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The Relationship of Legal Subjects in Making Agreements Without Conducting Face-to-Face Meetings Based on the Artificial

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ABSTRACT

The development of Artificial Intelligence (AI)-based technology has presented new challenges in treaty law, especially regarding the validity of legal relations that occur without face-to-face meetings. This study uses a normative-empirical method to analyze the application of treaty law in the context of the AI ecosystem. The purpose of this study is to understand the relationship between the legal terms of agreements based on Article 1320 of the Civil Code and the practice of agreements made through AI-based digital media. The data sources came from a literature study of laws and regulations, jurisprudence, and online treaty practices. Data collection techniques are carried out through literature studies and participatory observation of the implementation of AI in community legal interactions. The data analysis technique uses the law enforcement approach and the concept of recht vacuum to assess whether there is a legal vacuum. The results of the study show that agreements made through AI are still declared valid and binding as long as they meet the legal elements of the agreement according to the Civil Code, except for certain types of agreements that legally require face-to-face meetings such as land buying and selling, notary deeds, and grants, in accordance with the provisions of Law Number 1 of 2024 concerning Information and Electronic Transactions.

Keywords: Artificial Intelligence, business law, implementation, non-face-to-face agreements, subject law

INTRODUCTION

In positive law that applies in the jurisdiction of Indonesia, an agreement is interpreted as a legal act carried out by the subject of the law where two or more parties bind themselves to do or not to do an action. The provisions of the legal system of this agreement are listed in Article 1338 paragraph 1 of the Civil Code which reads: All agreements made legally are valid as laws for those who make them. Meanwhile, the legal conditions for an agreement in article 1320 of the Civil Code are 1) Agreement of the Two Parties, namely the existence of a corresponding will between the parties regarding the agreed points 2). Ability to Make an Agreement, i.e. the parties must be considered legally competent to take legal action 3). Certain Things That Are Agreed Upon, namely the agreement must have certain clear objects 4). Because what is halal is an agreement that must not contradict the provisions of the applicable laws, public order and morality. Civil law regulates the types of agreements in question, namely 1) Based on their nature; 2) based on its shape; 3) Based on its purpose or function; 4) Based on applicable law; 5) Agreements by name, (Fuady, 2018; Sinaga, 2019).

Based on the definition of the agreement regulated in the civil law along with the legal terms of the agreement and the next type of agreement, the following explanation is the fundamental basis in implementing the legal provisions of the agreement listed in the principles of the agreement, namely 1) Principle of Freedom of Contract: This principle gives freedom to the parties to make or not make an agreement, determine the content of the

agreement, choose other parties, and determine the form of the agreement, as long as it does not conflict with the law, public order, and decency; 2) Principle of Consensualism: An agreement is considered valid and binding since the agreement between the parties, without requiring certain forms of formality; 3) Principle of Legal Certainty (Pacta Sunt Servanda): An agreement that has been legally made is valid as a law for the parties who make it and must be obeyed; 4) Principle of Good Faith: The parties to the agreement must exercise their rights and obligations honestly, in good faith, and based on firm beliefs; 5) Principle of Equity: Although not explicitly stated, this principle can be found in several articles of the Civil Code that regulate the legal conditions of the agreement, such as the competence of the parties and the object of the agreement; and 6) Personality Principle: A person can only make agreements for his own benefit, except in certain matters regulated by law, (Marzuki, 2019).

In addition to these main principles, there are also other principles that are relevant in treaty law, such as the principle of trust, the principle of legal equality, the principle of custom, and others. The application of these principles in the making and implementation of the agreement aims to create legal certainty, justice, and balance in the legal relationship between the parties. Artificial Intelligence (AI) is a field of computer science that focuses on creating machines that can mimic human intelligence. This includes the ability to learn, understand, and make decisions. The development of AI from time to time began in the era of the 1950s to the 1970s which in academic discourse was introduced as the era of optimism, the 1970s to the 1990s were called the AI winter, the 1990s to the 2010s became the era of the rise of AI, until the modern era began in 2010 to the present, (Floridi & Cowls, 2022; Tegmark, 2018). The development of AI exponentially affects various elements of life to the social attraction of the community. In today's modern era, one of the figures who built the Artificial Intelligence (AI) ecosystem is mentioned as Elon Musk who is very active in the field of artificial intelligence (AI), both as a critic and a developer. He has voiced concerns about the potential risks of AI, including job losses, and at the same time he founded his own AI company, xAI, to compete with other big players such as OpenAI which ultimately led to a technology and artificial intelligence war that other countries will be active in this artificial intelligence ecosystem.

In the developing discourse, Indonesia's positive law is considered to adhere to a mixed legal system consisting of civil law, customary law, and Islamic law. The civil legal system is a legacy of the Dutch colonial government. Customary law has its roots in local traditions and customs in various regions in Indonesia. Islamic law also has a significant influence because the majority of Indonesia's Muslim population does not specifically regulate in its laws and regulations regarding the use and scope of Artificial Intelligence (AI) itself, (Kirana & Silalahi, 2025; Sumanto, 2018). Thus, there is a legal vacuum in keeping up with the times, especially in the artificial intelligence ecosystem in Artificial Intelligence (AI). If we trace the various regulations and legal provisions that can be the legal umbrella of the implementation of Artificial Intelligence (AI), it can only be supported by the enactment of Law Number 11 of 2008 which was amended by Law Number 19 of 2016 and amended into Law Number 1 of 2024 concerning Electronic Information and Transactions which refers to the use of Article 5 paragraphs (1) and (2) of this Article stipulates that Electronic Information and/or Electronic Documents, and the printed results, are valid legal evidence and are an extension of valid legal evidence in accordance with the procedural law applicable in Indonesia.

The relationship between legal subjects in making agreements without conducting face-to-face meetings is based on the Artificial Intelligence (AI) ecosystem: the implementation of business law certainly cannot be described as there is a clear and binding legal certainty because there is a legal void contained in the scope of the agreement and the legal umbrella of the implementation of Artificial Intelligence (AI) where the domain of the provisions for making an agreement is in the civil law family and the domain of the implementation of Artificial Intelligence (AI) in making agreements is in the criminal law family. The domain of civil law is private law which regulates relationships between individuals in society based on

protecting personal interests. Meanwhile, the domain of criminal law is public law that regulates the relationship between the State and individuals in society based on the public interest with the imposition of criminal sanctions against the perpetrators of criminal acts as a settlement of legal events. Based on the analysis of the legal domain, of course, there is something contrary if the interests of privacy must be regulated through the public interest whose approach is different in looking at legal acts. This is of course a legal void (Legal Void or Recht Vacuum) where there is a situation where there is no law and regulation that regulates a legal event until there is no definite and clear guideline regarding how certain actions or events must be regulated and resolved.

The business law approach can be an alternative option because business law refers to the way the law is applied in the context of business activities. In general, business law is a collection of regulations that govern various aspects of business activities, from company establishment, transactions, to dispute resolution, (Rosana, 2013; Triwibowo & Adam, 2023). This approach aims to create a fair, transparent, and sustainable business climate, (Panjaitan & Pramono, 2023). Thus, it can be postulated that through business law that has private and public characteristics, the relationship between legal subjects in making agreements without conducting face-to-face meetings is based on the Artificial Intelligence (AI) ecosystem: the implementation of business law can be applied to answer the development of the times in the modern era that continues to grow exponentially.

METHODS

The research method used in this article is a normative-empirical legal method, which is a combination of a normative approach that focuses on the analysis of written legal norms and an empirical approach that explores the impact and implementation of law in community practice, (Nurhayati et al., 2021; Sonata, 2014). A normative approach is used to examine positive legal provisions such as Article 1320 of the Civil Code in (Burgerlijk Wetboek Law, Staatsblaad Number 23 of 1847, 1847), Pasal 2 Aturan Peralihan UUD 1945, dan (Law Number 11 of 2008 Concerning Electronic Information and Transactions, 2008) and its changes to Law Number 1 of 2024. The empirical approach is used to observe and analyze the relationship of legal subjects who make agreements through the Artificial Intelligence (AI) ecosystem without conducting face-to-face meetings, including the use of technologies such as ChatGPT, digital business applications, and virtual assistants. This approach is in line with the view that Satory et al (2024) which emphasizes the importance of an empirical approach in assessing the effectiveness of legal norms in the social practice of Society. The data sources in this study consist of secondary data in the form of laws and regulations, legal literature, and other supporting documents, as well as primary data obtained through direct observation of community practices and interviews with AI technology users in business transactions, (Marzuki, 2019; Nurhayati et al., 2021; Sonata, 2014). The data collection technique is carried out through legislation studies as a normative approach, (Sonata, 2014), Literature studies that include relevant law books and scientific journals, (Marzuki, 2019), and participatory observation to obtain empirical data from AI-based digital legal interactions as developed in the socio-legal studies methodology, (Cotterrell, 2017). All data are analyzed using qualitative descriptive methods to systematically describe the relationship between legal norms and their practice in the field, then conclusions are drawn through deductive thinking methods, namely from a general understanding of legal norms to special cases that arise in the context of digitizing legal relations, (Marzuki, 2019).

RESULTS AND DISCUSSION

Based on the results of a comprehensive study of the relationship between legal subjects in making agreements without conducting face-to-face meetings through the

Artificial Intelligence (AI) ecosystem, it was found that there is a legal void or recht vacuum. This vacuum occurs due to the absence of regulations that specifically govern the mechanism and validity of agreements made digitally by two or more parties without a physical presence, despite the existence of agreements in the form of AI interactions, such as the use of ChatGPT, virtual assistants, or robotic-based digital business platforms. The current positive legal provisions, especially Article 1320 of the Civil Code, only require four elements of the validity of the agreement, namely 1) Agreement (Agreement): The parties involved in the agreement must agree on the content and purpose of the agreement. This agreement must be free and not coercive; 2) Proficiency (Cakap): Each party involved in the agreement must have legal proficiency, is to have the ability to make an agreement and understand the legal consequences. A person who is immature, under supervision, or has a mental disorder may not be considered capable; 3) Certain Things: The object of the agreement must be clear and specific, whether in the form of goods, services, or other things that can be determined. An unclear or undefinable object will result in an invalid agreement; 4) Halal Cause: The reason or purpose of the agreement must be halal, not contrary to law, morality, or public order. Because what is not halal will make the agreement considered invalid. Meanwhile, forms of communication and digital agreements generated through AI technology do not yet have explicit legal legitimacy in the article, thus creating legal uncertainty about their validity. In fact, in global practice, AI technology has been used in various automated contractual models, including in smart contracts, the regulation of which is also still gray in the context of Indonesian law.

In this context, Law Number 1 of 2024 concerning Information and Electronic Transactions (ITE), which is the result of an amendment from (Law Number 11 of 2008, 2008)dan (Law Number 19 of 2016, 2016), provides a legal basis for the use of electronic information and electronic documents as legal evidence (Article 5 paragraphs (1) and (2)). This means that in formal juridical terms, contracts made digitally can be recognized as valid if they meet the requirements of the substance of the agreement. These findings are in line with the results of research by (Dhabu, 2024; Misbah & Imtiyaz, 2024) which highlights the importance of developing a legal framework that is responsive to AI in digital business transactions, emphasizing that the law needs to move towards the flexibility of the agreement medium to be able to keep up with the dynamics of technology. They emphasized that the absence of explicit legal norms increases the space for legal uncertainty in digital business practices that now rely on AI-based automated systems.

Further, a study by Wischmeyer & Rademacher (2020) also underlined that AI has created new actors in legal relations, which although not conventionally legal subjects, have a significant influence in creating legal relationships between humans through contract automation and intelligent algorithms. Therefore, the relevance between the Civil Code and the ITE Law in the context of AI needs to be reconstructed so that there is no legal vacuum in its implementation. Therefore, normatively, recognition of digital media as a means of legal communication must be accompanied by derivative regulations that explain the validity of contracts carried out through AI technology, including the process of identity verification, data security, and protection of good faith.

This is the legal void in analyzing the relationship between legal subjects in making agreements without conducting face-to-face meetings based on the Artificial Intelligence (AI) ecosystem: the implementation of business law because it is not regulated in the legal terms of the agreement but the legal position is described into (Law Number 11 of 2008, 2008) yang diubah (Law Number 19 of 2016, 2016) and changed to (Law Number 1 of 2024 Concerning Electronic Information and Transactions, 2024) in Article 5 paragraphs (1) and (2): This Article stipulates that Electronic Information and/or Electronic Documents, as well as their printed results, are valid legal evidence and are an extension of valid legal evidence in accordance with the applicable procedural law in Indonesia. If it is linked based on the two legal

provisions, it can be found that it is possible to make an agreement without having a face-to-face meeting based on the Artificial Intelligence (AI) ecosystem with the argument that:

Table 1: The Relevance of Agreements Without Face-to-Face Meetings

No	Valid Terms of Agreement based on Article 1320 of the Civil Code	Law Number 11 of 2008 which was amended by Law Number 19 of 2016 and amended to Law Number 1 of 2024 concerning Electronic Information and Transactions
1	Deal (Agree)	Agreement (agreement) interpreted The parties involved in the agreement must agree on the content and purpose of the agreement of the parties in making a transaction without having to meet face-to-face based on the *Artificial Intelligence (AI) ecosystem* can be interpreted into Article 5 paragraphs (1) and (2) of this Article stipulates that Electronic Information and/or Electronic Documents, as well as their printed results, are valid legal evidence.
2	Proficiency (Speak)	Proficiency (Speak) is interpreted as an element of the identity of the parties in making agreements without having to meet face-to-face based on *the Artificial Intelligence (AI)* ecosystem can be interpreted into Article 11 regulating the provisions regarding electronic signatures that have legal force and legal consequences if they meet certain requirements.
3	Certain Things	Certain things are interpreted as elements of objects in the agreement that must be clear and specific, whether in the form of goods, services, or other things that can be interpreted by the parties in making agreements without having to meet face-to-face based on *the Artificial Intelligence (AI) ecosystem* can be interpreted inwards in Article 32 paragraph (1): This article regulates the prohibition of changing, adding, reducing, damage, eliminating, transfer, or conceal electronic information or electronic documents belonging to another person or the public without rights or unlawfully. And Article 35: This article regulates the prohibition of falsifying electronic information or electronic documents
4	Reasons that are Halal	Because what is halal is interpreted as the cause or purpose of the agreement must be halal and not contrary to the law. So that making an agreement without having to meet face-to-face based on the *Artificial Intelligence (AI)* ecosystem can be interpreted into Article 27 paragraphs (1), (2), (3): These articles regulate prohibited acts related to the content of electronic information, such as decency, gambling, sedition, and defamation.

Source: research analysis results, 2025

Based on this description, there is a compatibility between the provisions of the legal terms of the agreement as stipulated in Article 1320 of the Civil Code and the provisions in Law Number 11 of 2008 concerning Information and Electronic Transactions (ITE), which has been amended by Law Number 19 of 2016 and finally amended to Law Number 1 of 2024. However, this conformity cannot necessarily be used as a strong legal basis or umbrella in ensuring legal relations between legal subjects in making agreements without face-to-face meetings through the Artificial Intelligence (AI) ecosystem, considering that the two regulations have different legal scopes and consequences, which can ultimately cause legal disparities or legal voids (*legal void* or *legal void) (straight vacuum*), (Ivana & Nugroho, 2022). This gap is even more evident considering the existence of exceptions in agreements that legally must still be carried out directly by the parties such as land sale and purchase

agreements, notary deeds, and grants, (Anggraeni & Rizal, 2019; Winfernando & Kamil, 2023). Furthermore, in the context of positive law in Indonesia, AI has not been recognized as a separate legal entity, so it does not have *legal standing* or the capacity for legal responsibility autonomously, (Qurrahman et al., 2024). This ambiguity is a fundamental problem, especially when AI performs automated actions that cause losses or breach of contract, in the absence of an explicit disclaimer or authorization clause, then it is not clear who should be held legally accountable, (Kingston, 2016; Solhchi & Biglarbeigi, 2024). Therefore, the legal vacuum in the relationship between legal subjects entering into agreements through the AI ecosystem needs serious attention in the development of the implementation of digital business law in the future.

The following is a legal void or Legal Void or Recht Vacuum in the relationship of legal subjects in making agreements without having a face-to-face meeting based on the Artificial Intelligence (AI) ecosystem: the implementation of business law in various legislative approaches as legal provisions:

Table 2: Legal Void of Digital Agreements

Aspects	Existing Regulations	Drawback
Electronic Contracts	Criminal CodeData + ITE Law	Not setting the details of the role of AI in bidding/acceptance
Responsibility	Civil Code + Consumer Protection Law	Not touching AI as a perpetrator of legal acts
Automated Transactions	UU ITE+PP 71/2019	Not regulating AI accountability
Data and Privacy	US PDP (2022)	Not yet specific to AI processing and automated profiling
Smart Contract	There are no specific regulations yet	There is no explicit recognition in national contract law

Source: research analysis results, 2025

As a comparison of the relationship between legal subjects in making agreements without conducting face-to-face meetings based on the Artificial Intelligence (AI) ecosystem: the implementation of business law legal events can still be implemented with the presence of a business law approach The business law approach refers to the way the law is applied in the context of business activities. In general, business law is a collection of regulations that govern various aspects of business activities, from company incorporation, transactions, to dispute resolution. This approach aims to create a fair, transparent, and sustainable business climate. Thus, it can be postulated that through business law that has private and public characteristics, the relationship between legal subjects in making agreements without conducting direct face-to-face meetings is based on the Artificial Intelligence (AI) ecosystem: the implementation of business law can be applied to answer the development of the times in the modern era that continues to grow exponentially. Business law can be a link between the two legal provisions on: 1) The validity of the contract remains valid as long as the parties are the subject of legal law and there is an agreement. The use of ai must be associated with the authorization and identity of the legal subject (via digital id); 2) Legal responsibility if ai makes a mistake, then the Artificial Intelligence (AI) user (company or individual) is responsible for the actions of ai as an auxiliary tool. Artificial Intelligence (AI) cannot be subject to legal responsibility yet; 3) The security and protection of digital contract data and communication via AI must ensure the confidentiality, integrity, and authentication of data. Violations can lead to legal consequences such as civil or criminal lawsuits (e.g. customer data leak).

This correlation is what makes the relationship between the subject of the law in making a non-face-to-face agreement legally valid as long as the basic principle of the contract

is fulfilled, as stipulated in Article 1320 of the Civil Code regarding the legal conditions of the agreement and supported by the legitimacy of electronic transactions in Law Number 1 of 2024 concerning Information and Electronic Transactions (ITE). Artificial Intelligence (AI) in this context functions as an aid or intermediary in the execution of digital agreements, not as a legal subject who has a legal will or responsibility. However, the presence of AI brings new challenges in business law, especially regarding aspects of responsibility, data security, and the validity of agreements that are carried out automatically, (Hildebrandt, 2020). The ambiguity of AI legal entities also raises concerns about who should be liable in the event of a breach of contract or losses due to automated decisions, (Calo, 2015). Therefore, the legal framework of the future digital business must be able to accommodate these dynamics while still emphasizing the principles of prudence and legal protection for the parties.

CONCLUSION

This research shows that the relationship between legal subjects in making agreements without a face-to-face meeting through the Artificial Intelligence (AI) ecosystem can basically be considered legally valid as long as it meets the legal requirements of the agreement as stipulated in Article 1320 of the Civil Code, and is supported by the legitimacy of electronic transactions based on Law Number 1 of 2024 concerning Electronic Information and Transactions (ITE). However, it was found that there was a significant legal void (recht vacuum) due to the lack of specific arrangements regarding agreements facilitated by AI, including provisions on AI's authorization, liability, and legal status as a non-legal entity. AI in practice only plays a role as a technological tool or intermediary, not as a legal subject who has a will or can be held legally responsible. The absence of this specific regulation has the potential to create legal uncertainty, especially in terms of the validity and enforcement of digital contracts generated automatically by AI-based systems. Therefore, it is necessary to reformulate regulations in the legal framework of digital business that is responsive to technological developments, in order to ensure legal certainty, protection of the rights of the parties, and strengthen legal responsibility in the interaction of agreements involving Artificial Intelligence technology.

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