

Exploring the Legal Dynamics: Analysis of the Relationship and Responsibilities of Parties in Online Purchases Using the COD Payment Method

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ABSTRACT

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This research aims to examine the legal relationship between sellers and buyers in online transactions with the Cash on Delivery (COD) payment method in Indonesia. The study also seeks to determine the accountability of the parties involved in case of issues. This legal research employs a normative legal research method, utilizing secondary data. The data is qualitatively analyzed through legal interpretation, providing a nuanced understanding of the legal implications inherent in the dataset. The findings are as follows: Firstly, in online transactions with the COD payment method, there is no specific regulation in the law. However, there are several rules governing this payment method in online transactions, including consumer protection laws, trade laws, and laws related to information and electronic transactions. Secondly, in online sales agreements, if one party fails to fulfill its obligations, it can be deemed as a breach of contract. To obtain compensation and damages, evidence of wrongful acts is required. Thirdly, in case of disputes between sellers and consumers, dispute resolution can be achieved through alternative mechanisms such as mediation or arbitration. If these mechanisms fail, the parties have the right to file a lawsuit in court.

Keywords: Online Commerce, Cash on Delivery, Legal Implications

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INTRODUCTION

As the era continues to evolve, there has been a remarkable surge in technological innovations. This progress has given rise to the internet, bringing about significant changes in technology and information accessibility. The internet has made it remarkably easier for the public to engage in various activities, including communication, education, information retrieval, and online transactions (Jane & Anggraini, 2022). One prominent aspect of this digital transformation is the proliferation of online shopping platforms, which have become increasingly popular among consumers. The shift from traditional bank transfers to emerging payment methods, such as Cash on Delivery (COD), exemplifies the dynamic nature of online transactions (Kirana & Ayunda, 2022). COD, once defined as a transaction where the buyer pays for the purchased item in cash upon delivery at a pre-agreed location and time, has evolved with the times (Silalahi, Gultom, & Suparto, 2022). In the contemporary context, COD has expanded to signify a payment system where buyers settle their online purchases with cash upon receiving the goods directly. In Indonesia, numerous online shopping platforms have adopted COD as a preferred payment method due to the growing preference for online shopping. In the Indonesian legal context, Article 1458 of the Civil Code mandates that once there is an agreement regarding the object and its price, both the seller and the consumer are obliged to fulfill their respective obligations, ensuring a balanced reciprocity between the two parties (Wibisana, Neltje, & Fitriana, 2023). This legal foundation underscores the importance of a mutual commitment to uphold the principles of fairness and equity in online transactions.

The practice of trading using the internet is commonly referred to as electronic commerce or e-commerce. E-commerce involves commercial transactions that facilitate buying and selling without the need for a direct physical encounter between the seller and buyer. This trading system relies heavily on a strong sense of trust between the parties involved, specifically between the seller and the buyer (Kirana & Ayunda, 2022). In the realm of e-commerce, transactions occur between two parties—the seller and the buyer. The buyer may purchase goods or order food of interest, and then proceed to make payment through the methods provided by the company or service provider. It's not just a bilateral transaction; a third party, namely the courier, plays a

crucial role in delivering the goods as part of the service (Mahendar & Budhayati, 2019). Each party in this transaction has distinct responsibilities to fulfill. The business entity is obligated to deliver the traded goods and guarantee against any hidden defects in the sold items. Additionally, they are responsible for ensuring legal security for consumers, protecting them from disruptions caused by external parties. On the other hand, consumers have their primary obligation, which is to pay the purchase price at the agreed-upon time and place, as stipulated in the agreement (Article 1513 of the Civil Code) (Setiawan, 2016).

Previous research on the legal aspects of COD (Cash on Delivery) transactions has extensively explored various areas, such as investigations into legal protection for business entities facing cancellations of payments by e-commerce consumers utilizing COD systems, as outlined in Law Number 8 of 1999 concerning Consumer Protection (Wibisana, Neltje & Fitriana, 2023). Other studies have delved into dispute resolution in COD payment systems within e-commerce platforms (Rokfa, Tanda, Anugraheni & Kristanti, 2022), strategies for legal updates in online buying and selling transactions using COD (Anugrah, 2022), legal protection for couriers involved in COD systems (Putri & Dalimunthe, 2021; Wiryawan, 2021; Djardin, Tjoanda & Labetubun, 2022), potential legal risks associated with COD payment mechanisms in e-commerce applications (Arham, 2022), and an examination of good faith in sales agreements with COD payment methods (Haryanti, 2021). Diverging from prior research, this study will analyze the relationship and responsibilities of parties involved in online purchases utilizing the COD payment method, making a scholarly contribution to the field.

METHOD

The research employed in this study utilizes the normative legal method. The normative legal research method involves an examination of law through doctrinal or library research. In essence, normative legal research is an analysis conducted based on legal regulations related to the current research topic (Disemadi, 2022). The focus of normative legal research includes the inventory of positive law, legal principles and doctrines, legal findings in specific cases, legal systematics, synchronicity levels, legal comparisons, and legal history. This method is instrumental in understanding the legal landscape pertinent to the research topic. It delves into

the existing legal framework, principles, and doctrines, offering a comprehensive exploration of positive law and its applications in specific cases. Moreover, the normative legal research method also considers the historical and comparative aspects of law, providing a holistic view of the legal context surrounding the subject of inquiry.

DISCUSSION AND ANALYSIS

Regulating COD in Online Buying and Selling Transactions in Indonesia

Legal regulation refers to the system of rules and principles established by governmental authorities to govern behavior within a society or jurisdiction. It encompasses a set of guidelines that dictate acceptable conduct, delineate rights and responsibilities, and provide mechanisms for enforcement and dispute resolution (Arham, 2022). In various legal contexts, regulations can take the form of statutes, administrative rules, or judicial decisions, each contributing to the overall framework that governs interactions among individuals, businesses, and the government. The primary objectives of legal regulation include maintaining order, ensuring justice, and safeguarding the rights and interests of individuals and the community. Legal regulation extends across diverse fields, including criminal law, civil law, administrative law, and international law. It evolves in response to societal changes, technological advancements, and emerging challenges, reflecting an ongoing effort to adapt legal frameworks to the evolving needs of a dynamic and complex world.

Legal regulation refers to the establishment and enforcement of rules and laws governing various aspects of societal activities. In the context of e-commerce, particularly COD transactions in Indonesia, legal regulation plays a pivotal role in ensuring transparency, security, and fair practices (Sanjaya & Arabella, 2023). In this scenario, legal frameworks are designed to address the specific challenges and opportunities associated with COD in online buying and selling. These regulations aim to protect the rights of both buyers and sellers, defining the responsibilities and obligations of each party involved in the transaction. The legal landscape in Indonesia regarding COD involves navigating through consumer protection laws, electronic transaction regulations,

and payment system guidelines. It requires a nuanced understanding of how these legal instruments intersect to create a secure and trustworthy environment for online commerce.

Legal measures may cover aspects such as disclosure of terms and conditions, dispute resolution mechanisms, and safeguards against fraud. The goal is to strike a balance that fosters a thriving e-commerce ecosystem while safeguarding the interests of all stakeholders. As Indonesia continues to witness a surge in online transactions, the legal framework must evolve to keep pace with the dynamic nature of e-commerce (Nabillah & Fajriyah, 2023). This involves continuous evaluation, updates, and adaptations to ensure that regulations remain effective and responsive to emerging challenges in the COD landscape. In summary, the interplay between legal regulation and COD transactions in Indonesia forms a crucial narrative in the broader story of e-commerce evolution. It underscores the importance of a robust legal framework in fostering trust, security, and fairness in the digital marketplace.

The regulation of COD transactions in Indonesia serves as a crucial effort to establish legal certainty within the realm of e-commerce. By implementing specific guidelines and legal frameworks, the aim is to create a structured and predictable environment for both buyers and sellers engaging in COD transactions. Legal certainty in this context implies a clear and well-defined set of rules and regulations that govern the entire COD process. This encompasses aspects such as payment procedures, consumer rights, seller responsibilities, and dispute resolution mechanisms. The intention is to minimize ambiguity, reduce the risk of legal conflicts, and instill confidence in participants involved in online buying and selling. The regulatory measures are designed to address the unique challenges posed by COD transactions, providing a foundation for fair and secure dealings (Aqil, Putri, & Yunisa, 2022). They outline the rights and obligations of parties engaged in these transactions, offering a roadmap for compliance and ethical conduct. In essence, the regulatory framework for COD in Indonesia not only ensures legal compliance but also contributes to the overall growth and sustainability of the e-commerce ecosystem. By fostering a sense of trust and legal assurance, it encourages more individuals to participate in online transactions, ultimately promoting the expansion of digital commerce in the country. Therefore, the connection between COD regulation and legal certainty is pivotal in shaping a landscape where participants can navigate with confidence, knowing that their rights are protected and obligations are clearly defined under the law.

Astuty's (2015) explanation sheds light on the intricacies of Cash on Delivery (COD), emphasizing that the term encapsulates the requirement for buyers to settle the payment in cash upon the delivery of the purchased good. In the Indonesian context, the absence of specific legal guidelines for COD prompts reliance on broader legal statutes. These include the Trade Law, Consumer Protection Law, and the Information and Electronic Transactions Law. The delineation of these regulations serves to guide both consumers and sellers in navigating the legal landscape of COD transactions in the digital realm.

The Trade Law of the Republic of Indonesia, represented by Law Number 7 of 2014, serves as a comprehensive legal framework governing various aspects of trade activities within the country. Enacted to promote fair and transparent trade practices, this law addresses matters such as consumer protection, market competition, and the regulation of business entities. However, it does not specifically delineate regulations for COD transactions. While Law Number 7 of 2014 primarily focuses on broader trade-related issues, its principles of fairness, transparency, and consumer protection indirectly contribute to shaping the environment in which COD transactions take place. Law Number 7 of 2014 on Trade in Indonesia is a significant piece of legislation designed to regulate and facilitate trade activities within the country. The law encompasses various aspects of trade, from consumer protection to market competition, aiming to create a fair and transparent trading environment. Nevertheless, it is important to note that this law does not explicitly address the specifics of COD transactions. Despite its broad scope, Law Number 7 of 2014 indirectly influences COD transactions by establishing a legal framework that promotes fairness, transparency, and consumer protection, which are integral aspects of any commercial exchange, including those conducted through COD methods.

Article 65 of Law Number 7 of 2014 on Trade regulates the obligations of business actors engaging in electronic commerce transactions. Firstly, it mandates that every business actor trading goods and/or services through electronic systems must provide complete and accurate data and/or information. Additionally, it prohibits the trading of goods and/or services through electronic systems that do not align with the provided data and/or information. The use of electronic systems must comply with the provisions set forth in the Law on Information and Electronic Transactions. The specified data and/or information, as outlined in Article 65(1), must include the identity and legality of the business actor as a producer or distributor, technical

requirements of offered goods, technical specifications or qualifications of offered services, pricing, payment methods for goods and/or services, and the delivery process. In the event of a dispute related to electronic commerce transactions, individuals or business entities involved in the dispute have the option to resolve it through the court or alternative dispute resolution mechanisms. Importantly, Article 65 emphasizes that any business actor conducting electronic commerce without providing complete and accurate data and/or information, as required in Article 65(1), may face administrative sanctions, including the revocation of their trading license. This legal framework underscores the importance of transparency and adherence to regulations in electronic commerce transactions to ensure fair and lawful practices among business actors.

Law Number 8 of 1999 on Consumer Protection in Indonesia plays a crucial role in safeguarding the rights and interests of consumers, and its relevance extends to transactions involving COD. COD transactions, where payment is made upon the receipt of goods, inherently involve consumer rights and protections. The Consumer Protection Law emphasizes the right of consumers to receive accurate information about the products or services they purchase. In the context of COD, consumers are entitled to clear and comprehensive details about the goods being delivered, including specifications, prices, and terms of payment. Furthermore, the Consumer Protection Law establishes the principle of fairness and prohibits unfair business practices. In the realm of COD transactions, this implies that sellers must ensure the quality and conformity of the delivered goods with the information provided during the transaction (Wibisana, Neltje & Fitriana, 2023). If there are discrepancies or if consumers receive defective or misrepresented products, they can rely on the provisions of the Consumer Protection Law to seek remedies. This legal framework reinforces the idea that consumers engaging in COD transactions have legal recourse if their rights are violated or if they experience unsatisfactory outcomes.

Additionally, Law Number 8 of 1999 addresses the issue of liability, stipulating that sellers are responsible for the quality and safety of the products they provide. In the context of COD, this implies that consumers can hold sellers accountable for any harm or dissatisfaction resulting from the delivered goods. The law provides a foundation for consumers to seek compensation or replacements for products that do not meet the expected standards. Overall, the Consumer Protection Law establishes a framework that aligns with the principles of fairness, transparency,

and accountability, offering essential safeguards to consumers involved in COD transactions in Indonesia.

Consumer Protection is a term used to describe the legal safeguards provided to consumers in their efforts to meet their needs and protect themselves from detrimental factors (Kirana & Ayunda, 2022). In Law Number 8 of 1999 on Consumer Protection, legal protection is granted to consumers engaged in online buying and selling transactions using the COD payment method. This law outlines the rights and obligations of both consumers and sellers, obliging sellers to provide clear and accurate information about the goods being sold, including price, quality, and specifications (Silalahi, Gultom, & Suparto, 2022). The Consumer Protection Law also establishes the seller's liability for defective or damaged goods, requiring compensation to consumers who suffer losses. Additionally, consumers have the right to cancel transactions if the received goods do not match the description provided by the seller.

In cases of disputes between sellers and consumers related to COD transactions, the Consumer Protection Law stipulates that dispute resolution must be carried out through alternative mechanisms such as mediation or arbitration. If dispute resolution cannot be achieved through mediation or arbitration, consumers have the right to file a lawsuit in court. To enhance consumer protection, the Consumer Protection Law has established a specialized body called the Consumer Dispute Settlement Body (*Badan Penyelesaian Sengketa Konsumen* or BPSK) to resolve disputes between business entities and consumers outside the courtroom. Article 1, number 11 of the Consumer Protection Law defines the BPSK as a body responsible for handling and resolving disputes between business entities and consumers.

Law Number 11 of 2008 on Electronic Information and Transactions (UU ITE) in Indonesia plays a crucial role in regulating electronic transactions, including the application of the COD method. This law aims to provide a legal framework for electronic transactions and ensure the security and reliability of information in the digital realm. In the context of COD transactions, the UU ITE serves as the overarching legal foundation that intersects with the specifics of online purchases involving the exchange of goods and payments upon delivery. Firstly, the UU ITE establishes the legal validity of electronic transactions, recognizing electronic documents and signatures, which is foundational for the documentation and authentication processes integral to COD transactions. Secondly, UU ITE complements the protection of consumer rights by

addressing issues related to the accuracy and integrity of information in electronic transactions. The law mandates that sellers provide clear and accurate information about the products being sold, aligning with the principles crucial for successful COD transactions. This ensures that consumers receive goods that conform to the descriptions given during the online transaction. Moreover, UU ITE provides a legal basis for dispute resolution in electronic transactions, including those involving COD. In cases where disputes arise between buyers and sellers in COD transactions, the UU ITE encourages the use of alternative dispute resolution mechanisms, such as mediation, to resolve conflicts swiftly and efficiently. Lastly, UU ITE reinforces the importance of data privacy and security, crucial aspects in electronic transactions, including COD. Sellers are obligated to safeguard customer information, ensuring that personal and financial details shared during online transactions are protected from unauthorized access or misuse.

Law Number 11 of 2008 on Electronic Information and Transactions plays a pivotal role in regulating and facilitating the implementation of the COD method in Indonesia. It provides a legal framework for electronic transactions, addresses consumer rights, mandates accurate information disclosure, supports dispute resolution, and underscores the significance of data privacy and security in the digital landscape (Fathni, Jauhari, Sulastri, Najmudin, Nurhayani & Khoirunnisa, 2023). Article 3 of Law Number 11 of 2008 on Electronic Information and Transactions states that the utilization of Information Technology and Electronic Transactions is carried out based on the principles of legal certainty, benefit, prudence, good faith, and freedom to choose technology or neutral technology. Article 4 explains the purpose of utilizing technology and information, which is aimed at enlightening the nation's life, developing trade and the national economy to improve the welfare of society. Therefore, online buying and selling fall into this category as it utilizes technology and information, specifically the internet, to engage in online transactions. Law Number 11 of 2008 on Electronic Information and Transactions also regulates the seller's obligations in online transactions. Article 9 states, business actors offering products through the Electronic System must provide complete and accurate information regarding contract terms, producers, and the offered products.

Thus, if the information provided by the seller regarding the sold goods contains elements of falsehood or misleads the consumer, resulting in consumer losses, the seller can be punished with imprisonment for a maximum of 6 years and a fine of up to Rp. 1,000,000,000 (one billion

Indonesian Rupiah) for violating prohibited acts under Article 28 of Law Number 11 of 2008 on Electronic Information and Transactions.

Trade Law, Consumer Protection Law, and the Information and Electronic Transactions Law are legal regulations that play a pivotal role in governing COD transactions, ensuring legal certainty in commercial activities. These statutes collectively contribute to safeguarding the interests of both buyers and sellers engaging in this mode of transaction. Firstly, Trade Law establishes the general framework for commercial activities, including provisions related to the sale of goods and services. It outlines the rights and obligations of parties involved in transactions, providing a foundation for contractual relationships. This legal framework helps ensure that COD transactions adhere to established norms and standards within the realm of trade practices. Secondly, Consumer Protection Law serves as a vital shield for consumers participating in COD transactions. This legislation is designed to safeguard consumer rights by imposing obligations on sellers to provide accurate information, maintain product quality, and refrain from deceptive practices. In the context of COD, these provisions contribute to creating a secure environment for consumers, assuring them of fair treatment and protection against fraudulent activities. Additionally, the Information and Electronic Transactions Law addresses the digital aspects of COD transactions. It sets guidelines for electronic transactions, emphasizing the importance of legal certainty, good faith, and the freedom to choose technology. This law ensures that COD transactions conducted through electronic means comply with the stipulated principles, reinforcing the legal foundation for such transactions in the digital era. Trade Law, Consumer Protection Law, and the Information and Electronic Transactions Law collectively establish a comprehensive legal framework for Cash on Delivery transactions. This framework not only facilitates smooth commercial interactions but also provides essential protections for consumers and sellers, fostering trust and legal certainty in the evolving landscape of digital transactions.

Exploring Legal Responsibility in Online Shopping: Unveiling the Dynamics of COD Transactions in Indonesia

In order to establish accountability, it is necessary to provide evidence of unlawful actions. Unlawful actions are regulated by Article 1365 of the Indonesian Civil Code, which states that any act that violates the law and causes harm to another person requires the responsible party, due to

their fault, to compensate for the resulting losses. Article 1365 of the Indonesian Civil Code establishes the elements that must be fulfilled to classify an action as an unlawful act. **Firstly**, there must be an act committed. **Secondly**, this act must contravene the law. **Thirdly**, there must be an error or fault on the part of the perpetrator. **Additionally**, there should be resulting harm or loss for the victim. **Lastly**, there must be a causal relationship between the act and the harm suffered. In essence, to establish a case of an unlawful act, all these elements need to be present. The first requirement is the occurrence of a specific action, followed by the crucial aspect of it being against the law. Moreover, the third element emphasizes the significance of the perpetrator's error or fault in committing the act. Subsequently, for the act to qualify as an unlawful act, it should lead to tangible harm or losses for the victim. Finally, the existence of a causal connection underscores the direct link between the unlawful act and the resulting detriment. These criteria collectively form the legal basis for proving an unlawful act under Article 1365 of the Indonesian Civil Code.

Firstly, the existence of an action can be categorized into two components: intentional acts, performed actively, and negligent acts, characterized by passivity or lack of intention. Intentional acts involve a conscious and purposeful effort, where individuals actively engage in specific actions with a clear understanding of their consequences. On the other hand, negligent acts result from a lack of proper care or attention, reflecting a passive approach where individuals fail to act in a manner that prevents harm. These distinctions highlight the dual nature of human behavior, ranging from deliberate and purposeful actions to inadvertent oversights that may lead to unintended consequences. In the legal context, understanding these categories is crucial as they form the basis for determining liability and accountability. Intentional acts often involve a higher degree of culpability, as individuals knowingly commit actions that result in harm to others. Meanwhile, negligent acts may be subject to legal consequences when individuals fail to exercise the standard of care expected in a given situation, leading to unintended harm. Recognizing the nuances between intentional and negligent acts is fundamental in legal proceedings, where establishing intent and negligence plays a pivotal role in adjudicating cases and assigning responsibility.

Secondly, the act is considered unlawful, and this illegality is broadly defined to encompass various fundamental aspects. Firstly, it includes actions that violate the prevailing laws and

regulations. Secondly, it involves actions that infringe upon the legal rights of others, as guaranteed by the law. Additionally, the concept of unlawfulness extends to actions conflicting with the legal obligations of the perpetrator. Furthermore, it encompasses actions contrary to morality (*goede zeden*), and finally, actions conflicting with the principles of good social conduct that require individuals to consider the interests of others. In essence, the scope of unlawfulness is comprehensive, covering a spectrum from statutory violations to breaches of ethical and societal norms. It is crucial to emphasize that for accountability to be established, evidence must be presented showcasing that the actions were indeed unlawful, falling within the expansive definition provided. This legal framework, articulated in Article 1365 of the Indonesian Civil Code, mandates that individuals responsible for causing harm due to their wrongful actions are obligated to compensate for the resulting losses. Thus, a nuanced understanding of the diverse elements constituting unlawfulness is essential for a comprehensive assessment of legal liabilities and the subsequent determination of appropriate remedies.

Thirdly, the application of Article 1365 on Unlawful Acts requires the presence of an error on the part of the perpetrator. To be subject to this provision, both statutory law and jurisprudence stipulate that the perpetrator must exhibit a culpable element (*schuldelement*) in the commission of the act. This implies that the individual responsible for the action must have committed a wrongful act or displayed negligence, contributing to the harm suffered by another party. The requirement of culpability serves as a crucial criterion in determining the applicability of Article 1365, emphasizing the need for a level of fault or blameworthiness on the part of the perpetrator. Moreover, this legal principle reflects the underlying notion that accountability for unlawful acts is contingent upon the acknowledgment of wrongdoing or negligence by the responsible party. It establishes a framework that ensures individuals are held liable for their actions only when there is a demonstrable connection between their conduct and the resulting harm, reinforcing the concept of causation in legal proceedings. The inclusion of the culpability element acts as a safeguard, aligning legal consequences with the degree of fault attributed to the perpetrator and promoting a fair and just legal system.

Fourth, the existence of harm to the victim is a crucial condition for filing a lawsuit based on Article 1365 of the Indonesian Civil Code. This legal provision asserts that any action contravening the law, resulting in harm to another individual, necessitates the individual

responsible for such harm, owing to their fault, to indemnify the losses incurred. In essence, this principle places a significant emphasis on the tangible manifestation of damages, requiring the aggrieved party to demonstrate and substantiate the actual losses suffered as a direct consequence of the unlawful act. Moreover, the requirement of harm to the victim serves as a fundamental criterion for the admissibility of a legal claim under Article 1365. This stipulation ensures that legal actions are pursued with a genuine basis, safeguarding against frivolous or unfounded lawsuits. Therefore, the legal landscape necessitates a clear and tangible demonstration of the adverse effects experienced by the victim, establishing a direct link between the unlawful act and the resultant losses incurred. In summary, the presence of demonstrable harm to the victim not only fulfills a crucial condition for invoking Article 1365 but also contributes to the overall integrity and fairness of the legal process.

Fifth, the establishment of liability hinges on the presence of a causal relationship between an action and the resulting harm. This causal link is a fundamental requirement for an act to be considered unlawful. According to Article 1365 of the Indonesian Civil Code, the provision asserts that every action violating the law which causes harm to another person necessitates the individual responsible for such harm, due to their fault, to indemnify the losses incurred. Thus, the existence of a direct and causal connection between the wrongful act and the ensuing detriment is pivotal in determining legal accountability. Moreover, the legal principle underscores the significance of proving the causal relationship between the act and the harm. It emphasizes that the harm must be a direct consequence of the wrongful act committed. This criterion ensures that accountability is attributed only when there is a clear and demonstrable connection between the unlawful conduct and the resulting losses. Therefore, establishing a causal link becomes a crucial aspect in demonstrating that a particular action qualifies as unlawful under the legal framework outlined in Article 1365 of the Indonesian Civil Code.

If an individual is proven to have committed an unlawful act, they may face sanctions by compensating for the losses suffered by the victim due to their wrongdoing. This can be pursued through legal proceedings or alternative dispute resolution mechanisms outside the court, where accountability is sought. In cases involving issues in online buying and selling transactions with the COD payment method, various forms of accountability can be sought by the parties involved. In the context of online transactions, the responsibility for any issues may encompass aspects

such as product quality, delivery discrepancies, or even cases of fraud. Seeking accountability through legal channels or dispute resolution institutions becomes crucial for resolving conflicts and ensuring that the party at fault compensates for any losses incurred by the affected party. In essence, the legal framework provides a means to address grievances and hold individuals accountable for their actions in the realm of unlawful activities, fostering a sense of justice in the transactional landscape.

Seller's Accountability

Sellers must be accountable for any defects in their products that result in harm to consumers. Product liability is a legal responsibility held by individuals or entities involved in the production, manufacturing process, sale, or distribution of a product (Hamid, 2017). This responsibility can be classified into areas related to: the production process, concerning the manufacturer's responsibility for products that cause harm to consumers; advertising promotion, involving the manufacturer's responsibility for advertising promotions that result in harm to consumers; and dishonest trade practices, such as unfair competition, counterfeiting, fraud, and others (Hamid, 2017).

In accordance with the Consumer Protection Law, the legal framework for compensation encompasses various provisions: Firstly, Article 4, letter h, stipulates the entitlement to compensation, indemnification, or replacement when the goods and/or services received deviate from the agreed terms or fail to meet the expected standards. Secondly, Article 7, letter f, addresses the obligation to provide compensation, indemnification, or replacement for losses incurred due to the utilization, use, and consumption of traded goods and/or services. Moreover, Article 19, paragraph (1), outlines the responsibility of business actors to compensate consumers for damages, pollution, or losses arising from the consumption of goods and/or services produced or traded. Additionally, Article 19, paragraph (2), specifies that compensation, as mentioned in paragraph (1), can manifest as a reimbursement or replacement of goods and/or services of similar kind or equivalent value. Alternatively, it may involve healthcare services and/or provision of benefits in accordance with relevant laws and regulations. Furthermore, Article 19, paragraph (3), mandates that the disbursement of compensation should occur within a stipulated period of 7 (seven) days from the transaction date. Lastly, Article 19, paragraph (4), clarifies that the

provision of compensation, as delineated in paragraphs (1) and (2), does not preclude the possibility of facing criminal charges, contingent upon further evidence demonstrating the presence of culpable elements.

Referring to Law Number 11 of 2008 concerning Electronic Information and Transactions, which regulates the obligations of sellers in online transactions, Article 9 specifies that business actors offering products through Electronic Systems must provide complete and accurate information regarding contract terms, manufacturers, and the offered products. Consequently, if the information provided by the seller regarding the sold goods contains elements of falsehood or misleads the consumer, resulting in financial loss, the seller may face imprisonment for up to 6 years and a fine of up to IDR 1,000,000,000 (one billion Indonesian rupiahs) for violating the prohibited acts outlined in Article 28 of Law Number 11 of 2008 concerning Electronic Information and Transactions. This legal provision underscores the importance of truthfulness and transparency in online transactions, aiming to protect consumers from deceptive practices. Sellers are legally bound to furnish accurate details about their products, ensuring a fair and secure online marketplace. The severity of the penalties highlights the Indonesian government's commitment to maintaining the integrity of electronic transactions and fostering a trustworthy digital commerce environment. In conclusion, the legal framework established by Law Number 11 of 2008 serves as a crucial tool in regulating the online marketplace, emphasizing the responsibility of sellers to provide truthful information. By doing so, the law aims to safeguard consumers and promote a trustworthy e-commerce ecosystem, reinforcing the significance of ethical conduct in the digital realm.

Buyer's Accountability

In an online buying and selling agreement, the involved parties willingly enter into a pact that establishes the rights and obligations of each party. If either party fails to fulfill their respective obligations, it can be deemed a breach of contract. Breach of contract occurs when the fulfillment of duties is not done correctly at the specified time or when executing the contractual performance has been neglected, resulting in a delay from the agreed-upon schedule or an improper execution of the agreed-upon performance (Slamet, 2013). There are four types of breaches that an individual can commit: a) not doing what was promised to be done; b) executing

what was promised but not as agreed; c) carrying out what was promised but with a delay; d) doing something that, according to the agreement, should not be done. In the realm of online transactions, adherence to contractual obligations is paramount to ensure a fair and equitable exchange between parties. Any deviation from the agreed-upon terms can be considered a breach, and it is essential for both buyers and sellers to be aware of their responsibilities to maintain the integrity of online commerce (Slamet, 2013). The concept of breach of contract serves as a crucial element in upholding the principles of accountability and justice in the digital marketplace.

Consequences or sanctions for breach are outlined in Article 1239 of the Civil Code, which stipulates that every obligation to do something, or to refrain from doing something, must be fulfilled by providing compensation for costs, losses, and interest if the debtor fails to fulfill their obligation. This legal provision emphasizes the financial repercussions that may arise in the event of non-compliance with contractual obligations (Rahardja, 2021). The ramifications of a breach of contract extend beyond mere non-performance, as elucidated in Article 1239 of the Civil Code. This legal provision underscores the obligation to settle any obligation, whether it involves an action or inaction, by compensating for expenses, losses, and interest. In essence, it emphasizes the financial restitution that must be made if a debtor fails to meet their contractual responsibilities.

Article 1239 of the Civil Code underscores the gravity of failing to fulfill contractual obligations, stating that any agreement, whether it involves an act or forbearance, must be resolved by providing compensation for costs, losses, and interest if the debtor falls short of meeting their obligations. This legal provision serves as a clear directive, emphasizing the legal and financial consequences that accompany breaches of contractual duties.

Courier Accountability

In the COD payment system, if the purchased item received by the buyer does not align with the pre-agreed terms with the seller, it is imperative to recognize that the courier is not obligated to assume responsibility for such discrepancies. This is rooted in the understanding that the courier's duty is limited to the execution of tasks entrusted to them. In accordance with Article 1797 of the Civil Code, which stipulates that an agent must not exceed the scope of their authority, the courier cannot be held accountable for any non-conformity or damage to the goods, as these

fall outside the courier's purview. It is noteworthy that the courier remains uninformed about the intricate details of the transaction between the seller and the buyer. Despite being a direct intermediary between the parties, a legal relationship, as underscored by [1414], does not exist between the courier and the buyer (Suriyadi, 2021).

This legal perspective underscores the importance of understanding the nuanced roles and responsibilities within the COD framework. The delineation of responsibilities, as outlined by the Civil Code, serves as a vital framework for comprehending the legal intricacies of COD transactions and emphasizes the limited liability of couriers in such scenarios. Navigating the complexities of these legal principles is essential for both buyers and sellers, fostering a clear understanding of the legal landscape surrounding COD transactions and highlighting the need for transparent communication and adherence to agreed-upon terms between all parties involved.

Article 1708 of the Civil Code stipulates that a courier, as the consignee of entrusted goods, bears no responsibility whatsoever for incidents leading to damage or non-conformity of the entrusted items, unless such harm or mismatch results from the courier's fault or negligence. Moreover, the article absolves the courier from liability even if the goods suffer damage, or worse, destruction while in the possession of the buyer. This exoneration is further echoed in Articles 1504 and 1505 of the Civil Code, emphasizing that in cases where damage occurs to the goods, whether concealed or visibly apparent, prompting the buyer to withhold payment, it is the seller who assumes the obligation of accountability, not the courier (Putri & Dalimunthe (2021).

In essence, the legal framework outlined in these articles underscores the limited liability of couriers in the intricate dance of commercial transactions. The provision serves as a shield, safeguarding couriers from undue culpability unless their actions directly contribute to the harm or discrepancy suffered by the entrusted goods. It places a strategic emphasis on the responsibilities of sellers when it comes to guaranteeing the integrity of goods, reinforcing the principle that the courier is a mere conduit in the transaction, absolved from bearing the weight of potential pitfalls unless directly implicated through fault or negligence. This legal perspective provides a nuanced understanding of the dynamics between couriers, sellers, and buyers, unraveling a tapestry of responsibilities within the realms of commercial exchanges.

Accountability Platform

In the realm of electronic systems, the responsibility of platform providers extends beyond mere provision; it encompasses the meticulous orchestration of a reliable and secure electronic infrastructure (Afrianto, 2023). Mandated by the Electronic Information and Transaction Law Number 11 of 2008, the regulation outlines the obligations of Electronic System Providers. It unequivocally states that each provider must ensure the dependable and secure operation of the electronic system, assuming accountability for its proper functioning. The second provision reinforces the gravity of the platform provider's responsibility, emphasizing their duty to oversee the entire electronic system. However, the legal framework recognizes exceptions, exempting providers from liability in cases where compelling circumstances, user errors, or negligence can be substantiated.

In the intricate landscape of electronic governance, the legislative framework serves as a guardian of accountability, compelling platform providers to uphold the integrity and reliability of their electronic systems. The essence of Article 11 of the 2008 Electronic Information and Transaction Law is distilled into a crucial imperative: providers must not only ensure the seamless functionality of their electronic systems but also shoulder the responsibility for their meticulous administration. This legal mandate underscores the significance of accountability in the digital realm. Yet, the law acknowledges the nuanced nature of electronic interactions, offering providers exemption from liability in the face of proven coercion, user errors, or lapses in judgment. Balancing stringent accountability with an understanding of unforeseen circumstances, this legal provision navigates the intricate terrain where technology, responsibility, and user behavior converge.

CONCLUSION

In the realm of online commerce, the COD payment method lacks specific regulatory frameworks within Indonesian law. Despite the absence of dedicated regulations for COD in Indonesia, several statutes govern this payment method in online transactions, including the Consumer Protection Law, Trade Law, and the Electronic Information and Transaction Law. These legislative instruments establish legal protections for consumers, delineate the rights and obligations of both sellers and buyers in online transactions, and prescribe the procedures for

payment and delivery of goods. Within the landscape of online buying and selling agreements, the specter of breach of contract, or wanprestasi, looms large if either party fails to fulfill its respective obligations. Securing accountability in the form of compensation and damages requires substantiating evidence of unlawful actions. Sellers bear the responsibility of providing compensation for losses resulting from the use of traded goods or services, while buyers must furnish proof or documentation related to received products or services, promptly reporting grievances to sellers and marketplaces. Couriers, entrusted with the delivery process, are accountable for damaged or lost items during transit and must report such incidents to sellers for appropriate reimbursement processes. Marketplaces, as intermediaries, are obligated to assist in resolving issues that may arise between sellers and buyers. In this intricate dance of rights and responsibilities, the regulatory landscape seeks to ensure a fair and secure online commerce environment for all parties involved.

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