



## Business Agreements: Enhanced Investor Protection in Enterprises with Generation Z Consumers

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### ABSTRACT

The purpose of this research is to examine the form of legal protection in PT Yotta's Investment Model Business Agreement. The research method used is the normative-empirical method, which combines elements of normative law with empirical data. The results show that legal protection for the parties in PT Yotta's investment business model agreement is provided in preventive and repressive forms. Preventive protection is reflected in the contract provisions that regulate the rights and obligations of the parties, providing a strong foundation for the maintenance of justice and security. In addition, repressive protection is facilitated by the dispute resolution procedures set out in the agreement, which include the stages of deliberation to reach consensus and the arbitration process. Based on this research, the need for special attention to law enforcement in dealing with cases based on Sharia economic law or Islamic law is highlighted. This is due to the dominance of legal sources from the Civil Code in the context of this still developing law. It is therefore necessary to improve the understanding and skills of law enforcement agencies in dealing with cases involving the principles of Sharia economic law or Islamic law. Therefore, legal protection in the investment business model for the needs of Generation Z provides a solid framework for security and justice for all parties involved. By considering the preventive and repressive aspects, this research provides insightful insights into the legal protection of investment business models.

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## 1. Introduction

One thing that is certain is change, as we all know, the social life of society continues to change. Among the changes in society that are most pronounced are lifestyles, especially among young people who are often called generation Z they are born 1997 - 2012, released by the Central Statistics Agency (BPS Indonesia) in 2020 the number of people dominated

by gen z reached around 74.93 million people, or 27.94% of the population.<sup>1</sup> In a study conducted by Shutterstock in 2018, that gen z is a generation that finds it difficult to own a house, this is due to a lifestyle that is synonymous with hanging out together.<sup>2</sup> This habit shows the occurrence of cultural acculturation and assimilation in society.<sup>3</sup> The phenomenon of Generation Z hanging out, in the business aspect, is able to influence the growth in the number of cafes and coffee shops as revealed on the Statista page, that the increase in domestic coffee consumption contributes to the growth of cafes and coffee shops driven and targeting young people. In 2022, cafes and bars in Indonesia recorded a sales value of around US\$1.9 billion or around Rp 30.2 trillion, and is expected to grow to US\$3.8 billion by 2026.<sup>4,5</sup> Then in 2021, based on data released by databooks, there was an increase in the number of cafe businesses in several major cities in Indonesia reaching 10,000 units.<sup>6</sup>

Based on preliminary data from a business point of view, it is certainly a business opportunity for entrepreneurs to target the consumer market. However, a note for entrepreneurs is the high competition, requiring entrepreneurs to be creative in the business, be extra, there must be a plus and uniqueness.<sup>7</sup> In the end, people who have capital choose a form of business by investing their capital in other parties' brands that already have a good image in the eyes of the public.<sup>8</sup> Currently, the system that is popular and tends to be favoured by entrepreneurs in doing business uses an investment system.

In fact, people are faced with two realities, namely there are people who have good financial finances but lack the ability to manage assets, and vice versa there are people who have expertise but are financially unsupportive. Based on these factors, the interest in investing is getting higher.<sup>9</sup> Investment itself provides many benefits, including creating business and employment opportunities, wealth distribution, fund protection, and increasing

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<sup>1</sup> Pierre Rainer. (29 Agustus 2023). "Sensus BPS: Saat ini Indonesia di Dominasi oleh gen Z". Goodstats. Diakses Pada 20 Desember 2023.

<sup>2</sup> Times Indonesia. (2023, 14 Desember). Gen Z sulit miliki rumah?, Siapa yang bertanggung Jawab. Diakses pada tanggal 8 Januari 2024.

<sup>3</sup> Hidayah Fahtoni. (2022). Pemaknaan aktivitas nongkrong di kafe sebagai budaya Milenial (Studi Fenomenologi Terhadap Pengunjung Kafe di Kota Pematangsiar). *Communication & Social Media*, 2(1), hlm. 2.

<sup>4</sup> Yosepha Debrina Ratih Pusparisa, (2023,23 Oktober), Kopi,Nongkrong dan Gairah Industri Gen Z dan Milenial. Kompas.id. diakses pada tanggal 20 Desember 2023

<sup>5</sup> Arfadia Agency, (2020,12 November), Toffin Indonesia Merilis Riset "2020 Brewing in Indonesia". Insight.toffin.id. diakses pada tanggal 20 Desember 2023. n

<sup>6</sup> Monavia Ayu Rizaty, (2021, 5 mei) "10 Provinsi dengan Jumlah Restoran/Rumah Makan Terbanyak Tahun 2019 (Unit)", Databoks, Diakses pada tanggal 10 desember 2023.

<sup>7</sup> Putra, A. H. P. K., Basalamah, J., & Mappatempo, A. (2019, July). Why Millenials Eat Out From Home?. In 1st International Conference on Life, Innovation, Change and Knowledge (ICLICK 2018) (pp. 240-243). Atlantis Press.

<sup>8</sup> Butarbutar, P. (2022). Pengaruh Citra Merek Dan Kepuasan Pelanggan Terhadap Loyalitas Pelanggan Pada Jasa Pembiayaan di PT. Adira Dinamika Multi Finance Cabang Bekasi 4 Harapan Indah (Doctoral Dissertation, Sekolah Tinggi Ilmu Ekonomi Indonesia Jakarta). Hlm. 7

<sup>9</sup> Inayah, I. N. (2020). Prinsip-Prinsip Ekonomi Islam Dalam Investasi Syariah. *Jurnal Ilmu Akuntansi Dan Bisnis Syariah (AKSY)*, 2(2), 88-100. Hlm. 11

asset value. Currently, there are various types of investments, both in the financial and non-financial sectors, that offer potential returns.<sup>10</sup>

The use of the investment system as a method of developing business partnerships has proven to play an important role in the national economy by providing great opportunities for entrepreneurs to manage and improve financially, and has a high success rate.<sup>11</sup> The Ministry of Investment noted that from January-September 2021, the food and beverage sector was among the top five most attractive investments for foreign investors. Investment in the food and beverage sector in that period was recorded at USD 2.08 billion or equivalent to IDR 29.59 trillion. This achievement grew by 75.93 per cent compared to the previous year. The food and beverage industry still records strong attractiveness amidst the dragging investment in the manufacturing sector for at least the past five years. Not only from foreign investors, this industry is also still in demand by domestic investors with an investment value of IDR 20.42 trillion, although it is not included in the top five sectors that attracted the most investment in January-September 2021.<sup>12</sup>

Realising the phenomenon of business using an investment system that has received a good response, of course, it needs to be regulated. Therefore, the Indonesian government then established investment implementation regulations in Law Number 6 of 1968 concerning Investment. Investment as a business system has its own characteristics in economic life.

Along with these developments, the regulation on investment was then updated in Law Number 25 of 2007 concerning Investment in accordance with the consideration that the global economy and Indonesia's participation in various international cooperation need to create a conducive investment climate that provides legal protection and justice.

The presence of investment as a business system has a significant impact on economic life and also raises problems in the legal field because the system is based on an agreement that gives rise to the rights and obligations of the parties so that legal protection is needed which is certainly beneficial for each party. The investment agreement also regulates many elements, such as rights and obligations, as well as dispute resolution in the event of default. Therefore, the existence of competent legal institutions is needed to oversee and regulate business activities in a country, in order to maintain legal certainty and provide protection to all parties involved in this business.

The huge investment opportunity has made entrepreneurs compete to use this system, including on a local scale, one of which is in Makassar City, namely Yotta as a beverage outlet that provides all kinds of contemporary drinks using halal, innovative, healthy, fun and environmentally friendly products at affordable prices. Currently, Yotta operates with more than forty branches spread across South Sulawesi. Based on the data on the rise of this business, it needs to be observed that the investment business cannot be separated from

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<sup>10</sup> Tandelilin, E. (2010). *Portofolio dan Investasi: Teori dan aplikasi*. Kanisius.

<sup>11</sup> Sitompul, H. D., Syaparudin, S., & Suranta, F. A. (2010). Perlindungan Hukum bagi Para Pihak dalam Perjanjian Franchise. *Jurnal Mercatoria*, 3(2), 144-162. Hlm. 24

<sup>12</sup> Agnes Theodora, (2021, 30 Oktober), sektor makanan dan Minuman Makin digandrungi Investor Asing. *Kompas.id*, Diakses pada tanggal 25 februari 2024.

contracts or agreements which of course must comply with article 1313 of the Civil Code. Likewise, in Islam, Allah has also regulated the agreement, that Allah does not like people who break an agreement, as explained in the Qur'an Q.S. An-Nahl verse 91:

وَأَوْفُوا بِعَهْدِ اللَّهِ إِذَا عَاهَدْتُمْ وَلَا تَنْقُضُوا الْأَيْمَانَ بَعْدَ تَوْكِيدِهَا وَقَدْ جَعَلْتُمُ اللَّهَ عَلَيْكُمْ كَفِيلًا إِنَّ اللَّهَ يَعْلَمُ مَا تَفْعَلُونَ  
Translation: *And fulfil your covenant with Allah when you make a promise, and do not break your oaths after confirming them, while you have made Allah your witness. Verily, Allah knows what you do.*

Investment agreements must also comply with and be subject to the conditions for the validity of an agreement, namely Article 1320 of the Civil Code, as well as the principle of freedom of contract stated in Article 1338 of the Civil Code. Indirectly, investment agreements are actually protected by law, but still, there are not a few cases of default in the investment business model that occur in Indonesia. In the business world in general, and in financial institutions in particular, there are many cases of fraudulent investment, even though it is not so obvious that some of them include a sharia label behind it.<sup>13</sup>

In the context of business investment needs of Generation Z, we often witness phenomena that indicate low public awareness of applicable regulations, as well as unfamiliarity with the Indonesian legal system in general. The cases of disputed investment contracts are a clear example of the impact caused by the lack of understanding of the applicable laws in this country. This is a serious problem because it is not only detrimental to investors, but also has the potential to hinder the growth and development of business needs of the rapidly growing Generation Z.<sup>14</sup> The causes of this phenomenon can be traced back to several interrelated factors: low public awareness of the importance of complying with regulations and maintaining integrity in executing investment contracts, and inadequate legal capacity to enter into agreements or contracts. Without adequate understanding, people are vulnerable to manipulation and abuse in business agreements, which can ultimately result in disputes that are detrimental to one or both parties.

Inadequate knowledge of the rights and obligations in investment contracts is a major factor that exacerbates the situation. In addition, the inadequate legal capacity of some people also contributes to the occurrence of disputes in investment contracts.<sup>15</sup> Some parties, especially small and medium enterprises that may not have adequate access to legal consultants or legal advisors, tend to make mistakes in drafting contracts or not pay attention to important details in business agreements.<sup>16</sup> This can be detrimental to them in the future

<sup>13</sup> Sakinah, S. (2014). Investasi dalam Islam. *IQTISHADIA Jurnal Ekonomi & Perbankan Syariah*, 1(2), 248-262

<sup>14</sup> Tito Sofyan. (2019). Analisis Yuridis Sistem Pengawasan terhadap Kejahatan Pasar Modal. *Recital Review*, 1(1), 13-31.

<sup>15</sup> Asriati, A., & Baddu, S. (2021). Investasi Online Reksadana: Aspek Hukum dan Perlindungan Bagi Investor Selaku Konsumen. *Pleno Jure*, 10(1)

<sup>16</sup> Anggraeny, I., Tongat, T., & Rahmadanti, W. D. (2020). Urgensi Pelaksanaan Tahapan Persiapan Penyusunan Kontrak Oleh Pelaku Bisnis Dalam Mengkontruksi Hubungan Bisnis. *Yurispruden: Jurnal Fakultas Hukum Universitas Islam Malang*, 3(1), 1-11.

when disputes or disagreements with other parties occur. This phenomenon illustrates a legal issue that there is a need for preventive action in improving people's understanding of the applicable law, especially in the context of business and investment.

It is indicated that the theory of fairness in contracting actually considers how justice is applied in the law that has been made and agreed by the parties, especially in the context of the distribution of profits and losses in business contracts, since the beginning of one-party experiencing unfamiliarity with laws and regulations can produce injustice in the implementation of the contract.

The inequality of negotiating power between contracting parties leads to an imbalance of power between the party with greater economic resources or knowledge and the weaker party. This often results in disparities in the sharing of gains and losses in contracts, and previous studies have long argued that negotiators with high authority, such as large investors, tend to take more resources when not concerned with fairness.<sup>17</sup> Analyse an investment contract where a large investor or multinational corporation contracts with a local, emerging startup. During the negotiation process, the large investor or multinational company has much greater financial resources, experience, and legal knowledge than the local startup. As a result, they may be able to exploit their stronger position to negotiate more favourable terms for themselves, such as disproportionate profit sharing or clauses that are detrimental to the local startup.<sup>18</sup> The theory of fairness in contracting thus highlights the importance of ensuring that contracts are fair to all parties involved. The principle of fairness requires that the sharing of profits and losses in a contract should be based on a fair consideration of each party's contributions, risks, and needs, so the biggest issue is that when there is an imbalance of negotiating power, this principle of fairness can be threatened,<sup>19</sup> even today, it is still a threat. Based on the background that the author has conveyed, the author is interested in discussing and researching the thesis title 'Legal Protection for Parties in the Investment Business Model Agreement of PT Yotta'. As for the formulation of the problem in this study. First, what is the form of legal protection for the parties in the Yotta business model agreement? Second, how is the dispute resolution in case of default of one of the parties in the Yotta business agreement?

## 2. Legal Material and Methods

Legal research that adopts a normative-empirical method with a normative-empirical research type approach allows researchers to deepen their understanding of the legal aspects relevant to the phenomena observed. This approach combines normative legal elements, which refer to legal principles and regulations contained in primary legal documents, with empirical elements that enrich understanding through data or information obtained from the

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<sup>17</sup> Tripp, T.M. Power and Fairness In Negotiations. *Soc Just Res* **6**, 19–38 (1993).

<sup>18</sup> Faravelli, M., Kirchkamp, O., & Rainer, H. (2013). The effect of power imbalances on incentives to make non-contractible investments. *European Economic Review*, *61*, 169-185.

<sup>19</sup> McCamus, J. D. (2021). The Question Of Fairness In Contract Law. *University of Toronto Law Journal*, *71*(2), 285-300.

real world. In this context, research that takes this approach tends to produce more holistic and comprehensive analyses. The importance of the normative-empirical method in the context of this research is reflected in the need to thoroughly understand the phenomenon of business investment contracts for the needs of Generation Z and related problems, including the lack of public awareness of applicable laws and unfamiliarity with the Indonesian legal system. The research will examine in depth primary legal materials as the normative legal basis for analysis. In addition, the research will also collect empirical data through a literature study, which includes secondary and tertiary legal sources such as literature books, works of legal experts, other research results, and materials from the internet. The literature study method was chosen due to its suitability with the descriptive and qualitative nature of the research. So this method, the research will combine normative legal analysis with empirical data obtained from various sources, thus enabling researchers to produce a more complete and in-depth understanding of the problem under study. Qualitative analysis presented descriptively will assist researchers in describing clearly and in detail the findings resulting from the research.

The adoption of this method provides significant theoretical and practical benefits. Theoretically, this method allows the research to gain a deeper understanding of the legal framework governing the observed phenomenon. By combining normative legal analysis and empirical data, the research was able to generate a more comprehensive understanding of the complexity of the issue under study. For example, by analysing primary legal materials such as regulations in the Civil Code, research can examine the general principles governing business contracts, while by collecting empirical data on concrete cases, research can identify relevant patterns or trends in the practice of business investment contracts for the needs of Generation Z. Practically, it provides a systematic framework for collecting, analysing and interpreting relevant legal data. Therefore, the research results can make a valuable contribution to the development of legal theory and also provide practical guidance for legal practitioners, policy makers, and parties involved in contexts relevant to the research. Through an in-depth understanding of the legal framework governing Generation Z business investment contracts, this research can provide concrete and evidence-based recommendations for the improvement or refinement of regulations, as well as practical guidelines for parties involved in the formation and implementation of such contracts. The normative-empirical method used in this research not only provides a deep theoretical understanding, but also has great practical relevance and benefits in the context of legal development and justice enforcement in business investment contracts for the needs of generation Z, which also has the potential to spark other thoughts in further scientific journals, both as references and efforts to solve actual problems.

### **3. Results and Discussion**

#### **3.1 Application of Legal Protection to Parties in Business Model Agreements**

One of human nature is to have basic rights inherent in him that should not be ignored or deprived by anyone, including the right to life, family rights, self-development rights,

justice rights, freedom rights, communication rights, security rights, and welfare rights.<sup>20</sup> To fulfil and protect these rights in a society that has different interests, steps are needed by forming legal norms. Law functions as a protector and recognition of human rights owned by legal subjects in the state based on a legal provision. Legal protection is present to ensure justice, certainty and expediency for every citizen.<sup>21</sup> Legal protection is very important to know and provide certainty that a person will get his rights and obligations. With adequate legal protection, there will be a sense of security and trust for the parties to an agreement.<sup>22</sup>

The function of cooperation agreements in business is very important as a guarantee that all rights and obligations of the parties must be carried out and fulfilled. The goal to be achieved in an agreement is the content of the agreement itself, and in determining the content of the contract, while maintaining freedom of contract as its foundation, it must not be contradicted by law. This is included in Yotta's business model agreement, to provide protection for the parties Yotta chooses to use a *mudharabah* contract system or a profit-sharing system.

*Mudharabah* is a form of cooperation between two or more parties where the owner of the capital (*Shahibul Maal*) entrusts a certain amount of capital to the manager (*mudharib*) with an agreement on profit sharing. This form confirms the co-operation with 100% capital contribution of *shahibul maal* and expertise of *mudharib*. *Mudharabah* is not only used in transactions in Islamic banking, but has also begun to be used among the community. One form of implementation of this *mudharabah* contract is used by yotta as a contract in a business cooperation agreement.<sup>23</sup> This is in accordance with the contract stated in the yotta business contract, where investors or capital providers are passive, and only receive sales reports and profit sharing every 3 months.<sup>24</sup>

In relation to legal protection for parties using the *mudharabah* business model refers to several laws and regulations. In the context of Indonesian law, there are several legal products related to *mudharabah* as a form of cooperation, both in the form of legal regulations and *fatwas* of the National Sharia Council of the Indonesian Ulema Council (DSN-MUI). The first law that mentions the term *mudharabah* is Law Number 10 of 1998, *mudharabah* as a form of profit-sharing financing.<sup>25</sup> In addition, *mudharabah* is also mentioned in Law Number 19 of 2008 concerning state *sharia* securities, in Article 1

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<sup>20</sup> Ambar Budhisulistiyawati. (2020). Perlindungan Hukum bagi Para Pihak Dalam Perjanjian Beli Tanah Letter C di Bawah Tangan, hlm. 145.

<sup>21</sup> Gumelar, I., & Nachrawi, G. (2022). Perlindungan Hukum Bagi Anggota Tni Berdasarkan Undang-Undang Hak Asasi Manusia (Studi Kasus Gerakan Separatis Organisasi Papua Merdeka). *JISIP (Jurnal Ilmu Sosial dan Pendidikan)*, 6(2).

<sup>22</sup> Aidi, Z., & Farida, H. (2019). Perlindungan Hukum Para Pihak Dalam Perjanjian Waralaba Makanan. *JCH (Jurnal Cendekia Hukum)*, 4(2), 207-230., hlm. 210.

<sup>23</sup> Juwita, M. (2021). Penerapan Akad Mudharabah antara Nelayan dan pemilik bagang di desa Bojo di tinjau dari perspektif imam Syafi'i (Doctoral dissertation, IAIN Parepare).

<sup>24</sup> Adryan Yudhistira Purwanto. CEO Yotta. Wawancara. Makassar, 2 Februari 2024.

<sup>25</sup> Khairan, K. (2018). Strategi Membangun Jaringan Kerjasama Bisnis Berbasis Syariah. *Tribakti: Jurnal Pemikiran Keislaman*, 29(2), 265-288.

paragraph (7) it is stated that *mudharabah* is a cooperation contract between two or more parties, namely one party as a provider of capital and the other party as a provider of expertise, the profit from the cooperation will be divided based on a previously agreed ratio.<sup>26</sup>

Another legal product that discusses *mudharabah* is the *fatwa* of DSN MUI, namely *Fatwa* DSN-07-DSNMUI/IV/2000 dated 4 April 2000, concerning *mudharabah* (*qiradh*) financing. In the *fatwa*, it is stated that one of the pillars and conditions of *mudharabah* is that the statement of *ijab* and *qabul* must be stated by the parties to show their will in entering into a contract, further discussing legal protection, legal protection that can be done to the parties, namely the subject actors of *shabibul mal* or capital provider, and *mudharib* (capital recipient), namely preventive and repressive legal protection. Preventive legal protection has been accommodated in the contract agreed by the parties, namely by regulating the obligations of the parties. The existence of articles in the agreement that regulate the rights and obligations of each party shows that the agreement provides legal protection for the *shabibul mal* (capital provider) and *mudharib* (capital recipient). The purpose of including the obligations of the parties in the agreed contract is to create an understanding between the parties regarding the rights and obligations of each party in the contract. This is expected to minimise the occurrence of violations of the contents of the contract or defaults based on ignorance or lack of understanding between the parties of their obligations.

### 3.2 Dispute Resolution in the Event of Default by One of the Parties in the Yotta Business Model

Social life does not always go as expected, one side of social life that has the potential to not go as expected is in business. So that in running a business it is necessary to consider the impact and efforts needed, if these conditions occur, including in the business model run by Yotta, then the importance of dispute resolution in a business context, especially when using a sharia business model such as a *mudharabah* contract. This shows awareness of the risks that may arise in business and the need to be prepared to overcome these problems, as well as its relevance in providing insight into the role of Islamic law in dispute resolution, especially in the context of Islamic economics. In resolving disputes, we will gain experience about the importance of understanding the principles of Islamic law in running a business, especially for companies operating within the scope of Islamic economics.

Referring to the agreement, there are two things that cause the non-performance of an agreement, namely: default or breach of promise and overmacht. Default is the non-performance of an agreement due to the fault or negligence or breach of promise of the parties.<sup>27</sup> As stated in Article 1338 Indonesia Civil Code that all contracts made according to the law are binding for those who make them. The agreement can only be cancelled with

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<sup>26</sup> UU Nomor 19 tahun 2008 tentang surat Berharga Syariah negara.

<sup>27</sup> M. Sahidul Haq, (2021). Pelaksanaan Perjanjian Bagi Hasil Perikanan Antara Pemilik Kapal dan Nelayan. *Jurnal Ilmiah, Universitas Mataram*, hlm.7.



the consent of both parties or for reasons determined by law. Based on its definition, default can be interpreted as the non-fulfilment of obligations due to the intent or negligence of the debtor. Default is regulated in Article 1238 of the Civil Code, which reads, ‘*The debtor is declared negligent by warrant, or the power of the obligation itself, namely if this obligation causes the debtor to be considered negligent with the passage of time specified.*’<sup>28</sup>

To further clarify the discussion on dispute resolution, here are some dispute resolutions that can be done in the event of default, where the description of several types of dispute resolution that can be done, both in the context of Islamic law and Indonesian positive law. This provides a broader understanding of the options available in resolving business disputes:

## 1. Dispute resolution in Islamic law

### a. *As-shulhu*

A type of contract or agreement to end resistance or dispute between two opposing people. In this peace, there are two parties, between which there is a dispute, and then they agree to partially release each other from their demands, this is intended so that the dispute between them can end.

### b. Deliberation

Islam encourages deliberation and makes it a commendable thing. Attributed to the form of dispute resolution in general, deliberation can be categorised as a form of negotiation. Negotiation is a dispute resolution strategy, where the parties agree to resolve their issues through a process of deliberation or negotiation without involving a third party.<sup>29</sup>

## 2. Alternative Dispute Resolution in Indonesia

### a. Non-litigation settlement

#### 1) Negotiation

To reach an agreement when the parties have similar or different interests, negotiation is a two-way communication process. Or a process where each party negotiates to reach an agreement.<sup>30</sup>

#### 2) Arbitrase

According to Law Number 30 Year 1999, arbitration is a method of dispute resolution outside the public courts based on a written arbitration agreement between the parties to the dispute.<sup>31</sup> This suggests that an arbitration agreement can be an agreement that includes an arbitration clause in a written agreement made by the parties before the dispute arises, or an arbitration agreement itself made by the

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<sup>28</sup> Paendong, K. (2022). Kajian Yuridis Wanprestasi Dalam Perikatan Dan Perjanjian Ditinjau Dari Hukum Perdata. *LEX PRIVATUM*, 10(3).

<sup>29</sup> Knowlwdge is Free.blogspot.co.id Alternatif penyelesaian sengketa dalam Islam. Diakses pada tanggal 28 februari 2024.

<sup>30</sup> FITRI, I. Y. (2017). Wanprestasi dan Penyelesaiannya pada Perjanjian Bagi Hasil di Nagari Padang Ganting Kabupaten Tanah Datar.

<sup>31</sup> Pasal 1 angka (1) Undang-Undang Nomor 30 Tahun 1999 tentang Arbitrase dan Alternatif Penyelesaian Sengketa.

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parties after the dispute arises.<sup>32</sup> Therefore, the importance of preventive measures in preventing disputes, such as by drafting clear and detailed agreements. In addition, it also explains the repressive measures that can be taken in the event of a breach of the agreement, such as arbitration proceedings or *sharia* courts.

### 3) Consultation

Consultation as a personal action between a party with a certain party and another party who is a consultant, where the consultant provides his opinion to the client according to his needs.<sup>33</sup>

A consultant must ensure that his client has considered what he wants to achieve in the dispute, the short and/or long term consequences and of the legal process in relation to their business, including the good relations between the parties that have been built before.<sup>34</sup> Understanding and applying these principles to their business, companies can minimise the risk of disputes and increase customer and investor confidence. In addition, a better understanding of dispute resolution can also assist companies in maintaining their reputation and creating a stable and sustainable business environment.

### 4) Meditation

The way of resolving disputes through a negotiation process to obtain agreement between the parties with the assistance of a mediator. mediation has a crucial role and provides a number of significant benefits for the parties involved. As a dispute resolution process involving a neutral intermediary, the mediator, mediation allows for open and constructive communication between the parties. The mediator helps identify the core issues of the dispute and encourages the creation of adequate joint solutions. The main advantages of mediation include time efficiency and lower costs compared to litigation or arbitration. The mediation process avoids the expensive and time-consuming costs associated with court proceedings, allowing the parties to conserve resources and focus on more productive business activities. Mediation also plays a role in maintaining good business relationships between the parties, so through facilitating open dialogue and mutual understanding, the mediator helps to maintain or repair relationships that may have been damaged by the dispute. In addition, mediation also provides legal certainty for the parties by creating a formal agreement that can serve as the basis for a written agreement. Although mediation is voluntary and not legally binding, the agreements reached through mediation provide a clear and structured framework for dispute resolution. As such, many companies and individuals choose to utilise it as an effective tool

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<sup>32</sup> Pasal 1 angka (3) Undang-Undang Nomor 30 tahun 1999 tentang Arbitrase dan Alternatif Penyelesaian Sengketa.

<sup>33</sup> Frans Hendra Winarta, *Hukum Penyelesaian Sengketa Arbitrase Nasional Indonesia dan Internasional*, (Jakarta: Sinar Grafika, 2011). Hlm.7

<sup>34</sup> Humprey R. Djemat, *Advokat dan Peranannya dalam menyelesaikan sengketa Melalui ADR*, (Jakarta: Badan Arbitrase Nasional Indonesia, 2009). Hlm.6

in resolving business disputes, as its collaborative and flexible approach makes mediation an efficient and dignified solution to resolving disputes in a way that benefits all parties involved.

5) Conciliation

The mediator will act as a conciliator with the agreement of the parties by seeking an acceptable solution.<sup>35</sup> PT Yotta's dispute resolution efforts in the business agreement to fulfil the needs of generation Z, conciliation is an appropriate approach. Conciliation, as an alternative form of dispute resolution, facilitates open dialogue between the parties under the guidance of a neutral conciliator. This process reflects the values of inclusion, participation, and co-operation that Generation Z values. By taking into account aspects of law and justice, conciliation allows the parties to reach a fair and dignified agreement without having to engage in costly and lengthy litigation processes. In addition, conciliation allows for the maintenance of good relationships between the parties, in accordance with the needs of generation Z who tend to value co-operation and positive relationships. Thus, conciliation provides a solution that suits the needs of generation Z while fulfilling the principles of law and justice.

b. Litigation Settlement

The last alternative for the settlement of sharia economic disputes is through the litigation process in the judicial institution. Through the ratification of the latest legal rules on Religious Courts in Indonesia, the authority to handle problems or disputes relating to Islamic economics has become the authority to handle problems or disputes relating to Islamic economics has become the absolute authority of religious courts. The sharia economic dispute lawsuit is submitted in writing signed by the plaintiff or his legal representative and addressed to the chairman of the religious court. The settlement of cases based on Islamic principles needs to be a concern for judges, because as is known and possible Some material and formal laws originating from the Indonesian Civil Code.<sup>36</sup>

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Yotta's business co-operation is run with a sharia investment model based on a mudharabah or profit-sharing contract system. In the contract, the parties agree on the procedure for dispute resolution in the event of default. It is important to determine the procedure for dispute resolution in an agreement, so that in the event of a default, it reduces

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<sup>35</sup> Ibid

<sup>36</sup> FITRI, I. Y. (2017). Wanprestasi dan Penyelesaiannya pada Perjanjian Bagi Hasil di Nagari Padang Ganting Kabupaten Tanah Datar.

<sup>37</sup> Hidayah Fitri, Pokok -ppokok Hukum Acara Peradilan Agama, (Batusangkar:STAIN Batusangkar PRESS, 2013). Hlm.119.

the risk and overcomes problems that arise when one party does not fulfil the achievements that have been set at the beginning of the agreement.<sup>38</sup> Dispute settlement in a mudharabah contract between the capital owner and the capital manager can be resolved by peace and or court. This is adjusted to the settlement of sharia economic disputes based on Islamic law.<sup>39</sup> In accordance with Article 49 of Law Number 3 of 2006 that the Religious Courts have the duty and authority to examine, decide, and resolve cases at the first level between people who are Muslim in the fields of: (a) marriage; (b) inheritance; (c) wills; (d) grants; (e) waqf, (f) zakat; (g) Infaq; (h) Shadaqah; and (i) sharia economy.<sup>40</sup>

The content of the Yotta cooperation agreement that uses a mudharabah contract has an article regarding dispute resolution that has been mutually agreed upon by the parties. This is confirmed by Yotta's CEO, that in the implementation of Yotta's business model, if a problem occurs, the agreement has stipulated a problem-solving process that is included in the contract that has been mutually agreed upon.<sup>41</sup> So far, there has never been a dispute between the giver and receiver of Yotta's capital. However, if in the implementation of the Yotta contract there is a problem, the parties agree to resolve it by deliberation for consensus subject to the provisions of *Sharia*. If there is no consensus, then the parties agree to appoint a competent third party as a case breaker or arbitration. Then if there is no agreement within 90 days, the parties agree to settle at the Sharia Court where the contract was signed.<sup>42</sup>

#### 4. Conclusion

Legal protection in the Yotta business model that adopts mudharabah investment, there are preventive and repressive approaches to ensure security and justice for the parties involved. Preventive protection is realised through the clear delineation of rights and obligations in the business contract between the capital provider (*Shahibul maal*) and the capital recipient (*mudharib*). This ensures that each party's actions and responsibilities are set out in a transparent and accountable manner. Furthermore, repressive protection is also guaranteed through the provisions in the agreed contract. In the context of dispute resolution, there are mechanisms that have been regulated in detail, ranging from consensus deliberation in accordance with sharia principles to settlement through arbitration or sharia courts in more complex cases. Thus, the parties have a guarantee that in the event of default, appropriate and fair legal action will be applied. The optimal legal protection for each party in the implementation of Yotta business cooperation requires a deep understanding of the agreed rights and obligations. Although the Yotta business contract has fulfilled the standards of preventive and repressive legal protection, it is important for the parties to pay close attention

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<sup>38</sup> Jimmy Joses S, (2011), Cara Menyelesaikan Sengketa di Luar Pengadilan. Jakarta.visimedia. hlm.5

<sup>39</sup> Ahmad mujahidin, (2010), Prosedur Penyelesaian Sengketa Ekonomi Syariah di Indonesia, Ghalia Indonesia, Jakarta, hlm.233.

<sup>40</sup> Inayah, I. N. (2020). Prinsip-Prinsip Ekonomi Islam Dalam Investasi Syariah. *Jurnal Ilmu Akuntansi Dan Bisnis Syariah (AKSY)*, 2(2), 88-100.

<sup>41</sup> Adryan Yudhistira Purwanto. CEO Yotta. Wawancara. Makassar, 2 Februari 2024.

<sup>42</sup> Adryan Yudhistira Purwanto. CEO Yotta. Wawancara. Makassar, 2 Februari 2024.

and understand the contents of the contract. This will minimise the risk of default or violation of the agreement that can disrupt business continuity. Furthermore, in handling cases involving sharia economic law or Islamic law, law enforcers need to pay close attention to the sources of applicable law. Although most legal sources still rely on the Civil Code, recognition of the principles of *sharia* economic law is growing. Therefore, law enforcers must ensure that the handling of the case still follows the provisions in accordance with the established principles of sharia economic law. Legal protection in the Yotta business model offers a holistic approach that includes preventive and repressive aspects to ensure safety and justice for all parties involved. Through a deep understanding of the contents of the business contract and proper law enforcement, business cooperation in the *mudharabah* investment model can run smoothly and strengthen trust between the parties.

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