 24 of 2022, although implementation remains constrained by the capacity and willingness of financial institutions to assess intangible assets. (Atikah et al., 2022; Mayana & Santika, 2025)

From the perspective of competitiveness, appropriate intellectual-property protection can strengthen the ability of creative businesses to differentiate products, establish recognizable brands, negotiate licenses, prevent unauthorized commercial exploitation, and potentially use intellectual assets within financing mechanisms. The relationship between intellectual property and competitiveness should therefore be understood as a mechanism for protecting appropriability and strengthening commercialization opportunities rather than as a guarantee that registration automatically results in higher business performance.

Within the *maqāṣid al-sharī'ah* framework, intellectual-property protection is closely related to *ḥifẓ al-māl* because it contributes to the preservation and legitimate development of economic rights. Q.S. *al-Nisā'* [4]:29 prohibits the unjust consumption of another person's property and provides an ethical basis for lawful exchange, mutual consent, and protection against wrongful appropriation. In the context of the creative economy, this principle supports legal mechanisms that prevent unauthorized exploitation of creative works and ensure that creators have a reasonable opportunity to benefit economically from their intellectual contributions.

The application of this principle must nevertheless reflect distinctions among intellectual-property regimes. Copyright, trademark, industrial design, patent, and trade-secret protection operate through different legal mechanisms and do not produce identical consequences. For this reason, assistance for Sragen's creative-economy actors should not be based on the assumption that every creative work simply needs "IPR registration." A more appropriate institutional approach would involve intellectual-property mapping to identify the type of protection that corresponds to the characteristics of each creative asset.

SIKK could function as a regional entry point for such assistance through collaboration with the Directorate General of Intellectual Property, universities, business associations, and professional advisers. This approach would move local policy beyond general awareness campaigns toward practical protection and commercialization of creative assets.

Halal Assurance in the Perspective of *Ḥifẓ al-Dīn* and *Ḥifẓ al-Nafs*

The relationship between halal certification and *maqāṣid al-sharī'ah* requires conceptual differentiation. Halal certification should not be automatically or exclusively identified with *ḥifẓ al-nafs* because its primary function is to provide legal certainty regarding the halal status of products and thereby facilitate Muslim compliance with religious obligations.

Government Regulation No. 42 of 2024 provides the current legal framework for Halal Product Assurance in Indonesia. Within the *maqāṣid* framework, the religious-certainty dimension of halal certification is most directly related to *ḥifẓ al-dīn* because it enables Muslim consumers to identify products that comply with religious requirements concerning consumption and use.

The relationship with *ḥifẓ al-nafs* arises more specifically where halal assurance intersects with the concept of *ṭayyib*, product safety, hygiene, ingredient control, traceability, and protection against harmful consumption. The protection-of-life dimension should therefore be linked to safety-related components rather than to halal certification in an undifferentiated manner. This distinction provides a more precise

maqāṣid analysis because it separates religious permissibility from the physical-safety dimensions that may accompany halal governance.

Recent empirical research demonstrates that halal certification also has economic implications. Azizah (2025) found a positive association between halal certification and the operational and financial performance of Indonesian MSMEs. Fianto et al. (2026) similarly demonstrate that compatibility, government support, and competitive intensity affect MSMEs' intention to obtain halal certification. These findings indicate that halal certification can function simultaneously as a form of regulatory compliance, religious assurance, consumer trust, and competitive differentiation. (Azizah, 2025; Fianto et al., 2026)

The digitalization of halal services through SIHALAL further demonstrates that halal governance has become integrated with Indonesia's broader digital administrative environment. For qualifying micro and small enterprises using the self-declare pathway, possession of an NIB forms part of the administrative process before accessing the relevant certification mechanism. The relationship between NIB and halal certification should therefore be understood as an administrative sequence rather than as a theological requirement for the validity of a business transaction.

Within Sragen's creative economy, the relevance of halal certification should also be differentiated according to subsector. Culinary products, beverages, cosmetics, and other regulated goods may have direct halal-assurance implications, while digital services, graphic design, photography, content creation, and other creative activities may face different Sharia and regulatory concerns. A sector-specific approach is therefore necessary to avoid imposing an identical legal package on every creative-economy actor.

Sadd al-Dharī'ah and the Prevention of Administrative Harm

Sadd al-dharī'ah refers to preventive legal reasoning through which a permissible means may be restricted when it creates a sufficiently significant pathway toward a prohibited or harmful consequence. Q.S. al-An'ām [6]:108 is commonly used to illustrate this reasoning because it prohibits an otherwise permissible act when that act would provoke a greater prohibited consequence.

In the context of licensing governance, sadd al-dharī'ah can provide a normative basis for reducing administrative arrangements that create opportunities for bribery, extortion, undocumented transactions, manipulation, and arbitrary discretion. Digital systems may contribute to this objective through electronic records, audit trails, time stamps, standardized requirements, transparent status tracking, and reduced opportunities for undocumented transactions.

Nevertheless, the preventive logic of sadd al-dharī'ah cannot be extended to justify the complete elimination of all human-assisted or non-self-service channels. A digital-only licensing system may generate new forms of harm when individuals lack sufficient digital literacy, suitable devices, connectivity, accessibility support, or familiarity with administrative terminology. Preventing one form of harm while creating another would be inconsistent with a balanced maqāṣid-based approach.

The appropriate application of sadd al-dharī'ah therefore requires balancing the risk of excessive discretionary interaction against the risk of digital exclusion. The objective should be to close opportunities for corruption and opaque decision-making while preserving meaningful assistance for individuals who cannot independently navigate electronic systems.

An assisted-digital licensing model provides a more proportionate solution. Under such a model, trained officers or facilitators may assist business actors in completing electronic procedures, but applications, decisions, payments, status changes, and administrative outcomes remain recorded within auditable digital systems. Human assistance is maintained as an accessibility mechanism, while the legal process itself remains transparent and traceable.

Fath al-Dharī'ah, Maṣlaḥah, and Inclusive Digital Legality

Fath al-dharī'ah complements preventive reasoning by emphasizing the opening of lawful means that facilitate beneficial outcomes. In the context of digital business legality, this principle supports the use of technological systems when they improve access to legal protection, reduce unnecessary administrative costs, facilitate transparency, protect rights, and expand opportunities for economic participation.

Digitalization should therefore not be justified merely because electronic systems are more modern or technologically sophisticated. Its normative legitimacy depends on the extent to which it produces *maṣlaḥah* and reduces *mafsadah*. A system that is efficient for digitally capable users but inaccessible to vulnerable or less technologically experienced business actors would provide only partial benefit.

For Sragen, the most appropriate institutional model is an integrated and assisted digital-legality ecosystem centred on SIKK. Such a model would connect business licensing, halal certification, intellectual-property services, and digital-literacy assistance within a coordinated referral mechanism.

Business-Legality Assistance

Business-legality assistance at SIKK should help creative-economy actors identify appropriate KBLI classifications, understand their risk level, obtain NIBs where legally required, and determine whether further sector-specific licensing is necessary. The emphasis should be on practical assistance rather than general information seminars. Officers or trained facilitators should assist users in navigating OSS while ensuring that all applications remain formally submitted and documented through the official system.

This form of assistance would be particularly valuable for micro and small businesses whose principal difficulty may not be opposition to legality itself but uncertainty about terminology, risk classifications, procedural requirements, and digital administration. By reducing these informational barriers, legal formalization can become more accessible without compromising regulatory standards.

Halal-Assurance Assistance

For creative-economy subsectors subject to halal requirements, SIKK could provide preliminary assistance concerning the applicability of certification, the distinction between regular and self-declare procedures, preparation of supporting documents, access to SIHALAL, and coordination with halal-product-process assistants where required.

The objective should not be to assume that every creative-economy business requires the same halal procedure. Instead, assistance should begin by identifying whether the business activity and product category fall within the applicable halal-assurance regime. Such differentiation would reduce administrative confusion and ensure that halal policy remains legally proportionate.

Intellectual-Property Assistance

An intellectual-property assistance function should help creative-economy actors identify the type of intellectual asset they possess and the form of legal protection appropriate to that asset. A batik motif, commercial brand, digital illustration, audiovisual content, industrial design, and technological invention may require different legal strategies.

This service should therefore focus on intellectual-property mapping, registration guidance where appropriate, documentation, commercialization possibilities, and awareness of licensing or infringement risks. Collaboration with universities and intellectual-property authorities would strengthen the technical quality of such assistance.

Digital-Literacy and Accessibility Support

Digital-legality systems cannot function inclusively unless business actors possess sufficient capacity to use them. SIKK should therefore provide practical support for account creation, document scanning, data entry, understanding administrative terminology, troubleshooting, and status monitoring. Assistance should be accessible both to digitally experienced users and to individuals who require more intensive support.

This support should not be interpreted as a return to opaque manual bureaucracy. The administrative process would remain digital, while human assistance would function as an accessibility mechanism. Such a design directly balances the efficiency objectives of digitalization with the *maqāṣid* requirement that public-benefit policies should not systematically exclude vulnerable groups.

Digital Legality and Creative-Economy Competitiveness

The relationship between business legality and competitiveness should be understood as an enabling relationship rather than a deterministic one. Possession of legal documents does not automatically increase sales or guarantee business success. Instead, legal formalization can strengthen several institutional conditions that influence competitiveness.

Formal business identity can support access to procurement, organized exhibitions, commercial partnerships, modern retail channels, and financing institutions that require verifiable business documentation. Appropriate intellectual-property protection can strengthen the ability of creative enterprises to differentiate products, protect distinctive assets, negotiate licenses, and appropriate the economic value generated by creativity. Halal certification, where relevant, can improve religious assurance, regulatory compliance, and consumer confidence.

Digital capability also influences whether creative enterprises can benefit from these legal mechanisms. Raharjo et al. (2024) demonstrate that digital literacy contributes to business transformation among Indonesian small enterprises, while Prihantono (2022) shows that digital connectivity conditions affect the competitiveness of Indonesia's creative industries. This evidence indicates that the relationship between legality and competitiveness depends on the interaction between regulatory infrastructure, accessibility, business capability, and market conditions. (Prihantono, 2022; Raharjo et al., 2024)

For this reason, digitalized legality should be conceptualized as an institutional platform that may improve legal certainty, market access, financing possibilities, asset protection, and trust. Its contribution to competitiveness is strongest when digital systems are accessible, legally appropriate, integrated with business support, and adapted to the needs of different creative subsectors.

An Inclusive Digital-Legality Model for Sragen

An effective digital-legality strategy for Sragen should begin with reliable local data. The regional government needs a verified database of creative-economy actors classified according to subsector, business scale, NIB status, applicable halal-certification status, intellectual-property ownership, and digital-support needs. This baseline would resolve the current difficulty of making evidence-based claims about the degree of business formalization among local creative-economy actors.

SIKK can then be developed not only as physical infrastructure but also as an integrated legality-support institution. OSS-RBA assistance, halal-certification support, intellectual-property mapping, and digital-literacy services should be connected through a coordinated referral mechanism. Such integration would reduce the fragmentation currently experienced when business actors must independently navigate separate government systems.

The digitalization model should follow an assisted-digital principle. Applications, administrative decisions, payment records, and status changes should remain electronic and auditable, while trained personnel provide assistance to users who experience digital or procedural difficulties. This model maintains transparency and accountability while preventing digitalization from excluding less technologically capable business actors.

Support should also be differentiated according to creative subsector. Culinary enterprises, craft producers, fashion businesses, designers, content creators, digital-service providers, and other creative actors do not face identical legal obligations. A sector-sensitive approach is therefore more appropriate than a uniform legalization package.

Governance should further include clear service standards, process tracking, complaint mechanisms, escalation procedures, transparent information concerning requirements and fees, and periodic institutional evaluation. These mechanisms can reduce opportunities for arbitrary discretion while preserving the human assistance required for inclusive public services.

Collaboration between the Sragen Regency Government, universities, BPJPH-related institutions, intellectual-property authorities, business associations, Islamic-law experts, and financial institutions would further strengthen the relationship between formalization and business development. Legalization would consequently function not as an isolated administrative obligation but as part of a broader ecosystem connecting legal certainty with commercialization and competitiveness.

CONCLUSION

This study finds that the digitalization of business legality can strengthen the institutional conditions for the competitiveness of Sragen's creative economy, but its contribution is neither automatic nor merely technological. The current legal infrastructure particularly OSS-RBA under Government Regulation No. 28 of 2025, halal assurance under Government Regulation No. 42 of 2024, and the intellectual-property framework supporting the creative economy provides important mechanisms for business formalization, regulatory certainty, market access, asset protection, financing opportunities, and consumer trust. Nevertheless, this normative study does not establish that most creative-economy actors in Sragen lack NIBs or experience particular behavioural barriers, because the available official data do not provide a matched denominator for the entire local creative-economy population. The central finding in response to the first research question is therefore that digital legality should be understood as an enabling institutional infrastructure: when supported by accurate local data, accessible services, and appropriate legal protection, it can improve the conditions under which creative enterprises compete, but it cannot by itself guarantee stronger business performance.

From the perspective of Islamic economic law, the study demonstrates that administrative legality and the validity of commercial transactions under Sharia must be clearly distinguished. The absence of an NIB concerns regulatory compliance and does not, by itself, render a transaction invalid or *bāṭil* under Islamic law, because contractual validity remains dependent on the relevant pillars and conditions of the contract, lawful subject matter, consent, clarity, and the absence of prohibited elements. At the same time, formal business identity and appropriate intellectual-property protection can contribute to *ḥifẓ al-māl* by protecting legitimate economic interests and strengthening legal certainty. Halal assurance is more precisely connected to *ḥifẓ al-dīn* through the provision of certainty regarding religious compliance, while its relationship with *ḥifẓ al-naḥs* arises where certification and product assurance involve *ṭayyib*, safety, hygiene, traceability, and protection against harmful consumption. The second research question is therefore answered by showing that *maqāṣid al-sharīʿah* does not merely legitimize digitalization, but provides a normative standard for assessing whether digital legal systems genuinely protect property, religious interests, consumer welfare, justice, and public benefit.

Accordingly, the most appropriate model for Sragen is not a digital-only legality regime, but an inclusive, assisted, auditable, and interoperable digital-legality ecosystem centred on SIKK. *Sadd al-dharīʿah* supports reducing opportunities for bribery, opaque discretion, and undocumented administrative practices through transparent and traceable electronic procedures, but it should not be interpreted as requiring the elimination of human assistance because such an approach may generate digital exclusion. *Fath al-dharīʿah* and *maṣlaḥah* instead support opening accessible pathways to legal formalization through integrated OSS-RBA assistance, halal-certification support, intellectual-property mapping, digital-literacy assistance, complaint mechanisms, and reliable local data. The study therefore concludes that Sragen's creative-economy competitiveness can be strengthened most effectively when physical creative infrastructure is integrated with inclusive legal infrastructure, so that digitalization functions simultaneously as an instrument of legal certainty, rights protection, market readiness, institutional trust, and the realization of *maṣlaḥah*.

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