
REGULATIONS OF LENDING BUSINESS ACTIVITIES VIA ONLINE APPLICATIONS (PEER-TO-PEER LENDING): FINANCIAL TECHNOLOGY ACTIVITIES IN LEGAL TERMS

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Abstract: *Financial technology is growing rapidly along with the advancement of internet technology. One of the financial technology platforms that is quite popular in Indonesia is peer-to-peer lending or commonly called P2P, the platform provides services that bring together creditors and debtors through digital media. There are a number of problems that arise with peer-to-peer lending activities, thus requiring comprehensive arrangements to protect the interests of all parties. This paper examines how to regulate lending and borrowing business activities through online applications in financial technology activities in the applicable laws and regulations. The results show that peer-to-peer lending is regulated by POJK Number 77/POJK.01/2016, along with other laws relating to electronic transactions, personal data protection, and information management systems as support.*

Keywords: *lending, financial technology, electronic transaction*

INTRODUCTION

In the Outlines of the State Direction, it has been established that economic development is based on Economic Democracy, in which it is declared that the community must play an active role in development activities. Therefore, the Government is obliged to provide direction and guidance on economic growth and create a healthy climate for the world of business development (Velenturf & Jopson, 2019). On the other hand, the business world also needs to provide its response to the direction and guidance and the climate with real business activities.

In recent years, all aspects of human life have been touched by technology. The ever-increasing needs, the rapid mobilization of human beings and the ever-increasing busyness of human beings force the existence of facilities that can meet it all (Thacker et al., 2019). The term financial technology has been used in developed countries in the world and Indonesia has begun to adopt it in recent years (Rahayu & Day, 2017). This adoption follows human needs and habits that require convenience and short cuts for various affairs. Taking into account the rapid development of technology in Indonesia, it is not impossible if all can be realized. However, the ease of technology certainly has consequences in terms of the facilities that must be prepared, including how much it costs the Government or businesspeople to realize convenience in technology. Changes in modern lifestyles in society ultimately play a role in triggering the emergence of new style business models based on financial technology (Baldassarre et al., 2017).

Financial technology is growing rapidly along with the advancement of internet technology and gadgets such as mobile phones, smartphones, personal computers, personal tablet computers, netbooks and notebooks. Armed with gadgets and the internet, everyone can access a variety of applications that are used to make human life easier. Payment systems that can be made via the internet using electronic wallet applications (e-wallets). The development of the existence of financial technology companies brings many benefits to the people of Indonesia, especially useful for the capital of various trading businesses or small and micro businesses, on the one hand it is proven to bring benefits to consumers, business actors and the national economy, but on the other hand it has potential risks that if not addressed properly can disrupt the financial system.

One of the financial technology platforms that is quite popular in Indonesia is peer-to-peer lending or commonly called P2P, the platform provides services that bring together creditors and debtors through digital media. Peer-to-peer lending is the practice or method of lending money to an individual or business and also vice versa, applying for a loan to a lender that connects the lender with the borrower or investor online. Peer-to-peer lending is in great demand by the public for various reasons, one of which is because of the ease of requirements and procedures and the short time for disbursement of funds.

In the implementation of financial technology in Indonesia, there are several principles that must be implemented, one of which is the principle of prudence as stipulated in Law Number 7 of 1992 concerning Banking which has been amended by Law Number 10 of 1998 and Law Number 11 of 2020. However, regarding

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the implementation of peer-to-peer lending, in particular, it has not been fully regulated regarding the principle of prudence, which of course can be detrimental to platform users. Without the precautionary principle, certainty and legal protection for users are not guaranteed.

The problem that will arise with peer-to-peer lending is that people are very easy to access. However, with high interest rates as compensation for this ease of access, of course, there will be a high potential for default for borrowers. The reason is that the determination of high interest is to avoid the loss of money that has been given by the lender/financier with the default committed by the borrower. Another problem, under the pretext of making it easier for the public to obtain unsecured loans, information technology-based lending and borrowing service providers are required to provide permission to access all data, both privacy and general on the borrower's smartphone. Then raise the interest as high as possible if the borrower defaults or defaults and the worst thing is to misuse the borrower's smartphone data given to third parties to collect the debt forcibly and unethically.

Based on the background description above, the formulation of the problem in this writing is: "How is the regulation of lending and borrowing business activities through online applications (Peer to Peer Lending) in financial technology activities in the applicable laws and regulations?"

MATERIALS AND METHODS

This research uses the Normative Juridical research method, which is research that outlines existing problems and is then discussed with the study of legal theories and then linked to applicable laws and regulations. The legal materials used are primary legal materials in the form of laws and regulations, especially such as the Banking Law. Then secondary legal materials are textbooks and journals. Finally, tertiary legal materials are in the form of supporting materials such as legal dictionaries and handbooks.

RESULTS AND DISCUSSION

Legal Basis of Lending and Borrowing Agreement

Every human being needs effort to meet the needs of daily life. One of the efforts made is to willingly borrow something from others, the most frequent borrowed is money. Borrowing means using other people's money or goods for a relatively short period of time. Lending and borrowing transactions are usually carried out directly by indigenous peoples without a binding for each party, causing many disputes in the community. The party who provides the loan (hereinafter referred to as the creditor) certainly needs a binder so that the object lent to the borrower (hereinafter referred to as the debtor) can return properly without any dispute, so for this reason, a loan agreement is made. This loan and loan agreement is expected to be able to be a binder and as a legal guarantee to create a sense of security and calm for creditors and debtors (Sudarsono, 2007).

The definition of lending and borrowing as stipulated in Article 1754 of the Civil Code (Civil Code) is an agreement in which one party gives to the other a certain amount later will return the same amount of the same kind and circumstances as well. In principle, the object of this approval is all goods in general, but when viewed from the understanding mentioned in article 1754 of the Civil Code above, the main object of this agreement is goods that can be used up or goods that can be replaced with the same circumstances and types or in the form of money. The opinion of R. Subekti states that in the loan agreement, the goods or money lent belong to the person who receives the loan, the borrower can bring or use the goods or money according to his will, because since the money is handed over to the borrower, then at that time the property rights relationship with the owner is broken. Because the borrower is given the power to spend goods or borrowed money, it is appropriate that he be made the owner of the money. As the owner he also bears all these things in terms of borrowing money and declining value for money (Subekti, 1999; Subekti & Tjitrosudibio, 1999).

A loan agreement will involve two parties, namely the lender and the borrower, or in other terms called the debtor and creditor. The lending and borrowing relationship are carried out by an agreement between the debtor and the creditor as stated in the form of an agreement. The purpose of the loan agreement letter is to avoid unwanted things in the future, in addition to ensuring that the debt-receivable agreement has been agreed by both parties. Apart from being authentic evidence, the money loan agreement letter also aims to guarantee peace of mind for the parties to the agreement, it is also used to find out the limits of rights and obligations between the parties to the agreement or agreement. At least with this, of course, it can avoid disputes between the parties to the agreement in order to facilitate how to resolve problems according to applicable law. The agreement between the debtor and the creditor is based on the principle of *pacta sunt servanda* which means that an agreement validly entered into is binding as a law to those who make it. After an agreement occurs and after the signing of the loan and loan agreement, the parties are bound by the agreement they made, so they must comply with the applicable rules and assume good faith in carrying out the agreement.

The existence of a born agreement gives rise to the rights and obligations of each party. A law of engagement by a treaty has two angles, namely the angle of obligation and the rights that arise, namely:

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- 1) From the point of view of rights:
 - a) Creditor rights: Receive money back that has been borrowed after the deadline specified in the agreement.
 - b) Debtor rights: Receiving loan money that has been promised.
- 2) From the point of obligation:
 - a) Creditor obligations: Handing over the money lent to the debtor after the occurrence of the agreement; and
 - b) Debtor obligation: To return the loan in the same amount as given by the creditor, with the payment of interest that has been promised, within the agreed period of time as well.

Electronic Transactions

Electronic transactions have changed the classical business paradigm by fostering models of interaction between business actors and buyers in the virtual world, the development of this way of transaction has also resulted in differences in the characteristics of disputes in electronic transactions. Electronic transactions are a new invention in the form of trade that is valued more than trade in general. The principle of trading with traditional payment systems known as trading where sellers and buyers meet physically or in person has now changed to the concept of telemarketing, namely long-distance trading using internet media where a trade no longer requires meetings between businesspeople. The use of the internet in electronic transactions has a very positive impact, namely in speed and convenience as well as sophistication in conducting global interactions without the limitations of place and time which are now commonplace. More practical business transactions without the need for paper and pen, face-to-face agreements of business people are now no longer needed, so it can be said that there has been an electronic commerce or e-commerce.

According to the provisions of Article 1 Number 3 of Law Number 11 of 2008 concerning Electronic Information and Transactions as amended by Law Number 19 of 2016 (ITE Law), it provides the definition of electronic transactions as "legal acts carried out using computers, computer networks, and/or other electronic media". Article 20 paragraph (1) of the ITE Law stipulates that an electronic transaction occurs when the transaction offer sent by the sender has been received and approved by the recipient, in this case an electronic transaction only occurs if an offer is sent to the recipient and there is an agreement to accept the offer after the offer is received electronically. Meanwhile, in Article 20 paragraph (1) of the ITE Law, it is stated that "Approval of electronic transaction offers must be carried out with an electronic statement of acceptance".

This electronic transaction can be any transaction, as long as it is carried out through electronic media. Currently, the connotation of electronic transactions is indeed most closely related to the connotations of electronic buying and selling transactions or electronic commerce. However, electronic transactions can also be in the form of other transactions, such as lending and borrowing transactions. As Vladimir Zwass explained, that electronic transactions as an exchange of business information, maintaining business relations and conducting business transactions through communication networks. From this, it can be seen that electronic transactions are transactions in trade / sale and purchase of goods and services carried out by exchanging information / data using alternatives, namely electronic media, especially the internet. In accordance with this understanding and the definition of the ITE Law, electronic transactions are not limited to buying and selling transactions, but other transactions as well (Badruzaman, 2022).

Development of Financial Technology

Financial Technology has evolved in 3 periods (Arner, 2016). The first period, which occurred in the period 1886-1967, began with the evolution of communication and transportation devices that occurred in 1886. In this period, for the first time, financial infrastructure and technology were built that could make it easier for financial services to be carried out, such as the construction of transatlantic cable infrastructure, telex (teleprinter network similar to telephone networks and can be used to send letters) and Fedwire (Real Time Gross Settlement System) /RTGS Central Bank as it was then used in the United States).

The second period occurred in the period 1967-2008 which is referred to as the Fintech 2.9 era. It is a year of transition from the era of analog to digital media technology. This period is the most important financial innovation where there is an increase in the use of financial products and services combined with the use of supporting technologies. Financial innovations built in this era have more or less influenced the behavior of financial consumers, especially by reducing the activity of financial consumers to visit financial service institutions. In the 1980s, the online banking system began to develop but it has not attracted enough attention from the public and the world government. After the internet world began to grow rapidly in the 1990s, e-commerce players began to emerge, while the first peer-to-peer lending companies came in 2005.

Now financial technology is part of an inseparable digital ecosystem. The third period covers the years 2008 to the present. According to Douglas W. Arner, this third period is divided into two eras of financial technology, namely 3.0 and 3.5. The increase in the use of financial services in this era has increased very sharply

due to an increase in the number of smartphone uses and is supported by innovations in financial products and services that make it easier for financial consumers to use financial products and/or services (Arner et al., 2015). In this era, consumer dependence on technology is very high, therefore in this period there is a surge in the number of start-up companies in the financial services sector that utilize digital technology to provide services more quickly, practically and easily for consumers. There are also several start-ups around the world that operate in collaboration with traditional financial services institutions, such as conventional banks. The increasing use of financial technology at this time can be seen from the increasing number of start-up companies and traditional financial service institutions that compete with each other in developing mobile applications and websites that can accommodate the needs of financial consumers without requiring consumers to travel only to use or buy financial products and services.

The development of financial technology in Indonesia has occurred since 2006, but Indonesian financial technology companies have only gained public trust since the establishment of the Indonesian Fintech Association (AFI) in September 2015. The existence of fintech companies brings many benefits to the people of Indonesia, especially useful for the capital of various trading businesses or small and micro businesses. The development of financial technology has now produced its own industry, some of whose products even intersect directly with the commodities of various conventional financial institutions that have been known by the public. In addition, there are also financial technology products that cooperate with products from conventional financial institutions, such as banking, investment and insurance companies.

Financial technology has become a phenomenon that affects the world's legal system because it relies on the internet of things that is able to operate across existing jurisdictional boundaries. Currently technological innovation occurs on the user (customer) side, this shift allows the proliferation of financial technology (Rahmayani, 2018). Financial technology players in Indonesia are still dominant in the field of payments (43%), loans (17%) and the rest in the form of aggregators, crowdfunding and others. The amount of potential it has makes financial technology need to be given room to grow, for this reason, it is necessary to have adequate arrangements considering the risks that may be caused.

Definition, Functions, and Types of Financial Technology

According to the Financial Services Authority (OJK), the definition of financial technology is an innovation in the financial services industry that utilizes the use of technology. Another definition is the variety of business models and technological developments that have the potential to improve the financial services industry. According to The National Digital Research Centre (NDRC), it defines financial technology as a term for innovation in the field of financial or financial services, where this financial innovation is thick with a touch of modern technology (OJK, 2017). The use of information and communication technology has changed, accelerated and sharpened aspects of financial technology services, starting from payment methods, fund transfers, lending, installment payments and asset management to be faster. According to the Financial Stability Board (FSB), financial technology is a form of technology-based financial innovation that can produce new business models of applications, processes or products with related material effects on financial markets, institutions and financial service providers. The Oxford Dictionary refers to financial technology as computer programs and other technologies used to support or enable banking and financial services. Fintech weekly provides an understanding as a business that aims to provide financial services by utilizing modern software and technology.

Bank Indonesia also provides a definition of financial technology, which is regulated in Article 1 Number 1 of Bank Indonesia Regulation Number 19/12/PBI/2017 concerning the Implementation of Financial Technology that Financial Technology is a user of technology in the financial system that produces new service products, technology and/or business models and can have an impact on monetary stability, financial system stability and/or efficiency, smoothness, security and reliability of the payment system. Based on the above definition, it can be understood that in principle financial technology is a fusion between technology and financial services. The use of mobile phones as mobile banking and investment services can be used as an example of combining technology with the financial system to provide financial services that are more accessible to the wider community. Financial technology in other words aims to provide convenience to the public in accessing financial products, facilitate transactions and also increase financial literacy.

The rapid development of technology has made the types of financial technology more diverse, such as financial technology innovations related to payments and transfers, financial service institutions and financial technology start-up companies that use new technology to provide faster, cheaper and more convenient services. The types of financial technology based on banking services include:

- a. Peer-to-peer lending – is a platform that provides lending and borrowing services in rupiah currency directly between creditors/lenders and information technology-based debtors/borrowers online, for financial and capital needs.
- b. Payment Gateway, Clearing and Settlement – a platform engaged in payments, whether organized by banks or carried out by Bank Indonesia. Serves as a liaison between customers and e-commerce

companies equipped with 3 tracking systems to protect against data theft, Address Verification System (AVS), Card Security Code (CV2) and 3D Secure Password and makes it easier for users to make payment transactions practically, quickly, safely and comfortably.

- c. Crowdfunding – is a start-up that provides crowdfunding services for a business or activity online, as well as bringing together fund owners with start-up entrepreneurs or Micro, Small and Medium Enterprises / UMM that need capital. This platform positions investors as business owners, fund owners will finance someone's project or business together.
- d. Insurtech (Insurance Technology) – makes it easy for people to access insurance services, ranging from product distribution, customer data evaluation, to purchasing policies that only use gadgets. This technology supports public education on the importance of protecting themselves financially, as evidenced by the many e-commerce platforms that trade insurance products.
- e. Asset Management – a service to make it easier to manage finances and financial transactions, both for individuals and large business scales.
- f. Remittances – providing remittance services between countries, aiming to help people who do not have domestic or foreign bank accounts to make transfers.
- g. Market Aggregator – has a backlog of data on the various financial products available in the market, to help
- h. Investment – financial planner service in the software. By utilizing this financial technology service, someone who has funds can manage their finances and put them in the right investment instruments, ranging from online mutual funds to Bitcoin investments.

Financial technology is something that provides many benefits for society in the modern era, this term refers to the development of technology-based financial service innovations, as has changed many people's habits. The development of the financial technology industry in Indonesia makes sharing convenience for the public, as well as in the ease of financial services. The benefits of the presence of financial technology are:

- 1) Improving financial inclusion: One of the important benefits of the existence of financial technology is that it can be an accelerator for financial inclusion in Indonesia. Financial inclusion itself can be defined as a condition where people both as individuals and businesspeople use or access financial products such as banking, investment, insurance, loans, financial technology and much more. Financial inclusion itself can be improved by promoting financial literacy for the wider community. In Indonesia, the level of financial inclusion from year to year is increasing, but financial technology is one of the important elements that increase the country's financial inclusion. Financial technology companies provide convenience for the public so that they can access various financial services easily from the palm of their hands effectively and efficiently. This financial inclusion can have a positive impact on people's welfare and the performance of the national economic sector.
- 2) Helping businesspeople obtain business capital: The MSME (Micro, Small and Medium Enterprises) sector that develops in Indonesia generally gets capital from bank loans, both government-owned and private. The number of requirements that must be completed, not to mention the process is quite long, so it takes a long time. Not only that, bank loan interest is usually also relatively high, of course, it can burden business actors, especially since their business scale is classified as micro, small and medium. However, this problem can be unraveled by the presence of financial technology start-ups, through a more effective process supported by the use of technology, the loans provided are also cheaper, the most important thing is that loans can be accessed by anyone who is considered feasible even though they have never been touched by banking services. The offer of loan funds by financial technology is much more transparent with the interest scheme, especially with the use of technology that facilitates the accessibility of loans and the loan repayment process by borrowers.
- 3) Providing easy financial services: The existence of financial technology makes activities related to finance, such as payment processing, money transfers, loan applications to investments can be done easily. Payment methods with digital money are increasingly available at merchants, shopping activities are easier, and transactions are more secure. People who need financial products, simply apply via the internet.
- 4) Adding references to low-interest loans: With the development of technology and information and the existence of financial technology, the number of high-interest loans is decreasing, the number of financial technology companies that are increasingly rampant has caused attractive competition between loan providers so that they offer loans with competitive interest. Through a start-up market aggregator, it can monitor data and information about financial products completely, so it can choose the most suitable product as needed. Another important thing is that financial technology provides transparency to the public about the loan schemes provided. This transparency can also be used by investors to invest their funds and ensure returns.
- 5) Improving living standards: Along with the development of the times, people's purchasing power will

increase, this is thanks to financial infrastructure innovations created by financial technology start-ups. In addition, the existence of start-ups also plays a role in creating merchants who provide payments with easy, practical and cheap methods. So that the existence of financial technology can accelerate the realization of financial inclusion of all Indonesians and improve the standard of living and welfare of the community, by being able to obtain loans with low interest to meet their various needs. This is also a stimulus for people to set up their own online businesses, in other words, financial technology helps boost the Indonesian economy by alleviating poverty.

On the other hand, financial technology also brings several negative impacts:

- 1) Misappropriation of Customer Funds: There are so many financial products issued by financial technology companies, one of which is a fundraising product that collects large amounts of interest. Another dangerous thing is that a number of these fundraising products do not have clear permits and are not registered with the OJK, so they are said to be illegal. There have been many reports everywhere that say that a number of customers have suffered losses due to misappropriation of customer funds by a number of financial technology companies that do not have valid permits from the OJK, causing customers to lose the invested funds.
- 2) Investment Scams: Financial technology companies actually provide easy investment for people anywhere and anytime. However, a number of financial technology companies actually set up businesses with a high level of risk, do not have clarity on the direction of work and are even illegal or fraudulent. Therefore, the OJK tries to play a role in protecting the public and urges to always be careful in using the various conveniences offered by a number of financial technology companies.
- 3) Loan Scams: Currently, there are quite rampant cases of fraud wrapped in loan containers. The ease of borrowing money online has caused many people to fall into the endless circle of financial technology. Not a few online loan providers manipulate their users to continue to apply for money loans. Many then take advantage of the Identity Card of the person who did not apply for a loan, but suddenly sent money to the person's account by setting a high interest return so as to make people in debt.

As explained above, although there are many benefits brought by financial technology, along with the various benefits it also comes various obstacles. Financial technology can be misused by irresponsible parties. Therefore, the Government must impose various rules and regulations to monitor and ensure that the financial technology circulating in Indonesia does not harm the public.

Regulation of Financial Technology Business Activities in Indonesia

Talking about lending and borrowing, whether done online or not, is done by agreement. No borrowing begins without an agreement. For this reason, in general, the agreement arrangements contained in Book III of the Civil Code are open. This means that all parties are free to enter into an agreement as long as it does not conflict with law, public order and decency. Furthermore, the agreement in this *online* loan is a standard agreement. Article 1 Number 10 of Law Number 8 of 1999 concerning Consumer Protection provides an understanding that standard clauses are rules or conditions and conditions that have been prepared and determined in advance unilaterally by business actors as stated in a document and/or agreement that is binding and must be fulfilled by consumers. In practice, this standard agreement is *take-it-or-leave-it*, where if one of the parties disagrees, then that party may choose not to enter into the agreement but cannot negotiate its contents. However, in practice, information technology today has been used to develop the financial industry in the community considering that to provide protection for these transactions, it is necessary for the OJK as the authorized party to regulate further.

The development of financial technology requires the readiness of the government and regulators in Indonesia in regulating it, especially those related to institutional aspects, efforts activities and risk mitigation. OJK and Bank Indonesia, as well as relevant ministries continue to prepare and compile provisions to regulate financial technology in Indonesia. The arrangements for lending and borrowing business activities through online applications in financial technology activities are as follows:

- 1) Law Number 11 of 2008 concerning Electronic Information and Transactions as amended by Law Number 19 of 2016 – requires that every business actor who organizes an electronic system must operate the system reliably and securely and be responsible for the proper operation of the electronic system. One of the consumer protections regulated in the ITE Law is regarding the protection of personal data. The ITE Law also requires the use of any information through electronic media relating to a person's personal data to be carried out with the consent of the person concerned. This is closely related to the use of data on borrowers' mobile phones, which is often used by *financial technology* companies to contact their relatives to collect debts.
- 2) Regulation of the Minister of Communication and Informatics Number 4 of 2016 concerning Information Security Management Systems – regulated about information security management systems by setting limits on the terms used in their arrangements. The subject matter contains

- categorization, Electronic Systems, Information Security Management System Standards, Electronic System Implementation, Information Security Management System Certificates, Certification Bodies, Certificate Issuance, Reporting of Certification Results and Certificate Revocation, Self-Assessment of Coaching, Supervision and Sanctions Provisions.
- 3) Regulation of the Minister of Communication and Informatics Number 20 of 2016 concerning Protection of Personal Data in Electronic Systems – regulated about the protection of personal data in electronic systems by setting limits on the terms used in its arrangements. Protection of Personal Data in Electronic Systems includes protection against the acquisition, collection, processing, analysis, storage, display, announcement, transmission, dissemination and destruction of personal data. Acquisition and Collection of Personal Data, Processing and Analysis of Personal Data, Storage of Personal Data, Appearance, Announcement, Transmission, Dissemination and/or Opening of Access to Personal Data, Destruction of Personal Data is regulated in CHAPTER II of this Ministerial Regulation relating to Protection. In addition, this Ministerial Regulation also regulates the Rights of Personal Data Owners, User Obligations, Obligations of Electronic System Operators, Dispute Resolution, The Role of Government and Society, Supervision and Administrative Sanctions. This regulation is also closely related to the misuse of borrower data through financial technology.
 - 4) Financial Services Authority Regulation Number 77/POJK.01/2016 concerning Information Technology-Based Money Lending and Borrowing Services (POJK financial technology P2PL) – P2PL financial technology companies or so-called organizers are declared as Other Financial Services Institutions with the form of companies in the form of limited liability companies and cooperatives. Business activities that can be carried out by the operator in the form of providing, managing and operating information technology-based money lending and borrowing services from the lender to the borrower whose source of funds comes from the lender and/or the operator can cooperate with information technology-based financial service providers in accordance with the provisions of laws and regulations. This POJK specifically regulates financial technology peer-to-peer lending.
 - 5) OJK Circular Letter Number 18 / SEOJK.02 / 2017 concerning Governance and Risk Management of Information Technology in Information Technology-Based Money Lending and Borrowing Services – effective on April 18, 2018, OJK determines the implementation of information technology governance and risk management in technology-based money lending and borrowing services with a scope that includes (Napitupulu et al., 2017):
 - a) Placement of data centers and disaster recovery and disaster recovery plans.
 - b) Electronic Systems and Information Technology Governance which includes the Electronic Systems Strategic Plan, Human Resources and Information Technology Change Management.
 - c) Technology Transfer.
 - d) Data and Information Management.
 - e) Electronic System Security.
 - f) Incident Handling and Resistance to Disruption.
 - g) Use of Electronic Signatures
 - h) Service Availability and Transaction Failure.
 - i) Disclosure of Product and Service Information.

CONCLUSION

The rapid development of technology gave birth to financial technology, especially peer-to-peer lending which is a technology-based lending and borrowing service. Through peer-to-peer lending, lending funds to those in need is greatly facilitated, without the need for face-to-face interactions, no collateral, and funds that are disbursed quickly. In addition to these various advantages, unfortunately financial technology also brings some problems. Various abusive practices that can occur mean that there must be regulations that regulate this peer-to-peer lending activity, as regulated in POJK Number 77 / POJK.01 / 2016, along with various other laws and regulations related to electronic transactions, personal data protection, and information management systems as support.

In order to supervise the implementation of *peer-to-peer lending* not only through normative arrangements in laws and regulations, but also direct supervision in practice, so that various other forms of abuse can be identified and can be immediately corrected.

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