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Personal Data Protection Regulations to Support Investment in Indonesia

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ABSTRACT

Indonesia is a country that can be categorized as a big country when viewed from the aspect of population. The total population of Indonesia in 2019 is around 269 million, making Indonesia the fourth most populous country in the world. Indonesia is also the third largest owner of online transactions in Asia and one of the countries with the largest internet access in the world. However, Indonesia is one of the countries that does not have regulations that protect the personal data of its people even though with a very large number of people and potential, Indonesia should be able to reflect from Singapore, Malaysia, Thailand and even Laos. The importance of this regulation is because people are now in the era of Big Data. The research method used in this study is a descriptive qualitative research method with data and observations, with literacy studies as an addition. This research expects the government's ability to manage policies to protect the personal data of the Indonesian people so that there is no misuse of public data by irresponsible individuals.

1. Introduction

In the last few years, the right to privacy protection has become a topic that has begun to be discussed in depth among academics, the government, and also human rights activists. Discussions on the right to privacy protection surfaced with the widespread use of information technology and also demands disclosure of information and data, especially those involving information and data held by government agencies. The use of massive information technology, especially in government institutions, requires major changes related to the law regarding the protection of privacy because technological changes have improved the ways and methods for the collection, dissemination and use of personal information. In the Indonesian context, privacy protection has actually been known

for a long time. At least the Criminal Code contains several articles related to criminal acts such as privacy for opening documents also prohibitions on entering land / private property (Indonesian Code of Civil Law, 1947), and other criminal offenses related to office crimes (Indonesian Criminal Code Law, 1947). Even though it has existed for a long time, the protection of the right to privacy has not been a part of the protection provided by the Constitution. Only on August 18, 2000, protection of the right to privacy became part of the protection of the constitution (Indonesian Code of Civil Law, 1947).

Indonesia is quite left behind in the discourse on the protection of the right to privacy, especially if it looks at the legislative framework of protecting the



right to privacy, both in terms of time and variations in its protection. Privacy protection coverage is certainly not only related to personal data, but also other aspects of personal life. Abdullah (2015) simply defines the right to privacy as "claims from individuals, groups, or institutions to determine for themselves when, how and to what extent information about them is communicated to others". The breadth of privacy coverage usually makes many settings regarding privacy in a country, both in type and level. (Indonesian Criminal Code Law, 1947)

At this time with the digital revolution has created a new innovation in the capacity to obtain, store, manipulate and transmit data volumes in real time, wide and complex. Therefore the digital revolution is often considered synonymous with the data revolution. These developments have encouraged the collection of various data, no longer dependent on the consideration of what data might be useful in the future. However, as almost all data is collected, the government and the private sector compete to expand their data storage capacity, and they rarely erase data. They find new values in the data, so the data is treated like tangible assets. This new era of data management is commonly referred to as Big Data (Indonesian Criminal Code Law, 1947). Changes in this style of data processing are also often referred to as the core of the Fourth Industrial Revolution. A digital revolution characterized by a blend of technology that blurs the lines between the physical, digital and biological fields. The Fourth Industrial Revolution is often described as the emergence of "cyber-physical systems", which involve entirely new capabilities for humans and machines, especially in terms of system speed, coverage, and impact. This development has enabled the birth of various technological breakthroughs that have emerged in fields such as artificial intelligence, robotics, the Internet of Things, automatic vehicles, 3-D printing, nanotechnology, biotechnology, energy storage, and quantum computing. (Asikin, 2004; Babak, 2015)

Big Data in general is often regarded as the substance of technological innovation. This means that this concept is limited to the attributes or elements, which consist of newly discovered data and super-sophisticated computing power. Indeed, the concept of Big Data itself does not come with a standard definition, which is agreed by all experts. However, it is generally agreed that Big Data is different from traditional business analysis and even small-scale data. As a result, there is often confusion and misunderstanding in understanding Big Data, as a result of the breadth of its definition. Even at some point these definitions contradict each other. According to Babak (2015), Big Data is the result of the development and convergence of various technological advances. Big Data is commonly used to explain the application of analytical techniques to search, collect and cross-reference large collections of data to develop intelligence and insight systems. This large amount of data collection can be obtained from public sources, as well as specific corporate customer data sets. (Bintoro, 2010; Haning, 2015). Big Data gradually includes not only general data, but also includes information collected by the private sector. That factor then underlies the birth of the Big Data definition as the emergence of new data sets with large volumes that change rapidly, are very complex, and go beyond the range of the ability to analyze the hardware and software environment commonly used for data processing. In short, the volume of data becomes too large to be handled with conventional tools and methods. (Iqbal, 2012) From this we can conclude that the protection of personal data is the right of every human being and is the individual right of every person where with the fourth industrial revolution that makes access to data processing easy and can be utilized as another dangerous thing. however, it seems that the Indonesian government is not ready and not responsive about the protection of this personal data. (Klaus, 2017; Malik, 2013)

With the access of personal data in the form of KTP



by the Ministry of Home Affairs to the Private Parties in this case PT. Astra Finance. Minister of Home Affairs Tjahjo Kumolo explained related the provision of personal data to private companies. He gave permission for cooperation in the field of population data to ensure that consumers do not commit fraud on services issued by a company. "to make sure, there is no fraud. There must be no abuse," said Tjahjo. Explanation Tjahjo responded to the collaboration between the Directorate General of Population and Civil Registration (Dukcapil) of the Ministry of Home Affairs and one of the private finance companies related to the permission to provide data on the Indonesian population contained in electronic KTP (e-KTP). Tjahjo said the cooperation in providing population data was not only given specifically to companies engaged in the field of private financing. He detailed the majority of banking companies to insurance companies, both government and private, that have signed cooperation with Dukcapil to utilize these services. (Mertokusumo, 1993)

What is done by the Ministry of Home Affairs violates the regulations on protecting personal data in Indonesia and the rights of the owners of the data. Until now, Indonesia does not have a specific law governing and guaranteeing privacy data protection, whether managed by the government or the private sector. However, Indonesia has regulations regarding Personal Data in general. The government itself accommodates it in article 26 of the ITE Law which reads: (1) The use of any information through electronic media that involves a person's personal data must be done with the approval of the person concerned, 2) Any person whose rights have been violated as referred to in paragraph, 1) may file a claim for damages incurred under this Law.

Personal data mentioned in this article are personal data that are in article 84 of Law No. 24 of 2013 concerning Population Administration, namely: 1) Population Personal Data that must be protected contains: 1) Information on physical and / or mental

disabilities; 2) Fingerprint; 3) Eye iris; 3) Signature; and 4) Other data elements that are a person's disgrace. (2) Further provisions regarding other data elements which constitute a person's disgrace as referred to in paragraph (1) letter e shall be regulated in a Government Regulation.

The data that is supposed to be safeguarded by the Indonesian government at this time should not only give the data to the private sector, especially without the community's approval as the owner of the data. In this case, the government has violated the right to control our personal data globally. We have control over the privacy of our personal data. That has been guaranteed in the Universal Declaration on Human Rights 1948 article 12 and the 1966 International Convention on Civil and Political Rights (ICCPR) Article 17, Indonesia has ratified both. Indirectly the right to use the data is the right of the owner of the data. The granting of access to thousands of government institutions, including the private sector to electronic KTPs, has not met the principle of agreement from the data holders. Providing access to population data to thousands of institutions including the private sector, is evidence of overlapping regulations regarding the protection of personal data in Indonesia. The Institute for Policy Research and Advocacy (ELSAM) records at least 32 rules governing personal data, but each has a different understanding. (Indonesian Criminal Code Law, 1947)

This makes the protection of personal data in Indonesia 'weak'. In addition to the non-transparent MoU between the Director-General of Dukcapil and the private sector, the granting of access to electronic KTP, NIK, and KK numbers to third parties is not quite right. This data is actually collected and managed by the government so that people can easily access public services such as health, education, and others. Even if it involves the private sector, it is necessary to build a very limited validation system. For example, when a company wants to confirm the truth of personal data from prospective clients to Dukcapil, the answer that



appears is enough: yes or no. By observing these various realities, the author sees that the need for regulations governing the Protection of Personal Data and the awareness of the government regarding the use or provision of personal data of the public to other parties. For this reason, in this paper, the author determines the object of this study is the government's action in providing private data to the private sector. The analysis is focused on confronting government cooperation with threats that will be faced by the community in the presence of these actions. This analysis is expected to produce input to the government on the protection of personal data.

Effect of the internet on the Indonesian economy

The Indonesian government in this era has a big vision in the digital economy sector. The government targets Indonesia to become the largest digital economic power in ASEAN by 2020, with a projected value of e-commerce transactions reaching 130 million US Dollars in 2020. Data from the Indonesian Internet Service Providers Association (APJII) and We Are Social mentions that Indonesian internet users are in the range of 52%, and most of them access the internet mobile for 4 hours per day. Furthermore, there are currently 370 million active SIM cards in Indonesia, far larger than Indonesia's population which has nearly reached 270 million inhabitants. However, the telecommunications infrastructure in Indonesia has not been fully developed. Massive infrastructure development is only seen in Java and Sumatra, while in eastern Indonesia telecommunications infrastructure is still far from adequate. Discussing clearly, discussing digital is very real happening in Indonesia. APJII notes that 70 million Indonesian internet users are centered on the islands of Java, Sumatra and Bali. While the total of all internet users in Nusa Tenggara, Maluku, and Papua only amount to 5.9 million. This fact is also evident from Indonesia's position in a number of indexes issued by various institutions, such as the Networked Readiness Index

(NRI) and the GSMA Mobile Connectivity Index. Indonesia's position is still far behind when compared to ASEAN countries such as Malaysia and Thailand. Related to infrastructure development that has not been evenly distributed, the digital economy industry in Indonesia is arguably very stretched. Data from the website startupranking.com is currently 1463 new companies in Indonesia. This figure replaces Indonesia as the country with the largest number of initials in the world, only losing to the United States and India.

A report from Oxford Economics (2016) states that the existence of Information and Communication Technology (ICT) contributes significantly to the Gross Domestic Product (GDP) and the number of jobs in Indonesia. In particular, every 1 percent increase in mobile penetration is projected to contribute an additional 640 million US Dollars to Indonesia's GDP and open 10,700 new jobs in 2020. The contribution of the ICT sector is increasingly significant to Indonesia's GDP, given the ICT sector contributes 7.2 percent of Indonesia's total GDP. Although this figure is still far compared to other sectors, the ICT sector experienced a growth of around 10 percent, which is the biggest growth compared to other sectors. This growth was also far greater than the average national GDP growth of only 5 percent. So it is not surprising that the Indonesian government pays great attention to the digital economy sector.

The Fintech industry is also one of the prima donnas that are growing rapidly in Indonesia. A report from DailySocial notes that in the last two years the growth of fintech start-ups has reached 78%, and most of the focus is on the payment sector. This is reasonable given the fact that currently, only 36% of adults in Indonesia have a bank account. In fact, financial technology is an important enabler for the success of the digital economy. In addition, the impact of fintech itself is felt in terms of promoting financial services that are inclusive. E-commerce is also an industry that has experienced significant growth in Indonesia. This is based on the fact that 8 million



Indonesian people have shopped online and is predicted to continue to increase. Consumptive and digital behavior of the people of Indonesia, coupled with increasing market reach is a major driver. This trend also makes many players who have been selling offline also open online stores. Even so, the e-commerce sector in Indonesia only contributed 0.8% of total retail sales, far below China (11%) and the United States (8%). To that end, according to the vision of the digital economy of 2020 that was launched by the Government of Indonesia, Indonesia issued a number of policies to support the e-commerce ecosystem in Indonesia, such as the Economic Policy Package 14 on e-commerce roadmaps, 1 million free domain names, digitalization of 50 million SMEs, and 1000 digital start-up movements. With the rapid development of digital technology, Indonesia has placed it as a part of the world information society, thus requiring the establishment of regulations on Personal Data Protection at the national level so that Information Technology Protection can be carried out optimally, equitably, and spread to all walks of life to educate the life of the nation. Moreover, Indonesia already has a Palapa Ring project that will connect all of Indonesia to the Internet.

Start-up companies in Indonesia with their problems in Indonesia

Initially, the word startup is used to describe startups that are usually engaged in applications and technology. The company referred to as a startup is a company that is predicted to become a large technology company in Silicon Valley. A startup is an entrepreneurial venture that is usually a fast-growing and rapidly growing new business that aims to meet market needs by developing viable business models around innovative products, services, processes or platforms. Startups are usually companies that are designed to effectively develop and validate scalable business models. The essence of startups is generally related to the concepts of ambition, innovation,

scalability, and growth. Usually, startups offer products/services that are currently not yet offered or are too well known in the market. At the beginning of the formation of a startup, expenses are usually greater than income. Most startup companies are usually sponsored by other people, other companies, or bank loan money.

One thing that can be called the most important attribute in a startup is its ability to grow. Paul Graham, a venture capitalist, and startup accelerator, explains that a startup's focus is business growth. According to Paul Graham, a startup is a company that is designed to be measured quickly. Focusing on growth, a startup is expected to grow regardless of geographical location. This also distinguishes startups from small businesses. There are several important differences between these two types of business. When we hear the word startup, the first thing that usually arises is Silicon Valley technology companies that lead innovation. When we think of small businesses, maybe the first thing that comes to mind is the small shops in the city that are run by a family. Here's how to distinguish between startups and Small and medium enterprises (SMEs):

Business funding

Both types of businesses can be distinguished by how they are financed. A startup is usually a company that is supported by funds from investors. Getting funding for a startup is not easy because of the high competition in the world of venture capital. You need to make a pitch that can attract the attention of venture capital companies. Clear growth metrics are a big part of securing funds for startups. Meanwhile, SMEs get their funds differently than startups. Instead of switching to venture capital companies, SMEs rely on loans from banks, friends and family to fund their business in the field. Because small businesses usually do not need to plan for improvements, in the same way, additional rounds of funds (series A, series B, etc.) are not needed.



Business growth

The growth of startup businesses and SMEs is also one of the differences between these two types of businesses. As mentioned above, growth is one of the characteristics of startups. Startups are designed to experience rapid growth. Unlike SMEs that normally do not participate in additional rounds of funds or investment, startups must get investors and funding for each stage of growth they want to achieve. Most startups start serving only a small portion of the new market then grow their business along the way. Meanwhile, SMEs also focus on growth but not to the point of startup. SMEs are built on the principle to generate as much income as possible from the start while maintaining the lowest possible expenditure. Unlike startups who often issue products or services incrementally along the way, SMEs may start offering their entire service or product menu from scratch. Traditional business models encourage small businesses, while models that focus on growth encourage startups.

Business risk

Of course, there are no businesses that don't have risks. Likewise with startups and SMEs. However, both have different risks. Startups usually start with the desire of the founder to find a service, product, or platform that can attract the audience and make a profit. Building a product or service from scratch requires time, a large investment, and a lot of focus and concentration. Sometimes, even after all that input, everything doesn't go smoothly. That's why startups are far riskier than SMEs in the long run. SMEs also have risks but what makes their businesses have less risk than startups is that the founders of an SME usually have a business model that has been proven to work. In addition, because small businesses do not focus on growth, they do not have the risk of growing too fast. There is term unicorn in the startup world is a startup company that has a value of more than US \$ 1 billion. This term was first used by

venture capitalists, Aileen Lee, in which he chose this one-horned horse to represent the scarcity of statistics from startup ventures. Decacorn is a term used to refer to startup companies that have a value of more than US \$ 10 billion. In addition, hectocorn is a startup company that has a value of more than US \$ 100 billion. According to TechCrunch, there are currently 267 startup companies that can be considered unicorns.

In this digital era, all customer or market needs are related to e-commerce activities. The 2016 Economic Census data obtained from the Central Statistics Agency stated that in the last ten years the e-commerce industry in Indonesia grew by around 17% with a total of 26.2 million business units. McKinsey in his report entitled "Unlocking Indonesia's Digital Opportunity" also estimates, the transition to the digital realm will increase economic growth in Indonesia to the US \$ 150 billion in 2025. The report also states that 73% of internet users in Indonesia access the internet through smartphones and numbers is expected to continue to grow in the next five years. The massive use of smart cell phones will also be one of the factors supporting the growth of the e-commerce industry in Indonesia. This is why many startups are created and developed in Indonesia, especially those based on technology or in the digital sphere. Based on the news reported by Liputan6, the Minister of Communication and Information at that time Rudiantara targeted Indonesia to have as many as five Unicorn startups in 2019. This was conveyed by Rudiantara at a Japan-Indonesia Innovation Meet Up Event press conference in Jakarta last September. The government is rumored to want to help the development of startups in Indonesia by inviting many investors. Here are some examples of startups that have been successful in Indonesia:

Traveloka

Traveloka is a startup that was touted as a unicorn in Indonesia. Ferry Unardi, the founder is an MBA



graduate from Harvard Business School. After graduating he had an idea about making a flight ticket booking application which was finally realized in 2012 in Indonesia. He later managed to receive funding from East Ventures and continued to develop the business until less than a year he took back the round of series A in September 2013 from Global Founders Capital. Then, in December of the same year Ferry Unardi reported that Traveloka successfully processed two million flight ticket searches.

Tokopedia

Tokopedia was founded by William Tanuwijaya with Leontinus Alpha Edison in 2009. This online shopping application and website can be said to be a huge success so far because of the huge funding from various large investors. In fact, it was mentioned as a startup with the biggest funding record in the history of technology startups in Indonesia. Actually, before it was actually established in 2009, from the previous two years, William Tanuwijaya had booted his business first. Then, in March 2010, Tokopedia managed to get a round of series A from East Ventures, followed by a series B investment of US \$ 700,000 from CyberAgent Ventures in April 2011. One year later, Tokopedia received another fund from another investor, Netprice (the name is now Beenos) which helped Tokopedia to facilitate 13.4 million sales in a 12-month period. Do not stop there, in June 2013, there were other investors who were also interested and funded until October 2016 SoftBank and Sequoia Capital provided the US \$ 100 million.

Go-Jek

Go-Jek was conceived by Nadiem Makarim in 2010. GoJek is an online application that allows users to order transportation services. Now the Go-Jek App has provided various other services. These services such as food delivery services, goods delivery, credit purchases, ticket purchases, and many others. Until

August 2016, Go-Jek has managed to raise US \$ 550 million until finally this startup officially becomes a unicorn valued at US \$ 1.3 billion. Go-Jek only takes 1.5 years from launching the application to getting the Unicorn title. For the first few years, Go-Jek did not attract investors, but its fate was good after launching the application in 2015. Since then, Go-Jek drivers have been everywhere with their green jackets and helmets, in all major cities in Indonesia.

Bukalapak

Bukalapak is a startup online competitor, especially Tokopedia similar app shop. Indeed Bukalapak does not have funds as large as Tokopedia, but the funding obtained tends to be consistent with consistent sales results. Several investors, including investors from Japan, have invested in Bukalapak. Bukalapak began operations in 2011. Until February 2015, it won a series B round with an amount not published by the Emtex Group. In September 2012, Bukalapak won the round of series A from Gree Ventures after adding a new feature in its app, Clickpay from Bank Mandiri. Then in February 2014, also received and from Aucfan, IREP, 500 Startups and again funded again by Gree Ventures.

KitaBisa

Kitabisa was founded in 2013. Kitabisa is an online platform and technology for individuals, communities, organizations and companies who want to raise funds by creating online donation pages for various social, personal, creative and other purposes. Users or visitors on the websiteisaisa.com can donate online at any time for existing campaigns based on the search results of categories or organizations of interest or care. As a social enterprise startup, Kitabisa charges an administration rate of 5% of the total donations in a campaign, except for natural disasters and zakat campaigns (0% administrative costs). The major donors to the development of this startup are 500



Startups, 500 Accelerators, and GEPI. Until 2016 at the end of last year alone, Kitabisa has collected 60 billion Rupiah of public donations from around 3,000 social campaigns.

The principle of economics is shared by two large streams of world business, namely America and Europe, both of which have the same roots, Alexander Hamilton and Thomas Jefferson. Thomas Jefferson in principle stated that the state must regulate the rules of the game for business so that the big business cycle does not eat the small ones. Currently such rules are adopted by the European Union so they have clear rules about the world of technology and personal data in the General Data Protection Regulation (GDPR). This rule not only protects consumers but also provides comfort for companies because they are given clear rules of the game on what is and is not allowed to be done so that they only have to do it. In contrast to America, which adheres to the principle of Alexander Hamilton who argues that the business world is a free world that must be given the right to develop in accordance with his era. This is what makes acceleration of the business climate in America. They easily obtain business licenses and get protection for their actions, in contrast to Europe which is governed by many rules in GDPR. In America, they are free to expand their business as long as they do not interfere or take actions that are prohibited by other regulations.

In Indonesia, as we know, we do not have clear regulations on where investment flows are directed, what kind of violations will be assessed, and clear limits on what should not be violated. This provides an opportunity for unscrupulous people to take advantage of this loophole to do what is prohibited, as happened in the fintech business. Their actions also hurt startups in Indonesia, which became difficult to receive funding from European startup companies because it was clearly stated in GDPR that EU countries are prohibited from cooperating with countries that do not have personal data protection

regulations. From this it is clear that our company is economically disadvantaged because it only receives limited funds from a number of countries. Not only that, even the bureaucracy is also disadvantaged because of business licenses that require a long time and regulations between different regions. One of these different regional regulations has been experienced by Go-Jek, which was rejected in several areas because the community felt disadvantaged economically and socially.

The urgency of personal data protection regulations to support investment

The era of global competition forces all countries to compete in building and strengthening their respective economic systems. Indonesia as one of the countries that are struggling to attract maximum investment to build a national economic system faces the same challenges in the midst of such competition. When the world becomes a market, it results in stronger interdependence or interdependence between one country and another, which has the same national sovereignty. So what actually happens is not one country depending on other countries, but rather a situation and conditions in which all need each other to maintain political, and economic balance and of course also in the context of fulfilling the interests of each country [abdullah,2015]. In this situation the creation of a climate of ease of doing business in each country becomes important. [asikin, 2004] In order to respond to these challenges the Indonesian government is constantly striving to raise the ranking of business ease. [azhari, 2020]

This effort needs to be balanced with strengthening the role of the law, which is not merely a facilitator of ease of doing business but also provides protection for unfair business competition in the midst of a world economic climate that tends to be liberal so that it does not dissolve in the free market vortex. Therefore, the government must provide a reasonable proportion through a system of selection and direction that is



adequate with its sole sovereignty. The regulations developed must be able to balance various interests so that each country respects the sovereignty to determine its investment legal policies, but each country must also protect and treat investment activities in their countries without discrimination between foreign investors and domestic investors, as well as between foreign investors. This principle emphasizes on the premise of the principle of protecting the balance of interests between each party by mutual respect and giving treatment without discrimination.

It's just that at the level of implementation, many problems need to be found both from an economic perspective and in a legal perspective. In Economic Law, the main problem faced is that it is very easy for overlapping or even contradictions between one regulation and another. Even though this is a major violation in the formulation of legislation. Conflict or inconsistency in legislation damages the entire legal system because it results in legal uncertainty and the loss of the predetermined political thread of law.

The basis for developing economic law is Article 33 of the 1945 Constitution of the Republic of Indonesia, the results of the Fourth Amendment, said: 1) The economy is structured as a joint venture based on family principles; 2) Production branches that are important for the state and which control the livelihoods of the public are controlled by the state; 3) The earth and water and the natural resources contained therein are controlled by the state and used for the greatest prosperity of the people; 4) The national economy is carried out based on economic democracy with the principles of togetherness, efficiency, justice, sustainability, environmental insight, independence, and by maintaining a balance of progress and national economic unity; 5) Further provisions regarding the implementation of this article are regulated in the law.

Paragraph 5 of Article 33 of the 1945 Constitution indicates that it is not the law that must always follow

whatever is desired by the government as our national politics and policy, but also that the determination of politics and economic policy must also comply with the provisions and legal principles that have been determined by the Constitution and MPR decree, and will still be determined by laws and other legislation in the future. Daniel S. Lev expressed his view that the rule of law is a *sine qua non*, because, without an effective legal process, economic, political, life, social, and justice improvements cannot be expected. Law is an important means to maintain order and at the same time renewal of the community so that it must be developed in such a way as to provide space for change (*tempora mutantur, nos et mutamur in Illis*), and not vice versa, hampering the business of reform because it simply wants to maintain value orthodox values. Like tax, there are some regulations that must be quickly passed to help startup companies such as the Personal Data Protection Bill (PDP) which provides in addition to data security guarantees for consumers, also gives fresh air to fintech entrepreneurs to be creative in order to be able to operate in accordance with the corridor desired by the government. Unlike today, the regulations seem gray and corners fintech companies because of the many misuses of information. The loan sharks acted on behalf of the fintech company and used it to their personal advantage so that many fintech companies were the scapegoats for the many cases of violations.

2. Conclusion

Internet penetration in Indonesia has been very massive where almost half of Indonesia's population can access the internet. Many positive impacts have occurred due to the development of the internet in Indonesia, such as the number of start-up industries in Indonesia. However, there are also some negative impacts that have been received, such as hacking, hoaxes, and the use of personal data on the internet. The government is also considered not to keep up with the times by not making regulations regarding the



security of personal data. In the absence of regulations regarding the security of personal data, investment has slowed the pace of investors' hesitation in the absence of such regulations. The continent which rejects technological cooperation with countries that do not have personal data protection regulations is the European Union. One of the industries that will be most significantly affected is digital start-ups where most digital start-ups from Indonesia receive investment from abroad who have developed their start-ups as an industry first.

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