

Online Dispute Resolution for Breach-of-Contract Disputes in Indonesia's Digital Contract Era

Christy Christy¹, Angella Octavianna², Yosua Nicholas Tan³,
Jimmy Lee⁴, Rodger Lui Hariyanto⁵, Tantimin Tantimin⁶,
Khilmatin Maulidah⁷

¹⁻⁶Faculty of Law, Universitas Internasional Batam, Indonesia

⁷Faculty of Law, IBLAM School of Law, Indonesia

✉ Corresponding email: tantimin.lec@uib.ac.id

History of Article

Submitted : June 07, 2025

Revised : July 24, 2025

Accepted : August 10, 2025

Published : September 20, 2025

DOI : <https://doi.org/10.37253/barjoules.v3i2.11385>

Copyright© 2025 by Author(s). This work is licensed under a Creative Commons Attribution-Non Commercial-Share Alike 4.0 International License. All writings published in this journal are personal views of the authors and do not represent the views of this journal and the author's affiliated institutions.

Abstract

The legal problem addressed is the gap between Indonesia's fragmented regulatory support for ODR and the growing need to resolve breach-of-contract disputes from digital contracts fairly. This article aims to evaluate the sufficiency of the existing framework (UU 30/1999, the ITE Law as amended, PP 80/2019, and PERMA 1/2016 and 3/2022) and to propose an ODR model suited to Indonesia's digital-contract ecosystem. Using a normative juridical method—statute and conceptual approaches with doctrinal literature—the study interprets positive law and compares best practices to identify normative gaps. Findings show that while electronic evidence and online mediation are recognized, rules remain scattered, leaving uncertainty over accreditation of institutions, cybersecurity, procedural fairness, and enforcement of ODR outcomes. Integration with e-Court is partial, and ODR clauses in B2C settings risk unequal bargaining without transparency mandates. Applying Radbruch's triad, the article recommends a unified regulation that establishes a national ODR platform, sets accreditation and ethics for neutrals, mandates security benchmarks and privacy-by-design, links ODR results to executable titles via streamlined registration, imposes timelines, and ensures access for consumers and MSMEs through fee caps. Such reforms would align justice, legal certainty, and utility, enabling ODR to deliver fair and effective resolution of digital-contract breaches in Indonesia.

Keywords: Online Dispute Resolution (ODR); Digital Contracts; Breach of Contract; Legal Certainty

Introduction

In the digital era, electronic contracts have become a primary instrument in business and commercial transactions in Indonesia. Data from the Indonesian Internet Service Providers Association (APJII) in 2023 indicate that more than 80% of internet users in Indonesia have engaged in online transactions (Tumbel et al., 2020). Along with the increasing volume of digital transactions across trade, services, and cross-border business cooperation, disputes arising from breach of contract in electronic agreements have also become more prevalent. According to a 2022 report by the Ministry of Communication and Informatics (Kominfo), approximately 45% of consumer complaints related to digital transactions involve breaches of contract, including delayed delivery, non-conforming goods or services, and payment failures (Sutiyoso, 2023). In the current context of the Industry 5.0 era, the law must adapt to developments in information technology and digitalization. The resolution of disputes through electronic (online) mechanisms is therefore necessary to meet the demands of the business world for efficiency and effectiveness (Tantimin, 2021). This has created an urgent need for a dispute resolution mechanism that is fast, efficient, and accessible for parties involved in digital contracts, namely Online Dispute Resolution (ODR), as an alternative means of resolving disputes.

From a global perspective, Online Dispute Resolution (ODR) has developed as a technology-based alternative for dispute resolution. ODR refers to dispute resolution mechanisms conducted online by utilizing information technology to facilitate mediation, negotiation, or arbitration without requiring physical meetings. It has been implemented in various jurisdictions, including the United States, the European Union, and China, as a faster and more cost-effective alternative to conventional litigation (Setiantoro et al., 2018). In Indonesia, ODR has begun to be introduced through various e-commerce platforms and digital financial services. However, its implementation remains limited and has not yet been specifically regulated within the national legal system (Putri, 2023), resulting in many digital disputes still being resolved through conventional mechanisms. Normatively, however, the legal basis supporting ODR already exists in Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution,

particularly Article 1 paragraph (10), which allows dispute resolution outside the courts through consultation, negotiation, mediation, or conciliation—mechanisms that can be adapted into digital platforms (Ardhiyaningrum Frensiska & Setiawati, 2024). Furthermore, Law Number 11 of 2008 concerning Electronic Information and Transactions (ITE Law) and Government Regulation Number 80 of 2019 concerning Electronic Commerce recognize the validity of electronic documents and transactions, thereby providing a legal foundation for the implementation of ODR. Nevertheless, despite this implicit legal framework, more specific and integrated regulations are required to meet the needs of dispute resolution in the digital era.

According to a 2023 report by Bank Indonesia, only 30% of disputes in digital transactions are resolved through ODR, while the majority still rely on conventional mechanisms, including arbitration and court proceedings. These processes tend to be time-consuming, costly, and inflexible in accommodating the cross-border and technology-based nature of digital contracts. This situation highlights a clear gap between market demands for efficient digital dispute resolution and a legal system that is still in the process of adaptation (Novita & Santoso, 2021). In Indonesia, although ODR has a regulatory basis, it is not yet specifically and comprehensively regulated. In fact, ODR holds significant potential as a fast, efficient, and suitable solution for resolving disputes arising from digital contracts. It offers fully online processes—from mediation and negotiation to arbitration—without requiring the physical presence of the parties. Law Number 30 of 1999 permits the use of electronic media in arbitration proceedings, while Law Number 8 of 1999 concerning Consumer Protection allows disputes to be resolved outside the courts with the agreement of the parties. Additional provisions supporting online arbitration can also be found in relevant procedural regulations, such as those of BANI (Prasetyaji et al., 2024).

Thus, there is a clear gap between *das sein* (reality) and *das sollen* (normative expectations). In practice, ODR has not received sufficient attention within the national legal system, resulting in many digital disputes still being resolved through conventional means. This stands in contrast to the ideal legal norms that require legal certainty, accessibility, and efficiency in dispute resolution. In

jurisdictions such as the United States and the European Union, ODR has been formally integrated into their legal systems, providing effective and affordable solutions for parties involved in digital contracts. Conversely, in Indonesia, inadequate regulation limits the effectiveness of ODR, leading to continued reliance on slower and more expensive conventional mechanisms. This condition risks creating a legal vacuum that may hinder legal protection and certainty for parties involved in digital contracts.

Previous studies have examined the urgency and relevance of ODR in Indonesia. Sutarni (2022) analyzed the application of ODR in e-commerce dispute resolution using a normative legal approach based on economic analysis of law, concluding that ODR is efficient and beneficial both monetarily and non-monetarily. However, the study did not sufficiently address technical implementation and regulatory challenges in practice. Fausi and Setiawati (2023) explored the evolution of dispute resolution in the digital era, focusing on the integration of e-courts and non-litigation mechanisms such as ADR and ODR. While comprehensive, the study did not specifically examine the effectiveness of ODR in resolving electronic contract disputes.

Similarly, Solikhin (2023) examined the urgency of ODR implementation in e-commerce disputes using a normative juridical approach, identifying regulatory, institutional, technological, and security-related challenges. However, the study did not thoroughly analyze the gap between existing regulations and the need for deeper legal adaptation. Aziz and Hidayah (2020) emphasized the need for specific ODR regulations in Indonesia through comparative analysis, but did not sufficiently address technical aspects of implementation, particularly concerning consumer trust and legal protection. Meanwhile, Hidayati et al. (2024) highlighted challenges such as low awareness, regulatory ambiguity, and limited trust in ODR institutions, yet did not comprehensively explore integration with the national legal system, especially in the context of digital contract disputes.

This study offers a significant contribution to the development of legal scholarship by integrating Gustav Radbruch's three fundamental legal values—justice, legal certainty, and expediency—into the analysis of regulatory gaps and

limitations within Indonesia's current legal system. It critically examines the limitations of Law Number 30 of 1999, which does not explicitly regulate ODR mechanisms, resulting in ambiguity regarding the formal legal recognition of ODR processes and their outcomes. While the ITE Law (Law Number 11 of 2008 as amended by Law Number 19 of 2016) recognizes electronic documents and transactions, and Government Regulation Number 80 of 2019 provides space for electronic dispute resolution, these frameworks remain largely normative and lack concrete technical guidelines and guarantees of legal protection, particularly for consumers.

This research adopts a normative-constructive approach that not only identifies regulatory gaps but also proposes an ideal model for implementing ODR in resolving breach of contract disputes in digital agreements in Indonesia. Within Radbruch's theoretical framework, the study seeks to strengthen legal certainty through more specific normative formulations, ensure justice by providing equal access and transparent procedures, and enhance legal expediency by leveraging technology to deliver dispute resolution that is efficient, fast, and affordable.

The study also provides significant theoretical contributions to the development of legal science, particularly in civil law and digital law, by offering an in-depth normative analysis of ODR as an alternative mechanism for resolving breach of contract disputes in the digital era. Practically, the findings offer concrete benefits for policymakers in formulating more adaptive regulations that respond to digital developments, particularly by identifying gaps between existing regulations—such as Law Number 30 of 1999, Law Number 11 of 2008 as amended by Law Number 19 of 2016, and Government Regulation Number 80 of 2019—and the practical needs of effective and reliable digital dispute resolution.

This research is also relevant for alternative dispute resolution institutions and digital industry actors, particularly in promoting the adoption of ODR mechanisms that ensure access to justice for the public, including consumers and small and medium enterprises (SMEs). Amid the rapid digitalization of transactions and increasing complexity of electronic disputes, this study responds

to contemporary legal challenges that demand innovative, efficient, and principle-based dispute resolution mechanisms. However, this study has several limitations. It relies on a normative juridical method without empirical data or field studies that could reflect the actual practice of ODR in Indonesia. Additionally, the research focuses on the Indonesian legal context, limiting its generalizability to other legal systems. The scope of analysis is also confined to breach of contract in digital agreements and does not extend to other forms of digital disputes, such as privacy violations or cyber fraud.

The formulation of the research problems in this study focuses on two main aspects. First, how is the legal framework governing Online Dispute Resolution (ODR) in resolving breach of contract disputes in digital contracts in Indonesia, given the absence of specific and comprehensive regulations governing such mechanisms. Second, what constitutes an ideal regulatory model to optimize the implementation of ODR within the Indonesian legal system, in order to enhance the effectiveness of digital contract dispute resolution, ensure legal certainty, and provide more efficient and equitable access for the parties involved.

Research Method

This study employs a normative juridical research method, which examines statutory regulations and relevant legal literature to understand the applicable legal norms. The analytical approach adopted in this study includes the statutory approach and the conceptual approach (Tan, 2021) in analyzing various regulations governing Online Dispute Resolution (ODR) and electronic transactions, including Law Number 11 of 2008 concerning Electronic Information and Transactions (ITE Law). The data sources used in this study consist of secondary data, which include primary, secondary, and tertiary legal materials (Disemadi, 2022). Primary legal materials comprise statutory regulations and court decisions directly related to ODR and the resolution of digital contract disputes. Secondary legal materials include legal journals, books, and scholarly articles that provide analysis and perspectives on the regulation and implementation of ODR. Meanwhile, tertiary legal materials consist of legal

encyclopedias, legal dictionaries, and other documents that provide additional understanding of legal terminology used in this study.

Data collection was conducted through library research by examining various legal documents and relevant academic literature. This approach aims to understand the normative aspects of ODR and to analyze legal theories that support its implementation in resolving digital contract disputes. The collected data were analyzed using a descriptive qualitative method, which seeks to describe, interpret, and evaluate the regulatory framework and the implementation of ODR in resolving digital contract disputes in Indonesia. Norm interpretation was carried out using grammatical and systematic methods applied to relevant regulations, including Law Number 30 of 1999, the ITE Law, Government Regulation Number 80 of 2019, Supreme Court Regulation (PERMA) Number 1 of 2016, and PERMA Number 3 of 2022. The analyzed data were then connected with legal theories derived from the literature review and examined to address the research problems (Iswara & Hadiyati, 2021). The primary analytical framework used in this study is Gustav Radbruch's theory, which evaluates law based on three fundamental values: justice, legal certainty, and expediency. The findings indicate that although there is normative recognition of digital transactions, the implementation of ODR still faces challenges in ensuring procedural justice, establishing legal certainty for ODR institutions, and protecting the rights of the parties involved. Within this framework, this study not only describes the existing conditions but also evaluates the effectiveness of the law and formulates normative recommendations for optimizing ODR in a manner that is just, certain, and beneficial.

Results and Discussions

Legal Regulation of Online Dispute Resolution (ODR) in Resolving Breach of Contract Disputes in Digital Contracts in Indonesia

Online Dispute Resolution (ODR) is a dispute resolution method that utilizes information technology as the primary means to facilitate mediation, negotiation, and arbitration processes conducted online (Nafis Khakimuddin, 2024). This method has become increasingly relevant in the digital era, particularly in response to the rapid development of electronic transactions and digital contracts carried out without physical interaction between parties. In Indonesia, although there is no specific regulation comprehensively governing ODR, several statutory provisions provide a legal basis for its implementation. Arbitration regulations in Indonesia have recognized the existence of online arbitration as stipulated in Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution. In addition, Article 3 letter (m) and Article 4 paragraphs (1) and (3) of the Procedural Rules of the Indonesian National Arbitration Board (BANI), as a non-judicial institution, acknowledge electronic dispute resolution procedures as legally valid. Although BANI's procedural rules do not specifically regulate online arbitration, such arbitration may be conducted at BANI if agreed upon by the parties, in accordance with Articles 4 and 31 of Law Number 30 of 1999 (Hanida, 2023). These provisions allow arbitration to be conducted online, provided there is mutual consent between the disputing parties.

Furthermore, Law Number 11 of 2008 concerning Electronic Information and Transactions (ITE Law), as amended by Law Number 19 of 2016 and updated by Law Number 1 of 2024, provides legal legitimacy for electronic evidence in dispute resolution processes (Harris, 2024), including digital documents and communications in online contracts. The recognition of electronic documents as valid legal evidence plays a crucial role in strengthening the effectiveness of ODR (Kamil & Mansyur, 2014). The ITE Law ensures legal certainty regarding the use of electronic evidence in dispute resolution processes, as stipulated in Articles 5 and 6. Moreover, Articles 15 and 16 regulate the operation of electronic systems, including electronic transaction mechanisms that serve as the legal foundation for implementing ODR. The latest amendment under Law Number 1 of 2024 further strengthens recognition of ODR processes while also addressing personal data protection, thereby reinforcing the legal

validity of digital communications and transactions in both civil and criminal contexts.

More specific provisions regarding ODR are also found in Government Regulation Number 80 of 2019 concerning Electronic Commerce (PMSE), particularly Article 72 paragraphs (1) and (2), which explicitly state that disputes arising from electronic commerce transactions may be resolved through courts or ODR mechanisms (Kinantidan et al., 2023). This regulation also requires ODR providers to be accredited and supported by qualified legal professionals, such as mediators and advocates, thereby ensuring the quality of online dispute resolution. These provisions demonstrate governmental recognition and support for efficient dispute resolution in the digital sphere. Furthermore, Supreme Court Regulation (PERMA) Number 1 of 2016 concerning Mediation Procedures in Courts and PERMA Number 3 of 2022 concerning Electronic Court Mediation strengthen the use of information technology in civil and administrative cases. These regulations provide legal space for utilizing technology in dispute resolution processes, including online mediation as part of the ODR system. For example, Article 5 paragraph (3) and Article 6 paragraph (2) of PERMA Number 3 of 2022 allow mediation to be conducted through remote audiovisual communication, which is legally recognized as equivalent to physical presence, while Article 17 regulates the use of electronic systems in court proceedings. However, despite this legal framework, ODR regulation remains fragmented and partial, creating the need for comprehensive and specific regulations addressing its technical, procedural, and institutional aspects (Rongiyati, 2019).

In the context of digital contracts, ODR plays a strategic role, as such contracts are formed through electronic communication and agreed upon online without physical interaction. These contracts remain legally valid as long as they fulfill the requirements of Article 1320 of the Indonesian Civil Code, namely mutual consent, legal capacity, a definite object, and a lawful cause (Maramis & Mamengko, 2020). However, the digital nature of these contracts makes them vulnerable to issues such as breach of contract, data misuse, and digital fraud. Therefore, ODR offers a dispute resolution mechanism aligned with the nature

of digital contracts, providing a process that is efficient, timely, and consistent with principles of justice.

In general, although ODR has a legal basis within Indonesia's statutory framework, there is an urgent need for integrated and specific regulations. Such regulations should include standardized procedures, cybersecurity standards, personal data protection, and accreditation mechanisms for ODR providers to effectively address legal challenges arising from digital contracts. Establishing such a regulatory framework would strengthen ODR as an adaptive and relevant dispute resolution instrument capable of responding to the dynamics of electronic transactions in the digital era.

The following table outlines Indonesian regulations and their contributions to ODR:

Table 1. Indonesian Regulations and Their Contributions to ODR

No.	Regulations	Contributions to ODR
1.	Law No. 30 of 1999 on Arbitration and Alternative Dispute Resolution	Provides legal recognition for online arbitration, provided it is agreed upon by the parties (Articles 4 and 31), forming the basis for ODR arbitration mechanisms.
2.	Law No. 11 of 2008 in conjunction with Law No. 19 of 2016 on Electronic Information and Transactions (ITE Law)	Recognizes electronic evidence as legally valid in court and supports the legality of digital communications and documents in online dispute resolution (Articles 5, 6, 15, and 16).
3.	Government Regulation No. 80 of 2019 on Electronic Commerce (PMSE)	Explicitly allows e-commerce disputes to be resolved through ODR (Article 72) and requires ODR providers to be accredited and supported by trained professionals.

4.	Supreme Court Regulation No. 1 of 2016 and No. 3 of 2022 on Electronic Mediation	Enables the use of technology in mediation and litigation processes, supporting digital transformation in the judiciary and compatibility with ODR (Articles 5(3), 6(2), and 17).
5.	BANI Procedural Rules	Recognize electronic documents as valid components in online arbitration proceedings (Article 3 letter m; Article 4 paragraphs (1) and (3)).

From a regulatory perspective, Indonesia does not yet have a specific and comprehensive regulation governing ODR. Existing provisions remain scattered across various legal instruments, such as arbitration law, the ITE Law, and PMSE regulations, which do not explicitly regulate ODR mechanisms, procedures, and operational standards. This fragmentation creates confusion in implementation and leads to legal uncertainty. In terms of cybersecurity and personal data protection, although the Personal Data Protection Law has been enacted, its application within ODR processes remains weak. There are no standardized operating procedures (SOPs) to ensure data security during online dispute resolution. The absence of national standards and accreditation systems for ODR institutions also results in inconsistencies in service quality and decision outcomes.

Moreover, the integration of ODR mechanisms with formal judicial systems, such as e-court platforms, remains suboptimal. ODR institutions tend to operate in a sectoral manner without systematic integration into formal court systems. As a result, ODR outcomes—particularly those based on mediation or negotiation—often lack binding legal force unless formally registered with the court. This creates uncertainty regarding their enforceability. Unlike online arbitration, which under Law Number 30 of 1999 requires physical registration of arbitral awards with the District Court for enforcement, there is no specific

regulation governing the registration of fully digital ODR decisions. This raises doubts about whether such decisions can be recognized and enforced without additional procedures.

Additionally, public trust in ODR mechanisms remains relatively low. Many parties question the objectivity of online dispute resolution outcomes and express concerns regarding data security and the legitimacy of processes conducted outside conventional judicial systems. Limited transparency in procedures, inconsistent service quality, unequal access to technology, and technical disruptions further hinder the effectiveness of ODR implementation. Information asymmetry between disputing parties also presents a significant concern. In consumer disputes, for instance, business actors generally possess greater familiarity with digital procedures and technological tools compared to consumers, potentially leading to inequality in the dispute resolution process. Although ODR holds substantial potential as a fast and efficient alternative dispute resolution mechanism in the digital era, it still requires significant attention from policymakers, legal practitioners, and society to develop an adequate legal framework, particularly in the context of digital contracts.

An ideal regulatory model to optimize the implementation of Online Dispute Resolution (ODR) within the Indonesian legal system in order to enhance the effectiveness of resolving digital contract disputes

The implementation of Online Dispute Resolution (ODR) in resolving breach of contract disputes in digital contracts in Indonesia faces several significant challenges. One of the primary obstacles is the absence of a regulatory framework that explicitly and comprehensively governs ODR mechanisms (Aziz, 2020). Although Indonesia has several legal foundations that support the implementation of ODR, such as Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution, these provisions do not specifically regulate the procedures or technical mechanisms of ODR. For instance, Article 4 paragraph (3) of Law No. 30 of 1999 states that when parties

agree to resolve disputes through arbitration in writing, the exchange of information may be conducted via telex, telegram, facsimile, email, or other communication media, accompanied by written confirmation (Aji, 2020). However, this provision does not explicitly establish procedural or operational standards for ODR, resulting in ambiguity in its practical implementation. The absence of specific and integrated regulations has created legal uncertainty for both business actors and consumers engaging in online dispute resolution. Furthermore, arbitration institutions handling online disputes often adopt varying communication methods, which may not align with the expectations of the disputing parties (Sulistianingsih, 2023). The relatively low level of digital literacy among the public further exacerbates this issue, as many individuals lack sufficient understanding of ODR mechanisms, leading to low public trust and participation in online dispute resolution processes (Sitompul, 2016).

This regulatory gap represents a major barrier to the effective implementation of ODR in Indonesia. Law Number 30 of 1999 only recognizes the exchange of electronic documents in arbitration processes but does not regulate key technical aspects of ODR, such as virtual hearings, standards for digital evidence, or the enforceability of online arbitral awards. Meanwhile, Government Regulation Number 80 of 2019 concerning Electronic Commerce only implicitly refers to ODR without providing a clear operational framework for institutions such as the Indonesian National Arbitration Board (BANI) or the Consumer Dispute Settlement Agency (BPSK). As a result, there is no explicit legal recognition of ODR decisions within the national legal system, which creates challenges in their enforcement.

This legal uncertainty affects multiple aspects of dispute resolution. Limitations in the recognition of digital evidence remain a significant issue, as the *Herzien Indonesisch Reglement (HIR)* does not explicitly recognize video conference recordings or digital communications (chat logs) as valid evidence. Additionally, there is unequal access to justice, as not all segments of Indonesian society possess adequate digital literacy, resulting in ODR being accessible only to certain groups. Consequently, multinational companies tend to prefer

jurisdictions with more advanced ODR regulations, such as Singapore, to avoid risks associated with forum shopping.

These conditions indicate that without adequate regulatory support and robust infrastructure, the implementation of ODR in Indonesia will continue to face challenges in establishing an effective digital dispute resolution mechanism. In this regard, Indonesia can adopt best practices from other jurisdictions. The European Union, for example, has successfully implemented ODR through its Online Dispute Resolution platform launched in 2016, enabling consumers and businesses to resolve disputes efficiently through an online system (Ashari, 2021). According to reports from the European Commission, more than 120,000 complaints were submitted through the platform in 2020, with a high level of user satisfaction.

In designing an ideal regulatory model to optimize ODR implementation within the Indonesian legal system, Gustav Radbruch's three fundamental legal values—justice, legal certainty, and expediency—provide an essential conceptual framework. An ideal regulation must ensure justice by establishing an inclusive, transparent, and non-discriminatory ODR mechanism, allowing equal access for all parties, including consumers and micro, small, and medium enterprises (MSMEs). From the perspective of legal certainty, regulations must clearly define procedures, implementation mechanisms, and legal recognition of ODR outcomes to ensure enforceability and eliminate ambiguity. From the standpoint of expediency, ODR should be designed as a fast, cost-effective, and technology-responsive solution, including integration with the e-Court system, the implementation of cybersecurity standards, and certification for ODR service providers. By incorporating Radbruch's values into regulatory design, Indonesia can strengthen both the normative legitimacy and practical effectiveness of ODR in resolving digital contract disputes in a fair, certain, and efficient manner in the era of digital transformation.

Drawing from the European Union's experience under Directive 2013/524, several advantages can be adapted by Indonesia. The EU's ODR system utilizes a centralized platform as a single entry point for cross-border dispute resolution, which could serve as a model for integrating institutions such as BANI, BPSK,

and the Directorate General of General Legal Administration (AHU). Technical standards, such as ISO 27001 cybersecurity certification, are crucial in building trust in ODR institutions. Additionally, the 90-day maximum resolution timeframe applied in the EU can address delays commonly encountered in conventional judicial processes. However, the EU ODR system also has limitations that must be considered. Low public participation indicates that only a portion of complaints receive satisfactory responses, partly due to limited dissemination of information. Moreover, ODR decisions in the EU are not automatically enforceable in member states' courts, creating challenges in integration with national legal systems. Similar issues are observed in Indonesia. Furthermore, high operational costs have at times led to the discontinuation of the EU ODR platform, highlighting the importance of sustainable funding.

To develop an ideal ODR regulatory framework in Indonesia, several recommendations can be proposed. First, amendments to Law Number 30 of 1999 should be undertaken by introducing a dedicated chapter on ODR, regulating the validity of virtual hearings, standards for digital evidence, and procedures for recognition and enforcement of ODR decisions by courts. Second, harmonization with Radbruch's legal theory should be reflected through the incorporation of justice (e.g., allocating 30% of ODR access for MSMEs and providing government subsidies), legal certainty (e.g., requiring ISO 27001 certification for ODR providers), and expediency (e.g., integration with the Supreme Court's e-Court system). Third, a hybrid EU–Indonesia model could be developed through the establishment of a National ODR Agency as a centralized platform, incorporating local features such as the use of Indonesian and major regional languages, and supported by public–private partnerships to ensure sustainability.

Conclusion

The analysis of legal provisions governing Online Dispute Resolution (ODR) in resolving breach of contract disputes in digital contracts in Indonesia indicates that, although ODR is supported by several foundational regulations—such as Law Number 30 of 1999, the ITE Law, Government Regulation on

Electronic Commerce (PP PMSE), and Supreme Court Regulations—the existing framework remains fragmented and lacks comprehensive procedural guidance. The legal recognition of electronic documents, online communications, and remote hearings has strengthened the legitimacy of digital dispute resolution processes. However, significant challenges persist due to the absence of specific and integrated regulations governing ODR procedures, institutional standards, and integration with the judicial system. This regulatory gap results in inconsistencies in enforcement, limited interoperability with the e-court system, and diminished public trust, thereby hindering the full realization of ODR's potential as an efficient and accessible legal mechanism within Indonesia's digital economy.

Regarding the ideal regulatory model for ODR in Indonesia, emphasis is placed on the need for a structured legal framework grounded in Gustav Radbruch's principles of justice, legal certainty, and expediency. The absence of clear regulations concerning ODR technical mechanisms, standards of digital evidence, and enforceability has created ambiguity and legal uncertainty, particularly affecting consumer protection and procedural fairness. Drawing from the European Union's ODR framework, Indonesia can enhance its system by establishing an integrated national ODR platform, implementing cybersecurity standards, and developing sustainable institutional funding. Revising existing legislation—particularly Law Number 30 of 1999 to incorporate specific ODR provisions—and aligning procedures with the Supreme Court's e-court system would significantly improve the practical implementation of ODR. These reforms would not only address regulatory fragmentation but also ensure that ODR functions as a fair, certain, and efficient mechanism for resolving digital contract disputes in Indonesia.

References

- Aji, I. B. (2020). Problematika Hukum Arbitrase Online Menurut UU No. 30 tahun 1999 tentang Arbitrase dan Alternatif Penyelesaian Sengketa. *Jurnal Privat Law Vol. VIII No, 2*, 341. <https://doi.org/10.20961/privat.v8i2.48429>

- Ardhiyaningrum, F., & Setiawati, D. (2024). Hambatan dan Peluang Efektivitas Alternative Dispute Resolution (ADR) dalam Penyelesaian Sengketa Bisnis di Indonesia Berdasarkan Undang-Undang Nomor 30 Tahun 1999. *Jembatan Hukum: Kajian Ilmu Hukum, Sosial Dan Administrasi Negara*, 1(4), 138-153. <https://doi.org/10.62383/jembatan.vii4.1132>
- Ashari, I. (2021). *Pengaturan Online Dispute Resolution (ODR) Sebagai Metode Alternatif Penyelesaian Sengketa Bisnis E-Commerce Di Indonesia* (Doctoral dissertation, Universitas Hasanuddin). <http://repository.unhas.ac.id:443/id/eprint/16015>
- Aziz, F. M., & Hidayah, A. M. (2020). Perlunya pengaturan khusus Online Dispute Resolution (ODR) di Indonesia untuk Fasilitasi Penyelesaian Sengketa E-Commerce. *Jurnal Rechts Vinding: Media Pembinaan Hukum Nasional*, 9(2), 275-294. <https://dx.doi.org/10.33331/rechtsvinding.v9i2.449>
- Disemadi, H. S. (2022). Lenses of Legal Research: A Descriptive Essay on Legal Research Methodologies. *Journal of Judicial Review*, 24(2), 289-304, <https://doi.org/10.37253/jjr.v24i2.7280>
- Fausi, A., & Setiawati, D. (2023). *Perkembangan Penyelesaian Sengketa Bisnis di Era Digital*. *Borobudur Law And Society Journal*, 2(5), 188-195. <https://doi.org/10.31603/10864>
- Hanida, D. (2023). Penerapan Online Dispute Resolution (ODR) Dalam Upaya Penyelesaian Sengketa E-Commerce Di Indonesia. *YUSTISI*, 10(3), 31-39. <https://doi.org/10.32832/yustisi.v10i3.15195>
- Harris, M. T. A. (2024). Short-Selling Transactions in the Indonesian Capital Market: A Theoretical and Practical Perspective. *Barelang Journal of Legal Studies*, 2(2), 148-165. <https://journal.uib.ac.id/index.php/barjoules/article/view/10273>
- Hidayati, M. N., Suartini, & Saraswati, M. (2024). Menggagas Penyelesaian Sengketa Online (Online Dispute Resolution) pada Kegiatan Transaksi Elektronik di Indonesia. *Sang Pencerah: Jurnal Ilmiah Universitas Muhammadiyah Buton*, 10(1), 225-244. <https://doi.org/10.35326/pencerah.v10i1.4523>
- Iswara, V. D., & Hadiyati, N. (2021). Analisis Pentingnya Implementasi Penyelesaian Sengketa Online di Indonesia. *Legalitas: Jurnal Hukum*, 13(1), 15. <https://doi.org/10.33087/legalitas.v13i1.245>
- Khakimuddin, M. N. (2024). Resolusi Konflik di Era Digital Alternatif Dispute Resolution Dalam Transformasi Sosial. *Jurnal Media Akademik (JMA)*, 2(11). <https://doi.org/10.62281/v2i11.1058>
- Kinanti, Fatma Muthia, Garuda Wiko, and Devina Puspita Sari. "Arbitrase Sebagai Alternatif Penyelesaian Sengketa Bisnis dalam Konteks Ekonomi Digital." *Mimbar Hukum* 35: 104-126. <https://doi.org/10.22146/mh.v35i10.11398>

- Mansyur, M. A., & Kamil, H. (2014). Kajian Hukum Online Dispute Resolution (Odr) Di Indonesia Berdasarkan Undang-Undang Nomor 30 Tahun 1999. *Jurnal Pembaharuan Hukum*, 1(2), 111-120. <http://dx.doi.org/10.26532/jph.vii2.1461>
- Novita, Y. D., & Santoso, B. (2021). Urgensi Pembaharuan Regulasi Perlindungan Konsumen di Era Bisnis Digital. *Jurnal Pembangunan Hukum Indonesia*, 3(1), 46-58. <https://doi.org/10.14710/jphi.v3i1.46-58>
- Prasetyaji, A. P., Firnanda, A., & Gavin, D. (2024). Online Dispute Resolution (ODR) dalam Penyelesaian Sengketa Cross Border E-Commerce Guna Mewujudkan Perfect Procedural Justice. *Jurnal Ilmu Hukum, Humaniora dan Politik (JIHHP)*, 5(2). <https://doi.org/10.38035/jihhp.v5i2.3283>
- Putri, B. N. R. G. (2023). *Masa Depan Penyelesaian Sengketa Perbankan Syariah melalui Online Dispute Resolution (ODR)*. *Indonesia Berdaya*, 4(3), 1147-1154. <https://doi.org/10.47679/ib.2023531>
- Rongiyati, S. (2019). Pelindungan konsumen dalam transaksi dagang melalui sistem elektronik. *Negara Hukum*, 10(1), 22.
- Setiantoro, A., Putri, F. D., Novitarani, A., & Njatrijani, R. (2018). Urgensi Perlindungan Hukum Konsumen Dan Penyelesaian Sengketa E-Commerce Di Era Masyarakat Ekonomi Asean. *Jurnal Rechts Vinding: Media Pembinaan Hukum Nasional*, 7(1), 1-17. <https://dx.doi.org/10.33331/rechtsvinding.v7i1.220>
- Sitompul, M. G., Syaifuddin, M., & Yahanan, A. (2016). Online Dispute Resolution (ODR): Prospek Penyelesaian sengketa e-commerce di indonesia. *Jurnal Renaissance*, 1(02), 75-93.
- Solikhin, R. (2023). Perkembangan dan Urgensi Penerapan Online Dispute Resolution (ODR) dalam Penyelesaian Sengketa Perdagangan Elektronik di Indonesia. *Padjadjaran Law Review*, 11(1), 66-80. <https://doi.org/10.56895/plr.viii.1235>
- Sulistianingsih, D. (2023). Penggunaan Online Dispute Resolution (Odr) Pada Penyelesaian Sengketa Melalui Arbitrase Di Indonesia. *Hukum dan Politik dalam Berbagai Perspektif*, (1), 46-68. <https://doi.org/10.15294/hp.viii.105>
- Sutarni, N. (2022). Urgensi Penerapan Online Dispute Resolution Terhadap Penyelesaian Sengketa Perdagangan Elektronik Ditinjau dari Teori Economic Analysis of Law. *Jurnal Privat Law*, 10(1), 153-167. <https://doi.org/10.20961/privat.vioi1.60480>
- Sutiyo, B. (2008). Penyelesaian Sengketa Bisnis Melalui Online Dispute Resolution dan Pemberlakuannya di Indonesia. *Jurnal Mimbar Hukum*, 20(2), 229-250. <https://doi.org/10.22146/jmh.16298>
- Tan, D. (2021). Metode penelitian hukum: Mengupas dan mengulas metodologi dalam menyelenggarakan penelitian hukum. *Nusantara: Jurnal Ilmu*

- Pengetahuan Sosial*, 8(8), 2463-2478, <http://jurnal.um-tapsel.ac.id/index.php/nusantara/article/view/5601>
- Tantimin, T. (2021). Legal Liability of Minors as Perpetrators of Online Buying and Selling Fraud in Indonesia. *Law Reform*, 17(2), 145-156. <https://ejournal.undip.ac.id/index.php/lawreform/article/view/41738>
- Tumbel, T. G. M., Senewe, E. V. T., & Setiabudhi, D. O. (2020). Perlindungan Konsumen Jual Beli Online dalam Era Digital 4.0. Dalam *Lex Et Societatis* (Nomor 3). <https://doi.org/10.35796/les.v8i3.29507>
- Walangitang, A. (2020). Kajian Hukum Atas Kontrak Baku Elektronik Dikaitkan Dengan Sahnya Perjanjian Dalam KUHPperdata. *Lex Privatum*, 8(2). <https://ejournal.unsrat.ac.id/index.php/lexprivatum/article/view/29781>

Acknowledgments

None.

Competing Interest

The authors declare that there are no competing interests.

This page intentionally left blank