

THE POSITION OF CRYPTO ASSETS AS CIVIL OBJECTS IN INDONESIA'S MONETARY SOVEREIGNTY

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ABSTRACT

This study aims to analyze the legal position of crypto assets as intangible movable property that cannot be consumed from the perspective of the Civil Code (KUHPerdara) and its implications for Indonesia's monetary sovereignty. This study uses normative legal research methods with a statutory approach and a conceptual approach. The analysis was carried out on the provisions of Article 499, Article 503, Article 504, and Article 505 of the Civil Code as well as laws and regulations related to crypto assets, currency, monetary policy, and payment systems. The results of the study show that crypto assets have the characteristics of intangible movable property that cannot be consumed because it has economic value, can be an object of control and transfer, and can give rise to civil rights and obligations. In the development of Indonesian regulations, the regulation and supervision of crypto asset trading is within the domain of the Financial Services Authority, while Bank Indonesia still has the authority to maintain the stability of the Rupiah, implement monetary policies, and regulate and maintain the smooth running of the payment system. Thus, the recognition of crypto assets as civil objects does not necessarily provide a status as a legal tender or monetary instrument. The existence of crypto assets still poses challenges to the effectiveness of monetary control and the use of the Rupiah when used outside the framework set by the state. Therefore, there is a need for regulatory harmonization that is able to provide certainty to the civil status of crypto assets while maintaining Indonesia's monetary sovereignty. In this context, the development of the Digital Rupiah needs to be placed as a policy project of Bank Indonesia that continues to be developed, not as an instrument that has been issued and circulated as a means of payment.

Keywords : Crypto assets; Intangible movable property; Civil objects; Monetary sovereignty; Digital rupiah.

I. INTRODUCTION

The development of financial technology (FinTech) has given birth to crypto assets as a form of digital asset that uses cryptographic technology and blockchain technology and allows transactions to occur through decentralized networks. This characteristic distinguishes crypto assets from conventional objects because their existence does not depend on physical form or direct control of an object, but is represented through digital data recorded in the blockchain network. However, crypto assets have economic value, can be controlled, transferred to other parties, traded, and in certain practices can be inherited. This characteristic raises questions about how Indonesian civil law constructs the position of crypto assets as legal objects, especially in the material law system which is conceptually built based on the existence of goods and rights as objects of property.¹

This problem can be analyzed through Article 499 of the Civil Code which determines that "according to the understanding of the law, what is called property is every property and every right, which can be controlled by property rights." ²This formulation shows that the concept of objects in civil law is not solely limited to objects that have a physical form, but also includes rights that can be objects of property. In the context of crypto assets, economic value and the ability to be controlled and transferred give rise to the argument that crypto assets can be placed in the construction of objects according to civil law. Furthermore, Article 503 of the Civil Code distinguishes between objects into bodily objects and disembodied objects, while Article 504 of the Civil Code distinguishes between movable and immovable objects. The problem is not solely whether crypto assets have economic value, but how the digital character of crypto assets should be placed juridically in the classification of the material and what legal consequences arise from this classification.

This construction becomes increasingly complex because the position of crypto assets in private law cannot be separated from restrictions derived from public law. On the one hand, crypto assets have the characteristics of being objects that can have value and can be transferred, so that they have relevance to private law relationships, especially regarding the ownership and transfer of assets. On the other hand, crypto assets do not gain a position as legal tender in the Indonesian monetary system. Law³ Number 7 of 2011 concerning Currency places the Rupiah as a legal tender in the territory of the Unitary State of the Republic of Indonesia. Article 23B of the 1945 Constitution of the Republic of Indonesia also provides a constitutional basis that the type and price of currencies are determined by law. Meanwhile, Article 23D of the 1945 Constitution of the Republic of Indonesia stipulates

¹ Farrel Christian Sioe and Putu Edgar Tanaya, "Legal Regulation of Cryptocurrency and Prevention of Its Abuse in Indonesia," *Kertha Semaya: Journal of Legal Sciences* 12, no. 6 (2024): 1375–86, <https://doi.org/10.24843/KS.2024.v12.i06.p25>.

² I Komang Pasek Wiratama and Made Aditya Pramana Putra, "The Legality of Bitcoin as a Cryptocurrency in Investment Activities in Indonesia," *Kertha Speech: Journal of Legal Sciences* 13, no. 7 (2024), <https://doi.org/10.24843/KW.2024.v13.i07.p01>.

³ Komang Indra Dewangga Putra and I Made Dedy Priyanto, "Legal Protection of Crypto Asset Customers in Cryptocurrency Electronic Transactions in Indonesia," *Kertha Semaya: Journal of Legal Sciences* 12, no. 9 (2024): 2159–68, <https://doi.org/10.24843/KS.2024.v12.i09.p12>.

that the state has a central bank whose composition, position, authority, responsibilities, and independence are regulated by law.

These constitutional provisions show that the issue of crypto assets cannot only be seen from the perspective of property law. There is a division of domain between the recognition of an object as part of the relationship between private law and the authority of the state in regulating the monetary system and payments.⁴ Thus, it is necessary to distinguish between the legal position of crypto assets as an object of personal property and the position of crypto assets as a means of payment. The recognition of crypto assets as objects of economic value does not in itself give legitimacy to these assets to be used as a means of payment.⁵ On the contrary, the prohibition of their use as a means of payment also does not necessarily eliminate all the private legal consequences inherent in the possession and ownership of the asset.

In this context, the concept of monetary sovereignty needs to be placed more appropriately as a legal concept related to the state's authority to determine and maintain the currency system and the national payment system. Monetary sovereignty cannot be understood solely as the state's ability to prohibit the use of certain assets, but must be associated with the division of constitutional authority and authority granted by law to the competent institutions. Therefore, it is necessary to distinguish between the allocation of monetary authority sourced from the 1945 Constitution of the Republic of Indonesia and the regulatory authority of Bank Indonesia granted through law. This distinction is important because the restriction on the use of crypto assets as a means of payment is basically a form of exercise of regulatory authority in the monetary sector and payment systems, while a person's right to own and control an asset is a matter in the realm of private law.

Legal problems then arise when the protection of personal property rights over crypto assets is faced with the state's authority to maintain monetary sovereignty. If crypto assets are seen as objects or objects of wealth in civil law, then the owner in principle has a legal interest in the asset.⁶ However, the recognition of ownership does not mean that the owner has the freedom to use crypto assets in any form of transaction. The state can still provide restrictions on the way an object of wealth is used as long as the restriction has a legal basis and is intended for an interest that is justified by law. Thus, the point of the research problem is no longer just whether crypto assets are "objects", but how the material status of crypto assets is related to the limits of the use of these assets in the national payment system.

⁴ Ibid

⁵ Putu Eggy Damaika Agasi and Ni Nengah Adiryaryani, "Cryptocurrency Transaction Regulation in Indonesia as Current Trade Innovations," *Udayana Master Law Journal* 13, no. 3 (2024): 666–80, <https://doi.org/10.24843/JMHU.2024.v13.i03.p10>.

⁶ Narumi June Palesang and Made Cinthya Puspita Shara, "The Legality of Crypto Assets as Object of Collateral in Credit Agreements in Banks," *Kertha Negara: Journal of Legal Sciences* 12, no. 11 (2025): 1273–85.

The relationship between the two domains also raises issues regarding institutional competence. The regulation of crypto assets involves more than one legal regime and state institutions. From a civil law perspective, the discussion is directed at the construction of objects, property rights, control, and transfer.⁷ From a monetary perspective, the discussion is related to the authority of the state and Bank Indonesia in regulating currencies and payment systems. Meanwhile, from the perspective of digital asset trading, there is a separate regulatory regime regarding the implementation of crypto asset trading. The existence of several of these regimes raises the need to clearly determine the limits of the competence of each institution and the boundaries between the regulation of crypto assets as commodities or wealth and the regulation of crypto assets as a means of payment.

This issue shows that there are two legal dimensions that must be conceptually distinguished. The first dimension is the material law dimension, namely whether the characteristics of crypto assets can be placed in the category of objects according to the Civil Code and whether their ownership is protected as part of personal property. The second dimension is the public law dimension, namely the extent to which the state through constitutional authority and laws can limit the use of crypto assets in order to maintain the national currency and payment system. The two dimensions should not be mixed, because the recognition of an object as part of private wealth is different from the recognition of the object as a legal means of payment.⁸

The development of crypto asset regulation also shows that Indonesian law tends not to negate the existence of crypto assets, but rather place them in a different legal space from the national currency. This position has the consequence that crypto assets can be recognized in certain aspects as assets or objects of wealth, but their use is still limited if they enter areas under the state's authority to maintain the monetary and payment systems.⁹ Therefore, a legal construction is needed that is able to consistently explain how the protection of crypto asset ownership can run without reducing the state's authority to maintain the Rupiah as a legal currency and means of payment.

A number of previous studies have generally discussed crypto assets from the perspective of financial technology, property law, commodity trading, and digital payment aspects. Studies on the status of crypto assets as objects have provided an argumentative basis for the possibility of placing them as intangible objects and movable objects. Meanwhile, studies on the regulation of crypto assets as commodities and the prohibition of their use as a means of payment have focused more on aspects of supervision, financial system stability, and monetary policy.¹⁰ However, there is still room for study that needs to be deepened, namely regarding the normative relationship between the status of crypto assets as an object of personal wealth and the state's authority to maintain monetary sovereignty, especially by bringing together

⁷ Ibid

⁸ Setiawan Budi Utomo, *The New Architecture of Indonesia's Financial Services Sector After Law Number 4 of 2023 concerning P2SK* (Depok: Rajawali Press, 2025), 13.

⁹ Shelley Budiman, "Overcoming Tax Non-Compliance Related to Crypto Asset Transactions in Indonesia," *Indonesia Journal of Business Law* 2, no. 1 (2023).

¹⁰ Zaeni Asyhadie, *Civil Law in the Perspective of National Law, Civil Code, Islamic Law and Customary Law*, vol. 2 (Depok: Rajawali Press, 2018), 12.

the constitutional basis of Article 23B and Article 23D of the 1945 Constitution of the Republic of Indonesia with the provisions of civil law regarding objects and the authority of Bank Indonesia in the monetary and payment system fields.

This gap is important to study because the legal issue of crypto assets is not enough to be solved by a simple classification that crypto is an intangible object or commodity and not a currency. An analysis of the conceptual boundary between property rights and monetary authority is needed, including whether the protection of crypto asset ownership has a certain limit when its use intersects with the interests of the national payment system. At the same time, it is also necessary to analyze whether Bank Indonesia's authority to maintain the monetary and payment system can be the basis for restricting the use of crypto assets without eliminating the position of these assets as part of private wealth.

In the institutional context, the issue is also related to the division of authority between Bank Indonesia, the Financial Services Authority, and the legislature. Bank Indonesia has constitutional and juridical authority in the monetary field, including maintaining the stability of the Rupiah value and regulating and maintaining the smooth payment system. On the other hand, the regulation and supervision of crypto asset trading activities in the development of national law is within the scope¹¹ of the authority of the Financial Services Authority. These differences in functions show that crypto assets must be placed proportionately in the legal system. The OJK is authorized to regulate and supervise aspects of trading and activities of crypto assets in the financial services sector in accordance with the authority granted by law, while Bank Indonesia retains authority over the Rupiah, monetary policy, and payment systems. Lawmakers have the role of determining normative boundaries and designing regulations that harmonize property rights protection with the country's monetary interests.¹²

This tension can be seen from the character of crypto assets which can legally have value as wealth, but at the same time have the potential to be used as a means of value exchange outside the state-controlled payment system. Law No. 7 of 2011 concerning Currency places the Rupiah as a legal tender in the territory of the Unitary State of the Republic of Indonesia. Bank Indonesia also maintains the policy that crypto assets cannot be used as a means of payment. The prohibition must be understood not as a denial of the existence of crypto assets as wealth, but as a restriction on certain functions of the asset so as not to take over the function of the Rupiah as a legal tender. Thus, there is a fundamental difference between the status of crypto assets as an object of ownership and the function of crypto assets as a means of payment.¹³

¹¹ Robin Hui Huang, Hui Deng, and Aiden Foon Lok Chan, "The Legal Nature of Cryptocurrency as Property: Accounting and Taxation Implications," *Computer Law & Security Review* 51 (2023).

¹² Alvin Hoi-Chun Hung, "Evolution of Intangible Property to Crypto Assets: Legal Pragmatism in Anglo-American Common Law and Chinese Civil Law," *The Chinese Journal of Comparative Law* 12 (2024).

¹³ Pınar Çağlayan Aksoy, "The Applicability of Property Law Rules for Crypto Assets: Considerations from Civil Law and Common Law Perspectives," *Law, Innovation and Technology* 15, no. 1 (2023).

This distinction is important because the recognition of crypto assets as intangible movable property does not automatically make them money. Crypto assets can obtain legal protection as wealth while remaining restricted in their use in the monetary realm. This construction shows the relationship between civil law and public law.¹⁴ From a civil law perspective, crypto asset owners need to obtain certainty regarding the status, control, transfer, inheritance, and protection of rights to these assets. On the other hand, from a public law perspective, the state has an interest in ensuring that the existence of these digital assets does not reduce the exclusivity of the Rupiah as a legal tender, disrupt the payment system, or reduce the effectiveness of monetary policy.

In the context of currency digitalization, Bank Indonesia is also developing the Digital Rupiah through the Garuda Project as part of the policy direction of Indonesia's Central Bank Digital Currency (CBDC) development. The Digital Rupiah needs to be appropriately placed as a project and policy being developed by Bank Indonesia, not as an instrument that has been issued and circulated to the public. These developments show that the country's response to digital transformation is not solely through restrictions on crypto assets, but also through the development of infrastructure and monetary innovation that remains within the framework of central bank authority. This further strengthens the relevance of research on the relationship between digital assets, property rights, and monetary sovereignty.¹⁵

The main problem in this study thus does not lie in the assumption that the ownership of crypto assets in itself threatens monetary sovereignty. This threat is more appropriately analyzed from the potential shift in the function of crypto assets from mere objects of wealth to a means of value exchange that can operate outside the control of the national monetary system. Therefore, the term crypto assets as a "challenger to the monetary sovereignty of the state" must be understood functionally, not as a statement that the existence of crypto assets automatically contradicts the constitution. The legal problem lies precisely in how the state determines the boundary between the protection of property rights over crypto assets and the restriction of their use in national monetary interests.

Based on this description, this research is directed to answer two research questions. First, what is the position of crypto assets as intangible movable property that cannot be consumed from the perspective of material law and property rights protection based on the 1945 Constitution of the Republic of Indonesia? Second, how are the restrictions on the function of crypto assets and the division of authority between Bank Indonesia, the Financial Services Authority, and lawmakers in maintaining Indonesia's monetary sovereignty?

¹⁴ Yohana Puspitasari Wardoyo and Dwi Ratna Indri Hapsari, "Cryptocurrency Assets as a Physical Collateral in Indonesia," *Legality: Legal Scientific Journal* 31, no. 1 (2023).

¹⁵ Muhammad Al Ikhwan Bintarto, "Cryptocurrency as a Digital Property in Indonesian Law Perspective," *Journal of Law Enforcement and Justice* 3, no. 2 (2022).

The originality of this research lies in the effort to link the classification of crypto assets as civil law objects with constitutional protection of property rights and their limitations based on the interests of monetary sovereignty. Previous research that focuses on the classification of crypto assets has not specifically built an analysis of the relationship between Article 23B, Article 23D, and Article 28H paragraph (4) of the 1945 Constitution of the Republic of Indonesia with the position of crypto assets in the Indonesian legal system. This research also places the division of authority between Bank Indonesia and the Financial Services Authority as an important part in determining the boundary between crypto assets as wealth and crypto assets as a means of value exchange. With this approach, this research does not view crypto assets solely as a threat to monetary sovereignty, but as a digital legal object that requires a balance between the certainty of civil rights, protection of constitutional property rights, public interest, and the exclusivity of the Rupiah in the Indonesian monetary system.

II. RESEARCH METHOD

This research uses a normative (doctrinal) legal approach with a focus on analyzing positive legal norms that apply in Indonesia. The approach used includes a legislative approach to review the provisions of the Civil Code, especially Articles 499, 503, 504, and 505, as well as regulations in the monetary field such as the Currency Law and Bank Indonesia regulations to affirm the legal position of crypto assets. In addition, a conceptual approach is used to examine the concepts of "intangible objects" and "monetary sovereignty" in the context of decentralized blockchain technology. The source of legal materials consists of primary legal materials in the form of laws and regulations, as well as secondary legal materials in the form of the latest literature and scientific journals (2023–2025), including IMF studies and Bank Indonesia policies. The collection of legal materials is carried out through systematic literature studies. Data analysis is carried out qualitatively using legal interpretation methods, through the stages of classification of crypto assets as intangible and movable objects, evaluation of their juridical implications on monetary sovereignty, and formulation of normative arguments and recommendations that integrate the civil law and monetary law regimes.¹⁶

III. ANALYSIS AND DISCUSSION

Crypto assets are referred to as challengers to monetary sovereignty because their existence has the potential to carry out monetary functions that are constitutionally the exclusive authority of the state, especially the central bank. Monetary sovereignty gives the state the right to determine the currency, control the money supply, and regulate the national payment system. Crypto assets, with their decentralized nature, are not issued by state authorities and can be used across borders without the intervention of the central bank. This condition allows crypto assets to function as alternative means of exchange, means of payment, and store of value outside the official

¹⁶ R. N. P. Atmojo and F. Fuad, "Legal Protection Efforts for Crypto Asset Holders in Indonesia," *To-Ra Law Journal: Laws to Regulate and Protect the Community* 9, no. 2 (2023): 254–76.

monetary system. When these functions are carried out on a massive scale, they have the potential to weaken the effectiveness of monetary policy, reduce state control over the circulation of money, and give rise to a parallel monetary system, thus being seen as a direct challenge to the country's monetary sovereignty. Crypto assets are digital assets based on cryptography, peer-to-peer (P2P) networks, and blockchain technology that are decentralized, so they are fundamentally different from conventional financial instruments that are under a single authority.¹⁷ In Indonesia, crypto assets are not recognized as a means of payment, but as a commodity that can be traded on the physical futures market and supervised by Bappebti. This position distinguishes it from the Rupiah as the only legal tender, in line with Bank Indonesia's monetary policy that prohibits the use of crypto as a medium of exchange to maintain the stability of the Rupiah value¹⁸

Juridically, crypto assets can be analyzed within the framework of the material law of Article 499 of the Civil Code, which includes every item and right that can be an object of ownership. Although physically intangible, crypto assets have economic value, can be owned, transferred, and inherited, so that they meet the element of "rights" as objects of ownership.¹⁹ Based on Article 503 of the Civil Code, crypto assets are classified as intangible objects, considering their existence in the form of digital codes without physical form.²⁰ Furthermore, referring to Article 504 of the Civil Code, crypto assets are more appropriately categorized as intangible movable objects because they are not attached to land or buildings and can be transferred without certain juridical formalities.²¹ The mechanism for the transfer of ownership takes place through a blockchain distributed recording system that allows direct transactions between parties without the intermediary of state institutions. The originality of this research becomes clear when directly linked to previous studies. The studies by Adyawan, Lahay, and Muslim generally place crypto assets within the framework of pure civil law, especially by emphasizing the aspect of the classification of crypto assets as intangible or movable objects in the perspective of the Civil Code. The main focus of these studies is on the fulfillment of the material element, the mechanism of ownership, and its implications for the protection of individual property rights, without expanding the analysis on the systemic impact it has on the public legal regime.²²

¹⁷ K. Aswadi and W. A. Mudiparwanto, "Legal Protection of Crypto Assets as Guarantee Objects Based on the Perspective of Guarantee Law," *DIVERSI: Journal of Law* 10, no. 2 (2025): 424–56.

¹⁸ Bank Indonesia, *Bank Indonesia Regulation (PBI) Number 5 of 2025 concerning Monetary Policy* (Jakarta: Bank Indonesia, 2025)..

¹⁹ M. E. Situmorang and A. Salam, "Analysis of Legal Aspects of Smart Contracts in Digital Property Transactions: The Challenge of Anonymity and the Role of Digital Identity," *Lex Patrimonium* 4, no. 1 (2025): 2.

²⁰ G. Wijaya, "Reconstructing the Concept of Wealth in Civil Law: A Study of the Legal Status of Crypto Assets in Indonesia," *Multilingual: Journal of Universal Studies* 5, no. 1 (2025): 516–29.

²¹ S. Kadir, "Islamic Decentralized Finance (DeFi) and FinTech in the 21st Century Financial System," *Journal of Accounting and Finance (JACFIN)* 5, no. 2 (2023): 1–14.

²² T. Dragono, W. S. Widiarty, and B. Nainggolan, "Protection of Digital Assets in the Metaverse World Based on National Law," *Journal of Citizenship* 7, no. 1 (2023): 742–50.

In contrast to the previous research, this study consciously and critically goes beyond the classification-dogmatic approach by placing crypto assets in a dialectical relationship between civil law and monetary law. This research does not stop at the recognition of crypto assets as an object of civil law, but rather examines the further juridical consequences of such recognition on the constitutional authority of the state in regulating the payment system and maintaining monetary sovereignty. Thus, crypto assets are not only positioned as intangible movable objects, but also as a legal-economic phenomenon that has the potential to shift the function of state money and challenge the mandate of Bank Indonesia as the sole monetary authority. Another fundamental difference lies in the normative perspective used. If previous research tended to see the protection of property rights as the final goal of the analysis, this study instead places such protection within the framework of constitutionally valid functional restrictions in the interests of monetary stability and the public interest. With this approach, this research offers a new contribution to Indonesian legal discourse, namely building a conceptual bridge between the certainty of civil law and the interests of monetary sovereignty, as well as providing a theoretical basis for the formation of crypto asset regulations that are not only legal privately, but also publicly legitimate.

In practice, the control of crypto assets is carried out through *private keys* as a means of authentication and technical control of assets in the blockchain network. The control of *private keys* can indicate a person's factual control over assets, but it is not automatically proof of title or ownership rights in a juridical manner. The status of fixed ownership must be seen based on the source of acquisition, transactions, legal relationships of the parties, and evidence that can be accounted for. Therefore, *private keys* are more appropriately understood as a means of factual and technical control, not as a single proof of legal ownership.²³ The position of crypto assets can be analyzed based on Article 499 of the Civil Code which reads, "According to the understanding of the law, what is called material is every item and every right, which can be controlled by property rights." Based on these provisions, crypto assets can be placed as legal objects because they have economic value, can be controlled, and can be transferred. Furthermore, Article 503 of the Civil Code states, "Every material is tangible or disembodied." Crypto assets have no physical form and are represented through digital data in the blockchain so that they can be categorized as intangible objects.²⁴

Article 504 of the Civil Code stipulates, "Every thing is movable or immovable, with each other according to the provisions in the following two sections." The character of crypto assets that can be transferred digitally and are not attached to a certain place indicates their nature as movable objects. Furthermore, Article 505 of the Civil Code states, "Every movable object is expendable or inexpiable; movable objects that can be spent are items that are consumable due to use, such as items that cannot be used without

²³ Pinar Çağlayan Aksoy, "The Applicability of Property Law Rules for Crypto Assets: Considerations from Civil Law and Common Law Perspectives," *Law, Innovation and Technology* 15, no. 1 (2023).

²⁴ Yohana Puspitasari Wardoyo and Dwi Ratna Indri Hapsari, "Cryptocurrency Assets as a Physical Collateral in Indonesia," *Legality: Legal Scientific Journal* 31, no. 1 (2023).

damaging their form or depleting their usefulness, and movable objects that cannot be used are items that, even if they have been used, do not become consumable." Crypto assets are more appropriately categorized as intangible movable objects that cannot be consumed because their transfer does not cause the asset to be destroyed, but rather changes the party who controls or has an economic interest in it.

Thus, based on Article 499, Article 503, Article 504, and Article 505 of the Civil Code, crypto assets can be constructed as intangible movable property that cannot be consumed. This classification provides a basis for the recognition of crypto assets as the object of civil law relations, but does not mean that all activities against them are free from public law restrictions.²⁵ The regulatory framework for crypto assets has changed through Law Number 4 of 2023 concerning the Development and Strengthening of the Financial Sector and Government Regulation Number 49 of 2024. Since January 10, 2025, the regulation and supervision of trading in digital financial assets, including crypto assets, has shifted from Bappebti to the Financial Services Authority in accordance with the division of authority in the new regulation. The regulation is then outlined in POJK Number 27 of 2024 concerning the Implementation of Digital Financial Asset Trading, Including Crypto Assets, which is further amended through POJK Number 23 of 2025. Thus, Bappebti needs to be placed in a historical context and regulatory transition, not as the main authority for crypto asset trading today. This division must be distinguished from the authority of Bank Indonesia. OJK focuses on regulating and supervising the trading of digital financial assets, including crypto assets, while Bank Indonesia has authority in the monetary and payment systems. This is related to Article 23B of the 1945 Constitution of the Republic of Indonesia which reads, "The types and prices of currencies are determined by law." Furthermore, Article 23D of the 1945 Constitution of the Republic of Indonesia states, "The state has a central bank whose composition, position, authority, responsibility, and independence are regulated by law." These two provisions are the constitutional basis for the regulation of the currency and the existence of the central bank.²⁶

On the other hand, the protection of ownership has a basis in Article 28H paragraph (4) of the 1945 Constitution of the Republic of Indonesia which states, "Everyone has the right to own personal property rights and these property rights must not be arbitrarily taken over by anyone." This provision shows that the recognition of crypto assets as wealth must still pay attention to the protection of property rights. However, this protection does not mean that the owner is free to use crypto assets as a substitute for Rupiah in the payment system.

The restriction is also related to Law Number 7 of 2011 concerning Currency. Article 21 paragraph (1) stipulates, "The rupiah must be used in: a. every transaction that has a payment purpose; b. the settlement of other obligations that must be fulfilled with money; and/or c. other financial transactions carried out in the Territory of the Unitary State of the Republic of Indonesia." Thus, the recognition of crypto assets as an object of wealth

²⁵ Muhammad Al Ikhwan Bintarto, "Cryptocurrency as a Digital Property in Indonesian Law Perspective," *Journal of Law Enforcement and Justice* 3, no. 2 (2022).

²⁶ Ali Ridho, *Property Law in Indonesian Civil Law* (Jakarta: Sinar Grafika, 2020).

must be distinguished from their recognition as a means of payment. Crypto assets can have the status of a civil law object, but their use as a means of payment is still limited by the currency regime and the national payment system.

Therefore, crypto assets are not properly seen as a threat to monetary sovereignty simply because of their existence as an object of wealth. Problems arise if crypto assets are used to perform functions that resemble means of payment and have the potential to reduce the exclusivity of the Rupiah. A proportionate legal construction is to recognize crypto assets as intangible movable property that cannot be consumed, provide protection for their civil rights, while limiting their use function based on the state's authority to maintain the national monetary and payment system.

The development of digital technology has produced a new form of wealth whose characteristics are different from conventional wealth objects. Crypto assets are a form of digital wealth whose existence is not represented through physical objects, but through data and transaction recording on the blockchain network. The system allows an asset to be created, moved, stored, and traded through a technological mechanism that does not completely depend on conventional financial institutions. This condition raises legal problems because the Indonesian civil law system is basically built with material concepts born in different social and technological contexts. Therefore, the main problem is not only to determine whether crypto assets have economic value, but to determine whether the character of the digital asset can be placed in the construction of objects as known in the Civil Code and what are the juridical consequences of this classification.

Article 499 of the Civil Code is the starting point for determining the position of crypto assets in property law. The article states that "according to the understanding of the law, what is called material is every asset and every right, which can be controlled by property rights." This formulation shows that the definition of material is not solely based on the physical existence of an object. A more fundamental element is the existence of goods or rights that can be controlled by property rights. Thus, the analysis of crypto assets cannot stop at the argument that the asset does not have a physical form. The absence of physical form is not the only parameter in determining whether an object can have a position as an object in civil law.

If Article 499 of the Civil Code is interpreted grammatically speaking, the terms "goods" and "rights" indicate the existence of two possible objects that can gain status as property. Goods can be understood as objects that have value and can be controlled, while rights refer to legal interests that can be objects of ownership. In the context of crypto assets, there is a question about what exactly is an object of ownership. Holders of crypto assets basically do not have physical objects that can be held or handed over, but rather have the ability to control and conduct transactions on the units of assets represented in the blockchain network. Thus, objects that are economically valuable can be understood as digital assets represented in the network, while the legal interests of the holders are related to the ability to control, enjoy, and transfer these assets.

This construction shows that crypto assets can be analyzed through two approaches. The first approach sees crypto assets as a digital object that has a material character. The second approach sees it as an economic right or interest that is digitally represented and can be controlled through cryptographic mechanisms. Both approaches have different legal consequences. If crypto assets are understood as objects, then the problems that arise are related to the classification of objects, possession, ownership, transfer, and protection of property rights. If crypto assets are understood as economic rights or interests, then the focus of the analysis shifts to the nature of these rights, their proving mechanisms, and the legal relationship between asset holders and platform operators or custodians.

The interpretation of Article 499 of the Civil Code must also pay attention to the development of the concept of objects in civil law. The concept of property cannot be rigidly defended only based on the physical existence of an object if technological developments have produced a form of wealth that has real economic value and can become an object of transaction. If the law only recognizes objects that have a physical form, then a number of modern forms of wealth that economically have high value will be outside the protection of material law. Therefore, a more relevant approach is to assess whether the character of the asset meets the elements of control, economic value, ability to be transferred, and the existence of legal interests that can be defended against other parties.

However, the recognition of crypto assets as possessable objects does not mean that all conceptions of property rights in property law can be applied identically. Ownership of physical objects generally allows the owner to exercise direct control of the object. In crypto assets, the control is technological. A person's ability to conduct transactions depends on the authentication and cryptographic mechanisms used in the network. Therefore, technical control of assets must be distinguished from legal ownership. A person who has access to an account or private key can indeed control an asset, but this ability does not necessarily prove that the person is the rightful owner if the asset is acquired through theft, fraud, coercion, or other unlawful acts.

The distinction between factual control and legal rights becomes even more important when crypto assets are stored through a custodial service provider. In a custodial mechanism, users can hand over the technical management of assets to third parties. Custodians can have the ability to technically control or transfer assets, while the economic interest in the asset remains with the user. Thus, there are at least three layers of relationships that must be distinguished, namely technical control over the asset, economic interest in the asset, and legally provable rights. The three are not always on the same party.

These differences have important consequences in determining the form of legal protection. In the event of a platform failure, hacking, mismanagement, or misuse by the custodian, the legal issue is not only about the loss of access to the asset, but also about who is legally entitled to demand the return or recovery of the asset. Therefore, the protection of crypto assets must pay attention to contractual relationships, recording mechanisms, proof of transactions, the identity of the holder, and the status of the party who

technically controls the asset. In other words, the character of blockchain does not eliminate the need for legal proof; technology only changes the form and mechanism of that proof.

After determining the possible position of crypto assets based on Article 499 of the Civil Code, the analysis is continued through Article 503 of the Civil Code. The article determines that "every object is bodily or disembodied." Based on this formula, crypto assets are characteristically closer to disembodied objects because they do not have a physical form. These assets cannot be physically touched or moved from one place to another. What can be transferred is a digital representation or the right to control the asset through blockchain transactions.

However, classification as an intangible object should not be based solely on its digital nature. What is more important is to determine whether the asset has a character that can be placed in a tangible legal relationship. Crypto assets have an economic value that can be determined based on market mechanisms, can be transferred to other parties, can be stored, and can be the object of transactions. This character provides a sufficient basis to test the possibility of its placement as an intangible object in civil law. However, since the Civil Code does not explicitly mention digital assets or crypto assets, the conclusion is the result of construction through legal interpretation.

Article 504 of the Civil Code further stipulates that "each object is movable or immovable, with each other according to the provisions in the following two sections." Based on the character of crypto assets, classification as a movable object is more possible than classification as a stationary object. Crypto assets are not permanently attached to a plot of land or building and can be transferred from one holder to another. Their movement also does not require the physical transfer of the object. Therefore, the nature of the mobility of crypto assets provides a basis for placing them in the category of movable objects.

Article 505 of the Civil Code then affirms that movable objects can be tangible or intangible. If Articles 503, 504, and 505 are read systematically, there is a construction that allows crypto assets to be placed as intangible movable objects. Article 503 provides a basis for intangible properties, Article 504 provides a classification of movable and immovable objects, while Article 505 specifically opens up the possibility of the existence of intangible movable objects. Therefore, conceptually, crypto assets have a character that is compatible with the category of intangible movable objects.

However, these results should not be understood as an absolute classification of every form of crypto asset. Crypto assets have diverse characters and can have different legal functions and mechanisms. Tokens that represent certain rights, for example, do not always have the same character as crypto assets that are solely used as investment instruments. Therefore, legal classifications must consider the character of the object and the rights it represents. This approach prevents the generalization that all digital assets automatically have identical legal status.

This construction shows that the term "ownership of crypto assets" should also be used with caution. In private law relationships, ownership concerns not only who is technically capable of moving the asset, but also who has a legal basis for the asset. Factual control can be one of the proofs of ownership, but it is not always the only evidence. In the event of a dispute, contractual relationships, proof of transactions, ownership records, user identities, and storage mechanisms can be relevant in determining the rights of the parties concerned.

The issue of material law then faces public law when crypto assets are used in payment activities. Article 23B of the 1945 Constitution of the Republic of Indonesia stipulates that the types and prices of currencies are determined by law. This provision shows that the existence of currency is not solely an economic issue, but a matter within the constitutional framework. The state has the authority to determine the applicable currency through law. This provision was then described in Law Number 7 of 2011 concerning Currencies which places the Rupiah as the state currency and legal tender in Indonesian territory. Thus, the recognition of crypto assets as objects of wealth cannot be interpreted as recognition of the asset as currency. The two statuses have different legal consequences. Status as an object of wealth relates to the legal relationship between individuals and assets, while status as a means of payment relates to the broader relationship between the state, society, and the payment system. The state can recognize a person's ownership of an asset while restricting the use of the asset in a particular function if the function is within the territory legally controlled by the state.

This distinction is an important basis for understanding monetary sovereignty. Monetary sovereignty in this study should not be understood as a concept that gives unlimited authority to the state over all forms of people's wealth. Monetary sovereignty is more accurately understood as the authority of the state in determining and maintaining the currency system and payment system based on the constitution and laws. With this construction, the state's authority over crypto assets must have limits. The state can determine that crypto assets are not legal tender, but such an arrangement does not necessarily remove all legal interests of a person over legally acquired crypto assets.

Article 23D of the 1945 Constitution of the Republic of Indonesia also has relevance because it provides a constitutional basis for the existence of a central bank. This provision states that the state has a central bank whose composition, position, authority, responsibilities, and independence are regulated by law. From these provisions, it can be understood that monetary authority and payment systems are not born solely from administrative policies, but have a constitutional basis which is then elaborated through law. Therefore, an analysis of Bank Indonesia's authority must be carried out based on the mandate of the law that regulates its position and authority.

At this point, it is necessary to distinguish between the authority of Bank Indonesia and the authority of the Financial Services Authority. Changes in digital financial asset regulations have caused the supervision of crypto asset trading to no longer be analyzed only within the framework of commodity futures trading. Based on Law Number 4 of 2023 concerning the Development and Strengthening of the Financial Sector, Government Regulation Number

49 of 2024, and Financial Services Authority Regulation Number 27 of 2024, there are institutional changes that place the regulation and supervision of digital financial assets, including crypto assets, within the framework of the authority of the OJK since January 10, 2025.

This change is important because it shows that the status of crypto assets as a trading object has undergone legal development. The OJK has the function of regulating and supervising activities that fall within the scope of digital financial assets in accordance with laws and regulations. However, this authority does not mean that the OJK takes over all functions of Bank Indonesia. Supervision of the market and activities of crypto assets must be distinguished from the authority regarding currencies, monetary policy, and payment systems.

Bank Indonesia retains its own position in the national legal structure. When the issue of crypto assets is related to its use as a means of payment, the issue enters the realm of payment systems and currencies. On the other hand, when the issue is related to trade, operators, consumer protection, market governance, or digital financial asset activities, the OJK's supervisory regime becomes relevant. This division is necessary to prevent overlapping authorities as well as to determine the legal basis for each form of state intervention.

In this context, the use of crypto assets as a means of payment is a meeting point between private rights and public interests. From the perspective of the owner, crypto assets can have economic value and can be part of wealth. However, from the perspective of the state, the use of these assets as a means of payment can touch areas that have been determined by law as part of the national monetary system. Therefore, restrictions on the payment function of crypto assets are not identical to the elimination of rights to these assets. What is limited is the function of their use, not solely the existence of the asset as an object of wealth.

The distinction between objects and functions is very important. An object of wealth can have a variety of possible uses, but not all of its uses must have the same legal legitimacy. The ownership of an object does not always provide unlimited freedom to use the object in every activity. In the case of crypto assets, the law can provide protection for the interests of its owners while prohibiting the use of the asset as a means of payment. Thus, there is a possibility of coexistence between the protection of private rights and restrictions based on the public interest.²⁷ The decentralized nature of crypto assets then poses additional problems. In contrast to conventional payment systems that involve financial institutions and payment infrastructure that are within the framework of regulatory supervision, crypto asset transactions can be carried out through digital networks that allow the direct transfer of assets between users. This character can normatively pose challenges to state supervision, especially when transactions are carried out across borders or through mechanisms that are difficult to associate with certain jurisdictions.²⁸

²⁷ Ibid

²⁸ Deviana Yuanitasari Sudaryat and Rafan Darodjat, *Indonesian Commercial Law and Its Development* (Bandung: Refika Aditama, 2024)..

However, this character should not be immediately concluded as evidence that Indonesia's monetary sovereignty has weakened. In normative legal research, a distinction must be made between possible risks and empirical facts. The technology's ability to conduct cross-border transactions shows the existence of potential risks to the effectiveness of supervision, but it does not by itself prove that Indonesia's monetary policy has lost its effectiveness.²⁹ Proving the actual impact on the value of the Rupiah, capital flows, monetary stability, or monetary policy transmission requires economic and financial data that is outside the scope of normative research. Therefore, the term "threat to monetary sovereignty" must be used proportionately. Crypto assets are more appropriately understood as objects that have the potential to cause legal problems for the monetary system when used as a substitute for the function of the Rupiah. These risks arise when people no longer only view crypto as an investment object or commodity, but use it as a medium of exchange, a unit of measurement of value, or a store of value instruments that replace the function of currency. These three functions need to be distinguished from the function of crypto assets as objects of wealth.³⁰

If crypto assets are only owned as investment assets, the problems that arise are mainly related to ownership status, investor protection, market supervision, and risk management. However, if the asset is used as a means of payment in goods and services transactions, the problem enters the realm of the payment system. These changes in function also change the relevant legal regime. Thus, the problem is not only the nature of the technology of crypto assets, but also the legal and economic functions carried out by the asset in a transaction. The teleological approach to the provisions regarding currencies also shows that the restriction on the use of crypto assets as a means of payment is related to the purpose of maintaining the regularity of the payment system and the position of the Rupiah. The state needs a means of payment that has a clear legal status and is within the framework of national regulation. If every digital asset can be used freely as a means of payment without restrictions, then problems will arise regarding payment standards, user protection, transaction supervision, and the relationship between the private payment system and the national payment system.³¹

However, the purpose of maintaining the Rupiah should not be interpreted excessively so as to remove all space for people to own digital assets. The principle of the rule of law requires that any restriction on citizens' rights has a clear legal basis. Thus, the state's authority to maintain monetary sovereignty must go hand in hand with legal certainty and protection of people's property rights. This is where it is important to distinguish between the prohibition of the payment function and the prohibition of ownership. The two have different legal consequences and are not interchangeable.³²

²⁹ Ibid

³⁰ Acep Saepudin and Geofani Milthree Saragih. *Introduction to Indonesian Law: Legal Theory and Practice in Indonesia*. Depok: Rajawali Press, 2024

³¹ Bintarto, Muhammad Al Ikhwan. "Cryptocurrency as a Digital Property in Indonesian Law Perspective." *Journal of Law Enforcement and Justice*, Vol. 3 No. 2, 2022

³² Wardoyo, Yohana Puspitasari and Dwi Ratna Indri Hapsari. "Cryptocurrency Assets as a Physical Collateral in Indonesia." *Legality: Legal Scientific Journal*, Vol. 31 No. 1, 2023,

In the context of property rights protection, the existence of crypto assets as intangible movable objects provides an argumentative basis for the protection of the economic interests of the holder. However, such protection does not mean that the state loses the authority to regulate the market and restrict certain uses. Legal protection should be understood as providing certainty about who has the right, how the right is proven, how the transfer is made, and what legal mechanisms are available if the right is violated. It also shows that blockchain technology cannot be positioned as a substitute for the law. Blockchain can provide evidence of transactions or changes in digital records, but it does not automatically determine who is the rightful owner in all circumstances.³³ If a transaction occurs due to fraud, theft, error, or unlawful acts, then the issue of ownership still requires an assessment based on legal norms. Thus, technological systems and legal systems have different functions. Blockchain provides a digital record-keeping infrastructure, whereas law determines the juridical consequences of a relationship or transaction.

The custodial aspect further demonstrates the need for this distinction. In a storage mechanism through a third party, users may not control private keys directly. This raises questions about who has control over assets and who has rights to economic benefits. If the custodian fails or abuses, then the user needs a legal basis to defend his rights. Therefore, the construction of crypto asset ownership must be able to explain the relationship between technical control, economic rights, and legal rights. At the institutional level, the division of authority between OJK and BI must also be understood based on the object of regulation. OJK does not function as a currency authority, while BI does not take over all supervision of the crypto asset market.³⁴ OJK performs a supervisory function over activities that fall within the scope of digital financial assets based on applicable regulations, while BI has authority in the fields of Rupiah, monetary, and payment systems. Thus, the existence of the two authorities does not indicate a conflict of authority, but indicates the existence of two different legal dimensions towards the same object.

In this relationship, coordination between authorities is important because a crypto asset transaction can simultaneously have dimensions of trading, user protection, and payment systems. Fragmented regulation can cause uncertainty if the limits of authority are not clearly formulated. Therefore, the legal framework of crypto assets needs to provide certainty about who regulates trading activities, who supervises market participants, who regulates the payment system, and who has the authority to set policies regarding the Rupiah. The development of the Digital Rupiah through the Garuda Project must be placed in this context. The digitalization of the Rupiah is part of the response to technological developments in the payment system, but its existence cannot be automatically considered as a solution to the legal problems of crypto assets.³⁵ Juridically, the problem that must be answered

³³ Muhammad Al Ikhwan Bintarto. "Cryptocurrency as a Digital Property in Indonesian Law Perspective." *Journal of Law Enforcement and Justice*, Vol. 3 No. 2, 2022.

³⁴ Yohana Puspitasari Wardoyo and Dwi Ratna Indri Hapsari. "Cryptocurrency assets as a physical collateral in Indonesia." *Legality: Legal Scientific Journal*, Vol. 31 No. 1, 2023

³⁵ Zaeni Asyhadie. *Civil Law in the Perspective of National Law, Civil Code, Islamic Law and Customary Law, Second Volume*. Depok: Rajawali Press, 2018.

first is how the law distinguishes between private digital assets and the digital form of currencies issued and controlled by monetary authorities. These differences are related to the issuer, legal basis, status of the means of payment, supervisory mechanism, and guarantees attached to each instrument.³⁶

Thus, CBDCs and crypto assets cannot be placed as two instruments that are only technologically different. Both have different legal bases and functions. Crypto assets are essentially digital assets whose existence is in the market mechanism and regulation of digital financial assets, while the Digital Rupiah is a digital representation of the country's official currency that is under the authority of the central bank. Therefore, the development of the Digital Rupiah must be analyzed as part of the evolution of the payment system and monetary policy, not as a justification that all crypto asset risks have been resolved. From the perspective of the interpretation method, the analysis of the position of crypto assets must be carried out through grammatical, systematic, and teleological interpretations in sequence. Grammatical interpretation is used to understand the terms "goods", "rights", "embodied", "disembodied", "immovable", and "immovable" in the provisions of the Civil Code. A systematic interpretation is needed to see the relationship between Article 499, Article 503, Article 504, and Article 505 of the Civil Code as a single construction of material law. Furthermore, a teleological interpretation is needed to determine whether the concept of material property can still be applied to a form of digital wealth that was not known when the Civil Code was formed.

The same approach is applied to constitutional provisions and monetary law. Article 23B and Article 23D of the 1945 Constitution of the Republic of Indonesia must be read systematically with laws granting authority to Bank Indonesia and laws regulating currencies and payment systems. Meanwhile, regulations regarding digital financial assets must be placed in a hierarchy of laws and regulations and cannot be understood in isolation from higher norms.³⁷ With this approach, research can determine the boundary between regulatory authority over crypto assets and constitutional authority in the monetary field.

The legal hierarchy is important because a technical regulation regarding crypto assets cannot change the position of the Rupiah that has been established by law. Similarly, administrative policies cannot be used to remove civil rights without an adequate legal basis. Any restriction must have normative legitimacy, a clear purpose, and be within the scope of the authority of the institution that issued it.³⁸ Thus, the principles of legality and legal certainty become instruments to maintain a balance between public interests and private rights. Based on the overall analysis, crypto assets can be

³⁶ Samudra, Taufan Bangun and Inda Rahadiyan. "Legal Protection for Crypto Asset Customers in Indonesia Against Investment Losses in Botxcoin." *Journal of Private and Commercial Law*, Vol. 2, No. 1, 2025

³⁷ Mubarak, Mahdavika Arsy and Ayu Izza Elvany. "Confiscation of Assets Laundered through Cryptocurrency Transactions in Indonesia: A Regulatory Framework." *Contemporary Issues in Criminal Law*, Vol. 1, No. 1, 2024,

³⁸ Gunawan, Imam. "Legal Challenges of Crypto Assets to the Use of Telegram Wallet in Indonesia." *Officium Notarium*, Vol. 4, No. 2, 2025.

constructed as an object of wealth that has the character of an intangible object and more specifically can be placed as an intangible movable object based on a systematic reading of Article 499, Article 503, Article 504, and Article 505 of the Civil Code. However, this construction remains juridical and is not identical to the recognition of crypto assets as currency. Status as an object of wealth provides a basis for the protection of the interests of the owner, while status as a means of payment is determined by the monetary law regime and payment system.³⁹

Thus, there is no legal contradiction between the protection of the ownership of crypto assets and the prohibition of their use as a means of payment. The two are in different legal domains. Ownership is related to the private legal relationship between a person and an object of wealth, while a means of payment is related to the function of an instrument in the national payment system. The state can recognize a person's right to crypto assets while determining that the asset cannot be used to fulfill payment obligations in a position equivalent to the Rupiah. A more fundamental issue lies in the limits of the state's authority when imposing such restrictions. The state has the authority to maintain the currency and payment system based on the constitution and laws, but this authority must be exercised in accordance with the principles of the state of law. Restrictions on the use of crypto assets must be traceable in terms of their legal basis, authorized institutions, restricted objects, and goals to be achieved. Thus, the concept of monetary sovereignty should not be used as an abstract concept to justify all forms of restrictions on crypto assets.

At the same time, the owner of a crypto asset cannot use the pretext of ownership to ignore the legal provisions regarding the payment system. The right to an asset does not mean the right to use the asset in any function that the owner desires. When such use enters the territory that has been regulated by law as part of the national payment system, the owner remains bound by the applicable restrictions. Therefore, the balance between private and public interests must be established through functional restrictions, not by removing the existence of the asset as an object of wealth.⁴⁰

In this perspective, the term "shadow monetary function" should also be used critically. The term can be used to describe the possibility that crypto assets perform money-like functions in practice, but should not be directly used as a conclusion that crypto assets have replaced the Rupiah or actually reduced the effectiveness of monetary policy. Without empirical data, conclusions regarding the actual impact on the stability of the Rupiah's value, capital flows, or monetary policy transmission would be beyond the limits of normative juridical research.⁴¹ Therefore, the research is more appropriate to examine the potential normative conflicts between the use of crypto assets and the monetary function of the state. Such potential conflicts can occur if crypto assets are used as a medium of exchange in domestic transactions,

³⁹ Mulyani, Sri, Siti Mariyam and Hieu Hong Trung Le. "Legal Construction of Crypto Assets as Objects of Fiduciary Collateral." *LAW REFORM*, Vol. 19, No. 1, 2023,

⁴⁰ Hariyanto. "Bitcoin as an Asset of Bankruptcy Debtors in Bankruptcy Law in Indonesia." *Legal Issues*, Vol. 51, No. 3, 2022

⁴¹ Zaeni. *Civil Law in the Perspective of National Law, Second Volume*. Depok: Rajawali Press, 2018, p. 14

used to settle payment obligations, or are widely treated as a substitute for the Rupiah.⁴² In this condition, the legal issue is no longer just about asset ownership, but about the limit on the use of a private asset in the payment system that has been regulated by the state. This is where the concept of monetary sovereignty becomes relevant, because the state has an interest in ensuring that the means of payment used by the community are within a legal framework that can be supervised and accounted for.

Thus, the legal reconstruction of crypto assets must result in three interrelated analytical conclusions. First, from a material law perspective, crypto assets can be tested as legal objects under Article 499 of the Civil Code and further classified through Article 503, Article 504, and Article 505 of the Civil Code. Second, from the perspective of ownership, it is necessary to distinguish between factual control, economic interests, and legally provable rights, especially when assets are held through a custodian. Third, from a public law perspective, the status of crypto assets as an object of wealth does not provide a position as a means of payment, while restrictions on the payment function must be placed within the framework of constitutional and legal authority regarding the Rupiah, Bank Indonesia, and the national payment system.

This construction also puts OJK and Bank Indonesia in different but interrelated positions. OJK plays a role in regulating and supervising digital financial asset activities in accordance with its authority, while BI still has functions in the fields of monetary, Rupiah, and payment systems. Thus, the existence of crypto assets does not create a single institutional problem, but brings together several authorities that must be limited based on their respective functions. The clarity of the division of authority is one of the prerequisites for legal certainty in the regulation of crypto assets. In the end, the need for an integrated legal framework does not mean that all aspects of crypto assets must be under one institution or one legal regime. An integrated framework actually means that there is a clear connection between property law, digital financial asset law, user protection law, currency law, and payment system law. With this framework, the law can provide protection for the economic rights of crypto asset owners without giving legitimacy to the use of these assets as a means of payment that is contrary to the position of the Rupiah.

Therefore, the issue of crypto assets in Indonesian law is essentially a question of the boundary between private property rights and the public authority of the state. Crypto assets can have a position as an object of wealth that has economic value and can be controlled and transferred, but the function of its use is still limited by the monetary law regime. Monetary sovereignty does not erase the existence of private rights to crypto assets, while private rights to crypto assets do not give the owner the authority to make the asset a substitute for the Rupiah. The relationship between the two must be placed in the principle of balance, legal certainty, and limitation of authority based on laws and regulations.

⁴² Zainal. *Commercial Law*. Depok: Rajawali Pers, 2019, p. 13

With this construction, this study no longer departs from the assumption that crypto assets must be intangible movable objects and must be a threat to monetary sovereignty. Instead, the research examines both propositions through a normative legal approach. Position as an object is tested through Article 499, Article 503, Article 504, and Article 505 of the Civil Code; ownership protection is tested through the difference between factual control and legally provable rights; while claims regarding monetary sovereignty are tested through Article 23B and Article 23D of the 1945 Constitution of the Republic of Indonesia as well as laws and regulations regarding currencies, Bank Indonesia, payment systems, and digital financial assets. Thus, the expected result is not just to give a legal label to crypto assets, but to build a reconstruction of the relationship between the status of crypto assets as an object of wealth and the limits of their use in the Indonesian monetary system. The reconstruction is necessary so that the protection of crypto asset owners does not lose its legal basis, while the state's authority to maintain the Rupiah and the national payment system remains within clear limits and can be accounted for constitutionally and juridically.

IV. CONCLUSION

This study analyzes the legal position of crypto assets from the perspective of civil law and its implications for Indonesia's monetary sovereignty using normative legal research methods and legislative approaches. First, from a civil law perspective, crypto assets can be constructed as intangible movable objects that are not used out based on the material characteristics in Article 499, Article 503, Article 504, and Article 505 of the Civil Code, because they have economic value, can be controlled and transferred, and are not destroyed due to their use. Second, the classification does not make crypto assets a legal tender. Based on the Currency Law, the Rupiah remains a legal tender in the territory of the Unitary State of the Republic of Indonesia, so the use of crypto assets as a means of payment cannot be equated with the use of the Rupiah and must be distinguished from the activity of owning and trading crypto assets as an investment object. Third, the current institutional arrangement distinguishes between the authority of Bank Indonesia and the Financial Services Authority. Bank Indonesia is authorized in the monetary and payment system sectors, while the regulation and supervision of digital financial asset trading, including crypto assets, is under the authority of the Financial Services Authority in accordance with the framework of Law No. 4 of 2023, Government Regulation No. 49 of 2024, and POJK No. 27 of 2024 as amended by POJK No. 23 of 2025. Thus, the existence of crypto assets does not automatically eliminate monetary sovereignty, but creates the need to limit the function of their use so as not to replace the function of the Rupiah as a means of payment. Based on this analysis, the required regulatory model is the recognition of crypto assets as civil objects and digital financial assets, accompanied by a strict separation of ownership rights and payment functions, a clear division of authority between BI and OJK, and integrated supervision and proportionate sanctions. The Digital Rupiah needs to be placed as part of Bank Indonesia's payment system policy development, not

as an instrument that has been implemented or has been circulated as an official means of payment.

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