

# KEY CHANGES AND NEW REQUIREMENTS ON THE CONDUCT OF TRADING THROUGH ELECTRONIC SYSTEMS UNDER MOT REGULATION 19/2026

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## 01. Introduction

The Minister of Trade of the Republic of Indonesia has issued Minister of Trade Regulation No. 19 of 2026 on the Conduct of Trading through Electronic Systems (“**MOT Regulation 19/2026**”), which came into effect on 8 June 2026. This MOT Regulation 19/2026 updates the regulatory framework governing trading through electronic systems (*perdagangan melalui sistem elektronik* or “**PMSE**”) and revokes and replaces Minister of Trade Regulation No. 31 of 2023, which previously governed PMSE.

MOT Regulation 19/2026 introduces several new provisions that require the attention of businesses engaged in PMSE, including an expanded scope of business models covered by Electronic Commerce Platform Providers (*Penyelenggara Perdagangan Melalui Sistem Elektronik* or “**PPMSE**”), cost transparency and merchant protection obligations, regulations on the use of artificial intelligence, as well as mechanisms for temporary registration and a transition period for merchants to fulfill their business licensing requirements.

## 02. Expanded Scope of PPMSE Business Models

MOT Regulation 19/2026 expands the scope of business models falling within the category of PPMSE by introducing ride hailing and online travel agent as new business models.

Ride hailing refers to a commercial website or application operating in the land transportation sector, which may be equipped with features for trading goods and/or services through electronic systems as an ancillary service within the same ecosystem. Meanwhile, an online travel agent refers to a commercial website or application that offers the sale and/or booking of travel services to consumers, including transportation tickets, accommodation, attractions and/or travel packages.

Accordingly, the PPMSE business models regulated under MOT Regulation 19/2026 now include online retail, marketplaces, online classified advertisement, price comparison platform, daily deals, social commerce, ride hailing and online travel agent.

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## 03. Fee Transparency and Merchant Protection

MOT Regulation 19/2026 strengthens protections for merchants by requiring certain PPMSE to clearly and transparently disclose information regarding fees charged to merchants. This obligation applies to PPMSE operating under the marketplace, online classified advertisements, daily deals, social commerce, ride hailing and online travel agent business models.

Fees charged to merchants must be communicated in clear and easily understandable language and set out in a written agreement and/or electronic contract that can be downloaded by the parties. Any amendments to the agreement, including changes to fees, penalties or other commercial terms, must be notified to the merchant and obtain the merchant's consent through a written agreement and/or electronic contract.

Merchants are also entitled to submit written objections to unilateral changes, the imposition of fees or penalties and/or other matters that were not previously agreed upon. The PPMSE must respond to such objections no later than 14 (fourteen) business days after the objection is submitted. If no response is provided within such period, the merchant's objection will be deemed administratively accepted and may serve as a basis for the trader to pursue dispute resolution.

In addition, certain PPMSE are required to provide easily accessible complaint-handling services for merchants, maintain active communication channels, establish response time standards or service level agreements and retain documentation of complaints and their resolution. As a general principle, disputes between PPMSE and merchants should first be resolved through amicable consultation and consensus.

## 04. Strengthening the Use of Domestic Products

MOT Regulation 19/2026 also strengthens the obligations of PPMSE to support the use and promotion of domestic products (*Produk Dalam Negeri* or "PDN"). In this regard, PPMSE operating under the marketplace, online classified advertisements, daily deals, social commerce, ride hailing and online travel agent business models are required to prioritize PDN in their product search, recommendation and ranking systems.

In addition, MOT Regulation 19/2026 provides for promotional support for micro and small enterprises that hold a Business Identification Number (*Nomor Induk Berusaha* or "NIB") and sell PDN. Such support may take the form of promotional fee discounts, advertising fee discounts and/or other incentives in accordance with the policies of the relevant PPMSE.

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## 05. Use of Artificial Intelligence in PMSE

Furthermore, MOT Regulation 19/2026 specifically regulates the use of artificial intelligence in PMSE activities. Business actors, including PPMSE, merchants, and Trading Facility Providers (*Penyelenggara Sarana Perdagangan* or “PSP”), that use artificial intelligence in conducting PMSE activities are required to comply with the following requirements:

- inform consumers and/or provide labels for goods and/or services that are generated, displayed, recommended or promoted using artificial intelligence;
- ensure that information concerning goods and/or services generated by artificial intelligence is true, clear, accurate and accountable;
- specifically for PPMSE, establish internal governance for the use of artificial intelligence that is proportionate to the extent of its use;
- specifically for PPMSE, establish mechanisms for handling complaints or corrections concerning information, recommendations, promotions or services generated through artificial intelligence; and
- ensure the protection of consumers, business operators, personal data and intellectual property rights in accordance with the prevailing laws and regulations.

## 06. Temporary Registration and Transition Period for Merchants

MOT Regulation 19/2026 also reinforces the obligation of merchants conducting PMSE activities to obtain the appropriate business licenses. In principle, PPMSE are required to reject the registration of domestic merchants that have not fulfilled the applicable business licensing requirements, which at a minimum include NIB in the trade sector and evidence of compliance with applicable standards and/or technical requirements for the goods and/or services being traded.

However, MOT Regulation 19/2026 introduces a temporary registration mechanism for merchants that have not yet fulfilled the applicable business licensing requirements when registering with a PPMSE. In such cases, merchants may be given a label or designation stating “In the Legalization Process” (*Dalam Proses Legalisasi*) and are required to obtain the relevant business licenses within 6 (six) months from the date of registration. If a merchant fails to fulfill this obligation within the 6 (six)-month period, the PPMSE must restrict the merchant’s access by suspending trading transactions.

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Meanwhile, merchants that had been conducting PMSE activities through PPMSE prior to the effective date of MOT Regulation 19/2026 are granted a transition period of up to 18 (eighteen) months to fulfill their business licensing obligations in the trade sector. At a minimum, these obligations include obtaining an NIB in the trade sector and providing evidence of compliance with applicable standards and/or technical requirements for the goods and/or services, in accordance with the applicable laws and regulations.

## 07. Conclusions

MOT Regulation 19/2026 introduces several significant changes to the regulatory framework governing PMSE. Following the entry into force of MOT Regulation 19/2026, business actors conducting PMSE activities, including PPMSE, merchants and PSP, should review and, where necessary, adjust their business models, agreements with business partners, fee imposition mechanisms, artificial intelligence governance, as well as procedures for fulfilling and verifying business licensing requirements to ensure compliance with these new regulatory framework.

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