

# The Role of Artificial Intelligence in Enhancing Shariah Compliance in Islamic Banks: A Preliminary Conceptual Model

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## **Abstract:**

This study examines how artificial intelligence (AI) can reduce Shariah non-compliance risks in Islamic banking by proposing a conceptual model grounded in Agency Theory, the Technology Acceptance Model (TAM), Trust in Intelligent Systems, and the Maqasid al-Shariah framework. Drawing on mixed methods, it explores how AI integration can enhance transparency and supervisory efficiency in Shariah governance. Findings from 266 stakeholders reveal AI's potential in reducing Shariah risks through improved oversight. However, challenges like algorithmic opacity and jurisprudential diversity remain. The study recommends developing Shariah-compliant, context-sensitive AI systems that balance automation with scholarly guidance.

## **Keywords:**

Artificial Intelligence, Shariah Compliance, Islamic Banking, Transparency, Maqasid al-Shariah, Risk Mitigation.