

**LOGISTICS BUSINESS LAW IN INDONESIA: A SYSTEMATIC LITERATURE REVIEW
ON REGULATORY COMPLIANCE AND CONSUMER PROTECTION****Tribowo Rachmat Fauzan^{1*}, Ajeung Syilva Syara Noor Silmi Sudrajat²**¹Logistic Business Study Program, Vocational School, Universitas Padjadjaran, Sumedang, Indonesia²Islamic Economic Law, STAI Al-Falah, Bandung, Indonesia**Article History**Received : May 23rd 2026Revised : May 25th 2026Accepted : May 27th 2026Published : May 29th 2026**Corresponding author:**tribowo.fauzan@unpad.ac.id**Cite This Article:**

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Abstract: The logistics industry in Indonesia has experienced rapid growth, primarily driven by the expansion of e-commerce and the digital economy. However, this development presents significant challenges regarding regulatory compliance and consumer protection. This systematic literature review examines the legal framework governing Indonesian logistics, including Law No. 8 of 1999 on Consumer Protection and Law No. 38 of 2009 on Posts. Findings indicate that while legal standards for liability and safety exist, operational inconsistencies such as delivery delays, damage to goods, and administrative gaps persist. The review highlights the importance of strict liability principles, the integration of tracking technology, and the need for harmonized regulations to enhance service quality and legal certainty in the sector.

Keywords: Logistics; Consumer Protection; Legal Liability; Regulatory Compliance

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INTRODUCTION

Logistics plays a vital role in the Indonesian and global economy by facilitating the flow of goods, information, and capital. As an archipelagic nation, Indonesia relies heavily on integrated transport systems—land, sea, and air—to support national development and the welfare state. The surge in online trading and the digitalization of the economy have further accelerated the demand for efficient delivery services, placing logistics providers at the center of the national supply chain (Salawu & Ghadiri, 2022; Xu et al., 2023).

Despite this growth, the industry faces hurdles in consistently applying legal standards across various operational levels. Logistics providers must navigate a complex landscape of regulations, including the Civil Code (KUHPerdata), the Commercial Code (KUHD), and sector-specific laws like the Post Law and Consumer Protection Law (Octavo & Gunadi, 2024; Pepanashvili et al., 2014). Common issues such as lost or damaged shipments, delivery delays, and lack of transparency not only harm consumers but also risk the legal standing and reputation of service providers (Sidabalok & Flora, 2026).

Therefore, understanding the intersection of business operations and logistics law is essential for industry sustainability. This systematic literature review aims to evaluate how written legal provisions are implemented in field practices, identifying the gaps between normative standards and empirical reality. This paper seeks to explore the effectiveness of liability principles, the impact of technological adoption, and the necessary regulatory reforms to protect consumer rights in Indonesia's evolving logistics landscape by synthesizing findings from academic research and international assessments.

LITERATURE REVIEW**Logistics**

Logistics is defined as a specialized part of the supply chain process that manages the flow of goods, information, and capital from the point of origin to the point of consumption to meet customer requirements safely and efficiently (Crujissen et al., 2007; Vasanthy & Chandramohan, 2023). In the Indonesian context,

this sector is a vital engine of the national economy, contributing over 5% to the Gross Domestic Product and employing millions of people. The industry serves as the backbone of the Welfare State (*Negara Kesejahteraan*), where the government is constitutionally mandated to ensure the smooth distribution of goods to support citizen welfare (Bugiman et al., 2025; Syifa & Tohir, 2025).

The modern landscape of Indonesian logistics is characterized by rapid evolution driven by the digital economy and the massive surge in e-commerce. Research indicates that the shift toward online shopping has placed logistics providers at the center of the trade ecosystem, particularly regarding warehousing, delivery, and payment systems like Cash on Delivery (COD). However, this growth also presents operational challenges such as delivery reliability, traffic congestion, and infrastructure limitations, which directly impact service quality (Tandon & Ertz, 2023; Yuda, 2025).

Consumer Protection

Consumer protection in the logistics sector is primarily anchored in Law No. 8 of 1999, which establishes a framework for balancing the rights and obligations of service providers and users. The law emphasizes the consumer's right to receive clear, honest, and accurate information regarding services, as well as the right to safety and security in utilizing those services. Within the industry, these protections are vital because consumers often occupy a weaker bargaining position compared to large logistics corporations (Nuraini et al., 2025; Wibawa et al., 2025).

The literature highlights that effective consumer protection must go beyond the shipment of goods to ensuring the integrity of those goods upon arrival. Practical implementation remains challenging, with common issues including delivery delays, loss of items, and damage to fragile goods that are not always handled according to standard protocols (Čižiūnienė et al., 2025). To address these, the law mandates that businesses provide accessible complaint-handling mechanisms and fair compensation processes to build public trust in the system.

Legal Liability

Legal liability in Indonesian logistics involves several fundamental principles, most notably strict liability (absolute liability), fault-based liability, and the presumption of liability. Under the principle of strict liability, as emphasized in Law No. 8 of 1999, logistics providers are held responsible for damages or losses without requiring the consumer to prove negligence. Other standards, such as those in the Commercial Code, define the carrier's obligation to maintain the safety of goods from the moment of receipt until final delivery (Hadiningtyas, 2021; Wibawa et al., 2025).

However, the application of liability is often complicated by Standard Delivery Conditions (SSP) or exculpatory clauses used by companies to limit their financial exposure. For instance, many providers attempt to cap compensation for non-insured items at ten times the shipping fee, a practice that can conflict with a consumer's expectation of full reimbursement for high-value goods. Resolving these disputes requires a careful interpretation of contract law versus statutory consumer rights, with bodies like the Consumer Dispute Resolution Body (BPSK) serving as arbiters (Nuraini et al., 2025; Sidabalok & Flora, 2026).

Regulatory Compliance

Regulatory compliance in the logistics sector requires adherence to a multi-layered legal hierarchy, including the 1945 Constitution, transport laws (e.g., Law No. 22/2009 for road and Law No. 1/2009 for aviation), and the Post Law (Law No. 38/2009). Compliance is not only a matter of operational safety but also administrative legality, such as possessing a valid Company Registration Certificate (TDP). The literature suggests that consistent application of Standard Operating Procedures (SOPs) is essential for aligning field practices with normative legal standards (Aditya et al., 2026; Akbar et al., 2024).

Despite the existence of clear regulations, empirical studies identify significant gaps in compliance, such as item weight discrepancies and mishandling of delicate shipments. Furthermore, international assessments by organizations like the OECD point out that restrictive regulations, such as high minimum capital requirements and foreign equity limits, can hinder market efficiency (Lister et al., 2015; Meitasari et al., 2025). Improving compliance therefore necessitates better employee training, the integration of real-time tracking technology, and ongoing regulatory harmonization by the government (Urefe et al., 2024).

METHODS**Data Collection**

The primary data for this systematic literature review were gathered through a comprehensive study of authoritative legal materials that form the foundation of Indonesia's logistics regulatory framework. This involved a detailed analysis of central statutes, including Law No. 8 of 1999 on Consumer Protection, which establishes the rights of service users and the obligations of providers. Additionally, the review integrated Law No. 38 of 2009 on Posts, regulating the security and smooth delivery of shipments, and sector-specific transportation laws such as Law No. 22 of 2009 on Road Traffic and Law No. 1 of 2009 on Aviation. Foundational principles were also drawn from the Indonesian Civil Code (KUHPerdata) regarding transportation agreements and the Commercial Code (KUHD) for commercial shipping standards.

To provide an empirical layer to the normative framework, secondary data were gathered from a wide array of academic and organizational literature. This included peer-reviewed journals and postgraduate theses investigating field practices at major Indonesian providers. Furthermore, technical guidelines such as Ministerial Regulations on minimum service standards were examined alongside international assessments, specifically the OECD Competition Assessment Reviews for Indonesia. These diverse sources ensure a balanced view of both the regulatory landscape and the actual market conditions within the domestic logistics sector.

Data Analysis

The data analysis utilized a qualitative and inductive reasoning approach to interpret legal norms and assess their factual implementation in the Indonesian logistics industry (Maryanto et al., 2019). A normative-empirical methodology was applied, which functions by comparing "law in the books"—the statutory standards of the Welfare State—with "law in action," the lived reality of business operations. This process involved an analytical descriptive technique, allowing for a detailed mapping of how legal concepts like absolute liability are translated into corporate policies and standard delivery conditions (Tasrizal, 2025).

The final synthesis focused on identifying recurring operational failures and evaluating the effectiveness of dispute resolution mechanisms utilized by logistics companies. Analysis centered on comparing field incidents, such as delivery delays and item weight discrepancies, against the mandatory protections of Law No. 8 of 1999. This included evaluating how companies handle claims—often prioritizing familial settlement (*kekeluargaan*)—and identifying administrative compliance gaps, such as the absence of a Company Registration Certificate (TDP). By evaluating the alignment of Standard Delivery Conditions (SSP) with national consumer laws, the analysis aims to highlight areas where regulatory harmonization is needed to ensure legal certainty.

FINDING AND DISCUSSION

The data synthesis for this findings and discussion section was achieved through a rigorous process of cross-referencing normative legal statutes with empirical case study results derived from the analyzed sources. Initially, a wide array of qualitative data was compiled, ranging from theoretical definitions of the Welfare State in logistics textbooks to specific field reports on shipment discrepancies. Using inductive reasoning and analytical descriptive methods, these disparate data points—including interview transcripts, observations of "law in action," and international market assessments—were systematically coded to identify recurring patterns of operational failure and legal friction. By comparing statutory "law in the books" with actual field practices, the complex intersection of business operations and Indonesian jurisprudence was distilled into four distinct thematic pillars that represent the core challenges and frameworks of the industry: the foundational role of Logistics, the mandate of Consumer Protection, the mechanisms of Legal Liability, and the standards for Regulatory Compliance.

1. Regulatory Foundations and the Welfare State

Indonesia operates as a Welfare State (Negara Kesejahteraan), where the government is mandated to ensure the welfare of its citizens through the guaranteed flow of goods and services. The legal framework for logistics is rooted in the 1945 Constitution, which serves as the highest authority for all subsequent regulations, including government and ministerial decrees. Logistics services are considered vital for public service, requiring a system that is safe, efficient, and accessible to all layers of society.

The hierarchy of logistics law is structured through a combination of general and specific statutes. The Civil Code (KUHPerdata) provides the foundational principles for transportation contracts and generic liability, while the Commercial Code (KUHD) offers more specific rules for commercial shipping and

expeditions. Under the principle of *Lex Specialis Derogat Legi Generalis*, specialized laws such as Law No. 38 of 2009 on Posts and Law No. 1 of 2009 on Aviation take precedence over the more general Consumer Protection Law in technical matters.

However, the complexity of this multi-layered system often leads to legal uncertainty for both providers and consumers. While the government acts as a regulator and facilitator of infrastructure, the lack of regulatory harmonization can cause conflicting interpretations of carrier responsibilities. Ensuring a consistent legal structure is necessary to provide the legal certainty required for a healthy business environment and the protection of consumer rights.

2. Principles of Legal Responsibility in Logistics

A central theme in logistics law is the determination of legal liability (*pertanggungjawaban*) for loss or damage. The Consumer Protection Law emphasizes the principle of Strict Liability (Absolute Liability), which mandates that businesses compensate consumers for losses without the need for the consumer to prove negligence. This principle is designed to balance the power dynamic between large logistics corporations and individual consumers.

Other recognized principles include Fault-Based Liability, where the *pengangkut* is only responsible if an error is proven, and the Presumption of Liability, where the provider is assumed responsible unless they can prove the damage resulted from external factors like *force majeure*. In practice, many companies attempt to limit their liability through Standard Delivery Conditions (SSP) or exculpatory clauses. For instance, some providers limit compensation for non-insured items to ten times the shipping fee, a practice that often leads to disputes when the item's actual value is significantly higher.

Disputes often arise when consumers demand full reimbursement for items lost or damaged during the transportation process. While companies use SSP to define their obligations, theoretical law suggests that these contracts must not violate higher statutory protections for consumers. The application of good faith (*itikad baik*) is required from both parties: providers must be transparent about risks, and consumers must provide accurate item descriptions.

3. Operational Inconsistencies and Compliance Gaps

Empirical studies consistently identify discrepancies between normative legal standards and field practices in Indonesia. Common operational failures include item weight discrepancies, where consumers are overcharged due to a lack of transparency in volumetric vs. actual weight calculations. Furthermore, goods labeled as "fragile" are frequently mishandled, leading to breakage that contradicts the minimum service standards established by the Ministry of Transportation.

Administrative compliance remains another significant hurdle for logistics businesses. Research has shown that some companies operate without a complete Company Registration Certificate (TDP), which is essential for establishing legal legitimacy and building consumer trust. The absence of proper documentation risks the company's standing in court and can hinder its ability to access necessary business permits for expansion.

When issues such as delivery delays or damage occur, the primary resolution method in Indonesia is familial settlement (*kekeluargaan*) through direct negotiation. If these efforts fail, consumers may escalate cases to the Consumer Dispute Resolution Body (BPSK) or civil courts. However, many consumers lack awareness of specific laws like the Post Law, relying solely on general consumer protection statutes, which can lead to misaligned expectations during the claims process.

4. Technological Integration and Market Efficiency

The adoption of tracking technology is identified as a critical factor in reducing damage and improving legal transparency. Technologies such as RFID, GPS, and IoT allow for real-time monitoring of goods, which helps identify exactly where in the supply chain a failure occurred. This data-driven approach supports risk management and provides objective evidence for resolving liability disputes.

From a market perspective, the OECD identifies significant regulatory barriers that hinder competition and efficiency in the Indonesian logistics sector. High minimum capital requirements for courier services and restrictive foreign equity limits (negative investment list) prevent new entrants and international expertise

from fully integrating into the market. Relaxing these restrictions and simplifying the Online Single Submission (OSS) licensing process are recommended to foster a more competitive environment.

Ultimately, the goal of logistics law is to balance market productivity with consumer protection. The integration of advanced management software and harmonized regulations will reduce operational costs and enhance service quality. For the industry to thrive, there must be a collaborative effort between the government, logistics providers, and society to create a system that is not only technologically advanced but also legally robust and fair.

CONCLUSION AND RECOMMENDATIONS

The Indonesian logistics industry is a critical economic driver that currently faces a significant gap between its extensive normative legal frameworks and consistent empirical field implementation. While Law No. 8 of 1999 on Consumer Protection and sector-specific transport laws provide a strong basis for strict liability and consumer rights, operational issues such as lack of transparency in weight calculations, frequent delivery delays, and administrative incompleteness—specifically missing Company Registration Certificates (TDP)—remain prevalent. Furthermore, the industry’s heavy reliance on standard delivery conditions (SSP) that attempt to limit compensation often creates direct conflict with the broader goals of consumer protection, necessitating a move toward more equitable, transparent, and legally aligned business practices to maintain public trust and sectoral sustainability.

Future Suggestions

To improve the logistics landscape, providers should prioritize enhanced employee training programs that focus on both legal regulations and the technical handling of goods to minimize human error and shipment damage. This operational improvement must be supported by the integration of advanced technology, such as RFID and real-time tracking systems, which increase transparency and provide objective evidence during the claims process. Additionally, consistent investment in infrastructure upgrades, such as modernizing warehouse facilities and specialized storage, is necessary to ensure that goods are handled according to established safety and security standards.

On a macro level, the government should undertake regulatory harmonization to synchronize overlapping laws and provide clearer technical guidelines regarding the liability of third-party transport providers. Implementing policy reforms that gradually relax foreign equity limits and remove mandatory association requirements will foster a more competitive and efficient market. Finally, logistics businesses must strictly adhere to administrative legality and develop more responsive, structured complaint-handling mechanisms to ensure they operate within a framework of legal certainty that protects both the service provider and the consumer

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