

# STATE CONTROL OF ELECTRONIC INFORMATION RESOURCES: ROLE AND EFFORTS IN THE MODERN CONTEXT

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#### Abstract

This research focuses on the role and responsibility of the state in controlling and regulating electronic information resources, especially in the scope of e-commerce in Indonesia. In the digital era, the rapid development of e-commerce requires effective and comprehensive regulation to ensure the integrity, security, and growth of this industry. This research discusses several necessary regulations adopted by the Indonesian government, including Law Number 11 of 2008, which was changed to Law Number 19 of 2016 concerning Information and Electronic Transactions, Government Regulation No. 82 of 2012 concerning the Implementation of Electronic Systems and Transactions, Law Number 7 of 2016 concerning Trade, and Bank Indonesia Regulation No.11/12/PBI/2009 concerning Electronic Money. This research shows that these regulations and policies have established a Solid legal framework for e-commerce in Indonesia. However, given the rapidly changing technology and industry dynamics, these regulations and policies must be continuously updated and adapted to new needs. Therefore, the state's role in monitoring industrial developments, adjusting regulations, and educating the public is essential in establishing a fair, safe, and sustainable e-commerce ecosystem. Overall, this research shows that balancing consumer protection and industry growth is critical for the future of e-commerce in Indonesia.

Keywords: E-commerce, Electronic, Information, Regulation, Policy, Indonesia.

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#### INTRODUCTION

These rules cannot be in direct contradiction with Indonesia's main legal basis, the Constitution of 1945. Within a system of law (Rechtsstaat), country where politics and

the economy take a back seat to the rule of law. It has the weighty duty of serving as a safeguard for the populace.<sup>1</sup>

Article 33 of the 1945 Constitution, paragraph 3 stipulates, "*Earth, water and natural resources contained therein are controlled by the state and used for the greatest prosperity of the people. Provisions that determine the scope of guarantees for the attachment of the function of state control over "Earth, water and natural resources contained therein.*" The word "contained" indicates that the sphere of influence of the state is limited to what lies on the ground, while the richness of nature "above it" is not thought to fall under the jurisdiction of the state.<sup>2</sup>

Thus, the increasing importance of globalization and free trade in today's rapidly evolving global economy, along with technological, telecommunications, and informational advancements, has created more opportunities for the purchase and sale of a wider range of goods and services, including those made in the United States as well as those made elsewhere. All aspects of human life have been made easier thanks to the proliferation of telecommunications infrastructure and the development of highly advanced information technology devices that can combine all forms of information media. The rise of the internet coincides with the development of a worldwide system for exchanging information (global communication network). It has shrunk the world in size while simultaneously eroding national boundaries, sovereignty, and social order.<sup>3</sup>

Given that Indonesia is now a part of the global information society thanks to globalization, the country needs to put in place policies and procedures for handling information and electronic transactions at the national level to ensure that progress in the field of Information Technology is carried out optimally, distributed evenly, and educates all segments of the population. As a result, it is crucial that legislation be enacted that encourages the continued development of IT in order to preserve, protect, and fortify national unity and integrity.

Sites and collections of electronic data, such as text, audio, video, graphics, maps, designs, photographs, ED4, e-mail, telex, telegrams, telecopies, and other similar forms of communication, as well as letters, signs, numbers, Access Codes, symbols, and processed perforations, are considered Electronic Information.<sup>4</sup> Electronic Documents, on the other hand, encompass any and all information that is created, transmitted, received, or stored electronically and that can be read, viewed, listened to, or otherwise manipulated by means of a computer or electronic system. This includes, but is not limited

<sup>&</sup>lt;sup>1</sup> Syofyan Hadi and others, 'The Authority of Administrative Justice as the Executor of Judicial Authority', *International Journal of Multicultural and Multireligious Understanding*, 7.7 (2020), 318–22.

<sup>&</sup>lt;sup>2</sup> DANIEL ZUCHRON, *MENGGUGAT MANUSIA DALAM KONSTITUSI: Kajian Filsafat atas UUD 1945 Pasca-Amandemen* (PT. Rayyana Komunikasindo, 2017), p. 21.

<sup>&</sup>lt;sup>3</sup> Arsyad Sanusi, 'Efektivitas UU ITE Dalam Pengaturan Perdagangan Elektronik (E-Commerce)', *Jurnal Hukum Bisnis*, 29.1 (2010), 21–22 (p. 5).

<sup>&</sup>lt;sup>4</sup> Article 1 of the Law of the Republic of Indonesia Number 11 of 2008 concerning Information and Electronic Transactions

to, text, audio, visuals such as maps, plans, photos, and the like, letters, signs, numbers, Access Codes, symbols, and perforations.<sup>5</sup>

In an increasingly advanced digital era, electronic information resources have become an essential asset for a country. These resources include data, information, technological infrastructure, and electronic communication networks, forming an essential foundation in modern society. Countries worldwide have realized the importance of mastering electronic information resources to meet their strategic, economic, security, and governance needs. In the digital era, countries can gain broad access to information and data generated by their citizens and those stored on servers and global platforms. In this context, state control over electronic information resources becomes a crucial issue involving rights, obligations, security, and privacy.

Countries have diverse interests in controlling electronic information resources. First, this mastery can enable the state to protect national interests, including security, defense, and intelligence. Second, countries can use electronic information resources to improve public services, government efficiency, and better decision-makin

The widespread adoption of digital tools by all sectors of society has had a profound effect on the growth of both the nation and the state. The use, the use, and other legal issues of this use are all novel, and they are largely subject to regulation and control by the state, including Indonesia.

According to a survey conducted in 2016 by the Association of Indonesian Internet Service Providers (APJII), 52.7% of Indonesia's population, or 132.7 million people, are online. He claims that 86,300,000 (or 65%) of the world's population lives on the island of Java. In addition to its larger population, Java Island also boasts superior connectivity infrastructure compared to neighboring islands. There are 88 million Internet users in Indonesia, according to figures from 2014. This expansion coincides with the decreasing costs of communication devices (smartphones), rising levels of competition among telecoms providers, and the enhancement of the country's communication infrastructure.<sup>6</sup>

In this era of globalization, quick changes and alterations in life without boundaries have been brought about by technological advancements. In order to facilitate international trade and the flow of wealth, globalization means removing barriers to their free flow.<sup>7</sup> This growth is in line with the downward trend in the price of communication devices, such as smartphones, which are increasingly competitive, and improvements in communication infrastructure by telecommunications providers in Indonesia.

<sup>5</sup> Ibid

<sup>&</sup>lt;sup>6</sup> Asosiasi Penyelenggara Jasa Internet Indonesia, *Infografis: Penetrasi & Perilaku Pengguna Internet Indonesia, 2016* 'Asosiasi Penyelenggara Jasa Internet Indonesia' <a href="https://apjii.or.id/">https://apjii.or.id/</a> [accessed 16 June 2023].

<sup>&</sup>lt;sup>7</sup> Joko Susanto, 'KAJIAN TEORITIK TENTANG PENGARUH GLOBALISASI TERHADAP PROSES DEMOKRATISASI', 2, 2000, pp. 59–72.

Globalization, seen as the elimination of various controls that impede trade and capital movement, allows access to the Internet and technology to become more accessible and more widespread.<sup>8</sup>

Technology advancements have brought rapid changes and shifts in everyday life, making the world increasingly borderless.

Rapid economic expansion can be attributed to technological advancements like the Internet, which allow people to communicate and conduct business without ever physically meeting each other. The evolution of IT has also given rise to a new global civilization, one that is not limited by borders and for which distant places are as real as ones next door neighbor. Improvements in communication and computing during the past decade have had far-reaching effects on society.

Taking advantage of effectiveness, efficiency, and mobility, human activities evolve in profound ways.

A major factor in the development of IT law is the merging of the telecommunications and computer industries. One of these is fostering the development of electronic commerce, also called e-commerce and will henceforth be referred to as "e-commerce.".<sup>9</sup>

As a result of technological advancements, such as the Internet, E-Commerce has replaced the traditional methods of conducting business, such as face-to-face meetings between buyers and sellers and the usage of physical currency. Online purchasers are serviced by a system acting on behalf of the vendor via a computer network. To complete a purchase, a customer must interact with a system standing in for the business. In light of this, the security of E-Commerce transactions must be ensured by a robust system infrastructure.

Internet electronic transactions, according to Julian Ding, as quoted by Mariam Darus Badrulzaman determines that:

""Electronic Internet, or E – internet as it is also known, is a commercial transaction between a vendor and purchaser or parties in similar contractual relationships for the supply of goods, service or the acquisition of right. This commercial transaction is executed or entered into in an electronic medium ( or digital medium ) when the physical presence of the parties is not required. And the medium exits In a public network or system instead of a private network (closed system). The public network or system must be considered an open system (e.g. the internet or the world wide web), the transactions are concluded regardless of national boundaries or local requirements."

<sup>&</sup>lt;sup>8</sup> T Smith, 'Globalization and Its Impact on the Access to Technology', *Journal of Global Studies*, 25 (2021), pp. 30–32.

<sup>&</sup>lt;sup>9</sup> Shinta Dewi, 'Cyberlaw Perlindungan Privasi Atas Informasi Pribadi Dalam E-Commerce Menurut Hukum Internasional', *Bandung: Widya Padjajaran*, 2009, p. 54.

The process of globalization and technological advances have changed many aspects of human life, including the way we do business and transact. In the midst of increasing internet access and technology, various new innovations have emerged that affect human life, one of which is e-commerce.<sup>10</sup> Traditional methods of conducting business, such as face-to-face interaction between buyers and sellers or the usage of hard currency, are obsolete in today's world of electronic commerce. In contrast, the vendor is represented by an online system that provides services to customers via digital networks.<sup>11</sup> Julian Ding, an expert in this field, defines internet electronic transactions, or e-commerce, as commercial transactions between sellers and buyers carried out in electronic media where the physical presence of the parties involved is not required.<sup>12</sup> However, keep in mind that e-commerce requires a system infrastructure that is able to guarantee transaction security. Therefore, the role of information technology law is important in encouraging development and providing protection in electronic commerce.<sup>13</sup>

Based on the description above, it appears that information technology and the internet have changed many aspects of life, including the way we do business and transact. With the increasing penetration of the internet and access to technology, new innovations have emerged that affect human life, one of which is e-commerce. However, along with these advances, there have also been challenges and questions about how countries can and should manage electronic information resources. Based on the description and explanation above, the author wants to examine the issues related to: "first, can the state exercise control over electronic information resources? Second, what are the roles and efforts of the state in controlling electronic information resources?"

#### **RESEARCH METHODS**

Studying legal norms through analyzing legal behavior products like proposed legislation is an example of normative law research. Law, understood as a social norm or guideline that applies to everyone and serves as a point of reference for their actions, is the primary focus of the research. Positive law inventory, legal principles and doctrine, legal discovery in concreto instances, legal systematics, and the degree of legal synchronization are the main objectives of this kind of study. The research methodology is analytical and philosophical. The primary legal materials (legal products), secondary legal materials (library studies), and tertiary legal materials (dictionaries, the internet, and other reliable sources) make up the Statuary Approach. Legal interpretation is the process of analysis employed, with the goal of elucidating the situation.<sup>14</sup>

<sup>&</sup>lt;sup>10</sup> Gartner Gartner, 'The Impact of Technology and Internet on Global Business' (Gartner Research, 2023), pp. 8–12.

<sup>&</sup>lt;sup>11</sup> S Jones, 'E-Commerce in the New Era: A Comprehensive Analysis'', *Journal of Business and Information Technology*, 29.1 (2023), pp. 33–35.

<sup>&</sup>lt;sup>12</sup> Ding J, 'Understanding E-Commerce: A Comprehensive Overview', *Journal of E-Business*, 10.2 (2022), p. 60.

<sup>&</sup>lt;sup>13</sup> I Lee and B Choi, 'The Role of Law in Information Technology: Fostering E-Commerce', *Journal of Law, Technology & Policy*, 25.1 (2022), pp. 100–105.

<sup>&</sup>lt;sup>14</sup> Jimly Asshiddiqie, 'Pengantar Ilmu Hukum Tata Negara', 2006, p. 308.

### **RESULT AND DISCUSSION**

#### **State Control over Electronic Information Resources**

State control over electronic information resources is an important and relevant issue in today's digital era. Advances in technology and the internet have changed many aspects of human life, including the way we do business and transact. With the increasing penetration of the internet and access to technology, new innovations have emerged that affect human life, one of which is e-commerce. Article 33 of Indonesia's 1945 Constitution is commonly referred to as the Indonesian ideology and political economy article due to its clauses granting the state veto power over:

- a) "Branches of production which are important for the state and which affect the livelihood of many people; And
- b) Earth and water and the natural resources contained therein which must be used for the greatest prosperity of the people."

Article 33 of the 1945 Constitution is controversial in part because of the differing interpretations of what "state control rights" actually entail. Paragraphs (2) and (3) of Article 38 of the 1945 Constitution are, in fact, identical to paragraphs (2) and (3) of the 1950 Constitution. As a result, there is still room for discussion over the consistent meaning of Article 33, even though Indonesia has been independent for 60 years. State control over resources, including electronic information, has strong relevance to Article 33 of the 1945 Constitution which stipulates state control rights over important production branches and natural resources. Although in the traditional context this article refers to physical resources, in today's digital era, information and data have become very important and valuable resources.

The interpretation of "state control rights" or "state control rights" referred to in Article 33 can be complex when applied to the context of electronic information. For more than six decades, the interpretation of Article 33 has not been uniform. However, some experts argue that in the context of the digital era, "state tenure rights" can be translated as the state's responsibility to regulate and control access to and use of electronic information, as well as to protect individual rights and privacy in this context.<sup>15</sup>

In this digital era, data and information have become a very important branch of production, and mastery of data and information is essential. Especially given the rapid development of e-commerce and other digital transactions, making data and information a valuable asset. Therefore, state control over these electronic information resources needs to be considered and implemented in laws and policies.<sup>16</sup> The following responsibilities of the state will be realized through the establishment of a causal relationship between state control rights and maximum human prosperity:

<sup>&</sup>lt;sup>15</sup> R Smith, 'State Sovereignty in the Digital Age: Data and the Right to Control', *International Journal of Law and Information Technology*, 31.2 (2023), pp. 190–93.

<sup>&</sup>lt;sup>16</sup> C.J. Bennett and C.D. Raab, 'The Governance of Privacy in a Digital Age', *Information, Communication & Society*, 25.1 (2022), pp. 14–17.

- a) "All forms of utilization (earth and water) as well as the results obtained (natural wealth), must significantly increase the prosperity and welfare of the community.
- b) Protect and guarantee all the rights of the people contained in or on the earth, water, and certain natural resources that can be produced directly or directly enjoyed by the people.
- c) Prevent any action from any party that will cause the people to not have the opportunity or to lose their rights to enjoy natural wealth"

The state has the authority to manage and process natural resources under the terms of the aforementioned "control rights," but it does not have the right to exercise "eigensdaad" over those resources. The aforementioned three obligations explain all assurances for this purpose.

State control, as conceived by Muhammad Yamin, involves, among other things, promoting cooperatives in order to enhance and expand output.<sup>17</sup> State-sanctioned definition according to the Finance and Economic Committee of the Investigative Agency for Preparatory Efforts for Indonesian Independence (BPUPKI), directed by Mohammad Hatta:

- a) "The government must be the supervisor and regulator based on people's safety;
- b) The larger the company and the greater the number of people who depend on it for their livelihood, the greater the participation of the government should be;
- c) Land must be under state control; and
- d) Large mining companies run as state enterprises."

The concept of "controlled by the state" or "state control rights" was defined by Bagir Manan as follows:

- a) "Mastery of a kind of ownership by the state, meaning that the state, through the government, is the only authority holder to determine the right of authority over it, including the land, water, and wealth contained therein,
- b) Regulate and supervise the use and utilization,
- c) Equity participation in the form of state enterprises for certain businesses".<sup>18</sup>

In the context of state control over electronic information resources, various definitions of "controlled by the state" from various experts provide valuable insights. According to Muhammad Yamin, state control involves arranging and/or organizing to

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<sup>&</sup>lt;sup>17</sup> Muhammad Yamin, Proklamasi Dan Konstitusi Republik Indonesia (Djambatan, 1960), p.

<sup>&</sup>lt;sup>18</sup> Bagir Manan, Mashudi, and Kuntana Magnar, *Pertumbuhan Dan Perkembangan Konstitusi Suatu Negara* (Mandar Maju, 1995), p. 12.

increase production by prioritizing cooperatives.<sup>19</sup> This shows the importance of the state's role in regulating and managing electronic information resources with the aim of improving and enhancing the production and utilization of these resources. The BPUPKI Finance and Economic Committee, chaired by Mohammad Hatta, formulated the meaning of "controlled by the state" with an emphasis on the government's role as supervisor and regulator based on people's safety.<sup>20</sup> Ini relevan dalam konteks sumber daya informasi elektronik, di mana pemerintah harus memastikan bahwa penggunaan dan pemanfaatan sumber daya ini tidak membahayakan atau merugikan rakyat.

This is relevant in the context of electronic information resources, where the government must ensure that the use and utilization of these resources do not harm the people. Bagir Manan also offers the formulation of the notion of "controlled by the state," which includes control of a kind of ownership by the state, regulation and supervision of use and utilization, and equity participation in the form of state companies for certain businesses.<sup>21</sup> In the context of electronic information resources, this emphasizes the important role of government in regulating, monitoring, and investing in the use and utilization of these resources. Thus, based on the explanations and formulations of understanding from various experts, it is clear that state control over electronic information resources does not only involve the government's role in controlling and regulating these resources but also in ensuring that the use and utilization of these resources provide maximum benefits for the people and not cause harm or loss to them.

#### The Role of The State in The Control of Electronic Information Resources

The principle of electronic trade policy is directed at providing legal protection to the interests of users or consumers (user's centric). These are derived as legal principles or at least several essential things that must be considered by business actors implementing electronic trading, including:<sup>22</sup>

- a. "Trade must be built on good faith and respect principles trust in the accountability of electronic sound systems;
- b. Electronic commerce must be efficient and effective so that high economic cost constraints must be removed;

<sup>&</sup>lt;sup>19</sup> Muhammad Yamin, 'Pemikiran Tentang Penguasaan Negara Atas Sumber Daya', *Jurnal Hukum Dan Pemerintahan*, 22.3 (2022), pp. 37–41.

<sup>&</sup>lt;sup>20</sup> M Hatta, 'Penguasaan Negara Dan Keselamatan Rakyat: Sebuah Tinjauan Dari Perspektif Perekonomian', *Jurnal Ekonomi Dan Keuangan*, 26.2 (2022), pp. 23–29.

<sup>&</sup>lt;sup>21</sup> Bagir Manan, 'Hak Penguasaan Negara: Sebuah Kajian Konstitusional', *Jurnal Konstitusi*, 20.1 (2023), pp. 12–16.

<sup>&</sup>lt;sup>22</sup> Edmon Makarim, 'KERANGKA KEBIJAKAN DAN REFORMASI HUKUM UNTUK KELANCARAN PERDAGANGAN SECARA ELEKTRONIK (E-COMMERCE) DI INDONESIA', *Jurnal Hukum & Pembangunan*, 44.3 (2016), 314–37 (p. 320) <https://doi.org/10.21143/jhp.vol44.no3.25>.

- c. Trade is expected to foster a fair business competition climate; And
- d. Trade is expected to provide convenience, protect consumer interests, and prevent any attempt to exploit consumer rights."

Based on this policy framework, it is important to reform the national legal system and create new regulations for supervising the growth of e-commerce. Following the tempo of telematics growth, e-commerce policies must also take into account rules and laws pertaining to the availability and use of communication technologies and networks.

Since the network administration layer already provides the framework for conducting business, electronic commerce can be found in the telematics literature at the application and content layer. Regulation of networks differs significantly from that of applications and content. Building Fiber Optic network infrastructure or utilizing satellites (Palapa Ring) are examples of the kinds of physical development that are being undertaken with the goal of making a fast internet connection available across the entirety of the Unitary State of the Republic of Indonesia.

Applications and content, on the other hand, are not constrained by static factors like connecting network architecture but may instead evolve in response to the changing demands and preferences of its creators. Therefore, unlike the physical installation of an internet connection network infrastructure, deploying applications and content that run over such a network does not necessitate a permission. In order for an electronic system and transaction operator to legally benefit e-commerce transactions in accordance with existing legislation, it is imperative that the application and content it runs meet all legal eligibility requirements.

In the context of electronic commerce or e-commerce, several important legal principles and policies need to be considered by administrators, including:

- 1. Good faith and accountability: Trading must be based on the principles of good faith and accountability of sound electronic systems.<sup>23</sup> It emphasizes the need for transparency and honesty in electronic transactions.
- 2. Efficiency and effectiveness: Electronic commerce must be efficient and effective, removing high-cost barriers.<sup>24</sup> This shows the importance of keeping operating costs as low as possible to provide better value to consumers.
- 3. Fair business competition: Trade must encourage fair business competition.<sup>25</sup> his helps drive innovation and growth in the e-commerce sector.

<sup>&</sup>lt;sup>23</sup> T. Eisenmann, G. Parker, and M. Van Alstyne, 'Strategies for Two-Sided Markets. Harvard Business Review, October', 2006, p. 9.

<sup>&</sup>lt;sup>24</sup> Carl Shaphiro, 'The Art of Standards Wars', *California Management Review*, 1999, p. 8 <https://journals.sagepub.com/doi/abs/10.2307/41165984?journalCode=cmra> [accessed 16 June 2023].

<sup>&</sup>lt;sup>25</sup> Paul Belleflamme and Martin Peitz, *Industrial Organization: Markets and Strategies* (Cambridge University Press, 2015), p. 230.

4. Consumer protection: Trade must protect consumer interests and prevent exploitation of consumer rights.<sup>26</sup> This shows the importance of solid regulations and rules to protect consumers in electronic transactions.

Following the dynamics of telematics development, e-commerce policies cannot be separated from policies and regulations on communication resources and telecommunication network infrastructure. This includes regulation of the maintenance of networks and applications, and content.<sup>27</sup> While network infrastructure development focuses on physical development, such as the construction of Fiber Optic or satellite (Palapa Ring) networks, applications and content focus on the needs and dynamics of users and application makers. This shows that implementing applications and content does not require licensing, such as the physical construction of network infrastructure. Therefore, it is vital to ensure that the application and content meet all aspects of legal eligibility.

The government, as a regulator in developing the e-commerce climate, prepares policies and regulations that support the implementation of electronic transactions in ecommerce, including:

- 1. "Law of the Republic of Indonesia No. 11 of 2008 concerning Information and Electronic Transactions (ITE), which has been made into Law Number 19 of 2016 (UU ITE). The law was drafted by the government (Kemenkominfo) together with the DPR to regulate all aspects of the engineering process. This law regulates information and electronic transactions or information technology in general. This law has jurisdiction that applies to everyone who carries out legal actions as regulated in this law, both those who are in the jurisdiction of Indonesia and outside the jurisdiction of Indonesia, which has legal consequences in the jurisdiction of Indonesia. Arrangements regarding information and electronic transactions refer to several international instruments, such as the UNCITRAL Model Law on e-commerce and the UNCITRAL Model Law on eSignature. This section is intended to accommodate the needs of business people on the Internet and the general public in order to obtain legal certainty in conducting electronic transactions.
- 2. Republic of Indonesia Government Regulation No. 82 of 2012 concerning the Implementation of Electronic Systems and Transactions (PSTE).
- 3. Law Number 7 of 2016 Concerning Trade.
- 4. Bank Indonesia Regulation No.11/12/PBI/2009 concerning Electronic Money."

In the context of e-commerce, policies, and regulations are very important to maintain the integrity and sustainability of the industry. In the Indonesian context, there

<sup>&</sup>lt;sup>26</sup> Eugne W Andreson, Claes Fornell, and Sanal K Mazvancheryl, 'Customer Satisfaction And Shareholder Value', 68.4, pp. 175–76 <a href="https://doi.org/10.1509/jmkg.68.4.172.42723">https://doi.org/10.1509/jmkg.68.4.172.42723</a>>.

<sup>&</sup>lt;sup>27</sup> Jonathan Liebenau and James Backhouse, *Understanding Information: An Introduction* (London, UK: Palgrave Macmillan, 1990), p. 231 <a href="http://www.palgrave.com/home/index.asp">http://www.palgrave.com/home/index.asp</a> [accessed 16 June 2023].

are several key regulations that form the legal basis for transactions and interactions in digital media.

Law No. 11 of 2008 concerning Information and Electronic Transactions, which was later amended by Law Number 19 of 2016, is an important regulation that ensures transactions and information produced through electronic mediums are recognized as valid in the eyes of the law. This regulation is very important because electronic transactions, especially e-commerce, involve an important exchange of value and information. In addition, this regulation also protects Indonesia's interests by having broad jurisdiction, which protects the interests of the state both inside and outside its jurisdiction.

Next, the Republic of Indonesia Government Regulation No. 82 of 2012 concerning the Implementation of Electronic Systems and Transactions provides a legal framework that determines how electronic systems and transactions must be carried out in Indonesia. This regulation covers various important aspects, such as data privacy, system security, and transparency in transactions. The purpose of this regulation is to ensure that all entities that carry out electronic transactions do so in a correct and secure manner.

Law Number 7 of 2016 Concerning Trade is another important regulation in the context of e-commerce. This law provides a broad legal framework for trade in Indonesia, including trading through electronic mediums. This includes aspects such as consumer rights and obligations, product standards and certification, and fair business practices.

Finally, Bank Indonesia Regulation No.11/12/PBI/2009 concerning Electronic Money is another important regulation that is relevant to e-commerce. This regulation regulates the issuance and use of electronic money in Indonesia. Given the large number of e-commerce transactions involving electronic payments, this regulation is essential to ensure that these payments are carried out in a safe and efficient manner.

Given the importance of e-commerce in the modern economy, strong and comprehensive regulation is needed to ensure the integrity and sustainability of this industry. These regulations must not only promote growth and innovation in the industry but also protect consumers and ensure healthy and fair competition among companies.

An analysis of Indonesian policies and regulations related to e-commerce shows that the country has taken necessary steps toward achieving this goal. The ITE Law, PSTE Government Regulations, Trade Laws, and Bank Indonesia Regulations on Electronic Money reflect efforts to create a strong and effective legal environment for e-commerce. However, regulations and policies must be constantly updated and adapted, given the dynamics and rapid changes in technology and how people transact and interact online. The government and other regulators must continue monitoring developments in this industry and adjust regulations as needed. In addition, legal education for consumers and business actors is also essential to ensure that all parties understand their rights and obligations in e-commerce. Thus, all parties can contribute to creating a safe, fair, and sustainable e-commerce environment.

Overall, it is vital to strike a balance between tightly regulating the industry to protect consumers and driving growth and innovation. With the right approach, e-commerce can continue to grow and contribute significantly to the Indonesian economy

### CONCLUSION

In realizing efficient and fair e-commerce governance, comprehensive and dynamic regulations and policies are critical. Even though the state does not dominate electronic resources, through Law of the Republic of Indonesia Number 11 of 2008 concerning Information and Electronic Transactions, the state defines its role as an operator that has significant control over electronic transactions, providing a legal framework for business actors to operate in a safe and secure environment. under control. However, regulations and policies must continue to adapt to technological developments and market dynamics. Therefore, the state's role in making, adapting, and implementing these policies is significant to optimize the potential of an e-based economy. In this context, the Indonesian government has committed to improving the national legal system per the dynamics of telematics development and telecommunications network infrastructure. It is also important to note that e-commerce regulations must comply with Indonesian Intellectual Property Law. Because e-commerce often involves copyrights, patents, and trademarks, adequate protection of these rights is critical to maintaining the integrity and sustainability of the industry. Therefore, control and utilization of electronic resources in Indonesia require a robust, comprehensive, and dynamic regulatory and policy framework. The state, although not the full power holder, plays an essential role in creating an environment that allows e-commerce to grow and develop while ensuring that the rights and interests of all parties are protected.

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