Legal Act of Force Majeure in Products Buy and Sell Transactions in Indonesia

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Abstract

Contract in the trade sector was a means to regulate the exchange of rights and obligations between producers and consumers that were binding on both parties. However, in some cases, such as the COVID-19 pandemic, an incident known as a breach of contract occurred due to delayed delivery of products to consumers. For this reason, the primary goal of this research was to determine the legal limits of force majeure and the consequences of breach of contract during the pandemic to the loss of products due to delays in delivery from produce. This research was normative juridical research. The approach processes were carried out by examining secondary data using primary, secondary, and tertiary legal materials related to particular symptoms in answering the problems studied. This study used the concept of breach of contract, in normal and force majeure. This research showed that the COVID-19 pandemic condition fulfilled the element of force majeure to demand compensation, but producers cannot use force majeure as an excuse to avoid obligations. Thus, the breach of contract of products to consumers was the liability of producers for the losses suffered by consumers. For this reason, during the pandemic era, the reason for the breach of contract due to force majeure did not cancel the contract because it was a relative force majeure. Finally, this research contributed to a legal settlement solution in resolving the force majeure of breach of contract issues from delays in the delivery of products from producers in the future and can be used as a reference for further research as well as the implications and suggestions at the end of this article.

Keywords: Contract, Force Majeure, Buy, Sell

Introduction

Indonesia is currently in the era of the COVID-19 pandemic. The decline in community economic activity in various sectors due to the pandemic era has caused economic problems and has even caused economic paralysis (Tjoanda, Hetharie, Marselo V G Pariela, et al., 2021). This situation is certainly a serious problem that must be faced, one of which is the trade sector. All movements are hampered by both production and income barriers. Meanwhile, the trade sector requires speed in distributing goods and products, so efforts are needed to survive in the face of the times.

Digitization has become necessary in developing business transactions, especially during the current pandemic. This opportunity is positive for business actors to innovate in marketing goods by utilizing increasingly sophisticated media platforms to do business online. According to one of the institutions that conducted the survey, iprice.co.id. The site found that 175.4 million Indonesians are active Internet users. In 2020 there is an increase of 17 percent or as many as 25 million who become internet users. In addition, based on population data for Semester I (as of June) 2020 by the Ministry of Home Affairs, the total population of Indonesia in 2020 was 268.6 people. This means that it is concluded that as many as 65.30% of Indonesians use the internet in their daily life(Afrianto and Irwansyah, 2021).

However, in the trade sector during the pandemic, there were several problems related to the fulfillment of contracts in delays in the delivery of goods from producers according to the agreed time, such as the delivery transaction process through the Post Office, including in Samarinda Temindung, which experienced a significant decrease of around 15-20 %(Karja, 2021). Tokopedia also experienced delays in inter-island delivery services via air due to regional restrictions imposed by government policies(Tokopedia, 2022). Likewise, international activities, especially those passing through China, experienced time delays and decreased volume due to temporary delays in flights to and from China(Rinaldi Mohammad, 2022).

Producers’ strategy in dealing with limitations in marketing their products in the direct field is still ongoing. However, it still provides convenience for producers and consumers. To support traditional marketing, the elaboration of business transaction activities through digital technology can be an option in offering their products continuously. The facility is through e-commerce, the digital marketing trend in activities to open online stalls for buying and selling products between individuals and groups with electronic media. Consumers using e-commerce before the pandemic were recorded at 24% and rose to 66% when the covid-19 pandemic occurred.

Producers are demanded to improve the quality of products and services so that consumers believe and want to shop. It can increase consumer satisfaction and foster good relationships between producers and consumers. This consumer trust is very important for the business continuity of business actors to survive in various conditions and be competitive. Trust in the company and competitive prices are the best alternatives for consumers(Afrianto and Irwansyah, 2021).With alternative ways of purchasing through e-commerce and directly, the importance of legal certainty in protecting consumer rights is stated in the Law of the Republic of Indonesia Number 8 of 1999 concerning Consumer
Protection (Consumer Protection Law). This consumer protection law is the umbrella law for consumer protection in Indonesia, apart from the relevant laws and regulations.

Considering the condition and development of the business transaction process that takes place both conventionally and online, apart from the positive impacts, there are also possible negative impacts. The positive impacts include that business actors have two marketing channels, offline and online, namely by using information technology product marketing through the internet and social media, which can reach without being limited by space and time, so that it is possible to survive in situations that are out of the ordinary. The negative impact is that both conventional and online buying and selling transactions in the pandemic era are very vulnerable to losses due to events that are sometimes against the will of both business actors and consumers, resulting in a breach of contract (wanprestasi).

Business transactions are part of the legal events of contract law. Indonesian contract law adheres to a consensual system, namely an agreement system that determines a bond because the agreement has already occurred when it is reached, even if it is only an oral agreement. However, there are certain contracts where the law requires written conditions for a contract to be considered valid. The written requirement for the validity of a special contract for a particular contract is an exception from the general principle of generally accepted agreement law that the agreement has occurred and is binding even though it has not been written or not written(Munir, 2015). Therefore, the significance of the legal consequences of an agreement from trading activities during the pandemic is closely related to the Indonesian government's policy of establishing Covid-19 as a type of disease that causes a public health emergency.

This government policy was followed by the issuance of many legal umbrellas, including Government Regulation of the Republic of Indonesia Number 21 of 2020 concerning Large-Scale Social Restrictions in the Context of Accelerating Handling of Corona Virus Disease 2019 (COVID-19), Presidential Decree of the Republic of Indonesia Number 11 of 2020 concerning Determination of Health Emergency Society for Corona Virus Disease 2019 (COVID-19), Regulation of the Minister of Health of the Republic of Indonesia Number 9 of 2020 concerning Guidelines for Large-Scale Social Restrictions in the Context of Accelerating Handling of Corona Virus Disease 2019 (COVID-19). Finally, through the Decree of the President of the Republic of Indonesia Number 12 of 2020 concerning the Determination of Non-Natural Disasters for the Spread of Corona Virus Disease 2019 (COVID-19) as a National Disaster. This means that a COVID-19 pandemic is an event beyond human will as a non-natural national disaster. This condition, according to law, is a state of coercion (overmacht/force majeure). In Indonesia's material civil law regarding force majeure, it is regulated in Article 1244, 1245, 1545, 1553 paragraph (2) of the Civil Code (KUHPerdata), which states that a party to an engagement is not obliged to provide compensation if the party is prevented from fulfilling obligations due to circumstances of force (overmacht). According to RahayuNingsih Hoed, there are two types of coercive clauses, namely:

1. the existence of agreed conditions for the entry into force of force majeure;
2. Exclusive clause where the legal act of force is limited to the conditions stated in the agreement(Dewi and Fitriana, 2021).

Based on the two force majeure conditions above, it is very interesting and the legal consequences of implementing the agreement during the covid-19 pandemic. The focus is on the non-fulfilment of obligations by producers, either due to errors, intentionally not fulfilling obligations, or negligence on the agreed delivery time for the produced goods.

Research Methods

The type of research used by the author in this scientific paper is normative juridical research with a qualitative approach. The source data comes from legal materials whose types are primary, secondary, and tertiary legal materials(Mamudji and Soekanto, 2004). Primary legal materials are legal materials that have a binding nature, such as the Commercial Code, Law of the Republic of Indonesia Number 19 of 2016 concerning Information and Electronic Transactions, and Law Number 8 of 1999 concerning Consumer Protection. In addition to primary legal materials, secondary legal materials consist of related books, papers, journals, scientific works, etc. Tertiary legal materials are legal materials that provide direction or explanation of primary and secondary legal materials sourced from electronics, such as kompas.com and others, and interviews with civil judges at the Palembang District Court.

The approach process is carried out by examining sources of legal material using deductive thinking methods (thinking in drawing conclusions drawn from something general and aimed at something specific)(Ekawati, 2021). Then, an analysis of legal materials is carried out in a decomposition process and is consistent with certain phenomena to solve the case or problem in this research. Furthermore, it is reconstructed into a concluding sentence of deductive analysis formed into several parts, namely, 1) Breach of contract in the contract between producers and consumers, 2) Limitation of claims for compensation breach of contract in delivery of goods products from producers during the pandemic.

Result and Discussion

Breach of Contract in the Contrac between Producers and Consumer

The era of COVID-19 pandemic has changed the order and pattern of consumer behaviour, including in Indonesia, one of which is in the form of changes in shopping for business products. Consumers who prefer to shop directly at stores/retail are now turning to e-commerce. Therefore, the strategy implemented by these producers must be carried out optimally so that the public can accept the products produced by providing clear and trustworthy information for consumers(Gu, Han and Wang, 2020). This condition must be supported by clear, honest, and reliable data so that consumers are not disadvantaged in making transactions even through social media.

There are several cases of consumer losses due to transactions through social media, including when the products ordered do not match the products offered, as when shopping for goods online, the goods purchased are not the same as those seen in the photos on the advertisements on display (Kamran and Maskun, 2021; Rachmat, 2022). The next case example that is often found in buying and selling through Facebook is the price advertised by the seller is very cheap. This is, of course, done so that consumers are interested in
buying their products, and after the transaction, the products are never sent by produce (Wicaksono and Kasih, 2018).

The consumer protection law UUPK regulates the prohibition, namely Article 16 letter (a) of the Law of the Republic of Indonesia Number 8 of 199 concerning Consumer Protection, which reads, "produces are prohibited from not fulfilling orders and agreed completion times as promised" (Prematura, 2021). Meanwhile, from a consumer perspective, consumers expect producers to provide good services in terms of delivery, cost, and timeliness so that trust between sellers and buyers is maintained. The social media that are widely used by producers in marketing their products widely use can be seen in the following graph 1:

![Graph 1. The ten most used social media in Indonesia (Rosmadi, 2021) Source: We Are Social, Hootsuite, 2020](image)

The diverse e-commerce platforms in Indonesian society have become a new alternative for people's shopping behaviour patterns. Buying and selling transactions are shifting from shopping conventionally or face-to-face with business actors to online shopping via smartphones, becoming a pattern of people's shopping behaviour today. E-commerce sites such as Tokopedia, Shopee, Bukalapak, and even Shopee are the most visited and used e-commerce services by the public. Other types of new media on social media, such as Whatsapp, Facebook, Instagram, Twitter, and so on, transact in new ways that provide convenience for producers and consumers.

Online marketing through the media is the right step that must be carried out by entrepreneurs (Suswanto and Setiawati, 2020). The results of empirical research concluded that e-commerce is very useful and beneficial for producers who have goods and consumers who need them (Kurniawan, 2017). According to Jony Wong in Alfin (2021), e-commerce is transactions such as sales and purchases of goods and services through electronic systems, such as computers or the internet. A sharp increase was based on a survey regarding consumer interest in using e-commerce. Before the pandemic, it was recorded at 24% and rose to 66% when the covid-19 pandemic occurred. In this study, the produces in question are:

"Every party involved in the process of making and distributing the final product of a business activity in the economic field, either individually or as a business entity in the form of a legal entity or not a legal entity which is established and domiciled or conducting business activities within the jurisdiction of the Republic of Indonesia, and those outside the jurisdiction of the Republic of Indonesia were starting from producers as final product makers and sellers consisting of importers, agents, wholesalers, distributors, wholesalers and retailers (Holijah, 2015)".

What is meant by a consumer is "every person or legal entity that uses and obtains goods and services of produces which are not for trading." What is meant by goods products are:

"Every good, tangible or intangible, movable or immovable, consumable or immovable, which can be traded, used, used, or utilized by consumers in the form of raw materials that have gone through chemical processes or their derivatives or processed products made and added its use or value in a
production process before being commercialized (Holijah, 2015). An important thing sometimes does not become the centre of attention in the buying and selling transaction process, namely consumer trust in business actors. A good relationship between consumers and business actors is very influential but not significant in increasing the quantity of marketing to survive in various conditions and have competitiveness (Hardilawati, 2019; Wahyudi, 2020). Consumer confidence in business actors is one of them regarding the quality of products and services to consumers because quality and service have a positive and significant impact on consumer satisfaction (Laura Hardilawati, 2020; Wiryadinata, 2020). The urgency of service satisfaction in question is regarding the timeliness of delivery of goods and products to reach the hands of consumers according to the time of agreement.

For this reason, during the COVID-19 pandemic, where buying and selling transactions can be carried out directly or without direct meetings, the obligation of producers in the timely arrival of produced goods is very vulnerable to default from production. This shows that trading activities in the form of buying and selling goods in the pandemic era are very vulnerable to violations of the time the goods arrive in consumers, which causes default from producers. It is also due to the normative concept of buying and selling events. The concept of buying and selling implies the handover of an object that contains legal value in exchange for payment of a certain price. This means that the business actor receives payment for the goods sold, and the consumer receives the agreed-upon product, which of course, the delivery time is also by the agreement of both parties (Sakti, 2020). Still, in this event, both parties have their respective rights and obligations, which are the achievements of both parties. Party.

According to Article 1313 of the Civil Code, the agreement is "an act in which one or more people bind themselves to one or more people." Based on Article 1338 paragraph (1) of the Civil Code (KUHPerdata) that all agreements made legally are valid as law for those who make them, which means that the agreement is binding and must be obeyed by the parties (according to the principle of pacta sunt servanda). An agreement is defined as a legal relationship between two or more parties based on an agreement that has a legal act (Hetharie, 2020).

An agreement is the same as a contract or agreement in the Indonesian legal system, but according to the common law system, an agreement differs from a contract. An agreement has a broader meaning than a contract because an agreement includes a public legal relationship, while a contract only includes a private legal relationship. Agreements of various types, namely:

- A named agreement (nominated) is an agreement regulated in the Civil Code, including sale and purchase agreements and accounts payable agreements. Loan agreements, power of attorney agreements, and;

- Unnamed (innominated) agreements, namely agreements that arise from developments in society that are not regulated in the Civil Code, including franchise agreements, financing agreements such as (leasing, venture capital, factoring, consumer financing, credit cards, and others.

An agreement is said to be valid if it fulfills the conditions stated in Article 1320 of the Civil Code, namely:

Agree between the two parties;
The parties must be legally competent;
The existence of the object;
Halal cause, meaning that it must have a lawful cause (not against the law, public order, and morality).

The conditions for a valid agreement are categorized into two groups: subjective and objective. Subjective conditions in the form of an agreement and the parties' skills, if not fulfilled, the agreement can be cancelled. This means that if one party feels aggrieved, the agreement is cancelled. While the objective conditions in the form of a lawful object and cause are not fulfilled, the agreement is null and void, meaning that the agreement is automatically cancelled or is considered to have never occurred. However, if the 4 (fourth) condition is met, the agreement is valid, resulting in:

All agreements are made legally valid as laws for those who make them;
An agreement cannot be withdrawn other than by agreement of both parties or for reasons which are declared sufficient by law;
An agreement must be executed in good faith (Sudjana, 2019).

The conditions for the agreement's validity in Article 1320 of the Civil Code also apply to the sale and purchase contract. According to Article 1457 of the Civil Code, buying and selling agreements in which one party binds himself to deliver an object, and the other party pays the promised price. The birth of an agreement in a sale and purchase transaction of goods is when each party has agreed on the agreement's contents either in a direct meeting or an agreement via the internet (online). Article 1321 of the Civil Code, namely an agreement made because of an oversight (dwelling), coercion (dwang), and fraud (bedrog), can be said to be a defect of will.

The online contract occurs immediately after the consumer reads the rules, regulations, and conditions imposed by the business actor by clicking on the word "agree" then, that's when an "agreement" has occurred regarding the ability of the parties to carry out legal actions recognized by law, which are related to the terms, namely incompetent (onbackwaam) and not authorized (onbevoegd). The capability of acting is a person's ability to carry out legal actions in civil law and therefore account for the legal action, including people who are adults, not under supervision, and people who are considered capable by law. An incompetent person is generally, under the provisions of the law, unable to agree with a completely legal activities, such as a minor, a person under guardianship, and guardianship. Meanwhile, non-authority is when the person is capable of acting but cannot carry out certain legal actions, for example, those contained in Articles 1467, 1468, 1469, 1470, and 1640 of the Civil Code. For online transactions, a reference to this ability to act is with the obligation to fill in consumer data, including age, because according to Book I Article 330 of the Civil Code, a person is considered an adult if he is 21 (twenty-one) years old or married (Melawati, 2022).

Furthermore, a certain thing (object) is everything that can be traded, which can be in the form of assets and interests attached to assets, which are the goods of produces in writing. The object absolutely must exist, meaning that business actors determine what products are sold. If online, at least include the type accompanied by an explanation of the quality of the product that will be traded through pictures. At least the type of object or achievement can be determined either in terms of tangible or intangible objects. Halal causes relate to the existence of clear rules regarding what things can and cannot be done as determined by law, public order, and morality, one of which is regarding the rights and obligations between

Therefore, agreements made legally can be implemented by business actors and consumers by fulfilling the rights and obligations agreed upon to achieve the agreement's objectives. However, the fact is that not all agreements made legally can be implemented. Sometimes, one party cannot carry out the contents of the agreement due to a breach of contract due to force majeure an overmacht (force majeure).

Default or so-called breach of contract is a condition in which one of the parties does not perform an obligation or allows a situation to take place in such a way (non-performance) that the other party is unfairly harmed because they cannot enjoy their rights based on a mutually agreed agreement (Kusumohamidjoyo, 2001). The term default comes from the Dutch language, "wanprestasi," which means bad performance or breach of contract. In English, a breach of contract is called a breach of contract, which means that the obligations imposed by the contract are not carried out properly. In this case, what is being researched is the unfulfilled rights of consumers related to the obligations of producers in fulfilling the achievement of delivering goods.

A person's legally default can occur due to non-fulfillment of achievements from errors caused by negligence or intentional negligence. Default criteria are not carrying out achievements at all, being late in fulfilling achievements, or not performing properly from achievements, namely giving something, doing something, and not doing something.

To determine when a default occurs, the law provides a solution using a "negligent determination agency" (ingebrakestelling), namely a warning from creditors (consumers) to debtors (producers) to fulfill achievements. In the sale and purchase agreement of goods products, producers must deliver goods to consumers by the agreed agreement. However, suppose the produces defaults, such as a hidden defective product, do not comply with the agreement or are late in delivering the product. In that case, the consumer can sue for compensation after making a subpoena, but the producer still does not care. A negligent determination is not required if the producer violates the agreement not to commit an act.

A subpoena against a default against a legal subject must also be allowed to be able to propose reasons that can be in the form of:

- Breach of contract because of force majeure (overmacht);
- Breach of contract because the other party is also in default;
- Breach of contract because the opposing party has relinquished its rights to fulfillment of achievements (Sinaga and Darwis, 2020).

It is very closely related to paying attention to the reasons for the defaults mentioned above related to breach of contract to overcrowding during the pandemic. The Civil Code states that overmacht is a condition where the debtor (produces) is prevented from giving something or doing something or doing an act that is prohibited in the contract. This understanding is then adapted to the terminology, namely, the state of coercion. Forced circumstances are defined as events beyond the control of one party. Effects where delaying or causing the performance of a party's obligations under the agreement are impossible, and once incurred, the party cannot avoid or overcome the event. Articles 1244 and 1245 of the Civil Code have established force majeure as a legal reason that frees debtors (business actors) from the obligation to carry out fulfillment (nakoming) and compensation (schadevergoeding) even though the debtor has committed an unlawful act or onrechtmatig (Tjoanda, Hetharie, Marselo Valentino Geovani Pariea, et al., 2021).

Article 1244 of the Civil Code reads, "If there is a reason for this, the produces must be punished to compensate for costs, losses and interest, if he does not prove that the matter was not carried out or not at the right time for the implementation of the contract t, due to an unexpected thing, even cannot be held accountable to him, all of that even if bad faith is not on his side." Article 1245 of the Civil Code reads: "It is not necessary to replace costs, losses and interest, if due to circumstances of force (overmacht) or due to unintentional circumstances, the debtor is unable to give or do something that is required, or because of the same things. Have committed a forbidden act."

Therefore, the contract must be made in writing so that the provisions regarding rights and obligations, risks, overmaturity, and settlement of defaults can be regulated firmly and clearly and provide legal certainty regarding the side of the agreement for both parties, including the period of fulfillment of achievements. However, the unwritten agreement does not necessarily eliminate the obligations and rights of the parties in fulfilling the agreement's contents.

As for the word force majeure, whether it is mentioned or not, the word overmacht is considered in a contract or agreement because it is an element of nature. The state of coercion, according to the nature of overmacht, is divided into two, namely:

- Permanent force majeure, meaning that the agreement cannot be executed forever because the debtor (business actor) is completely unable to perform due to overmacht;
- Related Force majeure means that the debtor (business actor) can perform again after the overmacht situation ends.

Therefore, some of the legal consequences of default are all consequences that occur from all legal actions of producers and consumers carried out on goods product contracts or other consequences caused by certain events that the two parties have determined (Ryan, 2017). Parties are considered legal act of legal consequences required by producers and consumers. The legal consequences of legal subjects, in this case, are consumers who can be independently filed or combined with other lawsuits, which include:

- Fulfillment (nakoming), or;
- Compensation (vervangendevergoeding; schadeloosstelling);
- Dissolution, termination or cancellation (ontbinding);
- Fulfillment plus complementary compensation (nanokominganvullendvergoeding);
- or Dissolution plus complementary compensation (ontbindinganvullendvergoeding) (Sinaga and Darwis, 2020).

The forms of the claim for compensation for the existence of default are in the form of:

- Expenses, namely all expenses or expenses that have been incurred by one of the parties;
- Loss, namely loss due to damage to goods belonging to the debtor (produces) caused by the negligence of the debtor (produces);
- Interest is a loss in the form of loss of profit expected by one of the parties/creditors (consumers) if the debtor (produces) is not negligent.

Thus, the party who has defaulted must bear the consequences of the claims of the aggrieved party, including:
Cancellation of the agreement;
Cancellation of the agreement followed by a claim for compensation in the form of costs, losses, and interest;
Fulfilment of the agreement, namely asking for the fulfilment of achievements only;
Fulfilment of the agreement accompanied by a claim for compensation;
Demanding compensation only.

Therefore, the government has protected consumers as stipulated in Article 19 paragraph (1) of the Consumer Protection Law regarding the liability of producers, namely, "Producers are responsible for providing compensation for damage, pollution, and consumer losses due to consuming goods and services produced or traded." This article implies that in buying and selling a product, whether in a pandemic condition or not, to fulfil what the consumer should have obtained, it is the responsibility of the business actor to be able to fulfil it and have the right to get compensation if it is not fulfilled. Even though the agreement itself is made with the hope that everything that has been agreed on can normally run under certain conditions, the exchange of achievements does not always run as it should, so an event called a breach of contract occurs.

Limitation of Claims for Compensation Breach of Contract for Delay in Delivery of Goods Products from Producers during the Pandemic Period

Default lawsuits occur if the contents of the agreement between producers and consumers are not fulfilled, there is no default without a contract, both verbally and in writing. Breach of contract because the party who is burdened with the obligation does not fulfil the contents of the previously agreed contract. Failure to fulfil the contents of the contract in the form of:

No achievement at all;
Achievements are made, but the time is not right or not according to the agreed-upon;
Performance is not as agreed.

Paying attention to the elements of default from the non-fulfilment of the contents of the contract, either from the possibility of not fulfilling one of the elements in the form of not being carried out at all or carried out not according to time or carried out but not by what should be or the whole is not fulfilled. Party Unfulfilled achievements may be caused by many factors originating from the mistakes of breach of contract, coercive circumstances, or business risks. As for the pandemic, the case is a breach of contract to the non-fulfilment of achievements due to force majeure due to non-natural factors, namely the existence of a disease outbreak.

In other words, the coercive state of default by business actors due to the COVID-19 pandemic is because COVID-19 is a national disaster that has had an impact on all aspects of people's lives, both the business world and individuals (Naryono and Sukabumi, 2020). One of them is an impact on the decline in the economic capacity of producers, difficulties in finding transportation due to transportation restrictions, and difficulties in finding goods as objects of the agreement due to production limitations which in turn can result in not being able to fulfil the achievements in the agreement.

Likewise, a breach of contract to force majeure during a pandemic such as the covid 19 pandemic, from buying and selling goods from produce, can be a breach of contract such as during the current covid-19 pandemic in the form of delays in the delivery of goods to consumers. Thus, there are legal consequences of default, namely:

Compensation of costs, losses, and interest due to non-fulfilment of an agreement;
Cancellation of agreement or termination of the agreement;
Transfer of risk means the obligation to bear losses if an event occurs outside the fault of one of the parties that befalls the goods and becomes the object of the agreement by Article 1237 of the Civil Code.

The limitations of losses that must be paid by producers to consumers according to the law as a result of default are as follows:

Predictable losses when the agreement is made as according to Article 1247 of the Civil Code, produces only pay real losses from consumers if the performance is fulfilled;
Losses as a direct result of default by Article 1248 of the Civil Code, if the cause is deception from producers, the produces only pays for the losses suffered and the lost profits from consumers;

The party receiving compensation is the party receiving and receiving the consequences as a direct result of the non-fulfilment of the contract by the principle of exception non-adimpleti contracts.

Considering the limitations of the compensation mentioned above during the COVID-19 pandemic, the ability to make achievements in implementing the contract is to look at the condition level of the people who have received the impact of this pandemic. The level of the impact of the pandemic on society is as follows:

People who are not exposed to economic constraints and are not constrained by other obstacles in fulfilling their achievements. This group must fulfil their achievements. Otherwise, they will be in default and are required to fulfil their achievements and be demanded compensation, namely losses, fees, and interest or even cancellation of the contract;

Communities are affected by the economy and other constraints in fulfilling achievements. Suppose you cannot perform at all because, beyond your ability, it means you are experiencing an overmaturity. In that case, you cannot be sued for compensation if you have not been able to perform at the time of maturity. Efforts to resolve it are by renegotiation in the form of delaying payments / extending payment terms, and so on until they have another job or financial capacity is restored.

Other affected communities require sacrifice in fulfilling achievements. This group is experiencing temporary coercion so that compensation cannot be demanded if they have not been able to perform at maturity. As a solution, they can ask for renegotiation of the implementation of achievements when the obstacle disappears (Aminah, 2020).

Furthermore, the community's classification above the community's ability to perform during the COVID-19 pandemic in Indonesia hurts the country's economy, banking, and community survival (Taun and Nugraha, 2020). Considering the widespread consequences of the COVID-19 pandemic, it has fulfilled the characteristics of an over-crowding condition, as previously explained.

This pandemic has caused business actors to be unable to fulfil their obligations or achievements to consumers after implementing the agreement by an event beyond the ability or
power of the producers, such as a disaster (Ayu et al., 2022). This condition is not caused to be blamed, and does not have to bear the risk of the obligation to fulfill the fulfillment (nakoming) and compensation by Articles 1244 and 1245 of the Civil Code.

This is also in line with Article 1 paragraph (1) when referring to the Law of the Republic of Indonesia Number 24 of 2007 concerning Disaster Management which states that "A disaster is an event or series of events that threatens and disrupts the lives and livelihoods of the community caused, either by natural factors and non-natural factors as well as human factors resulting in human casualties, environmental damage, property losses, and psychological impacts." Covid-19 includes non-natural disasters, as stated in Article 1 Paragraph (3): "Non-natural disasters are disasters caused by non-natural events or series of events which include technological failures, failed modernization, epidemics, and the epidemic of a disease."

The pandemic also impacts the obligations that producers must fulfill to achieve the agreed time in the contract with consumers (Frisyudha, Budiartika and Styawati, 2021). Business actors cannot immediately postpone or cancel the contract. Delay or not at all in carrying out the performance will result in consumers being unfairly harmed because they cannot enjoy their rights based on mutually agreed contracts (Aminah, 2020), such as regarding the delay in the delivery of goods from the sale and purchase transactions of produces goods.

However, even though the COVID-19 pandemic is an overmature condition, it does not necessarily mean that business actors who have entered into agreements with consumers cannot carry out their obligations, such as sending goods that contract exceptions (force majeure).

Force majeure provisions are generally stated in contract clauses by describing what events are included in force majeure so that producers or consumers can postpone or cancel the agreement, including if the parties categorize this covid-19 pandemic as force majeure. One of the parties can postpone or cancel the agreement. Likewise, suppose the force majeure provisions in the agreement clause do not make the COVID-19 pandemic a force majeure category. In that case, the producers who default cannot immediately postpone or cancel the agreement on the grounds of the covid-19 pandemic.

The next legal basis is that even if it is listed or not in the agreement clause regarding force majeure due to an overmaturity, it is a natural overmact due to the pandemic being the reason for the exemption of errors and negligence from business actors (ul Ain and Ramish, 2018). This means that a default due to the COVID-19 pandemic that is not stated in a contract clause or verbal agreement is a force majeure for the non-fulfillment of the achievements of produces, including delays or stay.

For this reason, a breach of contract a force majeure due to the covid-19 pandemic in the delay in the delivery of goods by this produces can be sued in the form of:

The contract remains if the coercive condition is temporary and vice versa. If the coercive condition is permanent, then the agreement is cancelled;

Produces do not need to pay compensation;

The risk burden does not change, and especially in temporary forced circumstances, produces still have to deliver goods as a result of negotiations with consumers within the capacity limit to be able to fulfill the obligations of the produces;

Consumers are not entitled to demand the fulfillment of the achievement of delivering goods according to the schedule before the pandemic. Still, at the same time, by law, they are free from their obligation to submit performance contrasts, namely to pay the price of goods from producers.

In other words, producers cannot immediately postpone or cancel during a pandemic that impacts the obligation to fulfill performance obligations by producing according to the time agreed in the contract with consumers (Frisyudha et al. 2021). Delay or not in carrying out performance will result in consumers being unfairly harmed because they cannot enjoy their rights based on mutually agreed contracts (Aminah, 2020), such as regarding delays in the delivery time of goods.

Thus, producers are not justified in adhering to overcrowding to free themselves from claims for default in the form of compensation. Article 19 of the Consumer Protection Act also protects consumers through strict liability, which is responsible for all consumer losses without any errors or omissions from producers except due to force majeure such as forced circumstances such as the COVID-19 pandemic.

Conclusion

Contracts that statutory regulations have made will be as binding as law. Producers and consumers have their respective rights and obligations. There is also legal protection if there is a dispute over fulfilling the achievements of the object of the contract. The COVID-19 pandemic has fulfilled the element of the compelling legal act for the achievement of producing to deliver goods according to the agreed schedule with consumers. Limitations on claims for compensation breach of contract because force majeure a pandemic such as the COVID-19 pandemic has different effects on each product, namely relatives and permanent. The next concern is to look at the contract's exclusive and non-exclusive clauses of the contract. The legal act of force majeure by producers to consumers due to the pandemic can be in the form of cancelling the contract and fulfilling the contents of the contract with no claim for compensation.

For this reason, protection efforts for both producers and consumers can be carried out through negotiations that prioritize good faith for both parties. Besides that, in the future, producers and consumers must make an agreement in detail regarding the force majeure category, place, and dispute resolution process so that the settlement process is easier to carry out and provides a sense of justice and legal certainty.

Competing Interests

The authors declare that they have no financial or personal relationship(s) that may have inappropriately influenced them in writing this article.

Ethical Consideration

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Reference


