

Legal Aspects Of Digital Banking Regulation In Indonesia: A Study In Corrective Justice

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Article Info

Received: 2024-10-12

Revised: 2024-12-30

Accepted: 2024-12-31

Keywords: digital banking, Consumer Protection, Globalization.

Abstract

The development of digital banking in Indonesia has had a significant impact on the banking and financial system, providing easy access and cost efficiency for the community. However, this transformation also presents challenges related to consumer protection, personal data security, and financial inclusion. Legal regulation of digital banks is very important to ensure that this technological advancement does not cause injustice or harm certain parties. This study raises corrective justice as a perspective to analyze the regulation of digital banks in Indonesia. Corrective justice emphasizes efforts to restore the rights of individuals who are harmed due to unfair actions. This study identifies several legal aspects that need to be considered in the regulation of digital banks, such as personal data protection, financial inclusion, the responsibility of financial institutions in consumer protection, dispute resolution, and supervision and law enforcement. To answer legal problems and resolve them for the benefit of customers, this study will use legal research methods, using a doctrinal approach and a statutory approach, as well as a conceptual approach. The results of this study indicate that customer protection for digital banking services can be achieved by preventing or handling unanticipated situations that may occur in the future by customers while the requirements for protecting digital banking customers remain the same as conventional banking. The legal efforts of customers carried out by digital banks are the same as the consumer dispute resolution process carried out by regulated commercial banks. In addition, Article 7 letter f of Law Number 8 of 1999 states that the return of the value of losses to digital bank customers. Based on this study, it is recommended that digital bank regulations not only ensure

protection for consumers, but also create a fair settlement mechanism for the injured party, in order to create a more inclusive and equitable digital banking system.

INTRODUCTION

In this era this is one of them method economy a developing country is through sector banking . Banks in general functioning as an institution that collects funds from community (*funding*) and distribute it to public in form loans and loans (*lending*). Banks also often called as institution intermediation Because its role is very important . Along with increasing case crime cyber targeting sector banking , protection law Customer in matter burglary bank accounts in Indonesia become the problem is getting worse urge (Fauzela, 2023) . Report about burglary account customers by individuals who are not responsible answer has appeared in the media in a number of year Lastly , it causes concerns among society . Events This can endanger trust public to system banking and detrimental Customer in a way financial .

Development digital transformation today this is very fast as well as give impact to matter in life . Digital transformation is consequence on the era of industry 4.0. changes in business models , as well as change ecosystem certain demanded For more innovative , complex and dynamic . In concept , there is difference between digital banks and conventional banks that provide digital services such as mobile banking and internet banking (Respatiningsih et al., 2020) . Digital banks generally can do all activity banking start from opening accounts , transfers, deposits , up to closing account via smartphome/ device electronic without need present in a way physique to the bank. In addition , the most fundamental difference other is a digital bank in general No own office physique besides office center or can use office limited physical . While that , conventional banks that provide digital services , in general Not yet capable provide all the service digitally . In addition , conventional banks identical with amount office very many branches . With rapid progress technology information , especially in the field of banking in the 4.0 era, Indonesia is facing the Digital Bank era, where all services and facilities banking available digitally and can accessed via the internet. Digital Bank makes it easy customer For do transaction finance and do affairs banking When anywhere and everywhere . For do bank transactions , customers No need Again using taller or visit office branch nearest in town . For digital banks, operations must simple , easy , and convenient . People who use Digital Bank can do activities and get closer self with the closest people Because they No need Again take time out time For visit the nearest bank . Customer only need use

smartphone And connection internet for open account and access service finance other with So Digital Bank is in demand by many circles public .

Digital Bank means in Article 1 number 22 POJK Number 12/POJK.03/2021 Digital Bank is Bank BHI Which provide And operate activity business especially through channel electronic without office physique besides KP or use office physique Limited . Legal Entity Bank (Bank BHI) is a bank that carries out activity business its banking in form of Indonesian legal entity according to with the arrangement in law . Financial Services Authority mention that There are 7 (seven) Digital Banks in Indonesia, namely : MotionBanking from MNC Bank (BABP), Bank Aladin (BANK), Jenius from BTPN Bank, Wokee from Bank KB Bukopin , Digibank owned by DBS Bank, TMRW from UOB Bank, Jago owned by Bank Jago (Imam Safi'i & Winiari Wahyuningtyas, 2022) . As umbrella law and certainty law on the emergence of the Digital Bank in accordance with objective in opening 1945 Constitution paragraph the fourth one of which is is For protect all the Indonesian nation and For advance welfare general which then set up in Article 28G paragraph (1) of the 1945 Constitution of the Republic of Indonesia , namely everyone has the right on protection self personal , family , honor , dignity, and treasure the thing below his power , and entitled for a sense of security and protection from threat afraid For do or No do something that is right basic . Then the Financial Services Authority make Regulation regarding Digital Bank. The security level of Digital Bank is still become question , required system supervision for testing and implementation For prevent potential danger for various party . Needed proof that Digital Bank, which emerged in the era of digitalization moment This is feasible and safe , because transaction done through system electronics . Quality service is very important For satisfaction customers , and if quality service the No achieved , feasibility and safety system Digital Bank electronics will questionable . In addition , the provider service must under surveillance (Aini, 2024) .

In its Regulations , Digital Bank has not yet own regulation specifically discussing around *lex specialist* about arrangement Bank Digital because Still leaning on on the rules Bank Conventional Which Then translated in chapter 1 number 22 OJK Regulation Number 12/POJK.03/2021 As a BHI or Legal Entity Bank . If examined more Far The principle of Digital Banking is very different with banks in general . In its definition even state that Digital Banking is allowed own only 1 (one) office center However can move throughout Indonesia area . Easy and fast do activity banking in Digital Bank makes public interested will Bank Digital. Will but regulation will protection Customer by Digital Bank is very minimal where protection consumers and protection Customer is very important factor because in reality consumer or Customer often get losses and the most disadvantaged party in A banking . With refers to background behind the issues discussed , the author want to do research "

Legal Aspects in Digital Bank Regulation in Indonesia: A Study in Justice Corrective ”.

Method

Study This applied with method research law normative , also known as with designation method research law positive , doctrinal , or method research law pure . Center of attention research This is on the law written or written law in document as well as custom customs that apply in society , which are characteristics typical from study law normative . This research emphasize on method research law normative , which is often also known as research law doctrinal or positive (Marzuki, 2017) . Focus the main thing is on the law written in document as well as custom customs that regulate community . The data used sourced from secondary data , including material primary, secondary and tertiary law . Research This focus on method research law normative , also known as research law doctrinal or positive . Research This prioritize written laws and norms in document as well as customs that apply in society . Data analyzed from source secondary , which includes material primary, secondary , and tertiary laws . This method use a number of large amount of supporting data , including document primary, secondary , and tertiary laws . These are often depicted as study bibliography . Focus main be in law written (law in books) and social norms that regulate behavior society . Primary data sources in studies This covers the law that has been codified and the rules applied in a way widespread in society This is Because focus study the is on legal data collection , so No considered as study scientific . Based on thinking this , writer will analyze study law normative from various research For recognize and overcome problems that arise in it .

Discussion

Legal Protection for Digital Bank Customers

Arrangement law about privacy and data protection become runway important in protect personal data customers . In Indonesia, the basis law main in personal data protection covers Constitution Information and Electronic Transactions Law (ITE Law) and Bank Indonesia Regulation (PBI) which regulates about security information and transactions banking . The PBI requires banks to guard confidentiality and security information customers , including personal data , as well as give sanctions for violations committed (Tanjung & Nurhilmiah, 2024) .

Protection law for digital bank customers in Indonesia are very important For ensure trust Customer to system digital banking that continues developing . Supervisory body such as OJK and Bank Indonesia have set various regulations that cover data protection , security transactions , as well as settlement disputes that can accessed by customers . Along with development technology , system protection law

This will Keep going develop For overcome challenge new emerging in the industry digital banking .

Protection Customer on organization service digital banking can done with prevent or to overcome a state of being that is not expected later by the customer through regulation legislation , protection This known with protection preventive . Then there is protection For Customer on a state of being that is not desired above that which has been occur and cause harm customers , so that need There is efforts made For finish problem said . Protection repressive is protection that aims For finish problem or the conflict that arises (Tasman, 2023) . The following explanation about protection repressive and preventive :

a. Protection Preventive To Users Customer Service Digital Banking

Protection customers whose nature preventive in a way general can found in Law No.10 of 1998 concerning Banking , Law No.8 of 1999 concerning Protection Consumers , OJK Regulation No.12/POJK.03/2018 Concerning Implementation Service Digital Banking By Commercial Banks. If seen based on the Banking Law , banks have protection law on service digital banking , which consists of from : a). Provision information about possibility the emergence risk loss consumer related service digital banking , intended For increase transparency in the banking world with open access to information about business and banking conditions ; b). Bank secrecy, which is intended For grow trust public if the bank guarantees that knowledge they about personal data user service banking No will accessed by the bank.

b. Protection Repressive To Users Customer Service Digital Banking

Completion complaint Customer is one of form protection Customer in frame ensure rights Customers (Panjaitan, 2012). Complaints customers who do not quick followed up potential increase risk reputation for banks in term long so that can lower trust public . BI Regulation No.10/10/PBI/2008 Concerning Amendment to BI Regulation No.7/7/PBI/2005 Concerning Completion Complaint Customer mention “ complaints is expression dissatisfaction customers caused by the existence of potential loss financial to customers who are suspected Because error or negligence of the bank”. BI Regulation No. 10/10/PBI/2008 also states that banks are required to finish every complaint filed Customer or representative Customer through procedure written which includes reception complaints ; handling and resolution complaints ; and monitoring handling and settlement complaint .

Digital banks are responsible answer in a way law For ensure that his customers protected fully by law , as regulated in Constitution Number 8 of 1999, which states that " everything efforts that guarantee existence certainty law For give protection to consumers¹⁰". In 2021 , the Financial Services Authority (OJK) issued a number of policies , such as OJK Regulation Number 12 of 2018 concerning Implementation Service Digital Banking by Commercial Banks and OJK Regulation Number 38 of 2016 concerning Implementation Management Risk in use Technology Information by General Banks, for push the progress of safe digital banking for customer (Ismail et al., 2022) .

Policy service digital wallets regulated by Digital Bank Regulation Number 20/6/PBI/2018 concerning Electronic Money (PBI Electronic Money) regulates protection consumer or Customer in organization system As a result , digital bank customers can asked for civil law on mark the losses he experienced during agreement that is not in accordance with faith whether initiated by the parties (Clevelanda & Kharisma, 2021) . PBI Protection Consumer arrange organizer For do things following : they forbidden make or to list clause standard ; they must provide reliable system road activity service system payment ; they must responsible answer to consumer on losses incurred Because error organizers ; and they must give information about benefits , risks , and consequences for consumer service system payment .

Character from protection digital bank customers still focus on accountability in a way civil law which is called mark loss consumer Still focus on the material . As example concrete that accountability loss Customer Still leading in a way civil is customer data protection as vital objects that must be protected . The ITE Law regulates about deep personal data protection matter This Can connected with right personal Customer in the form of Privacy (Kharisma, 2021) . Terms This there is in Article 26 of the ITE Law, namely " except otherwise determined by regulations legislation , use every information via electronic media concerning personal data somebody must done on the consent of the person concerned " Since Constitution Number 27 of 2022 Concerning Personal Data Protection that ; Rights Personal Data Subject as meant in Article 8, Article 9, Article 10 paragraph (1), Article 11, and Article 13 paragraph (2) are excluded for the benefit of defense and security national ; Interests in the enforcement process law ; Interests general in frame state administration ; Interests supervision sector service Finance In the provisions of Article 15 paragraph (1) letter d , in order to protect interest Customer especially according to ownership data No as well as immediately done deletion or data destruction on request owner the data subject . This purpose is For protect sector service finance in banking and customers other to potential cash flow that causes institution banking experience No reasonable or No healthy . There are exceptions to

deletion or extermination as For avoid abuse authority to party banking as if Already request right For delete personal data the whereas on the contrary (Lisanawati, 2022)

Certainty law Which can given by Country Indonesia to The presence of Digital Banks in Indonesia

Legal Certainty Regarding The presence of digital banks in Indonesia is very important For create safe and reliable climate for the perpetrators industry as well as customers who use service said . Digital banks are banks that provide service banking online without branch physical , and its development in Indonesia has leading to the implementation supporting regulations at a time protect interest society and actors business . Certainty law the can seen from various aspect regulations and policies issued by the government and institutions supervisor like Financial Services Authority (OJK) and Bank Indonesia (BI) (Faadilah & Ilham, 2024) .

Bank Indonesia (BI) Regulations As a regulator that regulates system payments and infrastructure finance , Bank Indonesia also has role in give certainty law related the existence of digital banks, especially those related to with Regulation System Bank Indonesia Payments regulate all related matters with system payment electronics used by digital banks , incl transaction interbank and integration with fintech platforms (Main & PRATHAMA, 2023) . BI also supervises transaction payment For ensure No There is abuse or risk systemic that can harm Customers . Innovation and Compliance To System BI Finance also provides room for innovation in the sector digital finance , but still put forward compliance to existing regulations , in order to guard stability system state finance . Law Personal Data Protection Act (PDP Act) which has started valid in 2022 provides certainty law related personal data protection customers . Digital banks as an institution that manages personal data Customer must comply the provisions stipulated in this law , such as Collection and Use of Personal Data . Digital banks must to obtain permission explicit from Customer For collecting and using personal data they , as well as only using the data For legitimate and appropriate purposes with applicable regulations , digital Bank Data security must be own adequate system For protect customer data from leakage , misuse , or hacking , as well as give right to Customer For access , correct , or delete their data (Syarifah et al., 2024)

Certainty law is also realized through regulations that ensure existence transparency in digital banking services such as delivery Clear information digital banks are required give transparent information about products and services they , including fees , terms and conditions usage , as well as procedure For submit Complaints . Resolution Dispute If it occurs dispute between customers and digital

banks , existing regulations give mechanism For settlement dispute through complaint to OJK or institution related others . For handle problem security , fraud , or abuse account customers , there are a number of regulated mechanism in regulation . Digital Bank's obligation to Handle Digital Bank Fraud is mandatory own system For detect and stop suspicious transactions , as well as provide clear mechanism For fund recovery if Customer become a victim of fraud (Tasman, 2023) . Services Complaint Customer can submit complaint If happen problem with digital banking services . Complaints This will processed by the bank or institution related , such as OJK, to get fair solution . Digital banks are also mandatory For protect Customer from various possible risks arise consequence use digital services , including through Education and Literacy Digital Bank Finance has obligation For give education to Customer about use digital services in safe , recognize potential risks , and steps prevention to avoid from loss . Transparency Digital Bank Fees and Terms must be met give clear information about cost services , interest and terms other relevant with the products they offer (Aini, 2024) .

Certainty laws provided by the Indonesian state regarding the existence of a digital bank is realized through clear and comprehensive regulations from OJK and Bank Indonesia, including arrangement licensing , supervision , personal data protection , transparency services , as well as settlement dispute . With existence regulation this , customer can feel more safe and secure in use digital banking services . In addition , digital banks operating in Indonesia are also required comply standard security and liability existing laws , so that ecosystem digital banking can walk with good and useful for all over parties (Fратиwi, 2021) . According to Peter Mahmud 's opinion known that certainty law is rule law of a nature as guidelines for individual who is limitations in burdensome or do action to individual others . There are rules that's what Then cause certainty law about action What Which may or No may done as well as become security law for individual from arbitrariness . The existence of guarantee on certainty law is something important thing , because certainty law influential on enforcement law or Which in Language English known as Implementation law . Lawrence M. Friedman said that three matter influence enforcement law : substance law ; structure law ; and culture law . Considering that Digital Bank has a number of different mechanisms from other banks in operate his efforts , certainty law for Digital Bank in Indonesia is necessary returned (Tasman, 2023) . For moment this , the rules about position Digital Bank law still considered similar with other bank regulations , as listed in Article 1 number 3 of the Republic of Indonesia Law Number 8 of 1999 concerning Protection Consumers , who stated that perpetrator business is individual or company that runs business . Digital Bank is provider service finances that include

in category business in the field economy . Based on description above , the law of Digital Bank is recognized in Indonesia. Digital Bank only can operate with One office center and not own branch . Law of the Republic of Indonesia Number 10 of 1998 concerning Change on Constitution Number 7 of 1992 concerning Banking No arrange digital bank implementation special . However , you can see Regulation Financial Services Authority Number 12/POJK.03/2018 concerning Implementation Service Digital Banking by Commercial Banks. Regulations Financial Services Authority Number 12/POJK.03/2021 concerning Implementation Service Digital Banking by Commercial Banks is example the clearest rules .

CONCLUSION

In context digital banking regulation in Indonesia, aspects law own a very important role For create system fair , safe and transparent banking . Studies in perspective justice corrective focus on how law can give justification and correction to possible imbalance appear between digital banks as provider services and customers as Consumers . Justice corrective try ensure that rights Customer protected and not There is injured party in connection law between both . Existing regulations , both from The Financial Services Authority (OJK) and Bank Indonesia (BI) provide base clear law for operation of digital banks in Indonesia. Through OJK Regulation No. 12/POJK.03/2021 , rules This ensure that digital banks operating in Indonesia must own valid permission , as well as follow guidelines and obligations set by the regulator. This is important For create balanced protection for customers and digital banks, which in turn also provide justice corrective with prevent abuse power by one party .

Digital banks, as entities that manage customer data must comply provision in Constitution Personal Data Protection (PDP Law) . This law give guarantee for Customer that personal data they will protected from leakage or abuse , as well as give right to Customer For access , correct , or delete personal data they . In the context of justice corrective , regulation This functioning For ensure that rights privacy Customer No violated , and if happen data misuse , customer can request compensation or recovery right they . OJK And Bank Indonesia play role important supervision For guard justice between digital banks and customers . Supervision carried out by institutions This aiming For ensure that digital banks comply principle caution and not exploit Customer with costs that are not transparent or risk that is not expressed . The existence of institution This ensure justice corrective , where if There is imbalance or violation , the injured party (customer) can get protection and

replacement fair loss . In case happen dispute between customers and digital banks , existing regulations give road for fair and transparent settlement . Services complaint customers provided by OJK and institution internal complaints digital bank allows Customer For submit complaint If they feel disadvantaged . In addition , there is provision about Handling fraud and abuse account give guarantee that Customer can request recovery on losses incurred from negligence or action No legitimate from party Third . Here , justice corrective realized through procedures that can repair the imbalance that occurs consequence detrimental action Customer. Wrong One principle important in digital banking regulation is transparency information provided to customer , related with costs , products and terms service . Clarity This give certainty law for customers and enable they make more decisions good . In case this , justice corrective Work For avoid existence abuse ignorance customers by possible digital banks just try exploit gap in information or ignorance customers .

Digital banks must also comply the rules that provide guarantee customer fund protection , including through Guarantor Institution Savings (LPS) that provide guarantee on savings Customer until amount certain If happen problem like bankruptcy of digital banks. Certainty law This functioning For avoid imbalance that can happen in adverse situation customers and provide fair correction on losses incurred . In providing room for innovation technology , digital banking regulations must also be ensure that development technology in the sector banking No sacrifice principles justice and protection consumers . Therefore that , adaptive regulation to change technology , while still guard standard security , is very important . Justice corrective functioning For repair imbalance that can appear between need innovation and protection customers , so that both of them can walk side by side with fair . The presence of digital banks in Indonesia brings challenge new in matter settings and protection customers . Through clear regulations , strict supervision , and compliance to principle caution , the law in Indonesia tries For create justice corrective who guards balance between rights and obligations of digital banks as well Customers . Personal data protection , transparency information , mechanism settlement disputes , and guarantees customer fund protection is components that ensure that digital banks are operating in a way fair and legal in Indonesia. With Thus , certainty law in digital banking regulation in Indonesia is not only support development technology financial , but also ensure that Customer protected and get justice that should be in connection law with digital banking.

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