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Voluntary Peer Review of Consumer Protection Law and Policy:

INDONESIA

Presentation by GIZ

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Voluntary Peer Review
of Consumer Protection Law and Policy:
INDONESIA

Presentation at the Fourth Session of the Intergovernmental Group of Experts (IGE) on Consumer Protection Law and Policy

Geneva, Switzerland | 8 July 2019
Spotlight:
Consumer Protection and E-Commerce in Indonesia
E-Commerce Landscape in Indonesia

- Among the **fastest growing markets in Southeast Asia**, with transactions in the digital economy currently projected to exceed 100 billion USD by 2025.

- More than 150 million **active internet users** in 2018, mostly through mobile phones and social media.

- Fintech transactions in 2016 estimated at 14.5 billion USD, driven by an increase preference for and uptake of **digital payment services** (*Dompetku*).

- Vibrant **tech start-up industry**, with a number of local travel and shopping platforms (*Tokopedia, Traveloka*) and ride-share applications (*Go-Jek*) classified as ‘unicorns’ and valued at over 1 billion USD.
Key Private Players in E-Commerce

Price Comparison Portals
- pricebook
- pricepanda

Platforms / Marketplace
- B2B
- C2C
- B2C

B2B
- Kawan Lama

Financial Services
- Payment Gateways
- Mobile Wallet
- GO PAY
- OVO
- DANA

On-demand Services / Delivery
- GOJEK
- Grab

(Social) Media & Marketing
- detikcom
- Facebook
- Instagram

E-commerce Association
- idEA
Regulatory Framework on E-Commerce

- Electronic documents, signatures, domain names, intellectual property, and personal rights broadly covered by the **Law No. 11/2008 on Electronic Information and Transactions** and overseen by the Ministry of Communication and Information Technology.

- Amendments to Law No. 11/2008 through Law No. 19/2016, following decisions of the Constitutional Court, among others concerning the protection of personal data and owner’s consent for the deletion of electronic information and documents.

- Government Regulation No. 82/2012 on the Implementation of Electronic Systems and Transactions, slated for revision in the new legislative period in 2019, notably to regulate user data collection.
Notable Developments

- Upon pressure from the consumer association YLKI, the Ministry of Communication and Information Technology reaffirmed that Law No. 11/2008 protects consumers against harm from misleading information and hoaxes related to electronic transactions, with possible penalties for violations by businesses (up to 6 years imprisonment and/or fines of 1 billion IDR).

- New Roadmap on E-Commerce 2017-2019 per Presidential Regulation No. 74/2017, with oversight by an inter-ministerial committee chaired by the Coordinating Ministry for Economic Affairs.

- Efforts to formulate a government regulation for the roadmap under way, along with the preparation of tax incentives and requirements for online merchants.
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Registered offices
Bonn and Eschborn

Friedrich-Ebert-Allee 36 + 40
53113 Bonn, Germany
T +49 228 44 60 - 0
F +49 228 44 60 - 17 66
E info@giz.de
I www.giz.de

Dag-Hammarskjöld-Weg 1 - 5
65760 Eschborn, Germany
T +49 61 96 79 - 0
F +49 61 96 79 - 11 15

Contact:

Ms. Sita Zimpel, Principal Advisor
(sita.zimpel@giz.de)

Ms. Caroline Pratama, Junior Advisor
(caroline.pratama@giz.de)