



Online Auction Policy on Benefit-Based Goods and Services

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Abstract. This study aims to examine and analyze the implementation of online auction policies on benefit-based goods and services. The research method uses a normative juridical approach, the data sources used are secondary data in the form of primary legal materials, research specifications: analytical descriptive, data collection methods using literature studies, and data analysis methods in this study using qualitative methods. The results obtained: that the development of information technology, has changed all aspects of life, one of which is auction activities. Auctions on goods and services can already be carried out online. An online auction is an auction activity carried out by utilizing an auction site where participants offer goods and/or services online. This online auction of goods and services is considered more efficient because participants do not need to leave work or leave the house to bid. This policy increases the opportunity for the community, not only the government, but several private business entities to establish online auction halls to facilitate the public/auction participants, online auctions provide benefits to sellers or buyers. The benefit for buyers is that it will make it easier to obtain information about the schedule and place of the auction. The advantage for the seller is to get the opportunity to sell his assets with the highest and best selling value/price, considering that the goods or objects to be auctioned are contested by prospective buyers of online auctions. The advantage for buyers is that they can easily and quickly find out the schedule, location, d catalog of auction items/objects without having to attend the auction site.

Keywords: Benefit-Based · Policy · Online Auction

1 Introduction

With the development of technology and information in the global era as it is now growing very rapidly in people's lives, we cannot deny that the existence of the internet can have a positive impact on its users, information, entertainment, and business that even all over the world can be accessed at any time through internet networks. The presence of social media brings fresh air to business actors in developing their business, by utilizing the existing platforms in their social media, business actors can conduct buying and selling transactions with anyone and at any time, not limited by space and time. As technology develops, business actors see promising business opportunities to conduct online auction transactions, this is intended because social media can reach

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regions throughout the world to participate in buying and selling bidding on this auction, system and also auction actors can make people who each other are friends because it has a feature to add friendship.

The rules and regulations regarding auctions are explained in the Decree of the Minister of Finance Number 27/PMK.06/2016 concerning the instructions for implementing the auction as follows: "Auction is a sale that is carried out openly and for the public with an increasing written and or verbal price offer to achieve the highest price preceded by the announcement of the auction. This formulation can show that the means of conducting this auction have developed using electronic media in the form of telephone and email and now is the time to develop use through social media platforms which can be categorized as direct auctions even without the presence of bidders.

In the modern era like today, any activity can be done online, including buying and selling with this auction system. The auction tradition which is usually done face-to-face can now be done online by utilizing social media platforms. With an internet network that has a worldwide reach that makes it easy for everyone to connect without space restrictions, therefore the practice of buying and selling this auction system has great potential. This has become an attraction for consumers to get the desired branded goods at quite affordable prices, especially for young people who understand fashion always waiting for the desired item to be uploaded on the online auction social media account (Online Auction).

The process of promoting the goods to be auctioned is where the sellers entrust the goods to be sold to the online Auction account owners, then they upload them on their auction account profiles to promote the goods by including some specifications about the goods, open the bid price, bid multiples, start time and the end of the auction, as well as the rules that must be obeyed by the bidders. Participants of this online auction are participants who participate in submitting price quotes in the comments column of the Online Auction account. The bidding process uses a bidding system, namely by submitting a price offer with the highest price from the previous bid price and determining the winner or buyer who is entitled to the item being auctioned, namely the buyer who offers the highest price from the other bids and will then be contacted by the auction organizer, namely the owner of the auction account.

Previously, the procurement of goods and services was usually done in a conventional system. This system requires direct and face-to-face interaction between the procurement committee and service providers.

However, in the conventional procurement process of goods and services, various irregularities were found. These deviations are mostly in the process of implementing the procurement of goods/services. Conventional procurement also takes a long time, so it is seen as a waste of time and money, lack of information, and unfair competition which results in the quality of procurement, exclusion of potential suppliers, and the granting of special rights to certain suppliers [1].

The term auction was first living in the Netherlands which in Dutch can be called *vendu*, while in English the term auction is called *Auction* which means auction or sale in public where in the implementation there is an increase in price fluctuations [2]. According to the Big Indonesian Dictionary, the definition of an auction is a sale in front of a large crowd with an increasing bid and led by an auction official. An auction is a

form of buying and selling, but there are general differences. Buying and selling have the right to choose, may exchange in public, and vice versa, while auctions do not have the right to vote, may not exchange in public, and the implementation is carried out specifically in public.

According to Yahya Harahap, what is meant by public sale or what is usually referred to as an auction is an auction or sale of goods held in public with an increasing price offer and approval, or also with price registration, or where people who were invited and previously had been notified of an auction or sale, or of the opportunity provided to persons who are auctioning or buying to bid, agree on a price or register. The definition of auction used today in Indonesia according to the researcher is one of the methods of selling goods in public which is carried out by an auction system in front of auction officials by establishing competitive and fluctuating prices using open/verbal or closed/written price bids that are preceded by with the announcement of the auction. From these various definitions, it can be concluded that an auction is a sale of goods carried out in public where the goods to be auctioned are used for settlement purposes by providing the highest price and bid until finally the auction goods are given to the prospective buyer with the highest bid that has been agreed upon by the public. Both parties, so that this auction transaction avoids elements of fraud. Thus the definition of auction above, then there are elements attached to the definition of the auction, namely:

1. Sales of goods
2. It is carried out in public by announcing it through the mass media
3. The buyer is not known in advance
4. The bidder with the highest price will be appointed as the buyer
5. Done using special offers
6. Done at a certain time and place

The legal basis for auctions in Indonesia can be separated into specific provisions and general provisions. The special conditions are: [3]

1. Auction Regulation/vendu Reglement (Stbl.1908 No.189) is a regulation that regulates the basic principles of auction. This form of regulation is a regulation, not an ordinance that can be considered equivalent to the law.
2. The Auction Instruction/Vendu Instructie (Stbl.1908 No. 190) is a provision that regulates the implementation of the vendor regulation
3. Regulations for collecting auction fees for public auctions and sales (Stable. 1949 No. 390)
4. Presidential Decree Number 84 of 2001 concerning the position, duties, functions, organizational structure, and work procedures of vertical agencies within the scope of the Ministry of Finance as amended several times, most recently by Presidential Decree Number 37 of 2004.

Some problems occur in the field related to the online auction system, including prospective buyers who participate in submitting bids disappearing or prospective buyers do not continue their transactions after being declared the winner of the auction, or people who are entitled to get the goods, these cases are often referred to as bid and run actors.

Bid and run is a term that is often used in buying and selling online. The purpose of Bid and Run is an act of the auction winner who has submitted a bid and is not responsible for the bid, for example, such as not paying the person in charge of the auction within a predetermined time limit, the winner blocking the access of the person in charge of the auction to contact the irresponsible winner and remove all digital traces so that the identities of bid and run actors are not exposed. In addition, the authors also often find fictitious bidding actions carried out by the person who was ordered or the owner of the goods themselves with the intent and purpose of raising or increasing the bid price because the highest price at that time was not by the price desired by the owner of the goods. Cheating is not only done by online auction participants, but the authors found other fraud committed by online auction organizers who are not responsible for fulfilling their obligations as online auction organizers. If one of the parties commits an act of default, they must be responsible for their actions by the applicable regulations and consequences. All forms of regulations and consequences made by the person in charge of the auction have been explained in the description each time an auction will be conducted.

2 Research Method

The method used in writing this paper is a normative juridical legal research method, a normative legal research method, or a library law research method is a method used in legal research conducted by examining existing library materials [4]. The legal materials used in this study can be classified into 3 types, namely: Primary legal materials, namely the provisions of laws and regulations relating to this research:

1. Secondary legal materials, in the form of written literature in the form of books, papers, research reports, newspaper articles, and others related to the subject matter of this research.
2. Tertiary legal materials, are explanatory materials regarding primary and secondary legal materials in the form of dictionaries, encyclopedias, and so on [5].

3 Findings and Discussion

1. The practice of Online Auction Buying and Selling

At the beginning of their appearance, these social media were only intended to make it easier for many people to interact socially. Researchers still remember that in elementary school, they could communicate with friends through social media. But along with the times and developments in social media which at this time in addition to facilitating social interaction, is also used to serve as a means for business promotion and also a means of buying and selling online. In this modern era, anything can be done online, including buying and selling this auction system. The auction tradition which is usually carried out at a ceremony or face-to-face can now be done online by utilizing social media platforms.

The implementation of auctions through the internet is an alternative or breakthrough provided by the government to facilitate the implementation of auctions. The development of online auctions has been around gradually since 2013. The central government has prepared auctions via the internet, starting from cooperation with banks, issuing regulations, developing applications, as well as socializing the implementation of auctions via the internet [6].

The Information and Electronic Transaction Law regulate e-commerce activities, including electronic commerce (e-commerce) business activities in the form of auctions conducted through online platforms. In the sale and purchase transaction of the auction system, both face-to-face and online, some problems occur in it. The problems that occur are caused by the lack of attention from the perpetrators on the applicable regulations or laws, both religious law, and positive law. The practice of online-based auctions on social media also has problems that can hinder the creation of good auction buying and selling activities. This is because there are irresponsible parties who want to take full advantage by harming others. Therefore, the ITE Law Number 11 of 2008 which was amended by Law Number 19 of 2016 is intended to protect online transactions, including the implementation of auctions.

In accordance with Article 2 of Law Number 11 of 2008 concerning Information and Electronic Transactions, this regulation applies to all people who use information technology for business activities that have legal consequences or actions in it. Therefore, the owner of business activities must pay attention to several things regulated in the Information and Electronic Transaction Law to encourage the effectiveness of safe, responsible, and controlled auction practices. The principles stated in Article 3 of Law Number 11 of 2008 concerning Information and Electronic Transactions include the principle of legal certainty, the principle of expediency, the principle of prudence, the principle of good faith, and the principle of freedom to choose technology or neutral technology. The principle aims to realize the value of online auction activities on Instagram which can be described as follows:

a. The Principle of Legal Certainty

This principle shows that the ITE Law Number 11 of 2008 which was amended by Law Number 19 of 2016 is used as the legal basis for all business activities that utilize information technology and its implementation also obtains legal recognition inside or outside the court. Legal certainty provided to the parties involved in this online auction transaction is in the form of protection for the injured party, legal responsibility, dispute resolution process, and a series of sanctions imposed on negligent parties.

In the application of the Principle of Certainty for the protection of the public, especially members who have access to participate in online auctions in the implementation of the auction there has never been a cancellation, then the auction place is only located on the site itself, there are no other sites as representatives to carry out the auction and regarding the security deposit. for auctions whose implementation is canceled, with problem-solving as a repressive measure in the event of default or failure to deliver. From this explanation, the essence of the principle of legal certainty has been fulfilled.

b. The principle of benefit

The principle of expediency is intended so that the public can involve information technology as a medium for business transactions in supporting the process of improving welfare. The welfare of the community is supported by a smooth, safe, and reliable economic flow so that business transactions through information technology will feel the benefits provided to users. Profits can mean the difference in sales by the owner of the auction item, the profit earned by the account owner during the auction selling process, as well as the profit of the prospective buyer who gets the goods according to the product description on the online platform.

c. Recautionary Principle

This means that the parties involved in business transactions must pay attention to things that threaten to cause losses in the future, both for themselves and other parties. This means that prudence can be exercised by enforcing the conditions set by the auction account holder when transacting. These provisions are specifically binding on prospective buyers who often act irresponsibly so that the online auction account owner has anticipated things that trigger losses. If the worst possibility is that a loss to one of the parties continues to occur, then the auction account owner is increasingly distrusted by the public to be used as a place to provide auction goods needed by potential buyers.

d. The Principle of Good Faith

The principle of good faith is not far from the will of each party who supports each other in business transactions. That is, there is not even a deliberate intention to cause harm to one of the parties that will injure the ongoing transaction. Having good faith is often injured by the actions of one prospective buyer who only bids and then does not continue to pay. This action will be enforced by blocking the account's access to the auction account so that bad faith does not recur and that the auction account owner avoids actions that trigger unilateral losses.

e. The Principle of Freedom to Choose Technology or Technology Neutral

This means that the parties involved in the transaction are not bound to certain media, they are free to determine as long as there is an agreement between the two parties. In this case, online auctions automatically bind potential buyers using Instagram as an intermediary that brings them together with the desired item. The goods are provided by the owner of the auction account which is deliberately traded on the Instagram platform. Therefore, prospective buyers, auction account owners, and owners of goods to be auctioned, have agreed to use online media in transactions.

Of course, the owner of the online auction as a business actor, makes an offer of goods through online media which must meet the requirements of Article 9 of the ITE Law Number 11 of 2008 which was amended by Law Number 19 of 2016 which reads as follows: "Business actors who offer products through the Electronic System must provide complete and correct information relating to contract terms, producers, and the products offered." This article requires all business owners to display that the information

provided must be complete and correct about the terms and products offered. This is indicated by the existence of separate regulations established by the owner of the online auction account for the smooth implementation of the auction process.

In its implementation, auctions have a role in the economic sector, namely: [7]

- a. Able to give definite answers regarding the price or value of an item on the subjectivity of a person that affects the quality of goods, creativity in manufacture, and artistic value of an item;
- b. Able to give definite answers regarding the price or value of an item when the economic situation is uncertain;
- c. Able to give definite answers regarding the ownership status of an item; and
- d. Prices formed at auctions can be used as standards and barometers (price reference) in certain economic sectors

Online auctions are conducted by bidding in writing without the presence of bidders via the Email Auction Application (ALE). ALE can be opened an online auction is carried out by bidding in writing without the presence of bidders through the Email Auction Application (ALE). ALE can be opened at the domain address <https://www.lel.angdjkn.kemenkeu.go.id> with the following procedure: [8]

- a. Bidders must sign in (for those who have already registered) or sign up (for those who have never registered) at the domain address to register their respective usernames and passwords. Several data must be completed in the registration process so that the registered email must be valid.
- b. Bidders will receive an activation code sent to their respective email addresses. The activation code is used to activate the username.
- c. After being active, the auction participant selects the type of auction object in the available catalog.
- d. After confirming the type of auction object he has chosen, the auction participant is required to register the identity card number and NPWP and upload the softcopy, and also register the bank account number in the name of the auction participant to refund the security deposit for participants who are not appointed as winners.
- e. Bidders will receive a Virtual Account (VA) number or account number for depositing the auction security deposit, the VA number can be seen in the "Auction Status" menu in ALE according to their respective usernames.
- f. Bidders must deposit a security deposit in accordance with the amount/nominal required by the seller and no later than 1 (one) day before the auction.
- g. The deposit of auction security deposit is addressed to the VA number of each auction participant and can be made through various channels such as ATM, SMS-banking, i-banking, and bank teller.
- h. After the security deposit is received in the seller's holding account and the auction participant is declared clean from the list of parties subject to sanctions not being allowed to participate in the auction, the auction participants will receive a token code that will be used to bid on the auction object which will be sent to their respective emails.

- i. Bids are submitted by pressing the “bid”) button in the “auction status” menu in ALE. Bids can be submitted multiple times until the bidding deadline is closed.
- j. After the auction bid ends, all auction bids are recapitulated by ALE and can be viewed by bidders on ALE. All auction participants (both winners and bidders) will receive information via their respective emails regarding their rights and obligations.
- k. Payment of auction payment obligations by the buyer is carried out no later than 5 (five) working days after the auction, while the refund of the security deposit of the auction participant who is not appointed as the winner is carried out at the same time. Every settlement and refund of the security deposit is addressed to the respective VA number

2. Legal View and Its Protection in Online Auction Practices

Legal certainty makes someone will behave by applicable legal provisions, on the contrary without legal certainty, someone does not have standard provisions in carrying out behavior. Legal certainty shows in the implementation of the life order which in its implementation is clear, regular, consistent, and consequent and cannot be influenced by subjective circumstances. The law functions as the protection of various human interests that must be implemented. Legal protection is defined as a guarantee or certainty that someone will get what has become his right and carry out what is his obligation [9]. The existence of law in society is a means to create peace and order in society, so that in the relationship between members of the community their interests can be maintained [10].

The form of role of law in society is to provide legal protection to members of the community whose interests are disturbed. Disputes that occur in society must be resolved according to applicable law, to prevent vigilante behavior. The main purpose of the law as the protection of human interests is to create an orderly social order, so that a balanced life can be realized [11]. Legal protection means that the law protects anyone involved in the implementation of the auction and guarantees each party to be able to transact safely. Legal protection in auctions via the internet, including legal protection for all parties involved in the internet [12].

By paying attention to Article 18 to Article 21 of the ITE Law Number 11 of 2008 which was amended by Law Number 19 of 2016 which relates to injuring the collective agreement, the party conducting the bid and run may be subject to a breach of contract. Default is regulated in Article 1243 of the Civil Code which reads as follows. “Reimbursement of costs, losses, and interest, due to non-fulfillment of an engagement becomes mandatory, if the debtor, even though it has been declared negligent, still fails to fulfill the engagement, or if something that must be given or enforced can only be given or done in a time that exceeds the time limit. that have been determined” The rules set by the auction account owner are a representation of the agreement that must be obeyed by the parties, especially prospective buyers who only bid and run. So that the prospective buyer is obliged to follow up on the transaction that he has bid on from the account and if there is no further transaction, he will be subject to separate sanctions from the account owner, regardless of whether he has defaulted.

With the regulations made by the auction account owner and must be obeyed by all auction participants, all matters governing the process of conducting the auction are in accordance with the applicable regulations above. According to the author, the regulation that has been made by the owner of the auction account is representative of the Regulation of the Minister of Finance number 213/PMK.06/2020 concerning auction

instructions which are packaged simply so that it is easier for prospective participants to understand for the smooth implementation of the auction process in online media. The rules made must be agreed upon by all potential buyers if they want to participate in the auction buying and selling process on Instagram. The agreement refers to the Civil Code law in Article 1338 which reads: “All agreements made are valid as law for those who make them. The agreement cannot be canceled except based on an agreement between the two parties.” The Minister of Finance Regulation Number 213/PMK.06/2020 and Article 1338 of the Civil Code are instruments that are used as the responsibility of the parties in the auction transaction in the event of a unilateral cancellation or detrimental action. If it has been proven negligent, then the ITE Law Number 11 of 2008 which was amended by Law Number 19 of 2016 provides sanctions for parties who do not carry out their obligations properly.

Likewise, there are civil legal remedies if the buyer receives goods that do not match the description displayed through a lawsuit against the law as regulated in Article 1365 of the Civil Code which reads as follows. “every act that violates the law and causes harm to another person, obliges the person who caused the loss due to his/her fault to compensate for the loss” The two articles affirm that the business owner or in this case is the owner of the auction account who provides product descriptions must state true information so as not to mislead the prospective buyer. It is undeniable that the purchase of auction goods through e-commerce has the potential for incompatibility of goods with those displayed on social media platforms. However, so far, many buyers from the auction results have been satisfied and there is no element of incompatibility between the goods as evidenced by the testimonials displayed on social media used during the auction. The Information and Electronic Transaction Law is only limited to the legal protection of the auction transaction process between prospective buyers and auction account owners.

Sanctions for violations contained in Article 45 A are intended for parties that cause losses to auction consumers. The loss is regulated in Article 28 paragraph (1) of Law Number 11 of 2008 which reads as follows. “Every person intentionally and without rights spreads false and misleading news that results in consumer losses in Electronic Transactions” Everyone means all parties involved in auction transactions, both the owner of the auction item and the owner of the auction account. Fake and misleading news is oriented to descriptions of auction items that do not match reality after being sent to buyers.

This causes losses for consumers or buyers in terms of funds spent and other disappointments. If the buyer suffers a loss, then he can file a lawsuit based on Article 45 A of Law Number 19 of 2016 to the District Court without having to go to the Directorate General of State Assets or the Office of State Assets and Auction Services. This is because, even though the online auction account through Instagram has been recognized, its operations are not under the auspices of the Directorate General of State Assets or the Office of the State Assets and Auction Service, even from the auction hall which specifically handles private auctions, does not supervise the implementation of auctions on social media as referred to in the mandate of the Minister of Finance Regulation Number 213/PMK.06/2020 concerning Auction Implementation Guidelines. So, this online auction on social media is not an agency under the auspices of DJKN or KPKNL.

Not only does the validity of the auction product descriptions mislead potential buyers, but the Information and Electronic Transactions Law also oversees fake accounts that will harm buyers when they intend to conduct auction transactions on one social media. This is stated in Article 35 of Law Number 11 of 2008 as follows. “Every person intentionally and without rights or against the law manipulates, creates, changes, deletes, destroys Electronic Information and/or Electronic Documents as if the data is authentic”.

The presence of the ITE Law Number 11 of 2008 which was amended by Law Number 19 of 2016 has anticipated all forms of fraud or falsification of online auction accounts on Instagram on behalf of other accounts to protect the interests of potential buyers from unexpected losses. Sanctions given to fake accounts are subject to Article 51 paragraph (1) of Law Number 11 of 2008 which reads as follows:

“Every person who fulfills the elements as referred to in Article 35 shall be sentenced to a maximum imprisonment of 12 (twelve) years and/or a maximum fine of Rp. 12,000,000,000.00 (twelve billion rupiah).”

Similar to the fraudulent act of inappropriate product descriptions, buyers can only file a lawsuit against a fake auction account on Instagram to the competent District Court because the Instagram online auction account is not registered with the Auction Hall. So that it can only apply through this ITE Law Number 11 of 2008 which was amended by Law Number 19 of 2016 and cannot be processed at an official auction institution.

“Utilization of Information Technology and Electronic Transactions is carried out with the aim of:

- a. To educate the nation life as part of the world’s information society;
- b. Develop trade and the national economy to improve the welfare of the community;
- c. Improving the effectiveness and efficiency of public services;
- d. Opening the widest possible opportunity for everyone to advance their thinking and abilities in the field of optimal and responsible use and utilization of Information Technology; and
- e. Provide a sense of security, justice, and legal certainty for users and providers of Information Technology.”

Auction in general is a means to bring together sellers and buyers with the aim of determining a fair price for an item. Auctions in foreign languages are called *Vendutie* (Dutch) and *Auction* (English)² as an agreement to give birth to a sale and purchase agreement through an auction when the price desired by the seller has been reached or there is no higher price offer depending on the bidding system used. This is by the principle of consensual contained in Article 1458 of the Civil Code which states: “The sale and purchase are considered to have occurred between the two parties when they have reached an agreement on the goods and the price, even though the goods have not been delivered or the price has not been paid” [13].

Legal certainty for the seller or owner of goods in the Civil Code states that the obligations of the seller are as follows:

- a. The seller is obliged to expressly express his desire in the contents of the agreement, meaning that if there is a clause in the agreement that is not clear and can be interpreted

into various meanings, it must be interpreted in a sense that is detrimental to the seller (Article 1473 of the Civil Code).

- b. The seller is obliged to deliver the goods and also bear them. (Article 1474 of the Civil Code). The delivery of these goods is defined as a transfer of power over the goods that have been sold from the hands of the seller to the power and possession of the buyer (Article 1475 of the Civil Code). In the delivery of goods some provisions must be considered by the seller:
 - 1) Delivery of these goods is carried out at the place where the goods are at the time of sale, unless otherwise agreed (Article 1477 of the Civil Code)
 - 2) The goods submitted must be in intact condition as stated in the agreement or as at the time of sale (Article 1481 jo. Article 1483 of the Civil Code)
 - 3) The seller is obliged to hand over everything that is equipped to use the goods he has sold (Article 1482 of the Civil Code).
 - 4) The seller is not required to deliver the goods before the buyer pays the price (Article 1478 of the Pradata Code).

Auction participants or buyers are known as attendees, bidders, the highest bidders, and buyers which are defined as participants, bidders, highest bidders, auction winners, or auction buyers. A buyer can be defined as a person or legal entity or business entity that submits the highest bid that reaches or exceeds the limit value that is legalized as the winner of the auction by the auction office.

Many websites provide full electronic auction services. One example of a world-famous auction website is eBay, which is based in the United States. eBay is a website where people buy and sell using an auction system. eBay provides a means for property owners to offer their goods to visitors or membership members of the eBay website. Sellers no longer need to spend money every month to rent a shop or buy a shop to sell their wares. In one article on yahoo said that eBay is one of the daily activities on the internet. In the United States, people open eBay like opening yahoo or google. More than 104 million items from all corners of the world are offered on eBay. And every day 3.5 million new products are offered⁴ A fantastic number that conventional auction bureaus would not be able to do. The Indonesian state is also not left behind by presenting their children through the websites www.rajalelang.com, www.indolelang.com, and www.balindo.com.

Everyone who wants to offer their merchandise is required to join the auction website first, by registering themselves as a member. They are required to fill in the requested data and follow the rules set by the website. Sellers are required to provide pictures and explanations about the goods to be auctioned. The auction website can be accessed 24 h non-stop every day. It is easy for buyers to find the desired item by using a search engine or search engine that has been provided on the auction website. With the search engine, it saves time for buyers to find the goods they want. They can also follow the course of the auction transaction without having to be bothered to travel a very long distance just to arrive at a conventional auction hall. Buyers can bid on auctioned goods via the internet. Everyone who transacts through the auction website is expected to get a fair and reasonable price according to the goods offered.

The provisions in the auction website have emphasized that the auction website manager only provides a means to transact auctions for sellers and buyers. All risks related to auction transactions between sellers and buyers are not the responsibility of the auction website manager. In practice, the forms of sanctions for sellers or buyers who default on transactions are more in the form of moral sanctions, such as giving negative responses to feedback facilities, and permanently blocking accounts that have defaulted or fraudulently.

In this dispute resolution, it is not only civil lawsuits, but the parties can resolve disputes through arbitration, or other alternative dispute resolution institutions in accordance with the provisions of the legislation. As stipulated in Article 39 of the Law of the Republic of Indonesia Number 11 of 2008 concerning Information and Electronic Transactions. For the sake of legal protection for people who transact using the internet media in order to get legal certainty, the role of the government, as well as the community, needs to be involved to find out the requirements needed in the implementation of auctions of goods and services. It is necessary to emphasize and formulate the provisions which are the main principles of the implementation of internet auctions and transactions using electronics, the risks that will be borne by the parties in the implementation of the auction of goods and services.

So in Article 40 paragraph (1) and (2) of the Law of the Republic of Indonesia Number 11 of 2008 concerning Information and Electronic Transactions, it regulates as follows:

- a. The government facilitates the use of Information Technology and Electronic Transactions in accordance with the provisions of the Laws and Regulations.
- b. The government protects the public interest from all kinds of disturbances as a result of the misuse of Electronic Information and Electronic Transactions that disrupt public order, in accordance with the provisions of the Laws and Regulations [14].

Law in Indonesia adheres to the principle of freedom of contract which means that everyone is free to determine the form, type, and content of the sale and purchase agreement they make, as long as the contents of the agreement meet the legal requirements of the agreement contained in Article 1320 of the Civil Code, does not conflict with the laws and regulations. applicable law, public order, and morality. In addition, Indonesian Civil Law also adheres to the principle of legal certainty, which emphasizes that any agreement made legally, applies as law to the parties who make it, as stipulated in article 1338 paragraph (1) of the Civil Code.

4 Conclusion

Based on the results of the study in order to answer the problems obtained the following conclusions:

1. Auction Implementation Guidelines, where the provisions regarding the auction implementation instructions as intended apply *mutatis mutandis* (can be applied if needed) to the Auction Implementation Instructions, namely internet auctions are

carried out as conventional auctions with exceptions, among others, in the bidding method and the attendance of participants considering that the implementation of this auction to ensure more legal certainty in the implementation of auctions of privately owned goods, as well as being able to minimize the occurrence of defaults.

2. The risks that will occur from the auction of private property through the internet are certainly unavoidable, such as default, the consequences of default, and the settlement mechanism. In the aspect of responsibility for this dispute, it is not only a civil lawsuit, but the parties can resolve disputes through arbitration, or other alternative dispute resolution institutions in accordance with the provisions of the legislation. As stipulated in Article 39 of the Law of the Republic of Indonesia Number 11 of 2008 concerning Information and Electronic Transactions.

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