

Legal Protection For Cooperative Members in Standard Agreements On Digital Financial Services

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Abstract. This research aims to examine the Legal Protection for Cooperative Members in Standard Agreements on Digital Financial Services as well as the Legal Protection provided to Cooperative Members if there are problems with Digital Financial Services. The legal research method used by researchers is normative legal research. Normative legal research uses legal behavioral products, for example reviewing laws. The results of this research show that the legal protection provided to cooperative members regarding standard agreements is preventive legal protection, namely creating regulations in this case standard agreements and repressive legal protection aimed at resolving disputes arising from legal consequences. The legal remedies that can be taken are Litigation and Non-Litigation.

Keywords: Cooperatives, Digital Financial Services, Standard Agreement

INTRODUCTION

The Indonesian state is a legal state which is stated in the 1945 Constitution of the Republic of Indonesia in Article 1 Paragraph 3 as a state. Indonesian law also pays attention to the national economy. This is in the 1945 Constitution of the Republic of Indonesia in Article 33 Paragraph 1 "The economy is structured as joint efforts based on the principle of kinship". Economic activity is an effort to increase people's power and standard of living, because with increasing economic growth, people's needs will also be met. To meet the needs of society, employment opportunities are needed that can absorb every existing generation. Indonesia, as a country full of natural wealth, has not been able to maximize its existing potential. Communities are required to further develop the abilities or potential that exist within themselves and in their respective regions so that their needs can be met.¹

Cooperatives are a form of business entity that suits the personality of the Indonesian nation and should be developed as a business entity for the people's economic movement. In the beginning, cooperatives were groups of people at the lower economic level. Through the cooperative program they run, they both aim to improve their welfare.

¹Bachtiar Rifai, 2012, "Effectiveness of Empowering Micro, Small and Medium Enterprises (MSMEs)," Sosio Humaniora, Jakarta, p. 11.

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The internet has brought the world economy into a new phase which is more popularly known as digital economics. Its existence is marked by the increasingly widespread economic activities that utilize the internet as a communication medium. Trade, for example, increasingly relies on electronic commerce (e-commerce) as a transaction medium.² If it is related to the internet, technology, economic movements and digitalization, one of the things that is currently developing very rapidly and has become a rhythm in its movement is Digital Financial Services, where this is a new and special highlight at the moment.

Digital financial services are something that is very popular at the moment, both in the trade sector and in institutions that continue to support and want to develop themselves in line with and grow together with the progress of digital financial services which also continue to develop. In its own definition, Digital Financial Services are payment system service activities using mobile-based or web-based technology and third party services (agents) or in the definition in the Bank Indonesia Digital Financial Service Provider Guidelines, namely payment and financial system service activities carried out by PJP which carries out fund source administration activities in the form of issuing electronic money through collaboration with third parties and using mobile-based technology facilities and devices or other digital devices for the digital economy and inclusive finance.

However, unfortunately what happens to cooperatives which are still without the help of technology is that they still carry out their activities manually and this will of course often result in human error, of course this is very dangerous and not in accordance with the principles that the cooperative itself wants to carry out, namely, membership. is open. This is what makes the government, especially the KEMENKOP, continue to promote the digitalization of MSMEs, especially cooperatives, where the existence of cooperatives in Indonesia has quite a big influence on the economy of our nation and country. In terms of what is called digitalization of cooperatives, there are many things that need to be taken into account and considered in its implementation, whether from the cash book that will run with the system, remaining business results that are automatically recorded, online annual member meetings or even the cooperative itself having its own mobile banking for its members. and simplify transactions between members and help of course for members who are not familiar with the banking system in general. This is in line with Digital Financial Services which have begun to enter the realm of

²Richardus Eko Indrajit, *E-Commerce: Business Tips and Strategies in the Virtual World*, PT. Elex Media Komputindo, Jakarta, 2001, p. 33.

Cooperatives themselves, this really helps Cooperatives in transparency of savings or transactions between members or members to the Cooperative and vice versa.

The protection that should be given to cooperative members will of course be an agreement that helps the parties in establishing cooperation or carrying out their business activities, so in this case it is appropriate to have a standard agreement that will become an integral part of the business activities carried out to protect cooperative members. Currently, it is felt that this type of standard agreement is something new, just like technology in cooperatives. In terms of its implementation, cooperatives that are starting to use technology should also think about the impact of protection on their members.

RESEARCH METHODS

The type of legal research used by researchers is normative legal research. Normative legal research uses legal behavioral products, for example reviewing laws. The subject of the study is law which is conceptualized as norms or rules that apply in society and become a reference for everyone's behavior. So normative legal research focuses on positive law inventory, legal principles and doctrine, legal discovery in cases in concreto, legal systematics, level of synchronization, legal comparison and legal history.³

A problem approach is a method or way of conducting research. In Normative research there are 3 (three) approaches. Researchers can use more than one approach. The three approaches are as follows; Statutory Approach, Case Approach, Conceptual Approach.

RESEARCH RESULTS and DISCUSSION

A. Legal Protection For Cooperative Members In Standard Agreements Made In Digital Financial Services

In practice, an agreement or often called a contract is a promise or rights and obligations agreed upon by the parties. Agreements in the Civil Code are regulated in Book III concerning Engagements, where Article 1313 of the Civil Code provides the following formulation of "agreement": "An agreement is an act by which one or more people bind themselves to one or more people."

³Abdulkadir Muhammad, 2004, Law and Legal Research. Cet. 1. PT. Citra Aditya Bakti, Bandung, p. 52

We should know that apart from 1313 of the Civil Code, there are 4 (four) conditions that must be fulfilled for the general agreement to be valid as regulated in Article 13220 of the Civil Code, these conditions are:

- a. Those who bind themselves agree;
- b. The ability to make an agreement;
- c. A certain thing;
- d. A legitimate cause.

Conditions 1 and 2 are called subjective conditions, because they relate to the subject of contract making. The legal consequence of not fulfilling subjective conditions is that the contract can be cancelled, meaning whether it will be canceled or not is up to the parties concerned. Conditions 3 and 4 are called objective conditions, because they relate to the object of the contract. The legal consequence is that if the objective conditions are not met then the contract is null and void, meaning that the contract is deemed to have never existed from the start.

An agreement is a legal relationship that binds one or more legal subjects with obligations related to each other. Engagements created by law include, for example, the obligation of a father to provide for the children born to his wife.⁴

According to Abdul Kadir, an engagement is a legal relationship that occurs between one person and another person due to actions of events or circumstances.⁵ An agreement that arises from an agreement is indeed desired by two people or two parties who make an agreement, while an agreement that arises from a law is held by law beyond the ability of the parties concerned. When two people enter into an agreement, they intend that a legal agreement will apply between them.⁶

The relationship between an agreement and an agreement is that the agreement issues an obligation. The agreement is the source of the agreement, alongside other sources. A work agreement is called an agreement, because two parties agree to do something. It can be said that the two words (agreement and agreement) have the same meaning. Contractual engagement is narrower because it refers to a written agreement or agreement.⁷ So the Agreement is a very important source of an agreement, in addition to the parties binding themselves in an agreement. As stated in Article 1233 of the Civil Code, "every agreement is

⁴*Ibid*, Pp. 68.

⁵Abdul Kadir Muhammad, 2004, *Contract Law*, Alumni, Bandung, P.6.

⁶Subekti, 1994, *Contract Law*, Intermasa, Jakarta, Pg. 3.

⁷*Ibid*. p. 4.

born either because of agreement, or because of law". In this case, at the implementation stage, the parties who have agreed to an agreement and those promised must carry out what has been agreed.

In its definition, Standard Agreement ⁹ Based on the provisions of article 1 number 10 of Law Number 8 of 1999 concerning consumer protection (hereinafter referred to as UUPK), standard clauses are interpreted as every rule or provision and conditions that have been prepared and determined in advance unilaterally by the business actor. which is stated in a document and/or agreement that is binding and must be complied with by consumers. This means that the UUPK indicates that standard agreements are indeed "take it or leave it" offers from business actors to potential consumers. The purpose of a standard agreement is basically to meet practical and collective needs. This includes the definition of a standard agreement if a deed is made by a notary with clauses that only take over the clauses that have been standardized by one party, while the other party does not have the opportunity to negotiate or request changes to those clauses.⁸

The implementation of standard agreements is intended to facilitate transactions or buying and selling processes between business actors and consumers. However, the unilateral determination of clauses by business actors in these agreements has its own weaknesses, namely the loopholes for transferring responsibilities which conflict with consumers' basic rights, for example to obtain compensation. The need for legal protection to maintain the fulfillment of consumer rights in every standard agreement.

Legal protection is a form of manifestation of the law, the aim of which is to obtain justice, benefit and legal certainty. Legal protection aims to protect the rights of legal subjects, both preventive (prevention) and repressive (coercion) protection. Good legal norms are legal norms that can provide a sense of security to many people. Based on this, it is the protection of community rights in owning a piece of land. Law in its form, namely a rule, must provide protection to legal subjects, both preventively and repressively.⁹

As a means of preventive protection, this effort is to provide legal protection provided by the government in creating regulations, in this case standard agreements and protection for consumers, namely the Civil Code and the Consumer Protection Law, which are a means of preventive protection for the public in achieving this legal protection. In the Civil Code, if we

⁸Johannes Ibrahim Kosasih, 2019, Credit Access and Various Credit Facilities in Bank Credit Agreements, Sinar Graphics, Jakarta, p 77.

⁹Aris Prio Agus Santoso et al, 2022, "Civil Law Capita Selecta", Pustaka Baru Press, Yogyakarta, p. 79.

relate to agreements the preventive elements contained therein, namely to the meaning and conditions for the validity of an agreement, in Article 1313 regarding the definition of an agreement; "An act by which one or more people bind themselves to one or more other people" is very broad and incomplete. On the other hand, on the conditions for the validity of the 1320 agreement; a. there is an agreement; b. skills in making agreements; c. a certain thing; and D. a legitimate cause. So if we relate it to preventive protection means, it is quite clear that an agreement must occur and be agreed upon by parties who are competent in making and implementing an agreement for something promised and of course for a halal reason. However, in practice we relate it to a standard agreement, where the person making the contract is the provider or entrepreneur and it must be agreed upon by the other party who accepts the agreement for the implementation of a certain thing. This can be felt very much in terms of agreements that occur between the parties.

In other means of protection, namely repressive, the aim is to resolve disputes arising from legal consequences, in this case the regulation of sanctions from regulations regarding rules or regulations is also worth paying attention to in litigation or non-litigation dispute resolution. Dispute resolution through litigation is based on a lawsuit filed by one of the parties. However, non-litigation dispute resolution can be done in several ways, for example through negotiation, consolidation, mediation and arbitration.

B. Legal Efforts That Can Be Taken By Cooperative Members Against Problematic Digital Financial Services

Digital Financial Services (LKD) are payment and financial system service activities carried out in collaboration with third parties and using technological facilities and devices such as mobile and web-based devices in the framework of inclusive finance. This Digital Financial Service aims to develop inclusive finance in the community and to support the effective distribution of government funds (G2P) as well as expand access to limited payment and financial system services to the unbanked community, which is carried out not through physical bank offices but using technological means or third party services. . Digital Financial Services are considered very important because the territory of Indonesia itself is very large with a large population, but access to banking is mostly in city centers, so with the existence of LKD, it is hoped that banking can be reached as widely as possible, not only in rural areas but in all remote areas. The aim of Digital Financial Services includes providing financial services to an area that has previously been unreachable.¹⁰

¹⁰ *Ibid.* p. 2.

Some of the advantages of digital financial services include banking activities that can be done online, can be accessed anytime and anywhere 24 hours as long as they are connected to the internet network, better security with layered protection, easy transactions and transaction authorization, fast and practical because there are no you need to queue at the bank branch office, and of course the costs are more economical. Apart from that, there are several disadvantages of digital financial services, including being very dependent on the internet network to access services, even though it is supported by layered security, there are always irresponsible parties who try to steal personal data and even break into accounts, and can provoke customers to become uncontrolled in carry out financial transactions because of the convenience offered by digital financial services.¹¹

The Digital Financial Services system also has several weaknesses, the weaknesses of the Digital Financial Services system include:

- a. Lack of privacy
- b. All transaction information such as recipient data, balance amount and transaction time will be stored on the payment system database server used. This causes a lack of privacy in the e-payment system.
- c. Possible hacker-payment attacks.
- d. Seeing the increasing development of technology today, criminals are also switching to attacking digital systems. If you don't choose e-payment that has good security, the chances of hackers attacking you will be even greater.
- e. Requires internet access
- f. E-payment users need an internet connection to make online payments. Without internet, users cannot make payments using this e-payment system.
- g. Lack of literacy regarding digital financial services.

Due to the weaknesses of Digital Financial Services which will later have a negative impact on Cooperative Members, Koperadi Members can take legal action to resolve disputes. Broadly speaking, there are two models of dispute resolution, namely litigation and non-litigation. These two types of dispute resolution models are an anticipation when a dispute cannot be resolved with just one resolution model.

Litigation legal efforts are the preparation and presentation of each case, including providing comprehensive information as well as the process and cooperation to identify problems and avoid unexpected problems. Meanwhile, the litigation route is the resolution of

¹¹ *Ibid.* p. 17

legal problems through the courts.¹²The non-litigation route means resolving legal issues outside of court. This non-litigation route is known as Alternative Dispute Resolution. Settlement of cases outside of court is recognized in Indonesian laws and regulations.

Legal action is an effort provided by law for a person or legal entity in certain cases to oppose a judge's decision as a place for parties who are dissatisfied with a judge's decision which is deemed not to fulfill a sense of justice, and is not in accordance with what is desired, because the judge is also a human being who can accidentally make mistakes which can lead to making wrong decisions or taking sides with one party.

If there are problems with Digital Financial Services, Cooperative Members can take Litigation or dispute resolution in court which is basically divided into two parts, namely ¹³ Ordinary Legal Remedies and Extraordinary Legal Remedies. Ordinary Legal Remedies Are legal remedies used for decisions that do not yet have permanent legal force. These remedies include: Legal Remedies for Resistance (Verzet), Legal Remedies for Appeal, Legal Remedies for Cassation. Meanwhile, Extraordinary Legal Remedies include; Third party resistance (derden verzet) against executorial confiscation, judicial review (civil request). Meanwhile, for non-litigation legal efforts, members can take legal action through:

a. Arbitrage

¹⁰ Based on Article 1 paragraph (1) of Law Number 30 of 1999 concerning Arbitration and ² Alternative Dispute Resolution, arbitration is a method of resolving civil disputes outside the general court which is based on an arbitration agreement made in writing by the parties to the dispute, if it is related to the dispute. technology-based money transactions, then dispute resolution can only be resolved through arbitration if the parties have agreed to resolve it through arbitration which is made in the form of an agreement, or stated in the parties' electronic document agreement.

b. Negotiation

Negotiation is one way of resolving disputes outside of court involving the disputing parties. This means that parties who are not related to the dispute cannot involve themselves in negotiations.

¹²Transparency News Editorial, Difference between Litigation and Non-Litigation, <https://www.beritatransparansi.com/difference-litigation-and-non-litigation/>, accessed on Thursday 1 March 2024

c. Mediation

Dispute resolution through mediation, namely resolving disputes outside of court by inviting a third party as a mediator.

CONCLUSION

1. Legal protection for cooperative members in standard agreements made in digital financial services is through an understanding regarding the agreement agreed between the parties, both cooperative members and the cooperative management itself. Preventive protectionIt is very important to have a clear and effective legal framework to ensure that standard agreements are fair and protect the interests of cooperative members. Stronger regulations are needed to address these challenges, while promoting greater transparency, fairness and consumer protection. Besides that, Another protection, namely repressive, aims to resolve disputes arising from legal consequences, in this case the regulation of sanctions from regulations regarding rules or regulations is also worth paying attention to in litigation and non-litigation dispute resolution.
2. Possible legal remediescarried out by cooperative members regarding problematic digital financial services is that cooperative members have the right to protect their interests in situations where the digital financial services they use are problematic, such as misuse of funds or violation of agreements. In this case, legal remedies that can be taken include defending against breach of contract, civil lawsuits for losses incurred, or submitting a report to the authorized regulatory body. The importance of understanding the legal regulations and procedures that apply in the context of digital financial services, including the rights and obligations of cooperative members, as well as available dispute resolution procedures.

RECOMMENDATION

1. In the context of legal protection for cooperative members in standard agreements in digital financial services, namely strengthening regulations by encouraging the government and regulators to strengthen regulations that ensure adequate legal protection for cooperative members in standard agreements with digital financial services.
2. It can also be hoped that there will be collaboration between cooperative members, consumer organizations and legal institutions to advocate for the interests of cooperative members and fight for better legal protection. Through this collaboration, cooperative members can have a stronger voice in fighting for their rights.

3. The importance of access to a fair and efficient justice system and the need for better legal understanding for cooperative members in dealing with problems with digital financial services.

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- ⁶Bank Indonesia Circular Letter No. 18/22/DKSP regarding the Implementation of Digital Financial Services.

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