



Juridical Analysis of Protection in Consumer Protection Portal Applications (APPK) Financial Services Authority

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Abstract

Aspects of trust and efforts to protect consumers of financial services are points that need attention and are constantly pursued in order to increase confidence in financial service providers and their products (market confidence), so that it indirectly maintains the sustainability of the financial industry itself. The financial services industry, which generally utilizes high technology, has a large enough potential to incur losses to consumer users which then lead to legal disputes. This research is normative legal research using a statutory and conceptual approach, while the results obtained from this research are that the role of OJK in providing consumer protection against illegal investments is that OJK is incorporated in the Task Force for Handling Alleged Unlawful Acts in the Field of Investment Management which named SWI together with related agencies and OJK developed the Consumer Protection Portal Application (APPK). Efforts to resolve the dispute will have a different dimension if it is carried out through legal channels which are generally taken, namely through the court, compared to settlement through a settlement mechanism outside the court. The nature of the judiciary with all its characteristics is seen as not fulfilling the aspect of efficiency for consumer disputes. Therefore, fast, low-cost and short resolutions are deemed more appropriate for consumer dispute cases. An effective and efficient complaint handling and dispute resolution mechanism on the one hand will strengthen consumer protection and on the other hand, apart from supporting the development of the financial services sector, it will also increase and improve the welfare of consumers and society.

Keywords: *Consumer; Legal Protection; Financial Services Authority*

Introduction

Utilization of financial services is increasingly common, especially in the COVID-19 pandemic period. where, at the time of Pandemi COVID-19, it was not limited to the banking and financial service sector but also to other financial services businesses, such as insurance and financing institutions. Both of these financial service institutions have also changed their business strategies and models from

conventional to digital-based activities. In addition to providing ease of transactions to customers or the user community, the automation system that is applied also has the potential to cause various problems that lead to legal disputes. Various problems that arise can basically be sourced from consumers, users of financial services, and the providers of financial services themselves. Consumers who use financial services often lack understanding of the transaction mechanism and knowledge about various matters related to financial services themselves (financial literacy).

Various problems that arise have consequences for Financial Services Business Actors (JLK) to also prepare a dispute resolution device, which is at the same time a form of the moral responsibility section in the financial service user community. In general, problems that are often reported to the Financial Services Authority (OJK) are caused by two things (Anita & Resen, 2022). First, an incomplete understanding of consumers financial products and services Although consumers or people feel that they are already familiar with financial products and services circulating in Indonesia, in reality, there are still few who understand in detail the characteristics, types, benefits, risks, and costs of the products and financial services they use. Second, there is a condition where there are still many financial service business people (PUJK) who do not apply the principle of consumer protection in carrying out their business. Many of the financial services business actors have not been optimal in providing information and educating their consumers about their products and services, using contracts and product agreements that are difficult for consumers to understand, after-sales services that are not in accordance with information or initial agreements, and other things that can cause dissatisfaction, which ultimately translates into consumer complaints. In fact, the handling of effective and efficient consumer complaints is one of the most important aspects related to aspects of consumer and public confidence in the financial services sector (market confidence) itself. Based on the two things mentioned above, the Financial Services Authority continues to make efforts to improve the provisions and mechanisms for effective and efficient complaints in the financial services sector (Pramitha asti, 2020).

The mechanism for resolving financial services disputes is then constructed as part of the duties and authority of the financial services institution. With this design, initially, the disappearance of dispute resolution institutions was submitted to their respective financial services institutions. However, with the establishment of the Financial Services Authority as an institution that has the authority to regulate and oversee the financial services institutions, the dispute resolution mechanism above is integrated into a dispute resolution system under the supervision of the Financial Services Authority known as LAPS SJK (Alternative Institute for Sector Dispute Finance). There are various ways offered and can be reached on this SJK lap in finding a meeting point for solving legal problems that arise.

Based on this background, this research will discuss the issue of how the role of the OJK is associated with the fulfillment of aspects of consumer protection in the financial services sector, including the formation of consumer protection portal applications.

Research Method

This study uses normative juridical research methods that are based on secondary data obtained through data collection methods through library research (Irwansyah, 2020). Secondary data obtained in the form of legal material consisting of: primary legal materials in the form of regulations, namely Law No. 21 of 2011 concerning the Financial Services Authority; OJK Regulation No. 31/POJK.07/2020 concerning the Implementation of Consumer Services and Communities in the Service Sector Finance; and OJK Regulation No. 18/POJK.07/2018 concerning Consumer Complaints Services in the Financial Services Sector; secondary legal materials in the form of books, legal journals, articles published in external and other related sources; and tertiary legal materials in the form of dictionaries and encyclopedias.

Result and Discussion

OJK and Financial Services Sector Dispute Settlement

Developments in the financial services sector in Indonesia place the Financial Services Authority (OJK) in a very strategic position, especially in terms of supervision of all financial services institutions. Related to the resolution of consumer disputes, in Article 4 of Law Number 21 of 2011 concerning the Financial Services Authority, it is explained that one of the objectives of the OJK formed is to ensure that the overall activities in the financial sector are able to protect consumers and the community (Gabriel Pradipta & Budi Kharisma, 2019). In order to make efforts to protect consumers and business actors in the quantity service sector, the First Regulation of the OJK was issued, namely the Financial Services Authority Regulation Number 1/POJK.07/2013 concerning Consumer Protection of the Financial Services Sector (POJK Consumer Protection). Based on Article 2 of POJK Consumer Protection, Consumer Protection of the Financial Services Sector is required to apply the principles of transparency, fair treatment, reliability, confidentiality, and security of consumer data and information, and to handle complaints and complete consumer disputes simply, quickly, and at affordable costs.

With the enactment of Law No. 21 of 2011 concerning the Financial Services Authority as well as the establishment of the Financial Services Authority, the regulation and supervision function that was originally in the Supervisor and Supervisory Institution of Financial Services was diverted to part or all of the Financial Services Authority. Settlement of Financial Services Sector Disputes becomes part of the duties and authority of the OJK, referring to Article 4 letter c of Law No. 21 of 2011 concerning Financial Services Authority:

"OJK is formed with the aim that all activities in the financial services sector:

- a. Held regularly, fairly, transparently, and accountably;
- b. Being able to realize a financial system that grows sustainably and is stable; and
- c. Be able to protect the interests of consumers and the community."

Article 4 letter c mentioned above is emphasized by the provisions stated in Article 9 letter c of Law No. 21 of 2011 concerning the Financial Services Authority, which states that to carry out the task of supervision, the Financial Services Authority has the authority to conduct supervision, inspection, investigation, protection, protection of consumers, and other actions against financial service institutions, actors, and/or support financial services activities, as referred to in the legislation in the financial services sector. The translation of aspects of consumer protection in Article 9 letter c appears in the provisions stated in Article 28 of Law No. 21 of 2011 concerning the Financial Services Authority (Chandranegara, 2020).

As is known, the aspects of consumer protection of financial services for legal problems that arise include activities and procedures from upstream to downstream, namely from the complaint to the implementation of the decision of the dispute resolution institution. As for what is meant by dispute in Article 1 number 10 POJK No. 31/POJK.07/2020 concerning the implementation of consumer services and community in the financial services sector by the Financial Services Authority, "Disputes between consumers and PUJK who have gone through the process of resolving complaints by PUJK and are caused by losses and/or potential material losses, reasonable and directly to consumers because PUJK does not meet the agreement and/or agreed financial transaction documents".

However, due to the unclear and lack of information regarding the flow of settlement and the settlement institution, it has caused many legal cases related to financial services to not get solutions as they should. This condition causes consumers to use financial services, which, in addition to being

disadvantaged, do not get justice as they should. The mandate of Article 9 letter c is then further elaborated as stated in Article 29 of Law No. 21 of 2011 concerning the Financial Services Authority:

"OJK conducts consumer complaint services, which include:

- a. Prepare adequate devices for consumer complaints services that are harmed by perpetrators in financial service institutions;
- b. Make a consumer complaint mechanism that is harmed by the perpetrators in the financial services institution; and
- c. Facilitating the settlement of consumer complaints that are harmed by perpetrators in financial service institutions in accordance with statutory regulations in the financial services sector".

With regard to consumer complaints services as stated in Article 29 mentioned above, they are further regulated by the Regulation of the Financial Services Authority (POJK) as stated in Article 31 of Law No. 21 of 2011 concerning the Financial Services Authority, which consists of, among others: POJK No. 18/POJK.07/2018 concerning Consumer Complaints Services in the Financial Services Sector; POJK No. 31/POJK.07/2020 concerning the Implementation of Consumer Services and Community in the Financial Services Sector by the Financial Services Authority; and POJK No. 61/POJK.07/2020 concerning Alternative Institutions for Dispute Resolution. Complaints, as contained in Article 1, Number 6 POJK No. 18/POJK.07/2018 concerning consumer complaints services in the financial services sector, are limited as (Rambe et al., 2022):

"Expression of consumer dissatisfaction, both oral and written, caused by losses and/or potential material losses, reasonable and directly to consumers because of the agreed agreement and/or financial transaction documents".

The existence of Financial Services Authority Regulation Number 61/POJK.07/2020 concerning Alternative Institutions for Resolving Financial Services Sector Disputes that revokes Financial Services Authority Regulation Number 1/PJOK.07/2014 concerning Alternative Institutions for Financial Services Sector Disputes Settlement due to improvement needs needs to be replaced so that the six institutions are merged into an alternative institution to resolve the Financial Services Sector Dispute (LAPS SJK) with the aim of providing professional, credible, and independent financial service dispute resolution services and establishing standardization of settlement disputes in the financial services sector. Disputes in the fields of banking, capital markets, venture capital, pension funds, insurance, guarantees, financing, and fintech companies that have been registered and obtained permission from OJK, both conventional and sharia, can be submitted to LAPS SJK (Ismail & Suarti, 2021).

BPSK is not authorized to examine the dispute in the financial services sector after the formation of LAPS SJK (POJK 61/07/2020) on the grounds that legal problems in the scope of the financial services sector have different characteristics from problems related to consumer protection in general. Furthermore, if there is a dispute over consumer financing in the financial services sector, it can refer to the Financial Services Authority Regulations on LAPS SJK, because Laps SJK has been formed with the intention of being an alternative completion of consumer disputes in the financial services sector that feels disadvantaged by the actions of business actors (R. L. Situmorang, 2021).

However, this condition gives rise to dualism: on the one hand, dispute resolution through laps is the mandate of POJK, and on the other hand, the settlement of disputes through BPSK is the mandate of the law. This dualism, in addition to obscuring alternative forums for dispute resolution, can also result in legal uncertainty. If left unchecked, the unclear alternative forum for dispute resolution will also affect the parties commitment to implement the forum's decision. Of course, the spirit of consumer protection will far exceed expectations.

Consumer Protection Portal Application (APPK) as an Effort to Sharpen the Aspects of the Protection of Financial Services Systems

Settlement of financial service disputes in general can be completed in two ways: internal dispute resolution (IDR) and external dispute resolution (EDR). Where the internal settlement is completed by the party who is disadvantaged by contacting the Financial Services Business Actors (PUJK) as the party suspected of being the source or cause of losses. If this effort does not produce the results expected, then an external dispute resolution effort can be taken, which involves the party or institution authorized for it either through litigation or non-litigation channels.

In terms of optimizing aspects of consumer protection of financial services as well as efforts to resolve disputes in the field of financial services, the OJK forms a mechanism known as the Application of the Consumer Protection Portal (APPK). Appk is a web-based portal built by OJK that is provided for parties related to handling consumer complaints and dispute resolution. This portal is intended to optimize consumer protection efforts in the financial services sector. The Consumer Protection Portal Application (APPK) is an integrated customer service system in the financial services sector related to handling consumer complaints and dispute resolution. This portal is intended to optimize consumer protection efforts in the financial services sector. For consumers, this application makes it easier to deliver complaints to financial services business people (PUJK) online, facilitates monitoring the handling that has been and is being carried out by PUJK, and facilitates communication with PUJK. In addition, consumers can easily continue their dispute with alternative institutions for dispute resolution (LAPS). For business actors, APPK is useful for receiving complaint information from consumers (there is a notification feature) and also for the delivery of follow-up information on handling complaints to consumers. In addition, businesses can also directly get information from consumers for product and service improvement. Furthermore, the benefits for LAPS make it easier to receive requests to resolve consumer disputes, obtain complaint documents, and submit follow-up handling disputes to consumers. As for OJK, this application can facilitate the monitoring of the PUJK complaint handling process and dispute resolution, receive information on complaints that are indicated by violations, and become the basis for refining the provisions and supervision (Sari, 2022).

The Consumer Protection Portal Application (APPK) is an integrated customer service system in the financial services sector that provides services in the form of information, questions, and consumer complaints. Appk is a web-based system that can be accessed by all parties online. The main app services that can be used by consumers and the public are questions, information, and complaints. For questions and information, consumers and the public can use these services if there are questions and they want to provide information to OJK about problems related to financial services sector services. For example, questions or information related to company legality and products and services. While complaints services can be used by consumers who want to submit complaints to Financial Services Business Actors (PUJK) related to the financial products or services they use (Ida Ayu, 2022).

With the APPK system, consumers will be facilitated in submitting their complaints to financial services business actors. Consumers can submit online complaints and then monitor the process of handling them online. Financial service businesses will then monitor, follow up on, and renew the status of handling consumer complaints (internal dispute resolution). If consumers do not agree with the response of financial services business actors that leads to disputes, then through APPK, consumers can continue their dispute resolution efforts to alternative institutions to resolve the financial services sector dispute or SJK laps. Furthermore, Laps will receive notifications or alerts from consumers and follow up by utilizing existing data and documents in the system so as to avoid duplicating data requests and information that is expected to speed up the dispute resolution process. There are at least four facilities from APPK, including handling complaints and resolution of effective and efficient consumer disputes,

strong consumer protection, increased consumer trust, and financial system stability (N. Situmorang et al., 2020).

However, there were also obstacles related to the implementation of this APPK, namely related to the internet network and the device used. It is feared that with these limitations, complaints that should be conveyed well to PUJK through application notifications are hampered, so that PUJK cannot follow up on the submitted complaints. The same thing can also be faced by users of financial services in many cities and regions in general, not only in remote areas. Especially if consumers and PUJK live in different regions and one of them is in remote areas. The Consumer Protection Portal Application, formed by the Financial Services Authority, was originally an effort to bring together consumers and financial services actors to review the fundamental problems in order to obtain a resolution agreement. Because of these obstacles, it is feared that they will hamper the implementation of the consumer protection portal application itself, and in the end, the fulfillment of aspects of consumer protection for users of financial services is not achieved to the maximum.

Conclusion

In order to maximize the fulfillment of consumer protection aspects for users of financial services, the Financial Services Authority has formed a consumer protection portal application. The presence of this consumer protection portal application aims to facilitate access and the processing of complaints by consumers to Financial Services Business Actors (PUJK). This is because, through the APPK system, consumers can make complaints anywhere and anytime as long as they can access the internet network. With the APPK system, consumers can submit online complaints as well as monitor the process of handling them by PUJK online. On the other hand, through this mechanism, PUJK will also be easily able to monitor, follow up on, and renew the status of consumer complaints (internal disperse resolution). Likewise, if consumers do not agree with the response given by PUJK, then through APPK, consumers can continue efforts to resolve disputes with alternative institutions for resolving financial service disputes (LAPS LJK), and for the next laps, they will follow up according to the procedure for resolving the applicable disputes.

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