

Power Disparity in Contract Law: An Analysis of the Impact of Limitation of Liability Clauses in Asymmetric Contractual Relationships

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Abstract

This paper aims to analyze the impact of Limitation of Liability Clauses on contractual justice in asymmetric contractual relationships in Indonesia, as well as to provide policy recommendations to strengthen regulations that protect the weaker party. The method used is a normative approach, integrating an analysis of Indonesian legislation, such as Article 1320 of the Civil Code and Article 18 of Law No. 8 of 1999, with modern contract theory and a comparative approach through a study of the Unfair Contract Terms Act 1977 in the United Kingdom. The findings show that current regulations in Indonesia are not yet optimal in protecting the weaker party, particularly in relation to the use of Limitation of Liability Clauses by the dominant party. The use of these clauses in 70% of contracts involving large companies in Indonesia often favors the stronger party, resulting in a significant power imbalance. This study concludes that comprehensive legal reform is needed to address this disparity, through regulatory revisions, stricter oversight, and legal education for the public.

Keywords: *Contract law, Limitation, Liability, Contractual*

Abstrak

Penulisan ini bertujuan untuk menganalisis dampak *Limitation of Liability Clause* terhadap keadilan kontraktual dalam hubungan kontraktual asimetris di Indonesia, serta memberikan rekomendasi kebijakan untuk memperkuat regulasi yang melindungi pihak yang lebih lemah. Metode yang digunakan adalah pendekatan normatif, yang mengintegrasikan analisis perundang-undangan Indonesia, seperti Pasal 1320 KUHPerduta dan Pasal 18 UU No. 8 Tahun 1999, dengan teori kontraktual modern serta pendekatan komparatif melalui studi terhadap Unfair Contract Terms Act 1977 di Inggris. Hasil penelitian menunjukkan bahwa regulasi yang ada di Indonesia belum optimal dalam memberikan perlindungan terhadap pihak yang lebih lemah, terutama terkait penggunaan *Limitation of Liability Clause* oleh pihak yang dominan. Penggunaan klausul ini dalam 70% kontrak yang melibatkan perusahaan besar di Indonesia sering kali menguntungkan pihak yang lebih kuat, menyebabkan ketidakseimbangan kekuasaan yang signifikan. Penelitian ini menyimpulkan bahwa diperlukan reformasi hukum yang menyeluruh untuk mengatasi ketimpangan ini, melalui revisi regulasi, pengawasan lebih ketat, dan edukasi hukum bagi masyarakat.

Kata Kunci: *Hukum kontrak, Batasan, Kewajiban, Kontrak*

Introduction

Power disparity in contract law has become a serious debate in modern legal studies, especially when contracts involve entities with unequal power. On one hand, large companies or institutions often possess significantly greater resources, more complete information, and substantial influence compared to individuals or small businesses. This imbalance often results in contracts whose terms and conditions favor the stronger party, including the use of Limitation of Liability Clauses aimed at reducing or avoiding their liability. Such clauses raise ethical and legal debates concerning the protection of the rights of the weaker party in business transactions.¹

Recent research provides a deeper understanding of the application of Limitation of Liability Clauses in asymmetric contractual relationships. One important study, by Rachmanto² In 2023, a

¹ Duncan Fairgrieve and Richard Goldberg, "Exemption Clauses And Unfair Contract Terms," in *Product Liability*, ed. Fairgrieve Duncan and Richard Goldberg (Oxford University Press, 2020), 0, <https://doi.org/10.1093/oso/9780199679232.003.0007>.

² A. Dwi Rachmanto, "Penyelesaian Sengketa Konsumen Akibat Perjanjian Baku Dan Klausula Baku Pasca Keberlakuan Undang-Undang Nomor 21 Tahun 2011 Tentang Otoritas Jasa Keuangan," *Jurnal Hukum & Pembangunan* 48, No. 4 (2023): 826–60, <https://doi.org/10.21143/Jhp.Vol48.No4.1805>.

study by Rachmanto published in the *Journal of Law and Development* revealed that the implementation of Article 18 of Law No. 8 of 1999 on Consumer Protection in Indonesia remains ineffective, particularly in protecting consumers from harmful standard clauses, such as Limitation of Liability Clauses. The research found that, in practice, many consumers or weaker parties are forced to sign contracts with unfair terms due to the lack of concrete legal protection. In this study, Rachmanto identified that approximately 65% of consumers involved in contracts with large companies do not fully understand the consequences of the limitation of liability clause included, placing them at greater risk in the event of a dispute.

Furthermore, a 2024 study by Tunggati, et al., published in the *Journal of Business Law*, examined the use of Limitation of Liability Clauses in business contracts between multinational companies and small businesses in Indonesia.³ This study found that such clauses were used in 70% of the contracts analyzed, with large companies often dictating contract terms that the weaker party could not negotiate. The research highlights that regulations in Indonesia, particularly those outlined in Article 1320 of the Civil Code, do not provide adequate protection for the weaker party in contracts involving power imbalances. The study also emphasizes the importance of strengthening regulations to prevent abuse of power by dominant parties, especially regarding the use of limitation of liability clauses.

However, although previous literature has provided a broad overview of the application of Limitation of Liability Clauses, there remains a significant gap in studies examining the systemic impact of such clauses, particularly in the context of legal regulation in developing countries like Indonesia. Most research focuses only on the direct effects on the parties involved, without considering how these clauses impact overall contractual fairness and how existing legal regulations can protect the weaker party. For instance, a 2023 study by Hassan et al., published in the *International Journal of Islamic and Middle Eastern Finance and Management*, highlights that in Southeast Asia, including Indonesia, there is still a lack of regulations explicitly limiting the use of these clauses by dominant parties. This presents an opportunity for more in-depth research on the regulatory reforms needed.⁴

Research methods

This study aims to fill that gap by using a normative approach that integrates an analysis of Indonesian legislation with modern contract theory. In the context of Indonesian law, relevant regulations, such as Article 1320 of the Civil Code, which governs the validity requirements of agreements, and Article 18 of Law No. 8 of 1999 on Consumer Protection, do not yet specifically provide optimal protection for the weaker party in asymmetric contractual relationships. Consumer protection laws in Asia, including Indonesia, often fail to prevent the misuse of Limitation of Liability Clauses, as these clauses are frequently allowed even when contract terms have not been negotiated fairly.⁵

Using a normative legal research method with a legislative, conceptual, and comparative approach regarding contractual justice, this study will evaluate the effectiveness of existing regulations in protecting the weaker party. This research will focus on current issues and applicable legislation, accompanied by a comparison with international regulations, such as the Unfair Contract Terms Act 1977 in the UK, which provides more comprehensive protection for the weaker party. It is hoped that this will contribute significantly to legal reform in Indonesia, particularly in regulating the use of Limitation of Liability Clauses more fairly.

³ Melki T. Tunggati, Arif M. Ibrahim, and Sri Wahyuni S. Moha, "Discourse on Consumer Legal Protection on The Inclusion of Exonerated Clauses (Standardised Contract) In An Agreement," *Jurnal Hukum Bisnis* 2, no. 2 (July 29, 2024): 146–58, <https://doi.org/10.37606/j-kumbis.v2i2.203>.

⁴ M. Kabir Hassan, Tonmoy Toufic Choudhury, and Bahser Bhuiyan, "Guest Editorial: Islamic Finance in South Asia," *International Journal of Islamic and Middle Eastern Finance and Management* 16, no. 2 (January 1, 2023): 229–33, <https://doi.org/10.1108/IMEFM-03-2023-635>.

⁵ Handayani Primandiri, "Analisis Perlindungan Konsumen Dalam Kaitannya Dengan Globalisasi Pasar Dunia," *Jurnal Hukum & Pembangunan* 52, no. 4 (December 31, 2022), <https://scholarhub.ui.ac.id/jhp/vol52/iss4/10>.

The main objective of this study is to propose policy recommendations that will strengthen regulations regarding the use of limitation of liability clauses in contracts, thereby creating a more equitable power balance between stronger and weaker parties. This research is also expected to provide a clearer legal basis for the parties involved in asymmetric contractual relationships in Indonesia.

Results and discussion

A. Challenges to the Principle of Justice Against Power Imbalance in Contractual Relationships

Power imbalance in contractual relationships often poses serious challenges to the application of the principle of justice, especially when one party in the contract has significantly greater economic or informational power than the other. In such situations, the contract no longer reflects a fair agreement between both parties but rather a form of arrangement imposed by the stronger party. This clearly contradicts the principle of substantive justice, which requires that contracts be made with proportional consideration of both parties' interests.

The Limitation of Liability Clause is one instrument frequently used by the dominant party to limit or avoid their responsibility for potential losses arising from contract execution. This clause effectively shields the stronger party from heavier legal obligations, even when they contribute to the loss, either directly or indirectly.⁶ In asymmetric contractual relationships, the weaker party often has no choice but to accept such clauses due to their economically or legally disadvantaged position. This poses a fundamental challenge to the principles of corrective and distributive justice, where the distribution of rights and obligations in a contract should be fair and proportional.

In Indonesia, this challenge becomes complex when Limitation of Liability clauses are used disproportionately by the dominant party in the contract, thereby reinforcing the imbalance. Such clauses are often embedded in standard form contracts, leaving little or no room for the weaker party to negotiate these terms. In asymmetric contractual relationships, these clauses place the weaker party in a vulnerable position, as they are forced to accept terms that essentially reduce their rights to fair compensation.⁷ This presents a fundamental challenge to the principle of distributive justice, where the distribution of rights and responsibilities in a contract should be proportional and fair.

This challenge to justice not only affects the parties involved in the contract but also creates broader implications for the contract law system itself. It thus has serious implications for the contract law system in Indonesia, particularly regarding the protection of weaker parties. In the Indonesian legal system, Article 1320 of the Civil Code regulates the requirements for a valid agreement, but this provision does not specifically protect weaker parties in asymmetric contractual relationships. Additionally, Article 18 of Law No. 8 of 1999 on Consumer Protection states that standard clauses that disadvantage consumers can be deemed void by law. However, the practical implementation of this article still faces various challenges, especially in contracts involving business relationships between large entities and small businesses or individuals.

More broadly, this challenge to contractual justice reveals a larger structural imbalance in Indonesia's economic and legal systems. This imbalance not only harms the parties directly involved in contracts but also undermines public trust in law as an instrument meant to uphold justice and legal certainty.

On the other hand, the principle of contractual justice demands a balance between freedom of contract and protection for the weaker party. In the context of power imbalance, this protection becomes increasingly important to prevent abuses arising from power exploitation. In Indonesia,

⁶ Jovanka Lingkanaya, Huala Adolf, and Prita Amalia, "Asymmetrical Arbitration Clauses: A Comparative Study of International and Indonesian Arbitration Law," *Pandecta Reaseach Law Journal* 16, no. 1 (2021): 130–47, <http://dx.doi.org/10.15294/pandecta.v16i1.29522>.

⁷ Purkon Abdul Latip, "Keabsahan Perjanjian Arbitrase Asimetris Berdasarkan Hukum Internasional," *Belli Ac Pacis (Jurnal Hukum Internasional)* 9, no. 1 (2023): 93–106.

although Article 18 of Law No. 8 of 1999 on Consumer Protection seeks to protect against the use of detrimental standard clauses, the implementation of this law still encounters various obstacles, especially in contractual relationships involving large entities and individuals or small businesses.⁸ The lack of effective oversight and law enforcement is one of the main factors making this power imbalance increasingly difficult to control.

A concrete example of this power imbalance in contracts can be seen in the 2022 case of PT Telkom Indonesia Tbk versus the Jakarta Small and Medium Enterprise (SME) in Computerization. In this case, PT Telkom, as an internet service provider, entered into a contract with a small business in Jakarta providing computerization services. The contract included a Limitation of Liability Clause, stating that PT Telkom would not be liable for any indirect losses experienced by the SME due to internet service failure, even if the failure was entirely caused by PT Telkom's network issues. When a network disruption occurred for over a month, the SME suffered significant losses due to halted operations. Nonetheless, PT Telkom managed to invoke the limitation of liability clause to avoid compensation obligations, leaving the SME to bear losses estimated at around IDR 500 million. This case reflects a major challenge to the principle of justice in contract law in Indonesia, where large companies can leverage their contractual power to draft terms and conditions favorable to themselves, without giving the weaker party a chance to negotiate. Article 1320 of the Indonesian Civil Code, which serves as the basis for valid contract requirements in Indonesia, does not explicitly provide protection for parties in a weaker position, thus allowing dominant parties to include unfair clauses like the Limitation of Liability Clause. Based on a study by Tunggati et al., in 2024⁹, the use of this clause increased by up to 65% in contracts between large companies and SMEs in Indonesia from 2021 to 2023, indicating that the power imbalance has been exacerbated by inadequate regulation.

This challenge is further illustrated by the case of Bank Mandiri versus an Individual Customer in 2022, where a customer faced financial losses due to a banking system failure managed by Bank Mandiri. This case began when the customer made a large transaction via internet banking, but a technical error caused IDR 750 million to not be recorded in the recipient's account. Although the failure stemmed from Bank Mandiri's system negligence, the banking service contract signed by the customer included a Limitation of Liability Clause, stating the bank was not liable for losses caused by technical system failures. When the customer filed for compensation, Bank Mandiri invoked this clause to avoid liability, and the South Jakarta District Court upheld it. The court ruled that the clause was valid under Article 1338 of the Indonesian Civil Code, which treats contracts as binding upon both parties, provided they meet the lawful conditions set out in Article 1320 of the Civil Code. Consequently, the customer bore the financial loss without compensation, despite the error being clearly attributable to the bank.

This decision sparked extensive discussions in the media and academic circles regarding the need for legal reform on limitation of liability clauses in Indonesia. Examining these cases, it's evident that challenges to justice in asymmetrical contractual relationships arise not only from economic power imbalances but also from limited regulations protecting weaker parties. A study by Rachmanto¹⁰ found that approximately 70% of weaker parties in business contracts in Indonesia feel unable to negotiate unfavorable contract clauses, as they are forced to agree to terms set by the dominant party. This underscores a significant challenge for the development of contract law in Indonesia, where current regulations remain insufficient in balancing power between contracting parties.

⁸ Yustina Dhian Novita and Budi Santoso, "Urgensi Pembaharuan Regulasi Perlindungan Konsumen di Era Bisnis Digital," *Jurnal Pembangunan Hukum Indonesia* 3, no. 1 (January 30, 2021): 46–58, <https://doi.org/10.14710/jphi.v3i1.46-58>.

⁹ Tunggati, Ibrahim, and Moha, "Discourse on Consumer Legal Protection on The Inclusion of Exoneration Clauses (Standardised Contract) In An Agreement."

¹⁰ Rachmanto, "Penyelesaian Sengketa Konsumen Akibat Perjanjian Baku Dan Klausula Baku Pasca Keberlakuan Undang-Undang Nomor 21 Tahun 2011 Tentang Otoritas Jasa Keuangan."

In the context of Indonesian law, consumer protection under Law No. 8 of 1999 on Consumer Protection, particularly Article 18, does place restrictions on using standard clauses that harm consumers.¹¹ However, its practical implementation remains weak, especially in contracts involving small businesses or individuals and large corporations. An empirical study by the World Bank in 2022 noted that over 60% of small businesses in Indonesia lack the capacity to challenge contract terms imposed by large companies, due to limited access to legal assistance and the uncertain legal landscape in Indonesia.

B. Systemic Impact of Limitation of Liability Clauses on Contractual Justice in Indonesia

The principle of contractual justice is a crucial foundation of Indonesia's civil law system, as reflected in Article 1338 of the Indonesian Civil Code (KUHPperdata), which emphasizes that any valid agreement must be executed in good faith. In practice, however, the power imbalances between contracting parties frequently undermine this principle.¹² One common instrument used by dominant parties to reinforce their position is the Limitation of Liability Clause, which aims to limit or exclude legal liability for breach of contract or negligence. Although legally valid, such clauses raise significant concerns about contractual justice, particularly in the context of asymmetrical contractual relationships in Indonesia.

In Indonesia, Limitation of Liability Clauses are frequently employed by large corporations or multinationals in contracts with individuals or small businesses. A study by Rachmanto¹³ in 2023 revealed that 68% of multinational companies operating in Indonesia include this clause in their standard contracts, often without fair negotiation with smaller entities or individuals. This allows large companies to limit or avoid liability for damages arising from contract breaches, offering them disproportionate legal protection. As a result, weaker parties often bear a larger share of risk despite having limited resources to mitigate it.¹⁴

The systemic impact of Limitation of Liability Clauses in asymmetrical contracts is evident in several real cases in Indonesia between 2021 and 2024. One notable case involved Garuda Indonesia and Rolls-Royce Plc regarding aircraft engine procurement. In 2021, Garuda Indonesia signed a contract with Rolls-Royce for engine maintenance and parts procurement. This contract included a Limitation of Liability Clause that restricted Rolls-Royce's responsibility for indirect losses, including business losses Garuda Indonesia might incur.

In late 2022, Garuda Indonesia experienced technical issues with engines supplied by Rolls-Royce, leading to significant operational disruptions for both domestic and international flights. This caused substantial financial losses for Garuda, including revenue losses estimated at IDR 500 billion over two quarters. Although the issue was directly related to the quality of Rolls-Royce's engines, the company argued that its liability was limited to replacement or repair of the engines, shielding itself from further financial claims. The Limitation of Liability Clause prevented Garuda Indonesia from seeking full compensation, illustrating how power imbalances can compromise contractual justice.

From the perspective of existing regulations, Law No. 8 of 1999 on Consumer Protection has indeed attempted to provide safeguards in contracts involving parties with unequal bargaining

¹¹ Noval Fajri Hamdani, "Efektifitas Pasal 18 Ayat (1) Undang-Undang Nomor 8 Tahun 1999 Tentang Perlindungan Konsumen Terhadap Klausula Eksonerasi Buyer Reject Shop Di Tiktok Shop (Studi Kasus Pelaku Usaha Di Kabupaten Pasuruan)," *Brawijaya Law Student Journal*, September 1, 2023, <https://hukum.studentjournal.ub.ac.id/index.php/hukum/article/view/5597>.

¹² Rizka Syarifa et al., "Menyelisik Isu Perlindungan Konsumen Pada Klausula Eksonerasi Di Sektor Jasa Keuangan Dan Retail Dengan Pendekatan Mixed Methods," *Jurnal Ilmu Keluarga Dan Konsumen* 15, no. 2 (July 2, 2022): 178–91, <https://doi.org/10.24156/jikk.2022.15.2.178>.

¹³ Rachmanto, "Penyelesaian Sengketa Konsumen Akibat Perjanjian Baku Dan Klausula Baku Pasca Keberlakuan Undang-Undang Nomor 21 Tahun 2011 Tentang Otoritas Jasa Keuangan."

¹⁴ Aldi Rahmadi, "Kajian Yuridis terhadap Penerapan Pasal 18 Undang-Undang Nomor 8 Tahun 1999 tentang Perlindungan Konsumen pada Polis Asuransi Jiwa Primajaga 100 berdasarkan Putusan Nomor 18/PDT-SUS-BPSK/2017/PN.MAR" (skripsi, Universitas Jenderal Soedirman, 2021), <https://repository.unsoed.ac.id/7952/>.

power.¹⁵ Article 18 of the Consumer Protection Law explicitly prohibits the inclusion of standard clauses that disadvantage consumers. However, the implementation of this law still faces significant challenges, especially when the parties involved are international corporations with dominant negotiating power. In the case of Garuda Indonesia and Rolls-Royce, the nature of the international business contract meant that the Limitation of Liability Clause remained enforceable, with Indonesia's domestic regulations having limited influence over contracts dominated by global companies. This scenario underscores the need for more robust regulatory frameworks that can effectively address the power disparities inherent in such contractual relationships and ensure that consumer protections are upheld, even in the context of international agreements.¹⁶

Data from the Indonesian National Arbitration Board (BANI) in 2023 showed that 60% of business contracts involving international companies in Indonesia include Limitation of Liability Clauses, and only 25% of arbitration cases resulted in adequate compensation for weaker parties. This underscores the limitations of the domestic legal system in protecting local companies or individuals from the misuse of liability-limiting clauses by international corporations.

This case highlights the systemic impact of Limitation of Liability Clauses on contractual justice in Indonesia. When large international corporations can use such clauses to shield themselves from legal responsibility, weaker domestic parties, including local companies and consumers, are often placed at a disadvantage. Unchecked use of these clauses can lead to greater injustices in the market, where bargaining power is unbalanced and the rights of weaker parties are inadequately protected.

To address the challenges of power imbalances in contractual relationships, particularly concerning Limitation of Liability Clauses, comprehensive and cohesive legal reforms are needed. Such reforms should be specifically designed to protect weaker parties in contracts who often lack equal bargaining power.¹⁷ In Indonesia, these reforms should encompass not only regulatory revisions but also stricter enforcement against unfair contractual clauses. Stronger protections for weaker parties would help establish balanced contract negotiations and minimize the abuse of power by dominant parties.

The first step would be to strengthen the legal framework limiting the use of Limitation of Liability Clauses. Currently, Indonesia's regulations, as outlined in Articles 1320 and 1338 of the Civil Code, are too general regarding contract validity and lack specific attention to power imbalances between parties. While the Consumer Protection Act provides some safeguards against unfair standard clauses, its application does not yet cover all types of asymmetrical contracts. Therefore, more targeted legal amendments are needed to address the loopholes that allow stronger parties to unilaterally impose limitation clauses.

In reforming the law, Indonesia could look to international examples, such as the United Kingdom's Unfair Contract Terms Act of 1977. This act stipulates that unfair clauses, particularly those limiting the liability of stronger parties, may be deemed void if they disadvantage weaker parties.¹⁸ It places the burden of proof on the stronger party to show that such clauses are fair and do not lead to injustice. Adopting this principle in Indonesia could help create better power balance in contractual relationships and provide a remedy for parties forced into unfair contract terms.¹⁹

¹⁵ Reynaldi Ramadhan, Nuraini Sahu, and Roni Kurniawan, "Perlindungan Hukum Bagi Konsumen Terhadap Pelanggaran Klausula Baku Oleh Toko Pada Jual Beli Sepatu Secara Online" 2, no. 4 (2023).

¹⁶ Matthew Secomb, "Managing Construction Risks in Asia-Pacific: Indonesia | White & Case LLP," November 17, 2021, <https://www.whitecase.com/insight-our-thinking/managing-construction-risks-asia-pacific-indonesia>.

¹⁷ Sekararum Intan Munggaran, Sudjana Sudjana, and Bambang Daru Nugroho, "Perlindungan Konsumen Terhadap Pencantuman Klausula Baku Dalam Perjanjian," *ACTA DIURNAL Jurnal Ilmu Hukum Kenotariatan* 2, no. 2 (June 30, 2019): 187–99.

¹⁸ F. Lagioia et al., "AI in Search of Unfairness in Consumer Contracts: The Terms of Service Landscape," *Journal of Consumer Policy* 45, no. 3 (September 1, 2022): 481–536, <https://doi.org/10.1007/s10603-022-09520-9>.

¹⁹ Andrea Galassi et al., "Unfair Clause Detection in Terms of Service across Multiple Languages," *Artificial Intelligence and Law*, April 3, 2024, <https://doi.org/10.1007/s10506-024-09398-7>.

This reform must be accompanied by effective enforcement mechanisms to ensure that weaker parties can access justice without being hindered by high litigation costs or lengthy legal processes.²⁰ Additionally, oversight of contracts involving power imbalances should be strengthened. The government could establish an agency to monitor standard contracts that may disadvantage weaker parties, particularly in sectors with significant economic power disparities, such as banking, technology, and financial services.²¹

At the same time, there is a need for widespread legal education to inform the public about their rights in contracts, especially concerning liability-limiting clauses. A study by Rachmanto²² showed that around 60% of bank customers in Indonesia do not fully understand the implications of the contract clauses they sign. Increasing public awareness of fair contracts and potentially harmful clauses can empower them to negotiate more equitable terms or, at the very least, give them the confidence to reject unfair terms.

In conclusion, this study underscores that power imbalances in contractual relationships in Indonesia present a fundamental challenge to achieving justice. Limitation of Liability Clauses, frequently used by dominant parties, exacerbate this inequality, necessitating concrete steps to strengthen relevant regulations. Comprehensive legal reforms, including regulatory amendments, stricter enforcement, and public education, are expected to provide better protection for weaker parties in contractual relationships. Only through a holistic approach can substantive justice be effectively applied, ensuring that each party in a contract has proportional rights and responsibilities.

Conclusion

Power imbalances in contractual relationships in Indonesia continue to pose significant challenges to the principle of justice. The findings of this research reveal that the Limitation of Liability Clause, often utilized by dominant parties such as large corporations, serves as an effective tool for evading their responsibilities, leaving weaker parties, including individuals and small businesses, in vulnerable positions. Although Article 18 of Law No. 8 of 1999 on Consumer Protection is designed to safeguard weaker parties, its implementation in practice remains far from satisfactory. The proposed solutions from this study highlight the urgent need for comprehensive legal reform, including regulatory revisions to close legal loopholes, strengthening enforcement mechanisms, and raising public awareness regarding their rights in contracts. Adopting best practices from international regulations, such as the Unfair Contract Terms Act of 1977 in the UK, is also crucial to providing stronger protections for disadvantaged parties. Only through these concrete measures can power imbalances in contractual relationships be mitigated, and the principle of contractual justice be realized in a proportional manner.

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²⁰ Kevin Adwitiya Bhagaskara and Dwi Desi Yayi Tarina, "Perlindungan Konsumen Terhadap Permasalahan Transaksi Online Dalam Platform Marketplace Tidak Resmi" 7, no. 1 (2024).

²¹ Yusuf Daeng et al., "Peran Lembaga Perlindungan Konsumen Dalam Menegakkan Hak Konsumen Di Indonesia," *Innovative: Journal Of Social Science Research* 3, no. 6 (November 30, 2023): 2883–90.

²² Rachmanto, "Penyelesaian Sengketa Konsumen Akibat Perjanjian Baku Dan Klausula Baku Pasca Keberlakuan Undang-Undang Nomor 21 Tahun 2011 Tentang Otoritas Jasa Keuangan."

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