

Analysis of Financial Services Authority Regulation Number 10/Pojk.05/2022 Concerning Information Technology-Based Joint Funding Services in the Perspective of Legal Purposes



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ABSTRACT: There is the regulation of the Financial Services Authority Number 77/POJK.01/2016 and the Financial Services Authority Regulation Number 10/POJK.05/2022 concerning Information Technology-Based Joint Funding Services. This research focuses on the laws and regulations in Indonesia relating to regulating financial technology peer-to-peer Lending in Indonesia. This study uses a statutory approach and a conceptual approach. This research aims to determine whether changes to regulating financial technology peer-to-peer Lending can better support legal objectives. The resulting research is that Each amendment article has positive consequences for the organizers, the funders, and the recipients of the funds. In general, changes in these regulations are intended to benefit most of society, as said by Jeremy Bentham. This research uses normative juridical analysis. This research is limited to a study based on secondary data.

KEYWORDS: conceptual, Funding, financial, regulation, technology

I. INTRODUCTION

There is Development in the use of financial technology in Indonesia. As we know, that is the closed relationship between Law and Technology (Roger Brownsword, 2022) Financial technology can be used in payments, investments, and other economic activities. In Europe, some research on the regulation of the digital services Act studies it from the perspective of ethical, legal, and social implications. (Aina Turilazzi, 2023). Borrowing is one economic activity that uses financial technology as a medium. This lending and borrowing activity is often called an online loan, Fintech Peer to Peer Lending (P2P Lending), or information technology-based Lending and borrowing. The facts in the community show 102 companies and 864,223 lender entities in Indonesia. The number of borrower entities is 76, 658,671. The total credit distribution nationally is 326 352 trillion. Of the total funds, 33.82 trillion are outstanding. The data shows facts from a positive perspective and facts from a negative perspective. From a positive perspective, the community desperately needs funds in the form of loans with easy administration. This fact shows that information technology-based lending and borrowing will show a promising future trend with Indonesia's large population. However, the data also shows that bad credit is a problem that will hinder the Development of this Lending and borrowing activity. The legal facts also show that in Indonesia, there are regulations issued by two competent authorities related to this activity. Financial Services Authority (FSA) and Bank Indonesia are two institutions that have the authority to regulate and supervise information technology-based lending and borrowing activities. The arrangements in the two institutions have the impact that the regulatory process in Indonesia needs to be faster and more apparent. Legal facts show that the regulation from FSA regarding information technology-based lending and borrowing is regulated in Financial Services Authority Regulation 77 /POJK.01/2016 concerning Information Technology Based Borrowing and Borrowing Services. 18/SEOJK.02/2017 concerning Governance and Risk Management of Information Technology in Lending Services and Borrowing Money Based on Information Technology. Other legal facts, as current legal facts, show a Financial Services Authority Regulation Number 10/POJK.05/2022 concerning Information Technology-Based Joint Funding Services, which states that it is not Joint. It states revoking and declaring the invalidity of Financial Services Authority Regulation 77 /POJK.01/2016 concerning Information Technology -Based Borrowing and Borrowing Services. This research aims to find answers to whether changes to regulating financial technology peer-to-peer Lending can better support legal objectives.

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Previous research was conducted by Johan, who researched the Financial Technology Company's Debt Collection method from a legal perspective (Johan, 2022). Another study was also conducted by Anny Retnowaty et al. I. They examined the prospects of criminal law efforts in handling conflicts in economic activities using financial technology (Anny Retnowati et al., 2022). Another study was conducted by Angelina (Angelina et al., 2021), which examined the key factors that affect the use of P2P Lending with added trust and risk. Hidayat conducted another study, T (Hidayat, 2020), which examined the unethical practices carried out by P2P Lending for borrowers who were late or did not pay their loans. Other research was also carried out by Fajri Kurniawan and Chandra Wijaya (2020), who examined loan factors that could affect peer-to-peer Lending in Indonesia. From the research that has been done, this research has never been done by other researchers. Another research was conducted by Syifa Rana Tsary and Dahlia (Syifa Rana Tsary, Dahlia, 2022), who researched the existence of financial technology in Indonesian society.

II. METHODS OF RESEARCH

This writing research is normative juridical (Andika PP and Mohamad Z, 2019, Aprilina Matilda Liko et al. I, 2023). Two approaches are used, namely, the statutory approach and the conceptual approach. This study uses secondary data. Secondary data (Lego Karjoko et al., 2020) consists of primary legal materials) and secondary legal materials. The data are collected, separated, presented, and analyzed. The analysis technique used is the qualitative analysis technique (Mustapha Z et al. I, 2021). The method of concluding is deductive. Although not used in detail in this study (Grachev L. L, 2019), the economic approach will be instrumental in the research law.

III. RESULT AND DISCUSSION

The legal objective is the legal objective put forward by Jeremy Bentham. Jeremy Bentham argues that something is considered acceptable or not measured by the consequences of that action. Jeremy Bentham is a thinker whose teachings are Utilitarianism (Cello, 2021). According to Bentham, the utility principle is a principle that approves or rejects any action that increases or decreases the party's happiness affected by the action. Approving and rejecting the activity is seen from whether it is good or not the action result (Niesen, 2019). In this case, the Government must increase the happiness that the community will enjoy. The best-known phrase from Bentham is "the greatest happiness for the greatest numbers." The purpose of Law is to achieve happiness for most people. Utility theory is associated with legislators or legislators, and laws are a concrete form of Law. Legislators or legislators must try to make the Law can bring happiness to the community. The purpose of seeking profit is used for the business's continuity and the company and benefits many people. If this is not the case, It can return the State's duty to regulate the purpose of seeking profit according to its nature.

Lending and borrowing money based on information technology is a service that helps people in the economic and financial sectors. Previously, the legal basis for information technology-based lending and borrowing services was the Financial Services Authority Regulation Number 77/POJK.01/2016 concerning Information TechnologyBased Borrowing and Borrowing Services. Information technology-based money, or what is currently known as information technology-based joint funding services, is under Financial Services Authority. The regulation is Financial Services Authority Regulation Number 10/POJK.05/2022 concerning Information Technology-Based Joint Funding Services. The consequence of enacting the new rules is that the old ones, namely Financial Services Authority Regulation Number 77/POJK.01/2016, are repealed and no longer valid. There have been several regulatory changes regarding information technology-based joint funding services after the coming into effect of Financial Services Authority Regulation Number 10/POJK.05/2022. That regulation concerning Information Technology-Based Joint Funding Services and Financial Services Authority Regulation Number 77/POJK.01/2016 is no longer valid. These changes include the following:

The first change is studied from the aspect of the title of the regulation. Financial Services Authority Regulation Number 77/POJK.01/2016 uses the title of information technology-based money lending services, while the Financial Services Authority Regulation Number 10/POJK.05/2022 uses the title of information technology-based joint funding services. The change in the mention of the title was due to the types of financial institutions' operations. Some were of the conventional operational type, and some were of the sharia operational type. The term lending and borrowing in the Financial Services Authority Regulation Number 77/POJK.01/2016 cannot accommodate the type of sharia operation. So it is then replaced with the title of information technology-based joint funding service (starting now abbreviated as LPBBTI) in the Financial Services Authority Regulation Number 10/POJK.05 /2022 This change will have positive consequences for the Development of this economic activity in encouraging better economic Development from the aspect of legal objectives for benefit as stated by Jeremy Bentham. These changes show good potential for achieving legal objectives.

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The second change is from the form of the organizing legal entity. Organizers in Article 2 paragraph (2) Financial Services Authority Regulation Number 77/POJK.01/2016 may comprise limited liability company legal entities and cooperatives. Whereas the Operator in Article 2 paragraph (2) Financial Services Authority Regulation Number 10/POJK.05/2022 must be established as a limited liability company legal entity. These changes are based on the nominal capital that must be paid up. Rp. 25,000,000,000.00 (twenty-five billion rupiahs) is a substantial value for cooperatives, so cooperatives cannot become organizers. In addition, these changes also pay attention to the principles adopted by cooperatives, namely the principle of kinship to improve the welfare of members in particular and society in general so that cooperatives must first prioritize activities or activities that can prosper their members because activities held in LPBBTI will be more focused on the interests of the general public. The changes have provided more significant opportunities for limited liability companies to participate in developing the national economy, especially in LPBBTI. However, on the other hand, they have closed opportunities for cooperatives to get involved and join LPBBTI so that they can hinder the achievement of equality before the Law even though limited liability companies and Cooperatives have the same position as legal subjects in the form of legal entities.

The third amendment relates to parties entitled to own the Organizer's shares. In Article 3 of Financial Services Authority, Regulation Number 77/POJK.01/2016, parties entitled to owning the Organizer's shares may consist of: Indonesian citizens and legal entities and foreign nationals and foreign legal entities. Whereas in Article 3 Financial Services Authority Regulation Number 10/POJK.05/2022, the parties entitled to own operator shares may consist of: Indonesian citizens and/or Indonesian legal entities and Indonesian citizens and/or Indonesian legal entities as referred to in the letter a, together with foreign legal entities and/or foreign nationals. In this case, foreign nationals can become owners through a shareholder mechanism only through transactions on the Stock Exchange. This change limits the involvement of foreign citizens or foreign legal entities because foreign nationals or foreign legal entities can only become shareholders if they join together with Indonesian citizens or legal entities. This policy provides opportunities for Indonesian citizens or legal entities to become organizers. In addition, the Stock Exchange monitors the involvement of foreigners and foreign legal entities because they can only become shareholders through transactions on the Stock Exchange. It follows the expectations stated in the general explanation of the Financial Services Authority Regulation Number 10/POJK.05/2022, which aims to improve supervisory efficiency.

The fourth change concerns paid-up capital. In Article 4, Financial Services Authority Regulation Number 77/POJK.01/2016 Providers must have paid-up capital of at least Rp—1,000,000,000.00 (one billion rupiahs) at the time of registration. Furthermore, when applying for a permit, the Provider must have paid-up capital of at least IDR 2,500,000,000.00 (two billion five hundred million rupiahs).

Meanwhile, in Article 4, Financial Services Authority Regulation Number 10/POJK.05/2022, Providers must have paid-up capital of at least IDR 25,000,000,000.00 (twenty-five billion rupiahs) at the establishment time. Sources of funds for equity participation in Providers are prohibited from money laundering activities, terrorism financing, Funding for the proliferation of weapons of mass destruction (Anti-Money Laundering and Counter-Terrorism Financing - Bank Indonesia. <https://www.bi.go.id/en/fungsi-utama/sistem-pembayaran/anti-pencucian-uang-danpengecahan-pendanaan-terrorisme/default.aspx>), and other financial crimes and loans. Based on this explanation, it is known that there has been an increase in capital, namely to a minimum of IDR 25,000,000,000.00 (twentyfive billion rupiahs), which is regulated in the Financial Services Authority Regulation Number 10/POJK.05/2022. It is intended so that the parties who wish to become organizers are well prepared, one of which is related to the provision of initial capital. Apart from that, the Financial Services Authority Regulation Number 10/POJK.05/2022 also regulates the types of sources of funds that are prohibited for equity participation. The increase in the number of capital obligations that the Administrator must own has the will to guarantee the ability of the Administrator's capital. Guaranteed capital capability is an essential factor in business continuity. The main goal of the Law is to provide benefits, as said by Jeremy Bentham, to the majority of people, which is the primary goal of the legislators of this regulation.

The fifth change, then, concerns the controlling shareholder (PSP). Financial Services Authority Regulation Number 77/POJK.01/2016 does not regulate controlling shareholders (PSP). Whereas in Article 5 Financial Services Authority Regulation Number 10/POJK.05/2022, the Administrator is required to determine at least 1 (one) controlling shareholder. The new rule change in the Financial Services Authority Regulation Number 10/POJK.05/2022 is more detailed because it recognizes and regulates controlling shareholders who have a role in controlling policies to be taken by company management. It is also in line with what is expected in the general explanation of the Financial Services Authority Regulation Number 10/POJK.05/2022, which is to prevent the implementing company from mismanagement situations that could potentially disrupt the sustainability of this business activity. The purpose of the Law is to provide benefits, as said by Jeremy Bentham, to the majority of people, which is the primary will of the legislators of this regulation.

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The sixth amendment concerns registration, licensing, and business permits. Article 8 Financial Services Authority Regulation Number 77/POJK.01/2016 stipulates that Providers are required to submit applications for registration to the Financial Services Authority. The next stage is that a Provider that has been registered with the Financial Services Authority must submit an application for a license as an Operator within a maximum period of 1 year from the date of registration with the Financial Services Authority as stipulated in Article 11 of the Financial Services Authority Regulation Number 77/POJK.01/2016. Whereas in Article 8 paragraph (1) Financial Services Authority Regulation Number 10/POJK.05/2022 Providers carrying out LPBBI business activities must obtain a business license from the Financial Services Authority. Providers that have obtained a business license from the Financial Services Authority are required to submit an application for registration as an Electronic System operator to the competent authority no later than 30 calendar days from the issuance date of the business license from the Financial Services Authority as stipulated in Article 8 paragraph (2) of the Financial Services Authority Regulation Number 10/POJK.05/2022. Based on this explanation, it is known that in the Financial Services Authority Regulation Number 77/POJK.01/2016, the Organizer first registers and then takes care of licensing.

Meanwhile, in the Financial Services Authority Regulation Number 10/POJK.05/2022, the Organizer must first obtain a business license before registering. It shows that the licensing and registration mechanism implemented in the new regulations has become more stringent and focused because operators must first obtain a business license before they can apply for registration with the Financial Services Authority. This mechanism is intended to provide legal protection to people who have legal relations with the organizers. The purpose of the Law is to provide benefits, as said by Jeremy Bentham, to the majority of people, which is the primary goal of the legislators of this regulation. The seventh amendment regarding the conversion from Conventional Operators to Operators is based on Sharia Principles. Financial Services Authority Regulation Number 77/POJK.01/2016 does not regulate the conversion from a conventional operator to an operator based on sharia principles. Whereas in Article 10 Financial Services Authority Regulation Number 10/POJK.05/2022 Conventional Providers that convert to Providers based on Sharia principles must obtain approval from the Financial Services Authority. Changes in the Financial Services Authority Regulation Number 10/POJK.05/2022 have provided opportunities and convenience for conventional operators who wish to become operators based on sharia principles as long as they have obtained approval from the OJK so that OJK can carry out optimal supervision. It also follows the principles of effectiveness and efficiency, which are included in the general explanation of the Financial Services Authority Regulation Number 10/POJK.05/2022. This regulation desires to accommodate the Development of sharia operational types to make it easier for the public to find financial institutions that follow their beliefs. The purpose of Law to be able to provide benefits (Jeremy Bentham) for those in need is the essence of this goal.

The eighth change is regarding HR qualifications. Article 14 paragraph (2) Financial Services Authority Regulation Number 77/POJK.01/2016 stipulates that members of the Board of Directors and members of the Board of Commissioners must have at least 1 (one) year of experience in the financial services industry. Article 16 paragraph (1) Financial Services Authority Regulation Number 10/POJK.05/2022 states that members of the Board of Directors, members of the Board of Commissioners, and officials 1 level below the Board of Directors must have a certificate work competency from a professional certification body in the field of financial technology registered with the Financial Service Authority. The new rules in the Financial Services Authority Regulation Number 10/POJK.05/2022 can indirectly encourage and influence Members of the Board of Directors, members of the Board of Commissioners, and officials 1 level below the Board of Directors to deepen their abilities and competencies. The parties occupying these positions are also intended to be competent in their respective fields. The obligation of members of the Board of Directors and members of the Board of Commissioners who are experienced and must have competency certificates is to guarantee good management and supervision within the company. This arrangement aims to guarantee the sustainability of companies that provide benefits to the community per Jeremy Bentham's legal objectives.

The ninth amendment is regarding the use of foreign workers. Financial Services Authority Regulation Number 77/POJK.01/2016 does not regulate the use of foreign workers. Whereas Article 18 Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that Providers may employ foreign workers. The use of foreign workers as implemented in the Financial Services Authority Regulation Number 10/POJK.05/2022 is related to the provisions of Article 28D paragraph (2) of the 1945 Constitution, which stipulates that everyone has the right to work and receive rewards and fair and proper treatment in the working relationship. Article 28D paragraph (2) of the 1945 Constitution allows everyone to get jobs, including foreign workers. In addition, the involvement of foreign workers can help develop science and technology in Indonesia, especially in the field of LPBBI. As Jeremy Bentham said, these provisions will benefit society if the obligation to transfer technology and skills from foreign workers can be adequately implemented.

The tenth change is regarding the use of outsourcing workers. In the Financial Services Authority Regulation Number 77/POJK.01/2016, no provisions govern the use of outsourced workers. Meanwhile, in Article 19 of Financial Services Authority

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Regulation Number 10/POJK.05/2022, the Operator can hand over part of the work implementation to a third party with an outsourcing agreement. Delegation of tasks by administrators to third parties as stipulated in Financial Services Authority Regulation Number 10/POJK.05/2022 can provide employment opportunities for the community and participate in reducing unemployment. The purpose of these arrangements is to benefit the community, as Jeremy Bentham said.

The eleventh change is regarding ability and compliance assessment. Financial Services Authority Regulation Number 77/POJK.01/2016 does not regulate capacity and compliance assessment. Whereas Article 21 Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that the primary party candidates consisting of PSP, directors, board of commissioners, and DPS must obtain approval from the Financial Services Authority before carrying out their actions, duties, and functions as parties main. The provisions for capability and compliance assessment regulated in Financial Services Authority Regulation Number 10/POJK.05/2022 have given the responsibility to the Financial Services Authority to provide assessment and approval to prospective main parties before they carry out their duties. It has positive impacts and benefits because it can produce critical parties who have the ability, is competent, and are protected from things that break the rules. These provisions also aim to achieve the expectation of implementing the effectiveness and efficiency of supervision as stated in the general explanation of the Financial Services Authority Regulation Number 10/POJK.05/2022. The purpose of this arrangement is to guarantee the sustainability of companies that provide benefits to the community following Jeremy Bentham's legal objectives

The twelfth change is regarding the type of Funding. The Financial Services Authority Regulation Number 77/POJK.01/2016 does not recognize productive and multipurpose Funding. Whereas Article 25 of Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that LPBBTI can be carried out through productive Funding and multipurpose Funding. The new arrangements listed in the Financial Services Authority Regulation Number 10/POJK.05/2022 regulate more specifically or specifically because the types of Funding that can be used have been determined, namely productive Funding and multipurpose Funding. The purpose of Funding, which is the main object of this activity, needs to be determined more clearly, because the problem that occurs in funding activities using this information technology is the unclear purpose of using funds in this regulation, so the purpose of using funds is more aimed at consumption by borrowers. As a result, there are many defaults. The purpose of this change is to provide benefits to the community, as said by Jeremy Bentham, which will only be achieved if there is a good understanding from the parties regarding the purpose of using the funds. The thirteenth amendment is regarding funding affiliation. Financial Services Authority Regulation Number 77/POJK.01/2016 does not regulate funding affiliations. Whereas Article 26 paragraph (4) Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that the maximum funding limit by each funder and its affiliates is no more than 25% of the final funding position at the end of the month. Affiliation provisions, as stipulated in the Financial Services Authority Regulation Number 10/POJK.05/2022, aim that the Funding provided to donors is no more than IDR 2,000,000,000.00 (two billion rupiahs). This provision aims to improve the health of donors and their affiliates. The purpose of the Law to provide benefits, as stated by Jeremy Bentham for related parties, can only be achieved if the parties comply with this rule.

The fourteenth amendment is regarding interest rates and the economic benefits of Funding. Article 17 of Financial Services Authority Regulation Number 77/POJK.01/2016 does not recognize the term economic benefits of Funding but only recognizes interest rates. The regulation regarding interest rates is that the Provider provides input on the interest rates offered by Lenders and Borrowers by considering the fairness and Development of the national economy. Whereas in Article 29, the Financial Services Authority Regulation Number 10/POJK.05/2022 has recognized and regulated the economic benefits of Funding, namely that the Organizer is required to comply with the provisions on the maximum limit for economic benefits of Funding. Changes in the Financial Services Authority Regulation Number 10/POJK.05/2022 result in the Organizer having no obligation to provide input on interest rates. However, the Administrator is required to comply with the provisions on the maximum economic benefit limit of Funding. The economic benefit is the rate of return, including interest, profit sharing, and margin. This change will provide benefits, as stated by Jeremy Bentham, for the community as recipients of funds to avoid the arbitrariness of funders as parties with a better bargaining position.

The fifteenth amendment is regarding Recipients of funds/loans recipients. In Article 15 paragraph (2), Financial Services Authority Regulation Number 77/POJK.01/2016, loan recipients can be individual Indonesian citizens or legal entities. Whereas in Article 28 paragraph (2) Financial Services Authority Regulation Number 10/POJK.05/2022 Recipients of funds consist of Indonesian citizens, Indonesian legal entities, and or Indonesian business entities. The new regulation in the Financial Services Authority Regulation Number 10/POJK.05/2022 allows Indonesian business entities to be involved as recipients of funds. It also shows equality before the Law. Apart from that, this arrangement can help Indonesian business entities that need funds to help meet industry needs so they can develop optimally, as explained in the general explanation of Financial Services Authority

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Regulation Number 10/POJK.05/2022. The purpose of Law to be able to provide benefits to society in general, as stated by Jeremy Bentham, can be seen in the provisions of this article.

The sixteenth change concerns escrow accounts and virtual accounts or payment gateways. Article 24 of Financial Services Authority Regulation Number 77/POJK.01/2016 stipulates that Providers must use escrow and virtual accounts. Whereas Article 36 Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that Providers are required to use escrow accounts and virtual accounts or payment gateways. The new regulation in the Financial Services Authority Regulation Number 10/POJK.05/2022 aims that all Funding activities between Users do not go through Provider accounts but use escrow accounts and virtual accounts and can also use payment gateways.

The seventeenth amendment concerns components in electronic documents containing agreements between administrators and lenders or funders. One of the components listed in Article 19 paragraph (2) Financial Services Authority Regulation Number 77/POJK.01/2016 is loan interest rates. Meanwhile, Article 31 paragraph (2) Financial Services Authority Regulation Number 10/POJK.05/2022 does not include loan interest rates but instead lists the economic benefits of Funding. In addition, other components were not previously included in the Financial Services Authority Regulation Number 77/POJK.01/2016: the use of Personal Data, Funding collection mechanisms, and risk mitigation in the event of lousy Funding. Based on this explanation, it is known that the electronic document components of agreements between providers and funders regulated in Financial Services Authority Regulation Number 10/POJK.05/2022 are completed and detailed than the electronic document components regulated in Financial Services Authority Regulation Number 77/ POJK.01/2016. It is also intended that consumers' needs for more optimal protection can be accommodated correctly following the mandate in the general explanation of Financial Services Authority Regulation Number 10/POJK.05/2022. This provision aims to accommodate the type of sharia operations and clarify the mechanism for implementing rights and if there is a problem with the payment obligations of the beneficiary. The purpose of this change shows the legal will to provide benefits to the parties, as stated by Jeremy Bentham.

The eighteenth amendment concerns detailed information on using funds provided to lenders or lenders. Article 19 paragraph (5) Financial Services Authority Regulation 77/POJK.01/2016 contains detailed information: the number of funds lent to the Borrower; the purpose of using the funds by the Borrower; loan interest rate; and loan term. Whereas Article 31 paragraph (5) Financial Services Authority Regulation Number 10/POJK.05/2022 details the following information: final position of Funding; the purpose of using funds; economic benefits of Funding; and Funding period. The regulation in the Financial Services Authority Regulation Number 10/POJK.05/2022 does not describe the number of funds lent but instead is replaced by explaining the final position of the Funding. It impacts lenders' difficulty finding information about the nominal amount of funds lent. However, on the other hand, through the Financial Services Authority Regulation Number 10/POJK.05/2022, lenders do not only obtain information regarding the number of interest rates. However, they can obtain information regarding the economic benefits of Funding, which may include interest, profit sharing, and margin. The purpose of this provision is to disclose information to beneficiaries, which provides benefits, as stated by Jeremy Bentham in making decisions regarding receiving funds.

The following nineteenth amendment concerns components in electronic documents that contain agreements between lenders or funders and recipients of loans or funds. One of the components listed in Article 20 paragraph (2) of Financial Services Authority Regulation 77/POJK.01/2016 is loan interest rates. Meanwhile, Article 32 paragraph (2) Financial Services Authority Regulation Number 10/POJK.05/2022 does not include loan interest rates but instead lists the economic benefits of the Funding. In addition, there are additional components not previously included in Financial Services Authority Regulation 77/POJK.01 /2016 namely regarding the use of Personal Data, and mechanisms for settling rights and obligations per statutory provisions if the Organizer cannot continue its operational activities. Based on this explanation, it is known that the electronic document components of agreements between funders and fund recipients regulated in Financial Services Authority Regulation Number 10/POJK.05/2022 are completed and detailed than electronic document components regulated in Financial Services Authority Regulation 77/ POJK.01/2016. In the end, it can provide users with clear, adequate, and helpful information, as Jeremy Bentham said.

The twentieth amendment regarding stipulates regulation information details. Financial Services Authority Regulation Number 77/POJK.01/2016 does not include details. Whereas in Article 32 paragraph (5) Financial Services Authority Regulation Number 10/POJK.05/2022, detailed information on the use of funds is as follows: final position of the amount of Funding, economic benefits of Funding, and Term of Funding. The settings listed in the Financial Services Authority Regulation Number 10/POJK.05/2022 are more detailed and detailed so that beneficiaries can obtain complete and adequate information so that, in the end, they can provide clear and adequate, and valuable information to users as said by Jeremy Bentham.

The twenty-first change is about risk mitigation and risk management. Article 21 Financial Services Authority Regulation Number 77/POJK.01/2016 stipulates that Operators and Users must carry out risk mitigation. Whereas Article 35 of Financial Services

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Authority Regulation Number 10/POJK.05/2022 stipulates that Providers must implement effective risk management and facilitate risk mitigation for Users. Through Financial Services Authority Regulation Number 10/POJK.05/2022, it can provide opportunities for administrators and users to be better able to manage uncertainty related to threats because organizers have implemented risk management properly and facilitate risk mitigation for users so that in the end it is not too dangerous in carrying out LPBBTI activities. It also follows what is stated in the general explanation of Financial Services Authority Regulation Number 10/POJK.05/2022: that the community can receive the benefits as stated by Jeremy Bentham.

The twenty-second amendment is about cooperation with government agencies. Financial Services Authority Regulation Number 77/POJK.01/2016 does not regulate cooperation with government agencies. Meanwhile, Article 39 of Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that providers can cooperate with government agencies to become distribution partners for state securities to support government programs. Through cooperative arrangements with government agencies as stipulated in the Financial Services Authority Regulation Number 10/POJK.05/2022, it provides opportunities for organizers to participate in national economic Development. In addition, this collaboration also reflects the application of Article 28D paragraph (3) of the 1945 Constitution, which regulates that every citizen has the right to equal opportunities in Government, one of which is through cooperation with government agencies.

The twenty-third amendment is regarding the obligation to use electronic systems. Article 26 paragraph (4) Financial Services Authority Regulation Number 77/POJK.01/2016 only regulates the provision of other communication media besides information technology-based money lending and borrowing services electronic systems to ensure continuity of customer service, which can be in the form of electronic mail, call centers, or other communication media. Meanwhile, Article 42 of the Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that Providers must use Electronic Systems in their business activities. Based on this information, it is known that in the Financial Services Authority Regulation Number 77/POJK.01/2016, no specific article explicitly regulates the obligation to use electronic systems. Whereas in the Financial Services Authority Regulation Number 10/POJK.05/2022, especially those related to financial reports, which will provide benefits, as said by Jeremy Bentham, for the sustainability of the company's business.

The thirtieth amendment regulates Reporting obligation of the Provider. Article 44 Financial Services Authority Regulation Number 77/POJK.01/2016 stipulates that Providers who have obtained licenses must submit periodic reports electronically to OJK consisting of monthly and annual reports. Whereas Article 65 Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that Periodic reports consist of monthly and annual financial reports that have been audited by a public accountant registered with the Financial Services Authority. The arrangements regarding the types of reports listed in the Financial Services Authority Regulation Number 10/POJ.05/2022 are detailed because they consist of periodic reports and incidental reports, which are not regulated in OJK Regulations and must be reported immediately. Authority Regulation Number 10/POJK.05/2022, an article regulates the obligation to use an electronic system to benefit the community, as Jeremy Bentham said, to obtain better information.

The twenty-fourth change regulates centers of fintech lending data and disaster recovery. Article 25 Financial Services Authority Regulation Number 77/POJK.01/2016 stipulates that providers must use data and disaster recovery centers. Whereas Article 43 of Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that Providers must submit Funding transaction data correctly and entirely to the data center at the Financial Services Authority. Datacenter settings are centralized to the Financial Service Authority, aiming to optimize supervision further to provide more benefits for the parties.

The twenty-fifth amendment concerns equity. In the Financial Services Authority Regulation Number 77/POJK.01/2016, there are no provisions governing equity. Meanwhile, Article 50 of Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that providers must have equity of at least IDR 12,500,000,000.00 (twelve billion five hundred million rupiahs) at any time. In Jeremy Bentham's opinion, it aims to ensure substantial capital from the organizers, which will ensure the continuity of this activity which benefits the community.

The twenty-seventh amendment concerns the responsibility of the Operator for user losses. Article 37 Financial Services Authority Regulation Number 77/POJK.01/2016 stipulates that the Administrator is obliged to be responsible for User losses arising from the errors and negligence of the Board of Directors and the Operator's employees. In the Financial Services Authority Regulation Number 10/POJK.05/2022, no provisions govern the Operator's responsibility for user losses. Based on this explanation, it is known that the Financial Services Authority Regulation Number 10/POJK.05/2022 does not regulate the responsibility of the Organizer for User losses arising from errors and/or negligence, the Board of Directors and Employees of the Operator so that the question is if this occurs losses as described above, which party is responsible.

The twenty-eighth amendment is regarding the Board of Directors. Article 14 paragraph (2) Financial Services Authority Regulation Number 77/POJK.01/2016 stipulates that a Provider must have at least one board of directors' member. Whereas Article 55 paragraph (1) Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that a Provider must have at least two

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members of the Board of Directors. Based on this explanation, it is known that the minimum arrangement of 2 members of the board of directors in the Financial Services Authority Regulation Number 10/POJK.05/2022 aims to increase the availability of parties who will manage the organizing company, which will ensure the continuity of this activity. The purpose of the Law to provide benefits, as stated by Jeremy Bentham, for the parties is shown in this change.

The twenty-ninth amendment is regarding the internal audit. Financial Services Authority Regulation Number 77/POJK.01/2016 does not regulate internal audits. Whereas Article 58 Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that Providers must have an internal audit unit run by at least 1 (one) HR person. The regulation regarding the obligation to have an internal audit unit in the Financial Services Authority Regulation Number 10/POJK.05/2022 has a good effect because it can prevent and minimize errors and violations. Apart from that, through internal audit, it can also guarantee quality and integrity in the implementation of LPBBTI, esphe Financial Services Authority Regulation Number 77/POJK.01/2016 also does not include the obligation to audit monthly and annual reports by public accountants, while the Financial Services Authority Regulation Number 10/POJK.05/2022 regulates the obligation to audit monthly and annual reports by public accountants. So that the reports submitted can be adequately accounted for, it also aims to create a better and integral supervisory system that will ensure the continuity of this activity, which will ultimately provide benefits, as said by Jeremy Bentham.

The following thirty-first change is regarding Mergers and Consolidations. Financial Services Authority Regulation Number 77/POJK.01/2016 does not regulate mergers and consolidations. Whereas Article 72 of Financial Services Authority Regulation Number 10/POJK.05/2022 stipulates that Providers may perform Mergers or Consolidations by obtaining approval from the Financial Service Authorities. Based on this explanation, it is known that the Financial Services Authority Regulation Number 10/POJK.05/2022 provides more opportunity and freedom for organizers to merge or consolidate as long as they have obtained approval from the Financial Services Authority. It's also under what is expected in the general explanation of Financial Services Authority Regulation Number 10/POJK.05/2022, namely so that the needs of the industry can develop optimally, healthily, and contributively that provide benefits to society, as said by Jeremy Bentham.

IV. CONCLUSIONS

This research aims to determine whether changes to regulating financial technology peer-to-peer Lending can better support legal objectives. The results showed 31 changes from the Regulation of the Financial Services Authority Number 77/POJK.01/2016 Concerning Information Technology-Based Money-Lending Services, which revoked the Financial Services Authority Regulation Number 10/POJK.05/2022 Concerning Information Technology-Based Joint Funding Service. Each amendment article has positive consequences for the organizers, the funders, and the recipients of the funds. In general, changes in these regulations are intended to benefit most of society, as said by Jeremy Bentham.

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