

REGULATION OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA

NUMBER 80 OF 2019

ON

TRADE THROUGH ELECTRONIC SYSTEM

BY THE BLESSINGS OF ALMIGHTY GOD

PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering : that to implement the provisions of Article 66 of Law Number 7 of 2014 on Trade, it is necessary to issue a Government Regulation on Trade Through Electronic System;

Observing : 1. Article 5 section (2) of the 1945 Constitution of the Republic of the Republic Indonesia.  
2. Law Number 7 of 2014 on Trade (State Gazette of the Republic of Indonesia of 2014 Number 45, Supplement to the State Gazette of the Republic of Indonesia Number 5512);

HAS DECIDED:

To issue: GOVERNMENT REGULATION ON TRADE THROUGH ELECTRONIC SYSTEM.

CHAPTER I  
GENERAL PROVISIONS

Article 1

In this Government Regulation:

1. Trade means an order of activities related to domestic and cross-border transactions of Goods and/or Services with the objective to transfer the right to Goods and/or Services to gain a fee or compensation.
2. Trade Through Electronic System (*Perdagangan Melalui Sistem Elektronik*), hereinafter abbreviated to as PMSE, means a Trade of which the transactions are carried out through a set of electronic devices and procedures.
3. Electronic System means a set of electronic devices and procedures which function to prepare, collect, process, analyze, save, display, announce, send and/or disseminate electronic information.
4. Electronic Contract means any agreement between the parties made through an Electronic System.
5. Electronic Communication means any communication used in PMSE in the form of a statement, declaration, request, notification or application, confirmation, offer or acceptance of an offer, which contains the agreement of the contracting parties to establish or implement an agreement.
6. Business Actor of Trade Through Electronic System, hereinafter referred to as Business Actor, means any individual or business entity in the form of a legal entity or non-legal entity which may be Domestic Business Actor and Foreign Business Actor and conducts business activities in the PMSE sector.
7. Domestic Business Actors means Indonesian citizens or business entities that are established and are located in the jurisdiction of the Unitary State of the Republic of Indonesia, carrying out business activities in the PMSE sector.
8. Foreign Business Actors Located Abroad, hereinafter referred to as Foreign Business Actors, means foreign

citizens or business entities which are incorporated and located outside the jurisdiction of the Unitary State of the Republic of Indonesia conducting business activities in the PMSE sector within the territory of the Republic of Indonesia.

9. Individual means an individual selling Goods and/or Services on a temporary basis and not for commercial purposes.
10. Merchant means any Business Actor conducting PMSE either by means that are created and managed directly or through facilities owned by PPMSE, or other Electronic Systems that provide PMSE facilities.
11. Trade Through Electronic System Provider (*Penyelenggara Perdagangan Melalui Sistem Elektronik*), hereinafter abbreviated to as PPMSE, means Business Actor providing Electronic Communication facilities used for Trade transactions.
12. Intermediary Service Providers means Domestic Business Actors or Foreign Business Actors that provide Electronic Communication facilities other than telecommunications operators which only function as intermediaries in Electronic Communications between the senders and receivers.
13. Electronic Advertisement means information for commercial purposes on Goods and/or Services through Electronic Communications that are published and distributed to certain parties, whether paid or unpaid.
14. Electronic Offering means an act of offering through Electronic Communication from a Business Actor to another party.
15. Electronic Acceptance means an act of consciously accepting and affirming the terms and conditions submitted in the Electronic Offering, whether conducted online or off-line.
16. Electronic Confirmation means a process and provision of an opportunity for a purchaser or user to consciously provide confirmation to approve or disapprove of an

Electronic Contract in accordance with the technical mechanism and substance of the terms and conditions in an Electronic Offering, before an Electronic Contract is declared valid.

17. Consumer means any person using available Goods and/or Services in the community, either for the benefit of their own, their families, other people or other living creatures and not to be traded.
18. Goods mean any objects, either tangible or intangible, movable or immovable, consumable or non-consumable, and can be traded, used, consumed, or utilized by Consumers or Business Actors.
19. Digital Goods means any intangible Goods in the form of electronic or digital information including Goods being the result of conversion or transformation or Goods that are originally in electronic form, including but not limited to software, multimedia, and/or electronic data.
20. Service means any service and performance in the form of job or product achieved that is traded by one party to another in the community for utilization by Consumers or Business Actors.
21. Digital Services means services which are delivered over the internet or electronic networks, automatic in nature or involving minimal human intervention, and impossible to ensure in the absence of information technology, including but not limited to software-based services.
22. Minister means the minister administering government affairs in the field of Trade.

## CHAPTER II

### SCOPE OF REGULATION AND PRINCIPLE OF TRADE THROUGH ELECTRONIC SYSTEM

#### Article 2

The scope of regulation of Trade Through Electronic System includes:

- a. parties in PMSE;

- b. requirements of PMSE;
- c. implementations of PMSE;
- d. obligations of Business Actors;
- e. proof of PMSE transactions;
- f. Electronic Advertisement;
- g. Electronic Offering, Electronic Acceptance, and Electronic Confirmations;
- h. Electronic Contracts;
- i. personal data protection;
- j. payment in PMSE;
- k. delivery of Goods and Services in the PMSE;
- l. exchange of Goods or Services and cancellation of purchases in the PMSE;
- m. dispute settlement in the PMSE; and
- n. guidance and supervision.

### Article 3

In conducting PMSE, the parties must take into account the principles of:

- a. good faith;
- b. prudence;
- c. transparency;
- d. trustworthiness;
- e. accountability;
- f. balance; and
- g. being fair and healthy.

## CHAPTER III

### PARTIES IN TRADE THROUGH ELECTRONIC SYSTEM

#### Article 4

- (1) PMSE may be conducted by Business Actors, Consumers, Individuals, and state institution in accordance with the provisions of legislation, hereinafter referred to as the parties.
- (2) PMSE is a private legal relationship that may be carried out between:

- a. Business Actor and Business Actor;
- b. Business Actor and Consumer;
- c. Individual and Individual, in accordance with the provisions of legislation; and
- d. State institution and Business Actor, in accordance with provisions of legislation.

#### Article 5

Business Actors in PMSE include:

- a. Domestic Business Actors, covering:
  1. Domestic Merchants;
  2. Domestic PPMSE; and
  3. Domestic Intermediary Service Providers;
- b. Foreign Business Actors, covering:
  1. Foreign Merchants;
  2. Foreign PPMSE; and
  3. Foreign Intermediary Service Providers.

#### Article 6

Domestic Business Actors are in the form of:

- a. Domestic Merchants in the form of individuals or business entities.
- b. Domestic PPMSE in the form of individuals, business entities, communities or state institution.
- c. domestic Intermediary Service Provider in the form of an individual or business entity.

#### Article 7

- (1) Any Foreign Business Actors that actively offer and/or conduct PMSE to Consumers located in the jurisdiction of the Unitary State of the Republic of Indonesia and fulfilling certain criteria are deemed already fulfilling a physical presence in Indonesia and carrying out business activities permanently in the jurisdiction of the Unitary State of the Republic of Indonesia.
- (2) Certain criteria as referred to in section (1) may be in the form of:

- a. number of transactions;
  - b. transaction value;
  - c. number of delivery packages; and/or
  - d. number of traffic or visitors.
- (3) Any foreign PPMSE fulfilling the criteria as referred to in section (2) is obligated to appoint a representative located in the jurisdiction of the Unitary State of the Republic of Indonesia that are eligible to act as and on behalf of the relevant Business Actor.
  - (4) The provisions on the appointment of representatives are implemented in accordance with the provisions of legislation.
  - (5) Further provisions regarding certain criteria as referred to in section (1) are regulated in a Ministerial Regulation.

#### Article 8

Toward PMSE business activities, tax regulation and mechanism apply in accordance with provisions of legislation.

### CHAPTER IV

#### REQUIREMENTS OF TRADE THROUGH ELECTRONIC SYSTEM

#### Article 9

- (1) The parties in PMSE must own, mention, or inform the identity of the legal subject clearly.
- (2) Every cross-border PMSE is obligated to comply with the legislation on export or import and the legislation on electronic information and transactions.

#### Article 10

- (1) Any parties conducting PMSE on Goods and/or Services that have an impact on the national security vulnerabilities must obtain security clearance from the authorized agency.
- (2) The type of Goods and/or Services as referred to in section (1) is in accordance with the provisions of the legislation.
- (3) The procedure for obtaining security clearance is

implemented in accordance with the provisions of legislation.

#### Article 11

Any Business Actor conducting PMSE is obligated to fulfill the general requirements in accordance with the provisions of legislation.

#### Article 12

- (1) In conducting PMSE, the Business Actors are obligated to provide assistance to the Government programs, including:
  - a. prioritizing the trade of domestically produced Goods and/or Services;
  - b. increasing the competitiveness of domestically produced Goods and/or Services; and
  - c. Domestic PPMSE is obligated to provide facilities for promoting domestically produced Goods and/or Services.
- (2) Further provisions as referred to in section (1) are regulated in a Ministerial Regulation.

#### Article 13

- (1) In every PMSE, the Business Actors are obligated to:
  - a. provide valid, clear and truthful information on the identity of legal subjects supported with valid data or documents;
  - b. provide valid, clear, and truthful information on the conditions and guarantees of traded Goods and/or Services including Electronic Systems that are used according to the characteristics of their functions and roles in the transaction; and
  - c. comply with the requirements of advertising ethics in accordance with the provisions of legislation.
- (2) The valid, clear, and truthful information as referred to in section (1) point a and point b is at least on:
  - a. the validity and accuracy of information;
  - b. conformity between information within advertisements

- and the physical form of Goods;
- c. feasibility for consumption of Goods or Services;
- d. legality of Goods or Services; and
- e. quality, price, and accessibility of Goods or Services.

#### Article 14

Any Domestic PPMSE and/or foreign PPMSE are obligated to use an Electronic System that has the Electronic System feasibility certificate in accordance with the provisions of legislation.

### CHAPTER V IMPLEMENTATION OF TRADE THROUGH ELECTRONIC SYSTEM

#### Article 15

- (1) Any Business Actors are obligated to have a business license to carry out PMSE business activities.
- (2) The Intermediary Service Provider is exempted from the obligation to have a business license as referred to in section (1) if it is:
  - a. not a direct beneficiary from the transaction; or
  - b. not directly involved in the contractual relationship of the parties conducting the PMSE.
- (3) In order to provide facilitation to any Business Actors to obtain a business license as referred to in section (1), the application for a business license is made through Online Single Submission in accordance with the provisions of legislation.
- (4) Further provisions regarding Online Single Submission as referred to in section (3) for PPMSE refer to the norms, standards, procedures and criteria regulated in a Ministerial Regulation.

#### Article 16

- (1) In conducting PMSE, the domestic Merchants use the following facilities:

- a. their own PMSE;
  - b. domestic PPMSE; and/or
  - c. foreign PPMSE.
- (2) In conducting PMSE with Consumers located in Indonesia, the foreign Merchants use the following facilities:
- a. their own PMSE;
  - b. domestic PPMSE; and/or
  - c. foreign PPMSE.

#### Article 17

- (1) Domestic PPMSE and/or foreign PPMSE are prohibited from accepting domestic Merchants and foreign Merchants that fail to comply with the requirements and provisions as regulated in the Indonesian legislation.
- (2) Any Domestic PPMSE and/or foreign PPMSE that makes transaction with Consumers are obligated to comply with the provisions of Indonesian legislation.

#### Article 18

- (1) In the event that PMSE harms Consumers, then the Consumers may file a complaint on the losses suffered to the Minister.
- (2) Any Business Actors being the object of the complaint by the harmed Consumers must resolve the complaint as referred to in section (1).
- (3) Any Business actors failing to resolve the complaint as referred to in section (2) are listed in the priority watch list by the Minister.
- (4) The priority watch list as referred to in section (3) is accessible to the public.
- (5) Further provisions regarding the supervision priority record are regulated in a Ministerial Regulation.

#### Article 19

The Minister may strive to exclude Business Actors from the priority watch list if:

- a. there is report on Consumer's satisfaction;

- b. there is evidence of proper application of Consumers protection; or
- c. they have fulfilled the requirements and provisions as regulated in the legislation.

CHAPTER VI  
OBLIGATIONS OF TRADE THROUGH ELECTRONIC SYSTEM  
BUSINESS ACTORS

Article 20

Any domestic Merchants and foreign Merchants carrying out PMSE using facilities owned by domestic PPMSE and/or foreign PPMSE are obligated to meet terms and conditions of PPMSE according to agreed service quality standards and provisions of legislation.

Article 21

- (1) Any domestic PPMSE and/or foreign PPMSE are obligated to:
  - a. give priority to the use of Indonesian high level domain names (dot id) for Electronic Systems in the form of internet sites;
  - b. give priority to the use of Internet Protocol addresses (IP Address) in accordance with the provisions of legislation;
  - c. use server devices placed in the data center in accordance with the provisions of legislation;
  - d. carry out the registration of Electronic Systems in accordance with provisions of legislation;
  - e. comply with the technical requirements stipulated by the relevant institutions and obtain Reliability Certificate in accordance with the provisions of legislation;
  - f. submit data and/or information periodically to the government agency administering government affairs within the field of statistics; and
  - g. comply with the provisions of legislation on other

related sectors to PMSE business activity licensing.

- (2) In carrying out data and/or information collection and processing as referred to in section (1) point f, the government agency cooperates with ministries/non-ministerial government agencies, and/or related authorities in accordance with the provisions of legislation.
- (3) The government agency administering government affairs in the field of statistics shares the use of data and/or information as referred to in section (2) with ministries/non-ministerial government agencies, related authorities, and/or local governments by referring to the provisions on the mechanism for sharing the use of data and/or information.
- (4) Further provisions regarding the submission of data and/or information as referred to in section (1) point f, collection and processing of data and/or information as referred to in section (2), as well as the mechanism for sharing the use of data and/or information as referred to in section (3) are regulated in the regulation of the head of government agency administering affairs in the field of statistics.

#### Article 22

- (1) If illegal electronic information content is in PMSE, then the domestic PPMSE and/or foreign PPMSE as well as the Intermediary Service Providers are responsible for the impact or legal consequences resulting from the existence of the illegal electronic information content.
- (2) The provisions as referred to in section (1) are not applicable if the relevant domestic PPMSE and/or foreign PPMSE act quickly to delete electronic links and/or illegal electronic information content after being notified or aware.
- (3) The provisions as referred to in section (1) are exempted for any Intermediary Service Providers that:
  - a. in the context of work as a party only forward the search for information (mere conduit), namely:
    1. not initiating a transmission;
    2. not conducting selection in acceptance; and

3. not making modifications to the transmitted information.
- b. in the context of work as a party only stores information temporarily for the sole purpose of streamlining communication (caching), namely:
1. not making any modifications to the information;
  2. complying with the terms and conditions for accessing the information;
  3. complying with regulations on updating information according to the provisions widely acknowledged and used by the industry;
  4. not interfering with the use of illegal technology, which is widely acknowledged and used by the industry to obtain data on the use of the information; and
  5. acting quickly to delete or deactivate access to stored information after obtaining actual knowledge on the fact that the information at the original source of the transmission was removed from the network, or its access has been disabled, or that a court or an authorized agency has ordered a deletion or deactivation.
- c. in the context of work as a party providing space to place, upload, or save information (hosting), namely:
1. having no actual knowledge on illegal act or information that is against the law and in the event of a claim or lawsuit for damage or loss, the provider is not notified or aware about the fact that such act or information is illegal; or
  2. after the relevant provider is notified or aware that there is a fact that an act or information is illegal, the Intermediary Service Provider acts quickly to delete or deactivate the access to the information.
- d. in the context of work as an engine for providing, searching, and tracing information (searching engine).
- (4) Intermediary Service Providers providing interactive

computer services are not responsible and cannot be subjected to lawsuit or claim for their acts in restricting or removing access to the content if:

- a. Such act is a voluntary act carried out in good faith to restrict the access or availability of material deemed by the user or provider to be in the scope of illegal electronic information content, without obligation to test its protection legally; or
- b. the act is taken to restrict public access, to deactivate, or make it unavailable for access whether by the information content provider based on its own analysis or by other parties.

#### Article 23

To avoid or respond to the existence of illegal electronic information content, the domestic PPMSE and/or foreign PPMSE are obligated to:

- a. provide the terms of use or license agreement to its users to utilize it in accordance with the provisions of legislation; and
- b. provide technological control facilities and/or means for receiving public reports or complaints about the existence of illegal electronic information content or misuse of space in the Electronic Systems under their managements in accordance with the provisions of legislation.

#### Article 24

- (1) The Domestic PPMSE and/or foreign PPMSE are obligated to maintain a safe, reliable and responsible Electronic System, and as well as build trust in their systems for the public.
- (2) The domestic PPMSE and/or foreign PPMSE are obligated to provide Electronic System security that encompasses procedures and systems for the prevention and management of threats and attacks that cause disruption, failure and loss.
- (3) The Electronic System security may encompass security on

the side of computer system owned by domestic PPMSE and/or foreign PPMSE as well as on the side of the communication channels used and implemented by other parties.

#### Article 25

- (1) The domestic PPMSE and/or foreign PPMSE are obligated to save:
  - a. PMSE data and information related to financial transactions for a minimum period of 10 (ten) years as of the date of obtaining the data and information; and
  - b. PMSE data and information that is not related to financial transactions within a minimum period of 5 (five) years since the date of obtaining the data and information are obtained.
- (2) The data and information as referred to in section (1) point b are at least on:
  - a. customer;
  - b. Electronic Offering and Electronic Acceptance;
  - c. Electronic Confirmation;
  - d. payment confirmation;
  - e. Goods delivery status;
  - f. Trade complaints and disputes;
  - g. Electronic Contracts; and
  - h. Types of traded Goods and/or Services.

#### Article 26

The Business Actors are obligated to:

- a. protect Consumer rights in accordance with the provisions of legislation on Consumer protection; and
- b. comply with the provisions of legislation in the sector of business competition.

#### Article 27

- (1) The Business Actors are obligated to provide complaint services for Consumers.

- (2) The complaint service as referred to in section (1) at least includes:
  - a. address and contact number of the complaint service;
  - b. Consumer complaint procedure;
  - c. complaint follow-up mechanism;
  - d. competent officers to process complaint services; and
  - e. the timeframe for complaint resolution.

## CHAPTER VII

### PROOF OF TRADE THROUGH ELECTRONIC SYSTEM TRANSACTIONS

#### Article 28

- (1) The domestic PPMSE and/or foreign PPMSE are obligated to provide and keep valid proof of PMSE transaction.
- (2) The proof of PMSE transactions as referred to in section (1) are valid forms of evidence and bind the parties in accordance with the provisions of legislation.
- (3) The proof of PMSE transactions are declared valid if using an Electronic System in accordance with the provisions regulated in the legislation in the field of electronic information and transactions.
- (4) The provisions as referred to in section (2) are not applicable for:
  - a. proof of PMSE transactions which according to the Law must be made in written form; and
  - b. proof of PMSE transactions which according to the Law must be made in the form of notarial deed or deeds drawn up by the competent official.

#### Article 29

- (1) The proof of PMSE transactions may be used as other evidence in procedural law and the submission of its electronic form as evidence in court cannot be rejected just because of its electronic form.
- (2) The proof of PMSE transactions may be used as authentic written evidence if it bears an electronic signature

supported by a trusted electronic certificate in accordance with the provisions of legislation.

Article 30

- (1) In the event that the provisions of legislation under the Law require that an agreement must be made in a written form on paper media, then this requirement is deemed fulfilled by the existence of proof of PMSE transaction, provided that the proof of PMSE transaction can be kept, accessed and re-presented for the next use so that the substance validly describes a certain legal situation or event.
- (2) In the event that the provisions of legislation under the Law require that an agreement must be kept in original form based on inscription on paper media, then this requirement is deemed fulfilled by the existence of proof of PMSE transaction, if:
  - a. there is certain method or technique that is able to explain that the wholeness and integrity of the proof of the PMSE transaction is guaranteed, from the first time the information is made to its final form, or vice versa, thereby able to warrant that there is no unduly change in what is kept or re-presented; or
  - b. there is a request to re-present the availability of the proof of PMSE transaction, then the proof of PMSE transaction must be re-presented to the party according to the technical agreement already agreed by the parties.
- (3) In the event that any provisions of legislation under the Law require that an agreement must be affixed with a wet signature by ink in writing on paper, then this requirement must be deemed fulfilled by the existence of the proof of PMSE transaction, if:
  - a. there is a method that can be used to identify the identity of the legal subject and indicate the intention of the agreement from the parties towards transactions carried out through the Electronic Communication system; and

- b. the method used as referred to in point a must at least:
  1. have its reliability to be trustworthy in accordance with propriety in the context of the objective of its use, including the relevant agreement with such matter; and
  2. be proven factually whether by the existence of the method itself or the conformity/relevance of other related evidence.

#### Article 31

Proof of PMSE transaction may be used to facilitate cross-border electronic transactions as long as it uses the system and authority of the relevant competent institutions in accordance with the provisions of legislation.

### CHAPTER VIII ELECTRONIC ADVERTISEMENT

#### Article 32

- (1) The Business Actors may create and/or deliver Electronic Advertisement for marketing or promotion purposes.
- (2) The Electronic Advertisement may be in the form of:
  - a. text;
  - b. audio;
  - c. image; or
  - d. video

which are created and disseminated to the public through various electronic media and/or Electronic Communication channels.

#### Article 33

- (1) The Electronic Advertisement may be delivered directly by domestic Merchants and/or foreign Merchants or through domestic PPMSE and/or foreign PPMSE as the third party providing Electronic Communications.
- (2) In the event that the Electronic Advertisement is delivered

through domestic PPMSE and/or foreign PPMSE, then domestic PPMSE and/or foreign PPMSE are obligated to comply with the provisions of legislation in the field of broadcasting, protection of privacy and personal data, Consumer protection, and not conflict with the principles of fair business competition.

#### Article 34

- (1) The substance or material of Electronic Advertisement is prohibited from contradicting to the Consumers' right and/or the principles of fair business competition in accordance with the provisions of legislation.
- (2) Any Business actors violating the provisions as referred to in section (1) are obligated to terminate the advertising of such Goods and/or Services.
- (3) In the event of Any Business Actors that do not stop advertising Goods and/or Services as referred to in section (2), their offering and promotional activities are terminated by the authorized institution.

#### Article 35

Any party creating, providing facilities of, and/or distributing Electronic Advertisement are obligated to ensure that the substance or material of Electronic Advertisement delivered is not contradictory to the provisions of legislation and is responsible for the substance or material of Electronic Advertisement.

#### Article 36

Further provisions regarding Electronic Advertisement are set forth in a Ministerial Regulation.

CHAPTER IX  
ELECTRONIC OFFERING, ELECTRONIC ACCEPTANCE, AND  
ELECTRONIC CONFIRMATION

Article 37

The Business Actors conducting Electronic Offering to other parties must be made in good faith.

Article 38

- (1) Electronic Offering on the PMSE can be made publicly or on limited basis.
- (2) Electronic Offering as referred to in section (1) is conducted in accordance with the provisions of legislation.

Article 39

- (1) Electronic Offering must contain at least the following information:
  - a. specifications of Goods and/or Services;
  - b. the price of offered Goods and/or Services;
  - c. conditions in the agreement;
  - d. payment mechanism and system as well as payment grace period;
  - e. the mechanism and system for the delivery of Goods and/or Services;
  - f. unexpected risks and conditions; and
  - g. disclaimers in the event of unexpected risks.
- (2) The Electronic Offering is valid and has binding legal force if there is a clear and specific statement of intent or desire in the offering as well as terms and conditions by an honest, just and fair offering, and certain time restrictions.
- (3) The Party making Electronic Offering must explain the technical mechanism and the substance of the terms and conditions for granting electronic approval.
- (4) Business actors remain responsible for Electronic Offering contained in Electronic Systems despite the failure to fulfill the provisions as referred to in section (2).

Article 40

Electronic Offering is declared as accepted if the receiving party has made Electronic Acceptance of the terms and conditions contained in the Electronic Offering.

Article 41

An Electronic Offering can be irrevocable if an Electronic Acceptance toward the offering has been performed by another party, unless the party receiving the offering also agrees upon the cancellation of the Electronic Offering.

Article 42

In the event that the Electronic Acceptance is unknown, not received, or unable to reach the Electronic System of the party providing the offer due to unforeseeable error to the electronic system, then the Electronic Acceptance is considered never occurring, unless the parties agree otherwise.

Article 43

Electronic Offering of Goods and/or Services in PMSE may be made by:

- a. registered mail;
- b. e-mail,
- c. online site;
- d. electronic media; or
- e. other Electronic Communication channels.

Article 44

- (1) The agreement is considered occurred legally and binding if the Electronic Acceptance is in accordance with the technical mechanism and substance of the terms and conditions in the Electronic Offering.
- (2) In the event of discrepancy between the Electronic Acceptance and Electronic Offering, then the parties are considered to not have yet reached an agreement.

Article 45

- (1) In providing reply to an Electronic Offering, the recipient of the offering must be responsive and follow the procedures for acceptance as set forth in the terms and conditions in the Electronic Offering.
- (2) In the event that the recipient of the offering is not responsive and fails to follow the procedure for acceptance as referred to in section (1), then an Electronic Contract may be deemed never occurring.
- (3) In the event of a Consumer's negligence to be responsive, all kinds of losses as the consequence of failure to enter into Electronic Contract become the full responsibility of the Consumer.
- (4) Any Business Actors making Electronic Offering must be responsive to Electronic Acceptance, and are obligated to fulfill the Electronic Contract as referred to in the terms and conditions in the Electronic Offering.

Article 46

- (1) The Electronic Acceptance from the Consumer is responded by Business Actors within a certain period of time.
- (2) The response as referred to in section (1) must be in the form of an Electronic Confirmation and/or non-electronic confirmation that can be kept and used as proof of agreement.
- (3) Electronic Confirmation may be carried out through the act of identifying, correcting or modifying the data entry or purchase order form, or providing a statement on having already obtained sufficient information and/or clearly notifying the intention to purchase.
- (4) The content of Electronic Confirmation must be consistent with the Electronic Offering information.

Article 47

- (1) An Electronic Contract may be made from the result of interaction with an automatic transaction device operated by a Business Actor.

- (2) Parties cannot deny the validity of Electronic Contracts that are automatically made, unless it can be proven that the automatic system fails to run properly.
- (3) In the event that a Business Actor uses automatic translation software, all losses arising from the use of the automatic translation software become the responsibility of the Business Actor.

#### Article 48

- (1) Domestic PPMSE and/or foreign PPMSE may use encryption/cryptographic products in the PMSE.
- (2) The use of any encryption/cryptographic products in the security system must comply with the provisions of legislation.

#### Article 49

- (1) Domestic PPMSE and/or foreign PPMSE may use a certified electronic signature proven by the ownership of the electronic certificate.
- (2) In the use of electronic signatures as referred to in section (1), the domestic PPMSE and/or foreign PPMSE may use electronic certificates issued by the hosted electronic certification provider by using the electronic signature of the root certification authority issued by the Government.
- (3) The proof of transaction using a certified electronic signature through an electronic certificate issued by a certified or hosted electronic certification provider can be considered as authentic written evidence.

### CHAPTER X ELECTRONIC CONTRACT

#### Article 50

PMSE may adopt Electronic Contract mechanism or other contractual mechanisms as the manifestation of the agreement of the parties.

Article 51

- (1) Electronic Contract may be in the form of sale and purchase agreement/contract or license agreement/contract.
- (2) The license agreement/contract as referred to in section (1), includes:
  - a. end user license agreement/contract;
  - b. amendment to, development of, or modification of license agreement/contract;
  - c. public license agreement/contract;
  - d. creative common license agreement /contract;
  - e. relicensing agreement/contract.

Article 52

The Electronic Contract is valid and binding the parties if:

- a. it is in accordance with the terms and conditions in the Electronic Offering;
- b. the information contained in the Electronic Contract is in accordance with the information contained in the Electronic Offering;
- c. there is an agreement between the parties, namely the terms and conditions of the offering sent by the offering party that are accepted and approved by the receiving party;
- d. it is carried out by capable legal subject or authorized representative in accordance with the provisions of legislation;
- e. it contains certain matters; and
- f. the object of the transaction is prohibited to be contradictory with provisions of legislation, norms and public order.

Article 53

- (1) Information in the Electronic Contract must conform with the offering and contain at least:
  - a. identity of the parties;
  - b. specifications of Goods and/or Services agreed upon;

- c. legality of Goods and/or Services;
  - d. Trade transaction value;
  - e. payment terms and timeframe;
  - f. operational procedures for the delivery of Goods and/or Services;
  - g. procedures for returning Goods and/or Services in the event of discrepancy between the Goods and/or Services received and promised;
  - h. procedures in the event of a cancellation by the parties; and
  - i. choice of law for PMSE dispute settlement.
- (2) Electronic Contracts are prohibited from containing standard clauses that harm the Consumers as regulated in the Law on Consumer Protection.

#### Article 54

Electronic Contracts may use an electronic signature as a sign of agreement of the contracting parties in accordance with the provisions of legislation.

#### Article 55

Any Electronic Contracts addressed to Indonesian Consumers must use bahasa Indonesia.

#### Article 56

The Business Actors are obligated to make available Electronic Contracts that can be downloaded and/or saved by Consumers.

#### Article 57

- (1) Electronic Contracts are deemed automatically null and void by law in the event of technical errors due to unsafe, unreliable and irresponsible Electronic Systems.
- (2) In the event of technical error as referred to in section (1), the receiving party is obligated to return the Goods and/or Services already delivered and received.
- (3) Any losses due to technical errors as referred to in section (1) become the sole responsibility of the Business Actor.

CHAPTER XI  
PERSONAL DATA PROTECTION

Article 58

- (1) Any personal data are treated as the personal property of the relevant party or Business Actor.
- (2) Any Business Actors obtaining personal data as referred to in section (1) are obligated to act as the trustee in storing and controlling personal data in accordance with the provisions of legislation.

Article 59

- (1) The Business Actors are obligated to store personal data in accordance with the standards of personal data protection or prevalence of the developing business practices.
- (2) The personal data protection standard or prevalence as referred to in section (1) at least fulfills the protection principles:
  - a. personal data must be gained truthfully and legally from the relevant owner of the personal data accompanied with the existence of choices and guarantees of safeguarding and prevention from the loss suffered by the data owner;
  - b. personal data must be owned only for one or more purposes described specifically and legally and may not be processed further in a manner not in accordance with the purpose;
  - c. the personal data gained must be appropriate, relevant, and not too broad in relation to the purpose of their processing as previously submitted to the data owner;
  - d. personal data must be accurate and always up-to-date by providing opportunity to the data owner to update their personal data;
  - e. personal data must be processed in accordance with the purpose of their acquisition and designation and may not be controlled longer than the required time;

- f. personal data must be processed in accordance with the right of the data owner as regulated in the provisions of legislation;
  - g. any party storing personal data must have an appropriate security system to prevent from breach or any illegal processing or utilization of personal data and be responsible for any unforeseeable losses or damages occurring to the personal data; and
  - h. personal data are prohibited to be sent to other countries or regions outside Indonesia unless the country or region has been declared by the Minister as having the same standards and protection level as Indonesia.
- (3) In the event that the owner of the personal data declares to quit, stop subscribing or stop using PMSE services and facilities, then the owner of the personal data has the right to request the Business Actor to remove all their personal data.
  - (4) Upon the request of the owner of personal data as referred to in section (3), the Business Actor removes all relevant personal data in the system managed by the Business Actor.

## CHAPTER XII

### PAYMENTS IN TRADE THROUGH ELECTRONIC SYSTEM

#### Article 60

- (1) In PMSE, the parties may make payments through an Electronic System.
- (2) The currency used as payment in the PMSE is in accordance with the provisions of legislation.
- (3) Payments through Electronic System as referred to in section (1) may be carried out by using the banking system or other electronic payment system in accordance with the provisions of legislation.
- (4) Any implementation of payment through Electronic System must obtain a license from the authorized institution in

accordance with the provisions of legislation in the field of payment systems and/or banking.

- (5) In implementing payment through Electronic System, the domestic PPMSE and/or foreign PPMSE can cooperate with payment system service providers based on cooperation.
- (6) The cooperation as referred to in section (5) must be reported by domestic PPMSE and/or foreign PPMSE to the Minister.

#### Article 61

- (1) Payment system service providers are obligated to comply with Electronic System security level standards in accordance with the provisions of legislation.
- (2) The stipulation of the security level standard as referred to in section (1) is determined by the head of the government institution administering government affairs in the field of national cyber and crypto, the Governor of Bank Indonesia, and/or the Chairman of Board of Commissioners of the Financial Services Authority.

#### Article 62

Any Business actors providing payment system services as referred to in Article 61 section (1) must meet the requirements in accordance with the provisions of legislation on payment system and/or banking.

### CHAPTER XIII

#### DELIVERY OF GOODS AND SERVICES IN TRADE THROUGH ELECTRONIC SYSTEM

#### Article 63

- (1) In the event that there is already approval for the purchase of Goods and/or Services through an Electronic System, then the Merchant are obligated to deliver Goods and/or Services to the purchaser.
- (2) The delivery of Goods and/or Services as referred to in section (1) may be carried out by courier service or by using

other Goods and/or Services delivery mechanisms in accordance with the standards for the delivery of Goods and/or Services as regulated in the provisions of legislation.

#### Article 64

- (1) In any delivery of Goods and/or Services by courier services or using other delivery mechanisms, the Business Actor must ensure:
  - a. the security of Goods and/or Services;
  - b. the feasibility of the condition of Goods and/Services;
  - c. the confidentiality of Goods and/or Services;
  - d. the conformity of delivered Goods and/or Services; and
  - e. the punctuality of delivery of Goods and/or Services, in accordance with the agreement on the transaction of Goods and/or Services trade through Electronic Systems.
- (2) Business Actors are obligated to provide information on the delivered Goods.
- (3) Business Actors cannot be permitted to charge the Consumers with the obligation to pay for Goods delivered without a contract basis.

#### Article 65

- (1) In the event that the transaction is completed by domestic PPMSE and/or foreign PPMSE, then the delivery of Goods and/or Services becomes the responsibility of domestic PPMSE and/or foreign PPMSE.
- (2) In the delivery of Goods and/or Services, the domestic PPMSE and/or foreign PPMSE may cooperate with Business Actors delivering Goods and/or Services based on cooperation agreements made by the domestic PPMSE and/or foreign PPMSE and Business Actors delivering Goods and/or Services.
- (3) The cooperation as referred in section (2) must be reported to the Minister.

Article 66

- (1) In the event that the delivery of Goods and/or Services are carried out by the domestic PPMSE and/or foreign PPMSE, then the domestic PPMSE and/or foreign PPMSE are obligated to regularly provide accurate and real-time information on the period and status of the delivery to Consumers.
- (2) In the event of error and/or discrepancy between the actual and delivery timeframe of the Goods and/or Services that have been agreed in the Electronic Contract with the delivered Goods and/or Services which cause disputes between the Consumer and Business Actor, then the domestic PPMSE and/or foreign PPMSE are obligated to settle the dispute.

Article 67

Delivery of Digital Goods or Digital Services in the PMSE is considered valid if the Digital Goods or Digital Services have been received in full and proven to be properly installed and/or operate accordingly in accordance with applicable technical manual for purchased or rented Digital Goods or Digital Services.

Article 68

- (1) Any Business Actors distributing Digital Goods or Digital Services, whether paid or free of charge, are obligated to ensure that the Digital Goods or Digital Services can be operated properly.
- (2) In the event that Digital Goods or Digital Services as referred to in section (1) cause losses to the user of Digital Goods or Digital Services, then such losses become the responsibility of the Business Actors.
- (3) The Business Actors must ensure that the transacted Digital Goods or Digital Services are not Digital Goods or Digital Services prohibited by the Government and the provisions of legislation.

CHAPTER XIV  
EXCHANGE OF GOODS OR SERVICES AND CANCELLATION  
OF PURCHASES IN TRADE THROUGH ELECTRONIC SYSTEM

Article 69

- (1) Domestic Merchants and/or foreign Merchants and domestic PPMSE and/ or foreign PPMSE are obligated to provide a minimum period of 2 (two) workdays for exchanging Goods and/or Services, or cancellation of purchases, calculated as of the date of Goods and/or Services receipt by Consumers.
- (2) The exchange of Goods and/or Services, or cancellation of purchases as referred to in section (1) may be carried out in the event of:
  - a. error and/or discrepancy between the delivered Goods and/or Services;
  - b. error and/or discrepancy between the actual time frame of delivery of Goods and/or Services;
  - c. hidden defect;
  - d. damaged Goods and/or Services; and/or
  - e. expired Goods and/or Services.
- (3) Any Consumers exchanging the Goods and/or Services as referred to in section (2) may only be charged with the cost for resending Goods and/ or Services to domestic Merchants and/or foreign Merchants or domestic PPMSE and/or foreign PPMSE.
- (4) The charging of Goods delivery cost to Consumers may be carried out in the case of error occurring due to the Consumer's inaccuracy.

Article 70

- (1) In the event that the object of the PMSE is a Service for implementation of a work, then the fulfillment of the implementation of the agreed work is carried out according to the principles of business practices that develop based on experience or the best ability in conducting good governance in work and under legislation.

- (2) In the event of default in the implementation of work carried out through the PMSE, then the parties may agree to replace the work with another comparable work as one of the forms of compensation or cancel an agreement in accordance with provisions of legislation.

#### Article 71

Any domestic PPMSE and/or foreign PPMSE that receives payments are obligated to have or provide a mechanism that can ensure the Consumer's refund in the event of purchase cancellation by the Consumer.

### CHAPTER XV

#### DISPUTE SETTLEMENT IN TRADE THROUGH ELECTRONIC SYSTEM

#### Article 72

- (1) In the event of a dispute in PMSE, then the parties may settle the dispute through the court or other dispute settlement mechanisms.
- (2) The settlement of dispute in PMSE as referred to in section (1) may be made electronically (online dispute resolution) in accordance with the provisions of legislation.
- (3) In the event of a dispute between any Domestic Business Actors and Consumers, then the Consumers may file a lawsuit against the Business Actors through the Consumers Consumer Dispute Settlement Board or file to a judicial institution at the location of Consumer.

#### Article 73

- (1) The parties have the authority to choose the applicable law for the international PMSE they make.
- (2) In the event that the parties make no choice of law in the international PMSE, then the applicable law is based on the principles of Private International Law.

Article 74

- (1) The parties have the authority to determine forum in a court, arbitration, or other alternative dispute settlement institution that is authorized to handle the disputes that may arise from the international PMSE they made.
- (2) In the event that the parties make no choice of forum in court as referred to in section (1), then the authority of the court, arbitration or other alternative dispute settlement institution authorized to deal with the disputes that may arise from the transaction shall be based on the principles of Private International Law.
- (3) In the event that the parties choose to settle disputes on international PMSE through dispute settlement forums in Indonesia, then the institutions authorized to settle the dispute are:
  - a. Central Jakarta District Court; or
  - b. arbitration institution or other alternative dispute settlement, in accordance with the provisions of legislation.

Article 75

In the event that the parties are Foreign Business Actors that make transactions with Indonesian Consumers and make no choice of law nor dispute settlement forums, then the dispute settlement will be made through:

- a. an institution in charge of settling disputes between Consumers and Business Actors; or
- b. judiciary within the general court, in accordance with the provisions of legislation on Consumers protection.

CHAPTER XVI

GUIDANCE AND SUPERVISION

Article 76

- (1) The Minister has the authority to provide guidance and supervision to PMSE.
- (2) In carrying out guidance and supervision as referred to in section (1), the Minister may make coordination with

ministers, heads of non- ministerial government agencies, and head of related authorities, as well as local governments.

#### Article 77

- (1) The Minister provides guidance by:
  - a. improving the competence of human resources of Domestic Business Actors;
  - b. increasing the competitiveness of Domestic Business Actors in PMSE;
  - c. facilitating the increase in competitiveness of domestic products in PMSE;
  - d. facilitating the promotion of domestic products for the domestic and export markets;
  - e. promoting and encouraging the use of PMSE;
  - f. increasing public inclusive finance with PMSE;
  - g. providing database of Business Actors and domestic products; and
  - h. striving for the provision other facilitation in accordance with the provisions of legislation.
- (2) In conducting guidance to the Business Actors as referred to in section (1), the Minister makes coordination and collaboration with related institutions in accordance with their respective authority.
- (3) Further provisions regarding the form of coordination and collaboration with related agencies are regulated in a Ministerial Regulation.

#### Article 78

- (1) In implementing the supervision, the Minister appoints a supervisor in the field of Trade.
- (2) In implementing the supervision as referred to in section (1), the Minister gives priority to the protection and safeguarding of the national interest from the negative impacts of foreign PMSE.

- (3) The supervisor as referred to in section (1) in carrying out the supervision is assisted by a supervisory assistance team established by the Minister.
- (4) Further provisions regarding the implementation of supervision are regulated in a Ministerial Regulation.

#### Article 79

- (1) In guidance and supervision, the Minister may request data and/or information on companies and business activities of Business Actors in the event of:
  - a. requiring updated, accurate and fast data; and
  - b. the data requested are not covered in the data and/or information submitted to the government agency administering government affairs in the field of statistics as referred to in Article 21.
- (2) Further provisions regarding the request for data and/or information as referred to in section (1) are regulated in a Ministerial Regulation.

### CHAPTER XVII

#### ADMINISTRATIVE SANCTIONS

#### Article 80

- (1) Any Business Actors violating the provisions as referred to in Article 7 section (3), Article 9 section (2), Article 11, Article 12, Article 13 section (1), Article 14, Article 15 section (1), Article 16 , Article 17, Article 20, Article 21, Article 23, Article 24 section (1) and section (2), Article 25 section (1), Article 26, Article 27 section (1), Article 28 section (1), Article 33 section (2), Article 34 section (1) and section (2), Article 35, Article 46 section (1), Article 56, Article 58 section (2), Article 59 section (1), Article 61 section (1 ), Article 63 section (1), Article 64 section (2), Article 66, Article 68 section (1) , Article 69 section (1), and Article 71 are subjected to administrative sanctions by the Minister.
- (2) The administrative sanctions as referred to in section (1)

may be in the form of:

- a. written warning;
  - b. being listed in priority watch list;
  - c. being listed in blacklist;
  - d. temporary blockage of domestic PPMSE services and/or foreign PPMSE by the relevant authorized institutions; and/or
  - e. revocation of business license.
- (3) The written warning as referred to in section (2) point a, is issued for a maximum of 3 (three) times within a grace period of 2 (two) weeks as of the issuance date of the previous warning letter.
- (4) Administrative sanctions in the form of being listed in priority watch list as referred to in section (2) point b, are subject to any Business Actors failing to make remedy after the issuance of the third written warning letter.
- (5) Further provisions regarding the imposition of administrative sanctions are regulated in a Ministerial Regulation.

## CHAPTER XVIII TRANSITIONAL PROVISIONS

### Article 81

At the time this Government Regulation comes into force, any PMSE Business Actors carrying out trading activities in Goods and/or Services before this Government Regulation comes into force are obligated to comply with this Government Regulation within a maximum period of 2 (two) years after this Government Regulation comes into force.

## CHAPTER XIX CLOSING PROVISIONS

### Article 82

This Government Regulation comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Government Regulation by its placement in the State Gazette of the Republic of Indonesia.

Issued in Jakarta

on 20 November 2019

PRESIDENT OF THE REPUBLIC OF  
INDONESIA,

signed

JOKO WIDODO

Promulgated in Jakarta

on 25 November 2019

MINISTER OF LAW AND HUMAN RIGHTS  
OF THE REPUBLIC OF INDONESIA,

signed

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2019 NUMBER 222  
Jakarta, 30 May 2022

Has been translated as an Official Translation  
on behalf of Minister of Law and Human Rights  
of the Republic of Indonesia

ACTING DIRECTOR GENERAL OF LEGISLATION,



In order that every person may know hereof, it is ordered to promulgate this Government Regulation by its placement in the State Gazette of the Republic of Indonesia.

Issued in Jakarta

on 20 November 2019

PRESIDENT OF THE REPUBLIC OF  
INDONESIA,

signed

JOKO WIDODO

Promulgated in Jakarta

on 25 November 2019

MINISTER OF LAW AND HUMAN RIGHTS  
OF THE REPUBLIC OF INDONESIA,

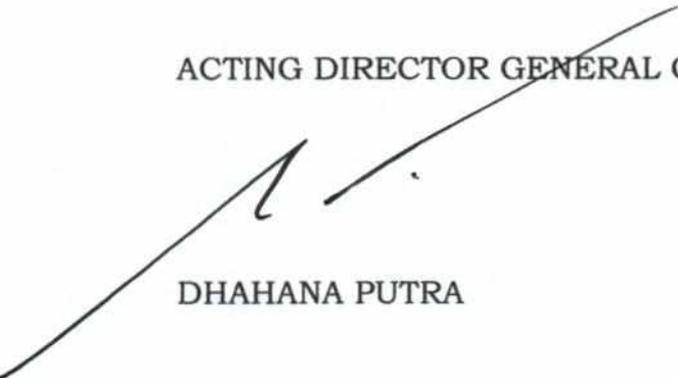
signed

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2019 NUMBER 222  
Jakarta, 30 May 2022

Has been translated as an Official Translation  
on behalf of Minister of Law and Human Rights  
of the Republic of Indonesia

ACTING DIRECTOR GENERAL OF LEGISLATION,



DHAHANA PUTRA

ELUCIDATION  
OF  
REGULATION OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA  
NUMBER 80 OF 2019  
ON  
TRADE THROUGH ELECTRONIC SYSTEM

I. GENERAL

Trade Through Electronic System is currently developing, allowing every party to carry out trading activities and transactions through the Electronic Communication system. Basically, the policies and rules of legislation on Trade, whether carried out conventionally or electronically, have the same objective, namely to carry out legal, honest Trade activities based on the principles of fair business competition as well as respecting and protecting the Consumers' rights.

Likewise, there is also contribution of related third parties (intermediary) that in a technical manner allow a Trading activity or transaction to be carried out in an online basis. The cooperation between the related parties in the provision of Electronic Systems for Trade transactions must be built from the spirit of cooperation that is mutually beneficial and jointly responsible and/or proportionally accountable to the users of the system according to their respective functions and roles.

In addition to conventional Trade, Trade Through Electronic System activities and transactions must meet Trade obligation aspects in general, particularly the clarity of information, both subjective and objective elements. These mandate the clarity of legality in electronic transactions, both prior to the transaction, during the transaction, and post-transaction.

Trade regulation in general has been regulated in Law Number 7 of 2014 on Trade, and for the Trade Through Electronic System activities, there is a

mandate to establish further regulation in the Government Regulation which governs the Trade Through Electronic System activities in order to maintain a fair and trustworthy Trade system as well as protecting the national interest. In contrast to the regulations in Government Regulation Number 71 of 2019 on Electronic System and Transaction Operations, the Government Regulation on Trade Through Electronic System regulates the legal aspects of Trade in the provision and utilization of Electronic Systems specifically intended for Trade.

The scope of regulation in this Government Regulation encompasses all Trade activities carried out by using various modes and types of electronic communication systems, both online and offline. This will include legal relationships in the context between Business Actors (business to business) and Business Actors and Consumers (business to customer).

The subject matters of regulation on PMSE cover:

- a. parties in PMSE;
- b. requirements of PMSE;
- c. implementations of PMSE;
- d. obligations of Business Actors;
- e. proof of PMSE transactions;
- f. Electronic Advertisement;
- g. Electronic Offering, Electronic Acceptance, and Electronic Confirmations;
- h. Electronic Contracts;
- i. protection of personal data;
- j. payment in PMSE;
- k. delivery of Goods and Services in the PMSE;
- l. exchange of Goods or Services and cancellation of purchases in the PMSE;
- m. dispute settlement in the PMSE; and
- n. guidance and supervision.

## II ARTICLE BY ARTICLE

### Article 1

Sufficiently clear.

### Article 2

Sufficiently clear.

### Article 3

#### Point a

The principle of good faith, namely Business Actors and Consumers in conducting Trade Through Electronic System are obligated to have good faith; the violation of this principle result in the cancellation of the agreement between the parties without prejudice to or waiving the rights of parties that have good faith in conducting Trade Through Electronic System (PMSE).

#### Point b

The principle of prudence, namely Business Actors and Consumers are obligated to be prudential in conducting Trade Through Electronic System (PMSE); all electronic information in relation to Business Actors, Consumers, Goods and/or Services being the object of Trade and the terms and conditions of the Trade Through Electronic System of Goods or Services are required to be properly understood.

#### Point c

The principle of transparency, namely Business Actors and Consumers are obligated to transparently convey all electronic information on the Business Actors, Consumers, Goods or Services being the object of Trade and the terms and conditions of the Trade Through Electronic System of Goods and/or Services are required to be well understood.

#### Point d

The principle of trustworthiness, namely the Business Actors are obligated to properly build Electronic Systems that are trustworthy in order to maintain the trust of system users in the Electronic Systems they operate.

#### Point e

The principle of accountability, namely Trade Through Electronic System (PMSE) is required to be carried out by Business Actors and Consumers accountably by taking into account the provisions of legislation and generally accepted ethics.

Point f

The principle of balance, namely the Business Actors and Consumers are obligated to ensure that the legal relationship is based on a spirit of mutual benefit in accordance with the expectations and contribution provided by each party.

Point g

The fair and healthy principle, namely, is the existence of equal opportunity and position in business activities between PMSE Business Actors to create a conducive business climate in order to warrant the existence of certainty and equal opportunities for business.

Article 4

Section (1)

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Transactions between state institution or public service providers are carried out in accordance with the provisions of Law Number 25 of 2009 on Public Services and Law Number 11 of 2008 on Electronic Information and Transactions as amended by Law Number 19 of 2016 on Amendment to Law Number 11 of 2008 on Electronic Information and Transactions. In addition, in the context of the procurement of Goods/Services using the state budget, it is further regulated in a Presidential Regulation on the Procurement of Government Goods/Services.

## Article 5

Business Actors include the payment gateway service providers, however, the regulation is carried out specifically by the authorized institution.

The scope of the definition of Merchant include any Business Actors conducting Electronic Offering either through an Electronic System that is owned or managed by themselves, or through the means provided by domestic PPMSE and/or foreign PPMSE. Sellers that only sell Goods and/or Services on a temporary and non-commercial basis is excluded from the definition Merchants.

The scope of the definition of PPMSE includes all parties that provide Electronic System facilities and/or Services enabling the implementation of transaction for PMSE business activities. These Business Actors carry out their services by providing an application system to be used as a means of Electronic Communication facility to facilitate Trade business activities and/or PMSE settlement, covering various business models for PMSE implementation systems. PPMSE business models are, among others:

- a. online retail or Merchants that have their own PMSE facilities;
- b. marketplace or platform provider as a space where Merchants are able to post the offerings of Goods and/or Services;
- c. online classifieds advertisement, namely a platform that enables the sellers and purchasers to convene where the entire transaction process occurs without involving PPMSE;
- d. price comparison platforms;
- e. daily deals.

Electronic Communication Means may serve as a medium for information, communication, transaction settlement, payment systems and/or Goods delivery systems.

The scope of the definition of Intermediary Service Providers includes the providers of information searching system facility (search engines), providers of permanent information storage space (hosting) and for temporary storage (caching).

Its function as an intermediary includes but not limited to the

function of retrieval of information (mere-conduit), provision of a space both permanent (hosting) and temporary (caching).

Article 6

Sufficiently clear.

Article 7

Sufficiently clear.

Article 8

Sufficiently clear.

Article 9

Section (1)

The term "identity of legal subject" means all information explaining the existence and legality of the legal subject of the relevant party, whether individuals or legal entities, which are included in, among others, Identity Cards, Business License, Number of Decree of Legal Entity Legalization, and Identity Number of PMSE Business Actors issued by the Minister, bank account numbers, or cellular phone numbers.

The clarity of the legal subject as domestic PPMSE and/or foreign PPMSE can be fulfilled by affixing the PMSE Business Actor Identity Number issued by the ministry administering government affairs in the field of trade.

Section (2)

Basically all the principles and provisions applicable in Law Number 7 of 2014 on Trade and Law Number 11 of 2008 on Electronic Information and Transactions as amended by Law Number 19 of 2016 on Amendments to Law Number 11 of 2008 on Electronic Information and Transactions also apply in this Government Regulation, so that parties conducting Trade Through Electronic System must take into account and comply with the policies on domestic trade, foreign trade and border trade, among others:

- a. policies to protect national interests;

- b. export import prohibition or restriction;
  - c. standardization of Goods and Services products;
  - d. customs regulations,
- and the provisions of legislation on electronic information and transactions.

#### Article 10

##### Section (1)

The term "Goods and/or Services that have an impact on national security vulnerability" includes but not limited to cryptography products, products used for wiretapping and anti-tapping (monitoring and surveillance).

The term "security clearance" means the result of examination and assessment by the authorized institution on the impact of a product or Goods and/or Services on the national security.

##### Section (2)

Sufficiently clear.

##### Section (3)

Sufficiently clear.

#### Article 11

Every Business Actor conducting PMSE is obligated to meet requirements, among others, business license, technical license, Company Registration Certificate, Taxpayer Identification Number, business conduct/code of practices, product standardization of Goods and/or Services and other matters in accordance with the provisions of legislation.

Business conduct/code of practices means ethical rules for conducting trade truthfully and upholding the spirit of fair competition, both internally and externally by Business Actors.

#### Article 12

Sufficiently clear.

#### Article 13

Sufficiently clear.

Article 14

Sufficiently clear.

Article 15

Sufficiently clear.

Article 16

Section (1)

Domestic Merchant and/or foreign Merchant using their own PMSE facilities constitute as one of the domestic PPMSE and/or foreign PPMSE business models. Therefore, the provisions that apply to domestic PPMSE and/or foreign PPMSE also apply to domestic Merchant and/or foreign Merchant using their own PMSE facilities.

Section (2)

Sufficiently clear.

Article 17

Sufficiently clear.

Article 18

Sufficiently clear.

Article 19

Point a

The term "Consumer's satisfaction" means that the Consumer's rights have been fulfilled by the Business Actor.

Point b

The term "the availability of evidence of proper application of Consumer protection" means a guarantee to Consumers that every complaint and request for other information will be properly served in accordance with provisions of legislation.

Point c

Sufficiently clear.

Article 20

Sufficiently clear

Article 21

Section (1)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d.

Sufficiently clear.

Point e

The term "relevant institutions" means the ministry administering government affairs in the field of communications and informatics.

Point f

Sufficiently clear.

Point g

The term "other related sectors", means such as Bank Indonesia in the event of regulating the implementation of payment system services through an electronic system and the Financial Services Authority in the event of regulating the implementation of financial services.

Section (2)

Data collection and processing are carried out through cooperation with, among others, Bank Indonesia.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 22

Section (1)

The term "electronic information" means one or a set of electronic data, including but not limited to text, audio, images, maps, drafts, photographs, electronic data interchange (EDI), electronic mail, telegram, telex, telecopy or the like, processed letters, markings, numbers, access codes, symbols, or perforations which have meaning or can be understood by those who are able to understand them.

The term "illegal electronic information content" means any content that is prohibited or against the law in accordance with the provisions of legislation.

Section (2)

The term "act quickly" means to act immediately after becoming notified of the existence of illegal electronic information content, that can be seen by providing the existence of procedures after receiving notification from other parties or after being notified by themselves about the illegal electronic information content in accordance with the provisions of legislation.

Section (3)

Sufficiently clear.

Section (4)

The term "interactive computer services" means various services provided to the public to answer their needs as information society services, such as social media information service providers.

Article 23

Sufficiently clear.

Article 24

Sufficiently clear.

Article 25

Section (1)

Point a

The term "PMSE data and information related to financial transactions" means as those regulated in Article 28 Section (11) of Law Number 6 of 1983 on General Provisions and Tax Procedures as amended several times, and last by Law Number 16 of 2009 on Enactment of Government Regulations in Lieu of Law Number 5 of 2008 on Fourth Amendment to Law Number 6 of 1983 on General Provisions and Tax Procedures into Law.

Point b

Sufficiently clear.

Section (2)

Sufficiently clear.

Article 26

Point a

The provisions of legislation on Consumers protection, for example, Consumer protection for payment instruments refer to the provisions of legislation on Consumer protection in the field of payment system.

Point b

Sufficiently clear

Article 27

Section (1)

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

The term "competent officers to process complaint

services" means officers who are capable to provide explanations and/or answers to complaints submitted.

Point e

Sufficiently clear.

## Article 28

### Section (1)

Valid proof of PMSE transaction proof refers to Article 5 and Article 6 of Law Number 11 of 2008 on Electronic Information and Transactions as amended by Law Number 19 of 2016 on Amendment to Law Number 11 of 2008 on Electronic Information and Transactions.

### Section (2)

The term "bind the parties in accordance with the provisions of legislation" means by taking into account the reliability of the security level which determines the degree of authenticity of proof of electronic transaction.

The reliability of the security system in practice will technically determine the weight of verification to the proof of electronic transaction itself. The higher the security level of security of an electronic proof, then the electronic proof may function as authentic evidence because it guarantees its authorization, authenticity, confidentiality, integrity and undeniable. If the level of security level is low, the integrity of the electronic evidence is not guaranteed as it possible to be denied as under hand evidence.

### Section (3)

Sufficiently clear.

### Section (4)

Sufficiently clear.

## Article 29

### Section (1)

Sufficiently clear.

### Section (2)

The power of verification of an electronic information that

uses an electronic signature supported by an electronic certification that is hosted to the Government's electronic certification, has the perfect and binding power of verification, unless it can be proven otherwise by the opposing party.

Electronic information and/or electronic signatures may serve as evidence of an intention to enter into a contract and/ or an agreement to conduct transactions as long as there is a method or system that is able to explain the matter.

Electronic information can serve as evidence equivalent to an authentic deed as long as there is no denial from the parties or from those who should be held responsible for the electronic information.

The weight of the power of verification of electronic information is determined by the security reliability level of the information and/or electronic communication systems used. If there is no information security, the panel of judges will be free to judge the evidence. If the information comes from a system that has been accredited and/or certified, the panel of judges should accept the evidence as appropriate as authentic deed, unless proven otherwise in court.

Basically, Electronic Communication over internet is open and vulnerable to the security of communications conducted to make transactions. The use of electronic signatures must be able to explain the security and authenticity of information on transactions that are used as proof of transactions.

The value of evidentiary power of proof of transaction that is not secure or not using electronic signatures cannot be said to have the same dignity as commonly the authentic written evidence, therefore it is necessary for the judge to consider its security reliability trusting the evidence.

#### Article 30

Submission of electronic information as legal and binding form of evidence takes into account the functional equivalent approach

principle, namely the principle of legal recognition that electronic information is functionally equal to the information written on paper.

#### Article 31

The term "electronic transactions" means legal acts that are carried out using computers, computer networks, and/or other electronic media.

#### Article 32

Sufficiently clear.

#### Article 33

##### Section (1)

Sufficiently clear.

##### Section (2)

The term "privacy and personal data" means not only encompass the security aspects of Consumer privacy and personal data but also include every aspect on Consumers' convenience as regulated in Law Number 8 of 1999 on Consumer Protection and Law Number 11 of 2008 on Electronic Information and Transactions as amended by Law Number 19 of 2016 on Amendments to Law Number 11 of 2008 on Electronic Information and Transactions and its implementing regulations.

#### Article 34

##### Section (1)

The term "contradicting to the principles of fair business competition" means the submission of advertisements which constitute dishonest or unfair competition or intended to discredit competitors. The provisions of legislation on fair business competition refer to the provisions in Law Number 5 of 1999 on Prohibition of Monopolistic Practices and Unfair Business Competition and also refer to Law Number 8 of 1999 on Consumer Protection.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Article 35

Basically, every Business Actor is responsible for the validity of the substance or advertisement material delivered. Even though an advertisement cannot be stated as an offer condition, the party that trusts the advertisement is considered already providing trust to the substance it offers.

Article 36

Sufficiently clear.

Article 37

Sufficiently clear.

Article 38

Section (1)

The term Electronic Offering that is publicly made means an offer of Trade transactions made to the public or all parties.

The term Electronic Offering made on a limited basis means an offer of Trade transactions that is made specifically/privately, limited or only to certain parties.

Section (2)

The provisions of legislation mean, among others, provisions of legislation on Consumer protection and advertising.

Article 39

Sufficiently clear.

Article 40

Sufficiently clear.

Article 41

Sufficiently clear.

Article 42

Sufficiently clear.

Article 43

Sufficiently clear.

Article 44

Sufficiently clear.

Article 45

Section (1)

The term "responsive" means that the party providing the reply follows the technical mechanism or procedure that has been determined carefully in order to see if there is any imperfection in the system, by taking into account the message or response error if it occurs.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 46

Section (1)

Determination of a certain period of time is in accordance with the standard of operation or in accordance with the statement agreed in the service level agreement as well as by taking into account the clarity of response times and work days.

Section (2)

The term "non-electronic confirmation" means an agreement on an offer in non-electronic form such as evidence of confirmation in printed form, receiving slip and receipt.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 47

Sufficiently clear.

Article 48

Sufficiently clear.

Article 49

Sufficiently clear.

Article 50

Sufficiently clear.

Article 51

Section (1)

The sale and purchase agreement/contract are aimed for the transfer of ownership right of the Goods or Services offered, while the license agreement/contract only aims to grant a permit or to exercise certain rights, including use rights, modification rights, and other rights specified in the agreement itself.

Section (2)

Sufficiently clear.

Article 52

Sufficiently clear.

Article 53

Sufficiently clear.

Article 54

Sufficiently clear.

Article 55

Sufficiently clear.

Article 56

Sufficiently clear.

Article 57

Section (1)

The term "technical error" means a technical error or defect in the provision of the system by the system maker (developer/vendor) where the system is deliberately made to run improperly, with the aim of enforcing contracts (inertia selling) or commit fraud to its users.

Section (2)

Goods and/or Services already delivered are considered as free of charge gifts.

Section (3)

Sufficiently clear.

Article 58

Section (1)

Sufficiently clear.

Section (2)

The term "trustee" means the controller of personal data in accordance with its designation.

In carrying out the mandate of the storage and the use of personal data, it refers to the standards of personal data protection according to the appropriate and evolving business practices.

Article 59

Section (1)

Sufficiently clear.

Section (2)

Personal data protection standards take into account the European data protection standards and/or the APEC Privacy Frameworks.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 60

Sufficiently clear.

Article 61

Sufficiently clear.

Article 62

Sufficiently clear.

Article 63

Section (1)

Sufficiently clear.

Section (2)

In the event of delivery of Goods and/or Services which are the result of Trade transactions, both domestic and cross-border, the provisions of legislation on customs, postal services and so on comes into force.

Article 64

Sufficiently clear.

Article 65

Section (1)

The term "transactions completed by PPMSE" means the payment transaction for Goods and/or Services to Merchants.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Article 66

Sufficiently clear.

Article 67

The term "properly" means the system working as stated in the specifications, or as agreed if its existence is made based on orders.

Article 68

Section (1)

Sufficiently clear.

Section (2)

The term "cause losses" means, not in accordance with the service level agreement (SLA) or not in accordance with the specifications stated in the offering.

Section (3)

Sufficiently clear.

Article 69

Sufficiently clear.

Article 70

Section (1)

An agreement on the implementation of a project that is agreed upon electronically basically still refers to the characteristics of the work implementation agreement based on Article 1601 of the Indonesian Civil Code and provisions of legislation, encompassing, among others, temporary service agreements such as consultants, lump sum work agreements that result in certain objects, and labor agreements that carry out work based on wages.

Section (2)

Provisions on default in the engagement on performance of a permanent job refer to the legal principles in the Indonesian Civil Code and provisions of legislation.

Article 71

A mechanism that can ensure the of Consumer's refund in the event of purchase cancellation by the Consumer is, among others, by providing an escrow account.

## Article 72

### Section (1)

The term "other dispute settlement mechanism" means the form of consultation, negotiation, conciliation, mediation or arbitration in accordance with the provisions of legislation.

### Section (2)

Basically, online dispute resolution is determined by the agreement of the parties. This can take the form of electronic mediation organized by professionals such as advocates or mediators, through accredited online arbitration institutions, or through government agencies authorized for such purpose.

### Section (3)

Sufficiently clear.

## Article 73

### Section (1)

The choice of law made by parties in international contracts, including those made electronically, is known as choice of law. It is binding as the law applicable to the contract. The choice of law in the PMSE can only be made if the contract contains foreign elements and its application must be in line with the principles of Private International Law, *Hukum Perdata Internasional* (HPI).

### Section (2)

The term "parties" means Indonesian Business Actors and foreign Business Actors or foreign consumers.

## Article 74

### Section (1)

The authorized forum to adjudicate the international contract disputes, including those conducted electronically, is the forum selected by the parties. The forum may be in the form of a court, arbitration, or other alternative dispute settlement institution.

### Section (2)

In the event that the parties do not make a choice of forum,

the forum's authority applies based on the basis or principles of Private International Law. These principles are known as the principle of basis presence and the principle of effectiveness.

Section (3)

Sufficiently clear.

Article 75

Sufficiently clear.

Article 76

Sufficiently clear.

Article 77

Sufficiently clear.

Article 78

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Considering the rapid development of the PMSE and it may be cross- sectoral, the supervisor in the field of Trade requires the support of a supervisory assistance team from cross-sectoral and multi-stakeholder.

Section (4)

Sufficiently clear.

Article 79

Sufficiently clear.

Article 80

Section (1)

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

The term "priority watch list" means the list of Business Actors with problems or potential to violate Trade policies but not yet blacklisted.

The list is managed by using a transparent mechanism.

Point c

The term "blacklist" means the list of Business Actors that have a bad reputation, have been proven to harm Consumers, national interests, and/or national security.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 81

Sufficiently clear.

Article 82

Sufficiently clear.