Model of Legal Protection in E-commerce Transactions to Improve the Community Economy in Indonesia

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Keywords: Legal protection, e-commerce, community economy

Increasingly rapid technological advances, today's transactions can purchase goods easily from their own homes through e-commerce electronic commerce. The aim of this research is to provide protection to the community if they experience problems and to help consumers in cases where there is a loss in e-commerce transactions in order to support the government in improving the economy of the community in Indonesia. Based on Law no. 8 of 1999 concerning consumer protection which applies to e-commerce transactions carried out via the internet as a platform for upholding consumer protection, this research uses a normative juridical approach by examining literature and written law to connect consumer legal protection models with real world situations. Goods transactions occur online, public spaces that are vulnerable to legal problems prevent business actors from committing fraud in electronic transactions because of the many platforms available. Consumer protection laws will also protect consumers and prevent mistakes in doing business.

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INTRODUCTION

In the midst of today's rapid technological advances, many lifestyle changes have occurred in almost all people in this country (Perez, 2016). This shift is occurring in all social, cultural, business and other areas. The Internet, which was originally built privately for academic and research purposes, is now increasingly used in the commercial sector as a medium for business activities, especially as advances in information technology (IT) have changed society as a whole, creating new types of jobs and new business opportunities (Rahayu, Warsono, & Priyadi, 2019). One of the fastest growing areas of information technology is online trading via the internet. One of the technological advances that drives the era of globalization is electronic commerce.

As shown by the increase in the number of people carrying out transactions through e-commerce platforms, the internet in e-commerce terms consists of two main parts: trade between traders and consumers (Fista, Machmud, & Suartini, 2023). Human life has been changed by the era of globalization and rapid technological progress. This technology has driven trade and economic growth through rapid business growth. One of them is influenced by the development of internet-based digital technology. The internet, as a tool for electronic communication and information, has been widely used for many things. Some of these include searching for data and information, sending emails, and carrying out business or trade. Digital services are currently increasingly popular, with many advantages that make complex tasks simpler and faster (Zebua et al., 2023). Currently, these digital services have a significant impact on the world of commerce, especially during the COVID-19...
pandemic from 2020 to mid-2022. This is because every transaction, including marketing and promotion of goods and services as well as purchases, is carried out electronically in online business. This contract is made via electronic media, or digital media, without the physical presence of the parties participating in the transaction. These transactions occur outside national and regional borders on public networks with open systems, such as the internet or World Wide Web (Harahap, Idayanti, & Rahayu, 2022).

E-commerce transactions are also buying and selling, like regular buying and selling. When a potential buyer accepts an offer from a seller, it is called conventionalism (Nottage, 2016). By making this offer and acceptance, the parties concerned reach an agreement. The online offer and acceptance process is no different from the conventional offer and acceptance process. The only thing that differentiates them is the medium used; In e-commerce transactions, the internet is the medium used (Ueasangkomsate, 2015). In trade, the use of e-commerce media has a significant impact on society in Indonesia and throughout the world. Even the media today has a significant impact on trade and buying and selling. Moreover, as shown by the large number of individuals who choose e-commerce as a way to earn income. Businesses emerge with various products or services that are sold online. E-commerce benefits more people than just producers or sellers. On the other hand, it is very profitable for customers because they can search for goods or services and have many choices to get the goods and services they want without having to go to the seller's shop. On the other hand, there is a risk of violating consumer rights. Insecurity in the payment process, inaccuracy in delivery of goods, etc.

Therefore, legal protection for consumers is very important for e-commerce transactions so that every consumer has legal security when carrying out e-commerce transactions. UU no. 8 of 1999 concerning Consumer Protection regulates consumer protection in our country. This law hopes that every consumer who makes e-commerce transactions can get legal certainty, so that they can make transactions safely. According to AZ Nasution, consumer law regulates and protects the interests of consumers, while consumer law regulates relationships and problems between various parties and each other relating to goods or services that consumers use in their daily lives. (Maharani & Dzikra, 2021).

Law was created to create a just, prosperous and equitable society materially and spiritually in an era of economic democracy based on Pancasila and the 1945 Constitution. In the era of globalization, national economic development must be able to support the growth of the business world so that it can creating various goods and services that have technological content that can improve the welfare of society as a whole and at the same time ensure that goods and services obtained from trade can be accessed without causing consumer losses because the national market is increasingly open. Business actors must foster the attitude of responsible business actors by increasing consumers’ awareness, knowledge, concern, ability and independence to protect themselves. E-commerce is a different type of commerce where both parties can carry out buying and selling transactions without meeting in person (Yoon & Occena, 2015). E-commerce can carry out trade abroad using internet media. As a result, consumers must be careful when purchasing goods over the internet. Payment mechanisms and transaction security are part of this problem, because of the importance of e-commerce, Indonesia enacted Law Number 11 of 2008 concerning Information and Electronic Transactions (UU ITE) in 2008, which also included additional regulations regarding e-commerce. Electronic transactions, according to Article 1 number 10 of the ITE Law, are transactions carried out using computers, computer networks or other electronic media. In electronic buying and selling transactions, the parties involved have a legal relationship as outlined in an agreement or contract, which is also carried out electronically without face-to-face contact. Indonesia needs laws to regulate electronic transactions and information due to the globalization of information. Developing information technology evenly and spreading it throughout society is very supportive of the rapid
growth and progress of information technology. The ITE Law has changed various aspects of human life. This has led to the emergence of new legal acts. Based on the description above, we realize that the government establishes laws to protect consumers and regulates regulations relating to e-commerce transactions. Consumers still find fraud in online transactions in e-commerce transactions in the field. All levels of society were asked to work from home at the start of implementing the e-commerce system during the Covid-19 pandemic. This clearly has a big impact on the trade economic sector because it encourages many people to use e-commerce to trade or sell goods and services as well as buy goods or services online. People who don't know about e-commerce transactions are very vulnerable to being cheated. With the spread of the internet throughout the country, not everyone is aware of technology such as the internet, which makes it easier for fraudulent business actors to commit fraud.

Therefore, this article will discuss consumer protection if problems occur in online transactions. The aim of this research is to provide protection to the community if they experience problems and to help consumers in cases where there is a loss in e-commerce transactions in order to support the government in improving the economy of the community in Indonesia.

RESEARCH METHODS
This research uses a normative juridical approach, also known as library research. Secondary data is data collected through literature and includes primary, secondary and tertiary legal materials. In this approach, researchers will carry out secondary data analysis, namely data collected through literature study, which includes related laws and regulations, relevant court decisions, books, journals and other scientific literature that discuss the research topic, results relevant previous research, as well as related papers, articles and other publications. To complete and support the secondary data analysis, researchers will also conduct interviews with various sources being evaluated, if necessary. The results of secondary data analysis and interviews will be linked and evaluated comprehensively to answer research questions and draw conclusions that are relevant and can be scientifically justified.

RESULTS AND DISCUSSION
Legal Protection for Consumers
According to Article 1 point 2 of the Consumer Protection Law, consumers are defined as individuals who use goods or services available in society, not for trade, whether for the benefit of themselves, their families, other people or other living creatures (Fajrin, 2022). However, business actors can be defined as every individual or business entity, whether established, domiciled or operating under the laws of the Republic of Indonesia, either individually or jointly through an agreement to carry out business in various economic sectors (Sinaga & Sulisrusudatin, 2018). Business activity is a mutually necessary relationship between entrepreneurs and consumers. In essence, regulations that provide legal protection for consumers are needed to maintain and ensure balance between business actors and consumers (Wainstein & Bumpus, 2016). Consumers are usually in a weaker position than business actors (producers), both in terms of economics, education and ability, competitiveness, and bargaining position. As a result, this protection is necessary (Damayanti, Pamungkas, & Lestari, 2023). Article 1 paragraph (1) of the Consumer Protection Law stipulates that all efforts to ensure legal certainty to protect consumers include protection of consumer rights, which is strengthened by special laws to prevent companies from carrying out arbitrary and illegal actions (Barkatullah, 2019).
Consumer Efforts If They Experience Losses in E-Commerce Transactions

Courts can protect customers from online transactions as well. This legal remedy is used in cases of conflict between sellers and consumers. According to the Consumer Protection Law (UUPK), getting protection, defense and fair resolution of disputes is one of consumers’ rights (Rayhan, Apriani, & Avionita, 2023). The seller, on the other hand, is responsible for paying, replacing, or compensating for damage caused by the use and utilization of the goods and services sold (Hayati, 2018). If manufacturers and distributors refuse, do not respond, or do not comply with customer compensation demands, customers have the right to file a lawsuit against the business owner and request dispute resolution by the Consumer Dispute Resolution Agency (BPSK). Apart from that, the UUPK gives consumers two choices in the process of resolving consumer disputes (Rahman, 2018):

1) Using designated institutions to resolve disputes between customers and business owners; or
2) Bringing the lawsuit to public court.

e-commerce transaction disputes in accordance with the ITE Law, there are several important elements that must be considered (Jingga, 2023):

1) Everyone has the right to file a lawsuit against the party that operates the Electronic System and/or uses Information Technology which results in losses;
2) General individuals also have the right to file a lawsuit against this party through their representatives.

As a result, if one or more members of the party file or are sued on behalf of a representative without the participation of the representative member of that individual, the public can also file a lawsuit by representing the electronic system manager using information technology to cause a decrease in public trust in accordance with the law. Parties may use arbitration or alternative methods such as negotiation, mediation, and conciliation to resolve their disputes. This settlement process can be carried out online without the need for a direct meeting between the parties to the dispute.

As a result, consumers must consider several things when they take legal action in consumer disputes. One of consumers’ rights is to submit a loss claim to court, no matter how large the loss they have experienced. However, when handling consumer disputes, this must be done by considering several things below:

1) It is not only the amount of loss experienced by consumers that can determine the interests of the plaintiff (consumer);
2) All parties must be able to access the justice process, especially consumers who have experienced significant losses;
3) The judiciary must maintain its credibility by requiring business actors to prove that there was a mistake in this matter, based on the principle of product liability as regulated in Article 19 in conjunction with Article 28 of the UUPK.

This is different from the burden of proof theory in general court, where the plaintiff or consumer is usually responsible for proving the existence of incompatibility. With the emergence of the principle of responsibility for goods, buyers can take legal action against the seller or business actor to prove that the goods they purchased were damaged when delivered and that the damage bothered them.

It is not too difficult for customers to resolve their disputes with the courts based on the explanation above. In the process of resolving buyer disputes by court, the judge is responsible for proving that these things do not exist. Consumers must then prove this in court. Bearing in mind that this electronic device functions as legal evidence in court, as explained in Article 5 paragraphs 1, 2 and 3 of the ITE Law, customers must be able to prove that they use: 1) Proof of transfer or payment; 2) SMS or email indicating the purchase agreement; and 3) Name, address, telephone number, and
company account number. Researchers believe that security is an important element in carrying out electronic transactions. To maintain internet security, there are three ways: technological, social, and legal. If there are no technical methods, the network will be very vulnerable to theft and illegal access.

According to legal principles, a person who harms another person is responsible for his or her own actions (Ola, Huda, & Putera, 2017). Customers have the right to sue the seller in this case (Ariyanto, Purwadi, & Latifah, 2021). Notification of compensation as regulated in Article 19 Paragraph 2 UUPK can be in various forms, such as refunds of money, health care, replacement of equal or equivalent goods or services, and compensation in accordance with the current laws in force (Maileni, 2014). Legitimate criminal liability is not waived by alternative dispute resolution. ITE allows prison sentences and fines to be used simultaneously. If the violation is related to e-commerce transactions as regulated in Article 45 paragraph (2), a person who intentionally and without authorization shares false and misleading information that can cause losses to customers in e-commerce transactions can be punished with imprisonment for up to 6 years and/or a fine of up to IDR 1,000,000,000.00 (one billion rupiah) (Saragih & Bagaskara, 2023). If someone intentionally, without right, or unlawfully, alters, creates, alters, or deletes electronic documents and information, it is called data manipulation. If someone violates this regulation, they can be subject to imprisonment for a minimum of twelve years and/or a fine of IDR 12,000,000,000.00.

Protection Models in E-Commerce Transactions

An e-commerce business doesn't just have to have high-quality and good products. In addition, they must offer good service, reliable and timely delivery management, effective business organizational structure, reliable network infrastructure, and attractive website design (Wibowo, 2014). Some things to consider include competitive pricing, providing complete and clear product and service information, a responsive, fast, and easy shopping experience, providing promotions and discounts, providing special attention such as purchasing recommendations, fostering a sense of community through discussion and feedback customers, and supports domestic and international payment systems. Additionally, it is important to consider how customers can be protected from using electronic signatures because the purpose of signing a document is to ensure that the document is authentic. In contrast to conventional signatures, electronic signatures provide identification to the sender and ensure documents and data remain secure when sent. Two parties use digital (electronic) signatures:

1) Recognition Authority; And
2) Recipient As a service provider, the certification authority is responsible for ensuring the needs and protection of consumers when conducting e-commerce business transactions. In this case, consumers can consider the following protection patterns when conducting e-commerce business transactions: a) Confidentiality; b) Accuracy; c) Wealth; d) Easy to shop; e) accountable brand; f) its existence cannot be denied; and g) independence.

3) The need for insurance for online businesses. Because e-commerce is part of economic activity, economic actors certainly do not want to risk potential negative consequences in the future. If he didn't want to take the risk, he should leave it to someone else. In this situation, insurance as a risk transfer is the most appropriate choice. Business actors hand over their risks to insurance companies if they do not want to take the risks themselves. The same should apply to online trading (Subagiyono & Salviana, 2016);

4) Guarantee Institution: Guarantor agreed between the buyer with a bank guarantee and a trusted seller, this guarantees that customers will receive the goods and services they order after payment is made against the bank guarantee. The goods ordered finally reach the consumer after the consumer's money has been insured by the bank or guarantor;

5) Assessment, supervision of e-commerce activities must function well to control and guard against counterfeit traders of their merchandise, especially online trade, which should have the authority
to provide merchandise via the internet. These conditions must be met. As a result, merchandise sales targets can be achieved.

6) Global standardization: Trade around the world must be able to follow global wireless communications standards. This is important for businesses operating on the internet. Governments and international organizations must ensure that implementation or compliance with global standards is necessary. This can overcome important policy problems facing governments because of global standardization. Small and middle class businesses may join this profession as they may also face promotional and consumer protection issues in addition to developing countries.

Field Cases

1. One case of online transaction fraud on the internet occurred in the Barru area, South Sulawesi Province (2020).

   Chronology: The victim with the name F and the perpetrator with the name NBH worked together to buy Sensi masks via social media, especially Facebook. They talked and negotiated about the purchase price of fifteen boxes of masks for IDR 2,550,000, with a price per box of IDR 170,000. Once the price is reached, the victim and perpetrator communicate online. The victim received a bank account number from the perpetrator to pay. The victim pays the total price of the product. However, the victim discovered that the package given by the perpetrator was only a cardboard box containing used notebooks and dull baby towels. The perpetrator then took IDR 2,550,000 and rode a motorbike to the package delivery location in Parepare City with his wife. After that, he closed access to the victim's Facebook account and online communication number via WhatsApp. The victim lost money in this case and reported this to the authorities at the police station in the Barru area. The police succeeded in arresting and investigating a case of online trade agreement fraud. They found evidence such as telephone cards, a gold Oppo cellphone, books, used baby blankets and Rp. 450,000. As a result, online buying and selling fraud occurred between the perpetrator NBH and victim F. This perpetrator was finally arrested by the police with the evidence taken (Kamran & Maskun, 2021).

2. Online fraud in 2016 in Sidrap Regency, South Sulawesi Province.

   Chronology: Cyber Crime Sub Directorate Special Criminal Investigation Directorate Polda Metro Jaya has arrested a group of internet fraudsters who used fake accounts at several well-known online shops in Indonesia. This group created fake accounts on domains such as olx.co.id, kaskus.co.id, bukalapak.com, and tokopedia.com, among others. According to the Director of Criminal Investigation at Polda Metro Jaya, this group of fraudsters operated using fake accounts in internet shops that sold cars, gemstones, watches, motorbikes and cellphones. Because the items ordered by the victim never existed, the fraud group took the money transferred by the victim and did not send it. During the operation, five people suspected of being guilty, H (34), AS (23), Z (49), R (33), and B (32), were arrested by law enforcement. In Sidrap, South Sulawesi, they were arrested. Apart from arresting the suspect, the police also confiscated a number of criminal evidence, such as a laptop, a Honda CRV car, a Honda Freed car and a Yamaha motorbike. Victims suffered a total loss of 10.1 billion rupiah (Setyowati, Putra, & Saputro, 2018).

Case Analysis

By carrying out buying and selling transactions via the internet, customers do not need to know personally about the condition of the products being sold. In addition, sellers can be punished according to the law in cases of fraud or violations. According to previous research, "E-commerce agreements carried out without face-to-face meetings are still considered legally valid and give rise to rights and obligations for the parties involved (Hanafi, 2019)."

Electronic sales and purchase agreements made without a meeting are still legally recognized and provide rights and obligations for the parties involved, regardless of the fact that the parties involved have never met and sometimes do not know each other. The 1320 BW agreement is
implemented by both parties as long as the agreement lasts, is not prohibited by law, and is not contrary to morality or public order. However, if fraud occurs when carrying out online transactions, there will be legal consequences, both civil and criminal.

Article 46 PP no. 71 of 2019 stipulates that: 1) "Electronic transactions can be carried out based on electronic contracts or other contractual forms as a form of agreement made by the parties"; 2) Electronic Contracts are considered valid if: a. There is an agreement between the parties; b. Carried out by competent legal subjects or those who have the authority to represent in line with statutory provisions; c. There are certain things; and D. Transaction objects do not

The first case in Barru Regency involving online buying and selling fraud via social media Facebook and WhatsApp shows that these transactions have become an e-commerce business. This increases the possibility of fraud. In the case of Barru Regency, legal problems arose because a seller and buyer carried out an online transaction and agreed on the type of goods and price. However, when the buyer asks for money to be sent, the seller commits fraud by sending goods that do not comply with the agreement, so that the buyer cannot use the goods. According to Article 45A paragraph (1) of the ITE Law, the Barru Regency police suspect that the perpetrator committed a criminal act of fraud which carries a maximum penalty of 6 years in prison and/or a fine of 1 billion rupiah (Saragih & Bagaskara, 2023). Apart from that, according to Article 378 of the Criminal Code, the perpetrator is also responsible for the crime of fraud which carries a maximum penalty of 4 years in prison and/or a fine of 1 billion rupiah.

In the second case, in Sidrap Regency, South Sulawesi Province, there was fraud in online buying and selling. The perpetrator used fake accounts on well-known online shop domains in Indonesia, such as olx.co.id, kaskus.co.id, bukalapak.com, and tokopedia.com, among others. This group of fraudsters created fake accounts with the names of well-known online shops in Indonesia; however, despite using well-known online stores, these fake accounts have well-designed systems to prevent fraud. As a result, there is a high probability that in these circumstances fraud will occur. Public trust in e-commerce companies or large markets in Indonesia has been damaged by fake accounts. In fact, because they have good systems, large markets are usually not susceptible to fraud.

According to Article 28 paragraph (1) of Law Number 11 of 2008 concerning Information and Electronic Transactions, and in accordance with Article 378 of the Criminal Code concerning Fraud, the perpetrator is suspected of committing an act of fraud (Fathurrachman & Setiawan, 2022). In addition, the perpetrators are suspected of violating the Money Laundering Crime Law (TPPU), which faces a prison sentence of more than fifteen years. Providing a deterrent effect on perpetrators is the aim of implementing these articles. Victims not only suffer material losses due to this fraud, but also tarnish the company's reputation. Therefore, customers' trust in the company has been reduced.

CONCLUSION

With the rapid growth and advancement in information technology, various aspects of human life have changed. This change immediately had an impact on the birth of the newest type of law. Currently, global economic growth and trade depend on information technology. Digital services make it easier to change a country's trading system that does not require direct transactions between sellers and buyers. This is the type of transaction we refer to as e-commerce. However, there is something about its ease that doesn't add up. UUPK and UUITE have not been implemented comprehensively to regulate electronic buying and selling transactions. Business actors' crimes against consumers do not stop. Many customers still lose their rights, especially in terms of legal protection and safety, when they become victims of errors in electronic transactions. Lack of consumer outreach and understanding is also a factor in obtaining legal protection from related bodies. It is hoped that with current technological advances, all business people and consumers, as well as related institutions, will become more aware of better legal protection for all parties.
E-commerce policies regulated by the ITE Law ensure that sellers, organizers and customers are safe and protected when carrying out business activities from electronic systems. Sellers create mutually agreed and maintained rules, as indicated in article 25 of the ITE Law, which stipulate the security of personal data between sellers and customers. Based on the literature study conducted, there are several alternative consumer dispute resolutions that can be taken, namely through non-litigation consumer dispute resolution, such as through non-governmental organizations such as the Indonesian Consumers Foundation (YLKI) which can facilitate negotiation and mediation between consumers and perpetrators. business, the General Department of Consumer Protection at the Department of Industry and Trade (Disperindag) which can act as a mediator, as well as the Consumer Dispute Resolution Agency (BPSK) which is a special institution established by the government to resolve consumer disputes outside of court through conciliation, mediation or arbitration. Apart from that, consumer dispute resolution can also be pursued through litigation through court proceedings, both district courts and special consumer courts, as well as by reporting to the authorities if there are allegations of criminal acts committed by business actors. Non-litigation resolution of consumer disputes is preferred because it is faster, more effective and efficient than through litigation in court, however, if non-litigation efforts are unsuccessful, consumers can take the litigation route to obtain legal protection and justice.

REFERENCE


