

IMPLEMENTATION OF PROVISION OF LEGAL PROTECTION FOR BUYERS FOR WARRANTY OF GOODS IN THE COUNTRY OF INDONESIA

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Abstract

This research will be carried out to see how the implementation of consumer protection in obtaining goods guarantees in the eyes of business law and what the consequences are if the warranty received is not in line with Law No. 8 of 1999 concerning Consumer Protection. This research will use a normative juridical approach and secondary research data. The research data that has been collected will be processed and analyzed qualitatively. The results of this study found that many people experienced losses as a result of seller fraud against the guarantees given to consumers. This causes the need for the government to make various regulations to be able to provide guarantees of protection to the public who become consumers. The form of government regulation that has been successfully made is UUPK. Unfortunately, this regulation still has a lot of deviations and losses that the government feels, so the results are not optimal. Meanwhile, criminal sanctions will be given to business actors who violate the guarantee of their property if it does not follow the UUPK.

Keywords: *Product Guarantee, Consumer, Legal Protection.*

A. INTRODUCTION

In this era of globalization, it has positive and negative influences on various fields, one of which is in the economic area. The positive effect of globalization in the economic field is the opportunity for domestic products to enter the international market, while the negative impact of globalization in the economic field is the opening of opportunities for foreign products to enter the national market (Ibn-Mohammed et al., 2021). In addition, intensifying competition increases requirements for product quality and efficiency. Such conditions have a supportive effect on global economic growth. And with this, Indonesia also feels the impact so that it can benefit consumers (Frona et al., 2019).

Considering that everyone is a customer, protecting consumers implies safeguarding the entire community. To ensure the application of consumer protection, the government enacted Consumer Protection Law No. 8 of 1999. In addition, consumers are the target of business efforts to generate substantial profits (Atikah, 2020). Because according to the Big Indonesian Dictionary (KBBI), consumers have the meaning of users of manufactured goods. According to Article 1 Paragraph 2 of Law No. 8 of 1999 on Consumer Protection, a consumer is any individual who utilizes community-available goods and services for the benefit of themselves, their families, other people, and other living beings and not for commercial purposes (Rusdiana, n.d.).

Consumer protection is a vital component of effective corporate operations. There is a balance of legal protection between consumers, business players, and the government in healthy commercial activity. If customers lack balanced protection, they will be in a vulnerable situation (Mahaputra & Saputra, 2021). Regarding the significance of consumer protection, the Consumer Protection Law No. 8 of 1999. Article 30 of Law No. 8 of 1999 on Consumer Protection specifies that the government, the community, and the Non-Governmental

Consumer Protection Agency (LPMSM) have the authority to oversee corporate actors (Ferrell et al., 2019).

When consumers buy goods and services, of course, the consumer hopes to get the best, and no function is lacking or something unpleasant if it is a service. The guarantee that the product is suitable or not defective is called a warranty. According to the Big Indonesian Dictionary (KBBI), a guarantee means a guarantee or a dependent (Wirtz et al., 2020). At the same time, the general understanding of a warranty is a guarantee by the company that the customer will get a good product, according to specifications, functioning as it should, within a predetermined period, which includes all or certain parts of the product. The warranty aims to create and increase customer satisfaction (Ji et al., 2022).

The Ministry of Trade (Kemendag) said that from 2016 to 2018, business actors increased the level of compliance regarding the obligation to register usage instructions and guarantee after-sales services. In 2016 the compliance rate was only 24.58 percent, then in 2018, it increased to 66.81 percent (Tarina et al., 2019). The increase was based on the supervision of the Directorate General (Dirjen) of Consumer Protection and Orderly Commerce (PKTN). Director General of PKTN Veri Anggrijono believes that the compliance rate will continue to increase in line with the issuance of Minister of Trade Regulation (Permendag) Number 78 of 2019.

In the implementation of Product Warranty in Indonesia, it turns out that deviations are still found in this matter, for example, the following:

1. There is still a circulation of reconditioned cellphones with shop guarantees. The Director General of Standardization and Consumer Protection (Dirjen SPK) of the Ministry of Trade (Kemendag) Widodo said that many electronic products, such as cellphones, were illegally imported into Indonesia. One that is widely sold in the market is reconditioned or used cellphones that are assembled as new products that are sold with shop guarantees. Usually, the goods or cellphones are not equipped with instructions for use or manuals in Indonesian (Chun et al., 2022).
2. There are still perpetrators of bank guarantee fraud. In this case, the perpetrators have committed fraud by issuing bank guarantees worth 30 billion. A bank guarantee is a payment guarantee issued by a bank to the recipient of the guarantee, which can be an individual or a company. In acting, the suspects have different roles. Therefore, the suspects were charged with Article 378 of the Criminal Code and Article 372 of the Criminal Code in conjunction with Article 55 of the Criminal Code, with the threat of imprisonment for four years (Hussain et al., 2021).

The examples above are some of the problems consumers face regarding product guarantees in the business world, and maybe there are still many problems faced by consumers that have not been published. From the description above, the researcher wants to examine the legal protection for consumers on product guarantees in business law.

B. LITERATURE REVIEW

1. Definition of Law

Law is a system created by humans to restrict human conduct so that it can be regulated. Since law is the most important factor in implementing a series of institutional authorities, it must ensure legal certainty in society. Consequently, every community has the right to a defense before the law, which can be taken to mean that the law is a written or unwritten rule or regulation that controls people's lives and imposes penalties on offenders (Chrisman, 2019).

The objective of law is global, including order, quiet, peace, prosperity, and happiness within the social order. Depending on the applicable legal conditions, each issue may be addressed through a court proceeding with an intermediary judge. In addition, the law seeks to preserve and prevent everyone from being their own judge (Joesph et al., 2022).

The law can generally be classified into two categories: Public Law and Private Law. Criminal law controls the relationship between individuals and society and only applies when it is necessary for the community. Van Hamel stated, among other things, that Criminal Law has developed into Public Law, where its implementation is entirely in the hands of the state, with a few exceptions. The exception is against complaint offenses (*klachtdelicht*), which requires a complaint (*klacht*) in advance from the aggrieved party so that the state can implement it (Zamakhsyari et al., 2020).

So, the current Criminal Law sees the special interests of individuals as not the main problem, in other words, the emphasis of Criminal Law is the public/society interest. The relationship between the guilty and the victim is not the relationship between the harmed and the detrimental as in Civil Law, but the relationship is between the guilty person and the government, whose duty is to guarantee the public interest or the public interest as is the hallmark of Public Law (Khan & Sultana, 2021).

2. Consumer Protection

Consumer protection is a legal instrument created to protect and fulfill consumer rights. For example, sellers must show a price tag as a sign of notification to consumers (Barkatullah, 2018). Consumer Protection Law Number 8 of 1999 concerning Consumer Protection of the Republic of Indonesia explains that consumer rights include the right to comfort, security, and safety in consuming goods and or services; the right to choose goods and or services, and to obtain such goods and or services following the exchange rate and the promised conditions and guarantees; the right to be treated or served correctly, honestly, and without discrimination; the right to obtain goods and or services following the exchange rate and the promised conditions and guarantees; the right to obtain goods and or services following the exchange rate (Said & Rahmah, 2022).

The word consumer comes from the word in English, namely consumer, or in Dutch “consument”, “konsument”, a consumer is a person who needs to spend or use; user or user. The juridical understanding of consumers has been placed in various laws and regulations, such as Law No. 8 of 1999 concerning UUPK article 1 formulating as follows: “Consumers are every person who uses goods and services available in the community, both for their interests, family, other people, and other living things and are not for trade (Frederik, 2021). In simple terms, it is often assumed that what is called a consumer is a buyer (English; buyer, Dutch; suitcase). Legally, the definition of consumer is not only limited to the buyer, even if one carefully considers the understanding of the consumer as contained in Article 1 point 2 of the UUPK (Nurhayati & Hendar, 2019). In UUPK there is no mention of the word buyer, the definition of a user in the above definition shows that goods or services in the formulation of the consumer’s understanding do not have to be the result of buying and selling transactions. Thus, the relationship between consumers and business actors is not limited only because it is based on a transactional relationship or sale and purchase agreement (Molinillo et al., 2021).

Many countries explicitly stipulate who is referred to as a consumer in their legislation. Consumers are limited to anyone who buys goods that have been agreed upon, both regarding the price and payment methods but do not include those who get goods for resale or other commercial purposes (Ishak, 2019). The definition of an authentic consumer has been formulated in the Consumer Protection Act Article 1 number 2 of Law No. 8 of 1999. In this law, what is meant by consumer protection is all efforts that guarantee legal certainty to protect consumers, it is clear that the existence of this law is to protect us as consumers because, so far, consumers are in a weak position (Ines et al., 2020).

C. METHOD

This research employs a normative juridical approach, which is a legal study undertaken on the basis of primary legal materials by studying relevant theories, conceptions, legal principles, and laws. The form of this research is descriptive and aims to get an overview of consumer legal protection on product guarantees in business law. The data used in this study was gathered from secondary sources, such as literature from books, scientific manuscripts, research reports, articles, and websites, as well as other documents relevant to legislation. This study employs qualitative analytic methodologies, which place a greater emphasis on features of a problem's in-depth understanding than on its application to generalizable research.

D. RESULT AND DISCUSSION

1. Consumer Protection Against Product Warranty in Business Law

According to the Big Indonesian Dictionary (KBBI), the notion of law is a regulation or custom officially considered binding, which the owner or the government confirms. According to Waldi Nopriansyah, the definition of law is a rule made by state authorities, both orders and prohibitions, to regulate human behavior that the community must obey. Meanwhile, according to Skinner, business is the exchange of goods, services, or money that is mutually beneficial or provides benefits. So, business law is a regulation made to regulate a business that is run through an agreement, both written and unwritten, so that it gives birth to rights and obligations that must be obeyed by both parties (Anggia, 2019).

In practice, legal protection for consumers in business law has been protected by the government through existing regulations. In Article 1 Paragraph (1) of Law No. 8 of 1999 concerning Consumer Protection, it is stated that Consumer Protection is all efforts that guarantee legal certainty to protect consumers. With legal protection for consumers, it means that the rights of consumers can be fulfilled. The primary key to consumer legal protection is that consumers and business actors need each other. The law must preserve the rights and obligations emerging from this legal connection so that people can feel secure. Consumer protection is also essential when people buy a product because many consumers suffer losses. Defects in products are one of the losses experienced by consumers.

The responsibility of business actors to consumers in the event of damage or defect of goods has been stipulated in the responsibilities of business actors. As stated in Article 19 paragraph (1) of the UUPK, which specifies that corporate actors are accountable for compensating for damage, pollution, and customer losses caused by consumer goods or services produced or traded, UUPK is particularly effective at controlling consumer rights. In addition, Article 19 paragraph 2 specifies that the compensation referred to in paragraph 1 may take the form of a refund or replacement of products and services of a similar or equivalent value, or health care and compensation in accordance with the applicable laws and regulations.

Consumer losses caused by the absence of guarantees related to the principle of responsibility in consumer protection will be more effective when using absolute commitment. Strict liability, namely the principle of accountability in unlawful acts that are not based on mistakes, but this principle requires business actors to be directly responsible for losses arising from the illegal act. In this case, absolute responsibility does not matter whether there is an error. However, business actors are directly responsible for losses caused by defective products business actors who are not careful and because business actors must prevent such losses.

According to the Big Indonesian Dictionary (KBBI), the meaning of a guarantee is a guarantee or a dependent. A guarantee is a form of post-customer transaction service provided for the sustainable use of goods. Consumers usually recognize the difference between a manufacturer's and a store's warranty. A manufacturer's or distributor's warranty is usually stated expressly, in writing, and officially, while a store warranty is usually conveyed verbally. The UUPK specifies that business actors must provide chances for consumers to test and try

specific items and services and provide assurances for goods manufactured and traded in the United Kingdom (Carayannis et al., 2022).

The Consumer Protection Law in Indonesia has provided legal channels for consumers in the event of dishonesty by producers or when consumers suffer losses. However, there are still many entrepreneurs who put aside the interests of consumers to produce quality products, but in reality, there is a fundamental difference between the legal provisions and the practice in the field. Manufacturers put more emphasis on profit and, by all means, try to increase the turnover of their business. On the other hand, consumers do not get enough information about the products they use. Various events, such as mass poisoning, deaths due to consuming certain products, and so on, are often not informed transparently. Consumers can provide significant benefits to producers.

Business actors who do not provide product guarantee/guarantee cards to consumers who buy the products they market must be responsible for the losses consumers suffer. Responsibility is based on the element of error by proving to the producer, and this is regulated in Article 19, Article 23, and Article 28 of the Consumer Protection Law. Satjipto Raharjo remarked that legal protection safeguards human rights that have been violated by others, and that this protection is extended to the community so that people may enjoy all legal rights. According to Soedikno Mertokusumo, legal protection safeguards human rights and obligations to pursue their own interests and in human relationships (McGregor et al., 2019).

According to Sukendar and Aris Prio, there are two sorts of legal protection facilities, namely:

- a. Preventive legal protection is a measure or approach for preventing an occurrence with legal repercussions.
- b. If an occurrence that leads to the law has occurred, repressive legal protection is a step or tactic taken.

As stated in Law No. 8 of 1999 concerning Consumer Protection, all efforts to ensure legal certainty are to protect consumers. According to the facts obtained in the field, the following are legal protection efforts for consumers:

- a. Preventive legal protection
 - 1). Increased understanding of the right to consumer protection.
 - 2). Increased legal awareness and the impact of losses suffered by consumers.
 - 3). Encouraging efforts to enforce the provisions of the laws of the Republic of Indonesia to prevent consumer losses and warranty fraud.
 - 4). Increasing the role of the National Consumer Protection Agency (BPKN) and the Consumer Dispute Settlement Agency (BPSK) through increasing human and institutional resources
 - 5). Increased understanding and awareness of business actors and consumers on their respective rights and obligations
- b. Repressive legal protection
 - 1). The disputing parties have the option of resolving consumer issues in court or outside of court.
 - 2). Negotiations can be carried out by the parties concerned, either directly or through representatives of each party.
 - 3). Mediation is one method for resolving conflicts outside of court, utilizing a neutral third-party mediator who acts as a facilitator without interfering with the decisions made by both parties.

From the description above, it can be concluded that consumers get legal protection against product guarantees, but in practice in the field, there are still many losses experienced by consumers as a result of producer mistakes. Whereas Law No. 8 of 1999 regarding Consumer Protection states that consumers have the right to obtain advocacy, protection, and

efforts to resolve consumer protection disputes properly, as well as provide opportunities for consumers to test and try certain goods and services, and offer warranties and guarantees for goods manufactured and traded. That means consumers do not get legal protection following the rules that have been set.

2. Consequences of Incompatible Guarantees with Law No. 8 of 1999 Concerning Consumer Protection

Consumers have the rights regulated in Article 4 letter b of the Consumer Protection Law, which is as follows:

- a. The right to convenience, safety, and protection when consuming products and services;
- b. The right to select and acquire goods and services in accordance with the exchange rate and the terms and circumstances promised;
- c. The right to accurate, transparent, and truthful information regarding the terms and conditions of goods and services;
- d. The right to have their comments and complaints heard regarding the used products and services;
- e. The right to receive advocacy, protection, and accurate resolution of consumer protection disputes;
- f. The right to obtain consumer education and guidance;
- g. The right to be treated or served in a fair and nondiscriminatory manner;
- h. The right to receive reparation, compensation, and replacement if the products and services obtained do not conform to the contract or are defective;
- i. The requirements of other laws and regulations govern rights.

If the goods and services supplied or utilized do not conform to the agreement, the business actor must pay reimbursement, compensation, and replacement for the consumer's rights.

According to Article 19 of the Consumer Protection Law, business actors are liable for paying customers for damage, pollution, and losses resulting from the production or exchange of consumer goods and services. In this instance, compensation may take the form of a refund or replacement of products and services of a similar or equivalent value, as well as medical care and compensation in accordance with the applicable laws and regulations. The compensation is provided during a grace period of seven days following the date of the transaction.

This can be a criminal matter if the absence of these goods can be classified as damaged or defective goods. Article 8 paragraph 2 of the Consumer Protection Law prohibits business actors from trading in damaged, faulty, used, or contaminated items without providing comprehensive and accurate information about the goods in question. In accordance with paragraph (1) of Article 62 of the Consumer Protection Law, a business actor who breaches this provision may be sentenced to a maximum of five years in prison or a maximum fine of two billion rupiahs.

According to Article 45 paragraph 1 of the Consumer Protection Law, you may also bring a civil case through an entity responsible for settling conflicts between consumers and business actors or through a court within the general court environment if these processes are unsuccessful. In accordance with Paragraph 2 of Article 45 of the Consumer Protection Law, conflicts between customers and merchants may be settled outside of court if both sides agree.

From the description above, it can be concluded that consumers who do not get a guarantee following Law No. 8 of 1999 concerning Consumer Protection can take legal action. In this case, the business actor must be responsible for the goods. With Article 45 Paragraph (1) of the Consumer Protection Law, consumers can go through the courts to resolve disputes between business actors, but it would be better to settle them in a family way.

E. CONCLUSION

Consumers obtain legal protection against product guarantees in Law No. 8 of 1999 concerning Consumer Protection which states that consumers have the right to get advocacy, protection, and efforts to resolve consumer protection disputes correctly and provide opportunities for consumers to test and try certain goods and services and offer guarantees and guarantees for goods manufactured and traded. That means consumers do not get legal protection following the rules that have been set.

Consumers who do not get a guarantee following Law No. 8 of 1999 concerning Consumer Protection can take legal action. With Article 45 Paragraph (1) of the Consumer Protection Law, consumers can go through the courts to resolve disputes between business actors, but it would be better to settle them in a family way.

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