

Understanding Legal Aspects in E-Commerce as an Effort for Economic Recovery in Kare Village, Kare District, Madiun Regency

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Abstract

The COVID-19 pandemic has a destructive impact on Micro, Small, and Medium Enterprises (MSME). In order to increase the income in Kare Village, Madiun Regency, various efforts have been made by the Regional Government, including providing Micro Business Productive Assistance and registering several MSME actors in the MSME Virtual Expo exhibition. The service activity of e-commerce is carried out using the method of socialization and question and answer with the Tourism Awareness Group and several MSME actors in Kare Village related to providing Contract Basics for MSME Actors, Consumer Protection Law, and the use of e-commerce in improving the economy in the future. The use of e-commerce today can no longer be arbitrary; several rules need to be understood by the public so as not to slip into legal problems. So MSME actors must understand the basics of agreement law and e-commerce. MSME actors in Kare Village can still promote and sell tourism products in the Kare Village area even though they are in the Enforcement of Community Activity Restrictions through website applications and social media such as Tokopedia and Instagram. Understanding the legal basics of e-commerce provides preventive efforts for MSME actors in Kare Village to minimize the occurrence of unlawful acts. Utilizing the website and social media for Kare Village tourism which is implemented based on applicable legal regulations for Kare Village MSME actors to restore the village economy so that the goal of Kare village to create Ecotourism can be realized.

Keywords: Covid-19; E-Commerce; MSMEs; Utilization; Tourism.

I. Introduction

The Corona Virus Disease 2019 (COVID-19) pandemic is still hitting Indonesia today. This pandemic has caused various sectors of the country to be paralyzed, including the health sector, the environmental sector, the economic sector, and other sectors. The government continues to try to suppress the rate of increase in the transmission of Corona Virus Disease 2019 (Covid-19) in order to maintain the stability of the country. On the other hand, the Government is also trying to overcome the impacts arising from this pandemic, one of which is in the economic sector. Because the safety and economic resilience of the community is the government's top priority.¹

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¹ Kementerian Komunikasi dan Informatika Republik Indonesia. (2021). *Keselamatan dan Ketahanan Ekonomi Masyarakat, Prioritas Utama Pemerintah Dalam Tangani Pandemi Covid-19*, Available online from :<https://www.kominfo.go.id/content/detail/35503/keselamatan-dan-ketahanan-ekonomi-masyarakat-prioritas-utama-pemerintah-dalam-tangani-pandemi-covid-19/0/berita>, [accessed on October 10, 2021]

One of the efforts to restore the economic sector implemented by the Government of Indonesia is to mobilize resources in various sectors so that the Indonesian economy recovers quickly. In the economic sector, Micro, Small and Medium Enterprises (MSMEs) are at the forefront of economic recovery. It is undeniable that MSME actors, both directly and indirectly, do feel the impact of the COVID-19 pandemic, including declining sales, financial difficulties to repay loans and so on. This is also experienced by MSME actors in Kare village, Kare sub-district, Madiun district.²

Kare Madiun Village is geographically endowed with beautiful nature and fertile soil so that it has potential as an area for tourist destinations, so it is very unfortunate if this potential is not developed to its full potential. As previously stated by the Department of Tourism, Youth and Sports (Disparpora) of Madiun Regency, there are several tourist destinations in several villages in Madiun. These tourist destinations include Watu Rumpuk in Mendak Village, Dagangan District; Gligi Forest Park in Kepel Village, Kare District; and Nongko Ijo in Kare Village/Sub-district.³

Various efforts were made by the Madiun Regency Government (Pemkab) to revive MSMEs from Kare Village which were also affected by the COVID-19 Pandemic. These efforts include coordinating the provision of Productive Micro Business Assistance (BPUM) from the Central Government.⁴ In addition, it also registered several MSME players to take part in the MSME Virtual Expo Exhibition.⁵ It is not enough to rely on government assistance alone, MSME actors must also equip themselves to remain able to carry out business activities independently. One of the things that SMEs can do is use e-commerce as a marketing method to keep trading activities online.

² Solopos.com. (2020). *Pelaku UMKM Garda Terdepan Pemulihan Ekonomi saat Pandemi Covid-19*, Available online from :<https://www.solopos.com/pelaku-umkm-garda-terdepan-pemulihan-ekonomi-saat-pandemi-covid-19-1094805> [accessed on May 10, 2021]

³ IDN Times Jatim. (2019). *Pemkab Madiun Dorong Pengembangan Wisata Berkonsep Bambu*, Available online from :<https://jatim.idntimes.com/news/jatim/nofika-dian-nugroho/pemkab-madiun-dorong-pengembangan-wisata-berkonsep-bambu/1>, 27 November 2019, [accessed on May 10, 2021]

⁴ Republika.co.id. (2020). *Pemohon Bantuan UMKM di Kabupaten Madiun Melebihi Kuota*, Available online from :<https://www.republika.co.id/berita/qngneu327/pemohon-bantuan-umkm-di-kabupaten-madiun-melebihi-kuota>, 14 September 2020, [accessed on May 10, 2021]

⁵ Petisi.co. (2020). *Hidupkan Usaha Mikro di Kabupaten Madiun, Ini yang Dilakukan Dinas Perdagangan, Koperasi dan Usaha Mikro Kabupaten Madiun*, Available online from :<https://petisi.co/hidupkan-usaha-mikro-di-kabupaten-madiun-ini-yang-dilakukan-dinas-perdagangan-koperasi-dan-usaha-mikro-kabupaten-madiun/>, 17 Desember 2020, [accessed on May 10, 2021]

The use of Internet technology for trade cannot be done arbitrarily, because trading activities using electronic systems have been regulated by the Indonesian Telematics Law. It is important for MSME actors to understand the regulations related to e-commerce. The Ministry of Trade as the supervisor of the trade sector, requires that all products or goods traded through e-commerce must meet the Indonesian National Standard (SNI) so that there are several aspects that MSME actors also need to understand in addition to legal rules on e-commerce, legal knowledge about online contracts and consumer protection also need to be known by MSME actors.

Management and Development of SMEs in Kare Village to be integrated with this technology requires understanding and knowledge of legal aspects so that the legal relationship of the parties in the business development that is being carried out does not harm the parties. The scope of this community service activity is the community MSME in the Kare tourism Village, Kare District, Madiun Regency. The writing of this community service journal is intended as a form of community service regarding the application of legal aspects of e-commerce for the management and development of the tourism economy of Kare Village, Kare District, Madiun Regency.

II. Method

On August 16, 2021, Community Service was held at the Aswin Loka Meeting Hall. This meeting invited the Kare Village apparatus and members of the Tourism Awareness Group as well as several MSME actors. At this meeting, counseling was carried out on legal aspects in e-commerce, including electronic contracts basics, electronic trading (e-commerce) rules, and also consumer protection for Audiences. The main purpose of this socialization is as a means of improving the economy of Kare Village. After the Lecturer Team of the Faculty of Law Abdimas Kare delivered their respective materials, it was followed by a discussion session and a question and answer session from the meeting participants, which consisted of a total of 20 participants. In addition to the socialization topics presented, participants also actively asked about legal issues related to Intellectual Property regulations.

III. Results

A. The Importance of Utilizing E-Commerce in MSME Economic Recovery

Technology era have brought rapid changes and shifts in a life without boundaries in this era of globalization. Globalization is the process of removing various controls that hinder the movement of trade and capital performance to span the globe. The rapid development of transboundary economy, the flow of globalization, advances in information technology make transactions for goods and services more varied, because access to goods and services that are outside the city or even abroad can be easily reached.⁶ In the midst of the globalization of increasingly integrated communications (global communication network), the internet has become popular and has made the world shrink (shrinking the world) while at the same time fading state boundaries along with sovereignty and social order.⁷ E-commerce can be defined as all forms of trade transactions or trade in goods or services using electronic media. In e-commerce itself, there is trade via the internet, such as in business to consumer (B2C) and business to business (B2B) and trade with structured data exchange electronically.⁸

Kalakota and Whinston (1997) in M. Suyanto's book define e-commerce from the following perspectives⁹ :

1. Communication Perspective: is the delivery of information, products or services as well as payments by telephone, computer network or other electronic means.
2. Business Process Perspective: is the application of technology towards the automation of transactions and company workflows.
3. Service Perspective: is a tool that fulfills the wishes of companies, consumers and management in reducing service costs while improving the quality of goods and speed of service.
4. Online Perspective: related to the capacity to buy and sell products and information on the internet and other online services.

⁶ Joko Susanto, *Kajian Teoritik Tentang Pengaruh Globalisasi Terhadap Proses Demokratisasi, Masyarakat, Kebudayaan dan Politik*, Th XIII, No 2, April 2000, hlm. 59-72

⁷ Arsyad Sanusi, *Efektivitas UU ITE dalam Pengaturan Perdagangan Elektronik (E- Commerce)*, *Jurnal Hukum Bisnis*, 29 (1), 2010, hlm. 5

⁸ Rieyke Ustadiyanto. (2001). *Framework eCommerce*, Yogyakarta: Andi, p.139- 143

⁹ Suyanto, M. (2003). *E-commerce Perusahaan Top Dunia*, Yogyakarta: Andi, p.11

In addition to the many benefits offered by e-commerce systems, there are threats that exist in their use. This threat has the potential to endanger public and private valuable assets because of the unclear limits on e-commerce carried out in cyberspace. Activities in the cyber/internet space cannot be carried out using conventional legal approaches alone because there are several approaches that must be taken when conducting studies related to e-commerce. The first approach that must be taken is through a legal perspective which includes aspects of engagement law, intellectual property rights law, consumer protection law, and cyber law. The second approach is taken from the perspective of technology and information. The approach taken from these two different aspects creates difficulties in drafting regulations for this e-commerce. So that the role of the Government has an obligation to protect its citizens by carrying out a protection function through legal regulations that regulate e-commerce, so that legal certainty is achieved and welfare can be realized.

B. The Importance of Understanding Legal Aspects in E-Commerce for MSMEs

Trading or buying and selling as a form of agreement has been regulated in the Civil Code (KUHPdt), the Criminal Code in Book III concerning Engagement only regulates conventional trade, does not regulate trade conducted electronically or e-commerce. In 2008 the government passed Law Number 11 of 2008 concerning Electronic Information and transactions which has now been amended in Law Number 19 of 2016 concerning Electronic Information and transactions (UU ITE). The ITE Law generally regulates the use of information and communication technology. Complementing the regulation of the ITE Law regarding trade using electronic systems, Government Regulation Number 80 of 2019 concerning Trading Through Electronic Systems is also issued as a technical guideline for the ITE Law in carrying out trade through electronic systems.

The potential of the e-commerce market in Indonesia has indeed spread to various lines, including MSMEs. The fantastic number of transactions from businesses via the internet has indeed lured anyone to try their luck. However, the use of e-commerce can no longer be arbitrary, there are several legal rules that need to be understood so as not to slip into legal problems. So it is important for MSME actors to have an understanding of the basics of agreement law and e-commerce. It is important for MSME actors to have legal knowledge, let alone knowledge in the field of electronic commerce. Legal insights related to electronic commerce or e-commerce that must be understood by MSME actors

include: a basic understanding of contracts (commitments) and their online contacts, consumer protection law, Intellectual property law, and regulations related to electronic transactions and commerce. Armed with this legal knowledge, MSME actors in the Kare Tourism Village, Madiun Regency can take advantage of e-commerce by properly understanding their legal rights and obligations in using e-commerce for the recovery of the Village Economic sector.

C. Utilization of E-Commerce in Recovering the Economic Sector of Kari Tourism Village, Madiun Regency

The Madiun Regency Government has making mew decision in advancing the tourism potential of the Madiun region by mapping sectors that have certain attractions as tourist objects. These tourist spots later will be supported with adequate facilities and infrastructure as a proof of the local government's seriousness in developing tourism in the Madiun district.¹⁰ The Government of Madiun Regency increases the tourism sector to become a main source to increase regional income, create jobs and provide services to the people of Madiun Regency. A lot of tourism location has sprung up both on ideas from the government and non-governmental organizations, one of the concepts being developed is ecotourism.¹¹

Ecotourism is a concept that in managing tourist destinations does not only pay attention to the economic aspect but also pays attention to the preservation of nature and the environment. However, this was hampered due to the emergence of the Covid-19 Pandemic, so the Government had to determine the Implementation of Restrictions on Community Activities by the Government, so that it affected the mobility of residents, especially residents whose livelihoods came from tourism activities.

The community of tourism awareness groups (Pokdarwis) in Kare Village, Kare District, Madiun Regency after receiving counseling from the Community Service Team from the Faculty of Law, UPN "Veterans" East Java, tried to implement e-commerce as a means to improve the economy in Kare Village.

¹⁰ Louis Rika Stevani (2019). *Potensi pariwisata Kabupaten Madiun, dari budaya hingga kuliner*. Available online from :<https://www.antaranews.com/berita/1173212/potensi-pariwisata-kabupaten-madiun-dari-budaya-hingga-kuliner>. [Accessed on August 19, 2021]

¹¹ Gunardi Joko, Sugeng P. Harianto. (2017). *Buku Ajar : Ekowisata, Fakultas Pertanian, Universitas Lampung, Bandar Lampung*. p.6

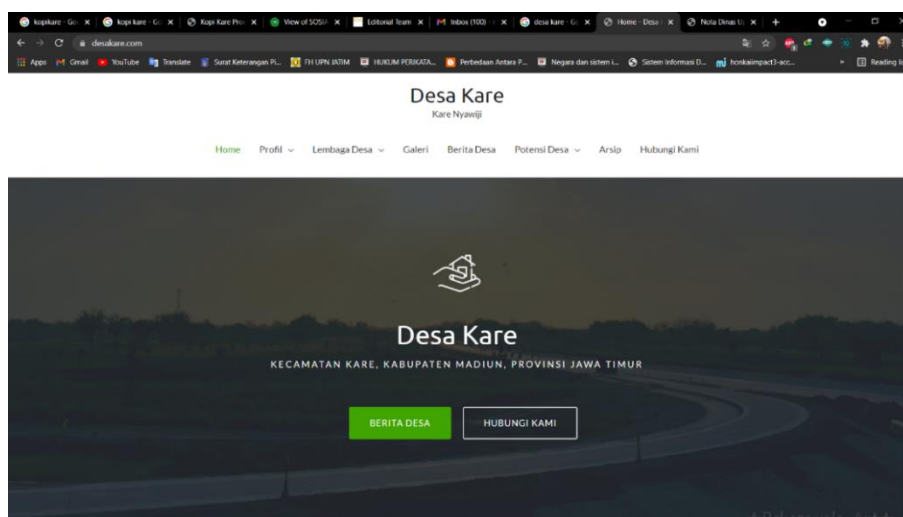
Picture 1. Counseling of the Abdimas FH UPNVJT Team to Pokdarwis Kare Village



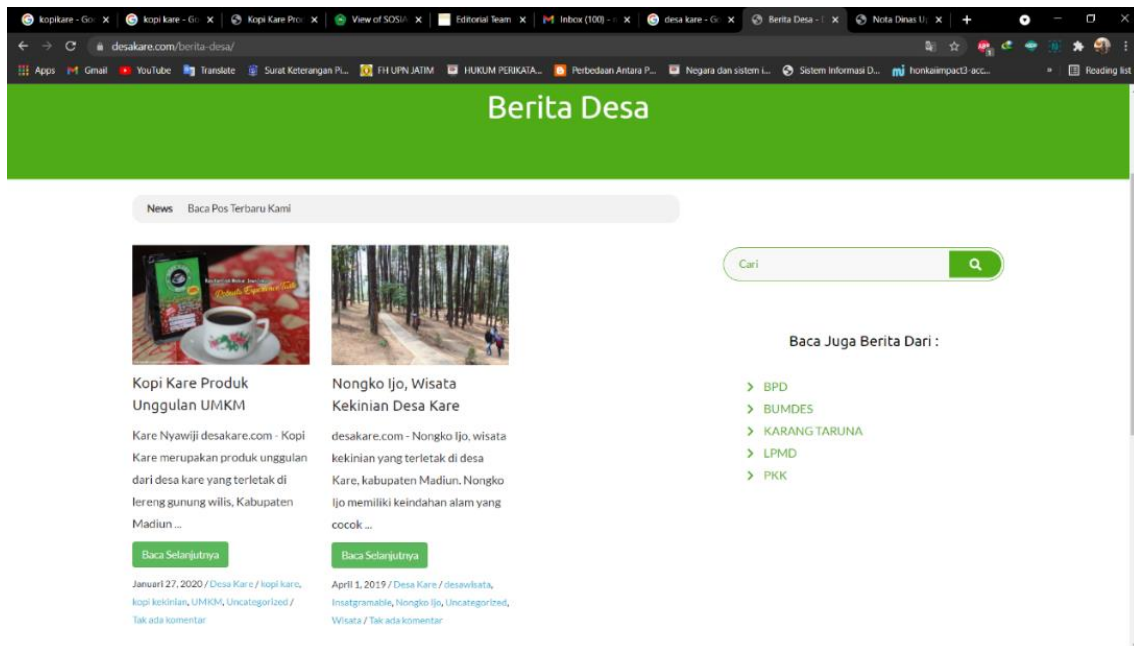
Some information about tourist destinations and natural beauty in Kare Village is included on the Kare Village website so that it can be accessed by the wider community. The information entered on this website is content from the website which can contain: any natural tourism that can be a destination for visitors to Kare Village, as well as what crops are produced in Kare Village as commodities that visitors can buy as special souvenirs from Kare Village, Madiun Regency.

Apart from using the website, one of the superior products from Kare Village is Kare coffee. Youths at Pokdarwis Desa Kare use Instagram social media to promote Kare coffee.

Picture 2. Homepage of Kare Village Website



Picture 3. Kare Village Website Content



Picture 4. Specialty of Kare Coffee from Kare Village

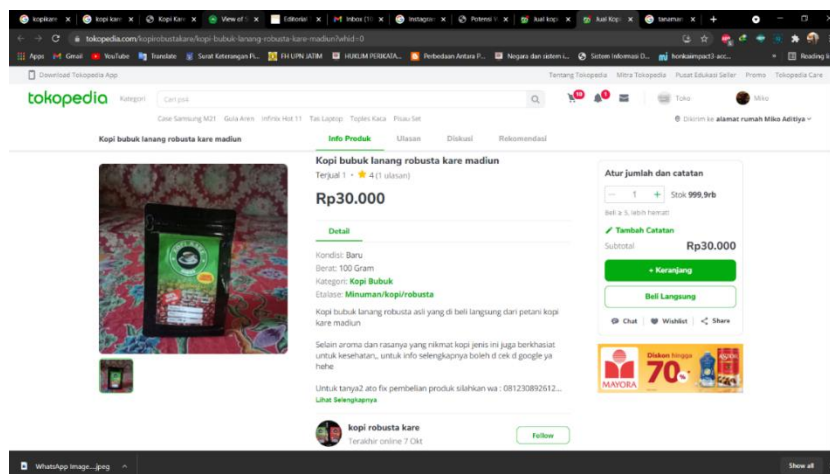


Picture 5. Instagram's of Kare Coffee



Apart from Instagram, there is also a Tokopedia Kopi Kare account to make it easier to sell Kare coffee processed products.

Picture 6. Tokopedia Account of Kare Coffee



With the use of Internet technology and an understanding of the legal aspects of telematics in e-commerce, MSME actors in Kare Madiun Village can still promote and sell tourism products in the Kare Village area even though they are in the Enforcement of Community Activity Restrictions (PPKM). In addition, SMEs in Kare Village also understand the basic legal aspects of e-commerce so that when MSME actors carry out their online business, they will not commit acts against the law.

IV. Conclusion

The importance of using internet technology for the recovery of the economic sector and e-commerce legal aspects can provide opportunities for business actors to be able to trade even though they are being affected by PPKM. MSME actors can continue to run their business online armed with legal insight and information technology so that MSME actors can prevent and repressively prevent unlawful acts when conducting electronic transactions. Tourism development and restoration in Kare Village using e-Commerce as an effort to recover the economy can be done by selling agricultural products or specialties from Kare Village through the website or social media account of Kare Village. So it is hoped that even though the people who are visitors do not come directly to Kare Village, they can still buy special products from Kare Village so that there is income that comes in and can be used by the Kare Village Pokdarwis to create Ecotourism.

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