



Dispute Resolution for *Non-Fungible Token (NFT)* Businesses in Indonesia

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ABSTRACT

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This research examines dispute resolution in Indonesia relating to Non-Fungible Token (NFT) trading digital artworks such as drawings, photographs, paintings, animations, unique collections, music, animated videos, original works of art or works that are still in physical form can be converted into digital works due to piracy, plagiarism, mutilation of works of art and then marketed in digital form. This study aims to analyze the settlement of Non-Fungible Token (NFT) trade disputes for digital artworks. The methodology used in this study uses a normative juridical method. Normative juridical research is legal research that places law as a building system of norms. The results of the study explain that there is a legal vacuum in Indonesia relating to the settlement of disputes over Non-Fungible Token Trade (NFT) digital artworks.

KEYWORDS:

Dispute Resolution, Artwork, Non-Fungible Token (NFT)

1. INTRODUCTION

The increasingly sophisticated and modern technology has produced innovations in various fields, it is not surprising that many things have turned into digital forms, including creative works that can now be considered as digital assets. One of the increasingly popular forms of digital assets is the *Non-Fungible Token (NFT)*, which is literally a token that cannot be exchanged for another because each *Non-Fungible Tokens NFT* has its own uniqueness.

The term *Non-Fungible Tokens (NFTs)* emerged when *blockchain* technology started with digital archiving. *Non-fungible tokens (NFTs)* are unique digital assets that cannot be copied or altered. Simply put, *Non-Fungible Tokens (NFTs)* are a collection of data stored in a digital ledger that records all kinds of digital transactions. *Blockchain* is the general term for this digital ledger.¹

In early 2022, dozens of *Non-Fungible Token (NFT)* creations in the form of artworks; drawings, photographs, paintings, animations, unique collections, music, animated videos, original artworks or works that are still in physical

form can be converted into new digital works are issued almost every minute (including from Indonesia: Gozali), causing an unprecedented boom in the crypto art industry, the transaction volume of *Non-Fungible Tokens (NFTs)* in global decentralized stores exceeded \$23 billion, up from more than \$20,000.²

The Civil Code classifies artwork in *Non-Fungible Tokens (NFT)* as an object, objects according to Article 499 of the Civil Code, the definition of "objects (*zaak*) is everything that can be the object of property rights". Types of objects are movable objects and immovable objects (in the form of land, houses, etc.), while movable objects are tangible (cars, motorbikes, horses, etc.) and intangible (one of them is copyright). Law No. 28 of 2023 concerning Copyright is the protection of a work, which has the aim of protecting the creator of the work in order to prevent infringement or *plagiarism* from irresponsible parties, it is intended that no one else, other than the person entitled to use the special rights, can do so without the author's permission.

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¹Muhammad Usman Noor, "NFT (Non-Fungible Token): Masa Depan Arsip Digital? Atau Hanya Sekedar Bubble?", Edisi No. 2 Vol. 13, Universitas Indonesia, 2021, p. 225

²Korengkeng, A. B. ,*Perlindungan Hukum Hak Kekayaan Intelektual Terhadap Pendaftaran dan Akibat Transaksi dari Karya Non-Fungible Token yang Bukan Oleh Pemilik Hak Cipta*, (Jakarta : 2023). p. 2

Article 1 point 1 of Law No. 28 of 2014 on Copyright, copyright is the exclusive right of the creator that arises automatically based on the declarative principle after a work is realized in real form without reducing restrictions in accordance with the provisions of the legislation. Copyright consists of Moral Rights and Economic Rights, Moral Rights as stipulated in Article 5 paragraph 1 of Law Number 28 of 2014 Concerning Copyright;

a. Personal taste dictates whether the author's name should remain on the copy in connection with the public use of his work, b. By using a pseudonym or alias, c Adapt your work to current cultural needs. d. Maintain his honor and good name in the event of mutilation, modification, or other actions that harm his reputation. While Economic Rights according to Article 8 of Law Number 28 of 2014 concerning Copyright are; Economic rights are the exclusive rights of the Creator or Copyright Holder to obtain economic benefits for the Creation.

Artwork in *Non-Fungible Tokens (NFT)* in the digital world is currently growing rapidly because it has economic value, this development is not accompanied by legal instruments or regulations (at the time there was only Law Number 28 of 2014 concerning Copyright and Law No. 19 of 2016 concerning Amendments to Law Number 11 of 2008 concerning Electronic Information and Transactions, in general, while dispute resolution in the event of a dispute such as infringement or *plagiarism* from irresponsible parties with *Non-Fungible Token (NFT)* objects has not specifically regulated. This certainly creates legal uncertainty and the potential for chaos (law) in the community.

Problem formulation: How is dispute resolution in the event of a business dispute related to *Non-Fungible Token (NFT)* objects in Indonesia?

The purpose of this research is expected to be one of the materials for study and consideration for the government to make or add Legislation (Dispute Resolution) in order to protect artists over artworks used as *Non-Fungible Token (NFT)* trading commodities. The importance of arrangements relating to dispute resolution in the field of artwork in the form of *Non-Fungible Tokens (NFT)* as a trading commodity in the increasingly widespread digital world.

Research that has been done related to *Non-Fungible Tokens (NFTs)* in Indonesia, Gabriella Ivana, Andriyanto Adhi Nugroho, (2022) The results of this study concluded that due to the legal vacuum against digital art in NFTs. Ikarini Dani Widiyanti (2022) Results and Discussion, it is concluded that NFTs are a form of support for the work of independent creators. Gidete, et al (2022). The results of this study indicate that the existing Copyright Law has not provided comprehensive regulation of two-

dimensional artwork found in digital media.

2. RESEARCH METHODS

Research conducted with Legal Research. This type of research by examining using formal law such as applicable laws and regulations, literature is theoretical and then connected to the problems to be discussed.³ The function of this research aims to find the truth is to get things, theoretically a value or a rule that can be used as a reference for research.⁴ This research has a systematic starting from identifying legal problems that are happening, conducting legal reasoning, analyzing what problems are the reasons for discussion, then providing solutions to these problems.

The approach used in this research is juridical-normative using 2 approaches, namely:

a. *Statue Approach*

This approach is carried out by examining the Law and all rules or regulations that have relevance to the legal issues being raised. This approach provides an opportunity for researchers to be able to study the suitability of a law / rule / regulation with other laws / rules / regulations. this also encourages researchers to understand the meaning in the law. so that researchers can provide a conclusion whether or not there is harmony from the philosophy of the law.⁵

b. *Conceptual Approach*

Conceptual Approach can be said to be a research conducted when researchers do not switch from the available legal rules. this is because there are no legal rules governing this. in this case the researcher uses the principles of legal principles that can be found in the views of scholars or legal doctrine.⁶

The legal materials used in the research are primary legal materials, which are authoritative legal materials, primary legal materials are terms, definitions of laws and regulations, types of laws and regulations, hierarchy of laws and regulations, court decisions. As primary legal materials, namely;

1. Articles 16, 17, and 18 AB (*Algemeene Bepalingen van wetgeving voor Indonesie*) (LNHB 1847 No 23)
2. Civil Code / *Burgerlijk Wetboek voor Indonesie*. Staasblad 1847 No.23
3. Law No. 30/1999 on Arbitration and Alternative Dispute Resolution
4. Law Number 28 of 2014 concerning Copyright;
5. Law (UU) Number 19 of 2016 concerning Amendments to Law Number 11 of 2008 concerning Electronic Information and Transactions

Secondary Legal Materials are journals, books, scientific papers, news, and all related *websites* to support this research.

³ Peter Mahmud Marzuki, *Penelitian Hukum: Edisi Revisi*, (Prenada Media Group :Jakarta, 2016.) , p 35

⁴ *Ibid*,p 29

⁵ Dyah Octorina, A'an Efendi, *Penelitian Hukum*, (Sinar Grafika : Jakarta, 2018.) p. 110

⁶ *Ibid*, p 115

3. DISCUSSION

The Indonesian state itself that protects a work of art in this digital era is still not massive. now is the time for the protection of the dignity of the creator of the artwork should not be violated through acts of infringement of moral rights and economic rights. in this country Indonesia has a basis for providing protection to the entire community regardless of the right to protection of self, honor and dignity from actions that are threatening in nature so as to cause fear or other detrimental actions which are basic rights.⁷ it's just that the state in regulating it has not been able to fulfill the rights of creators further and more specifically against crimes that arise with the times and technology.

Acts of *plagiarism*, piracy, mutilation, etc. against two-dimensional digital artworks and *Non-Fungible Tokens* are acts of crime in the digital economy, in this case there are legal problems arising from the weak protection of *cyberspace* which has a close relationship between the hail of the economy and transactions in the network or commonly called *online*.⁸ law is needed to regulate and provide limits because everyone has an obligation to exercise their rights so that the law is present to provide limits to the recognition of the rights of others.

Cyberspace space through electronic media in addition to providing benefits and convenience also opens the path for crimes that have never existed before. so here the breakthrough of legal regulations is needed to be able to provide a sense of protection so that artists feel safe for their artwork. Copyright Law Article 64 paragraph 1 states "The Minister organizes the recording and removal of Creation and Related Rights products.". this is a facility provided from the government to help the creator of the artwork to secure his creation.⁹ in this era of the digital world, the digital economy of internet utilization becomes very widely used so that accompanied by the discovery of many violations of one's copyright. crimes that have occurred in Indonesia is an example of the case of Kendra Ahimsa where his two-dimensional artwork is partially *copied*. In an effort to protect such acts Copyright Act Article 55 paragraph 1 stipulates that "Any Person who is aware of the infringement of Copyright and/or Related Rights through electronic systems for Commercial Use may report to the Minister." protection of the rights of the creator must be in accordance with the dynamic principles of technological development. this right encourages the public to be more proactive in participating in protecting copyrighted works in order to create security in *cyberspace*.¹⁰

Progress in the field of technology and information has an influence on human life today, one of which is trade, which has been buying and selling transactions related to tangible objects or movable goods (cars, coffee, sugar, etc.), with advances in information technology (internet) has been used for various transactions in *e-commerce*. Transactions carried out through *e-commerce* are various kinds of goods or objects both tangible and intangible, one of which is trade transactions in the form of photographs or *Non-Fungible Tokens (NFT)*. Traders in conducting trade transactions with buyers in conventional and *e-commerce* certainly hope that no problems will occur, but not as long as the sale and purchase transaction goes smoothly, sometimes disputes also occur, for example there are hidden defects in the object / goods, as well as goods in the form of *Non-Fungible Tokens (NFT)*.

Trading *Non-Fungible Tokens (NFTs)* in the Metaverse World also has the potential for disputes, disputes can arise in several aspects related to *Non-Fungible Tokens (NFTs)*, such as ownership, authenticity, copyright infringement, or wrongful or adverse transactions. Although the *Non-Fungible Token (NFT)* industry is still relatively new, there have been several disputes that have attracted attention and raised complex legal questions. One dispute that may arise is a dispute related to the ownership of *Non-Fungible Tokens (NFTs)*. In some cases, it is unclear as to who actually owns the *Non-Fungible Token (NFT)*, especially in the event of a transfer or sale from one party to another. The *smart contracts* used in the creation of *Non-Fungible Tokens (NFTs)* on the *blockchain* do record transactions, but still require further legal interpretation to determine legal ownership rights. Trading transactions in the form of *Non-Fungible Tokens (NFTs)* using *cryptocurrencies*, especially using *Ethereum*, increases the level of complexity in tracking such transactions. This opens up the possibility of money laundering.

Blockchain has no mechanism to verify whether a digital artwork is original or the result of a claim from another party. This means that there is a potential for someone who is not the creator to take the artwork and convert it into a token or *Non-Fungible Token (NFT)* This situation can lead to copyright infringement of the artwork. Examples of such cases are;

1. The case of *Beeple vs. Memelordz*: In 2021, there was a copyright ownership dispute related to an NFT digital artwork created by artist *Beeple*. *Beeple* accused

dijadikan Karya Non Fungible Token (NFT) pada Era Ekonomi Digital Legal Protection for Copyright Infringement on Artworks used as Non-Fungible Token (NFT) Works in the Digital Economy Era", Jurnal Fundamental Justice, Volume 3 no1,2022

¹⁰ *Ibid*, p 2

⁷ Danrivanto Budhijanto, *Revolusi Cyberlaw Indonesia Pembaruan dan Revisi UU ITE 2016*, Bandung: Refika Aditama, 2017, p. 18

⁸ Sinta Dewi Rosadi, "Perlindungan Privasi dan Data Pribadi Dalam Era Ekonomi Digital di Indonesia", Jurnal Veritas et Justitia Volume 4 No 1, 2018, p. 89

⁹ Dio Bintang Gidete, Muhammad Amirulloh, "Pelindungan Hukum atas Pelanggaran Hak Cipta pada Karya Seni yang

Memelordz of taking images of his work and selling them as NFTs without permission.

2. The case of CryptoKitties: CryptoKitties is one of the well-known apps in the NFT industry that allows users to buy, sell, and trade virtual cats as NFTs. In 2017, there was a copyright dispute related to one of the virtual cats sold as NFTs. The cat turned out to be an image taken from a copyrighted artwork without the permission of the original copyright owner.
3. The cases of *Twisted Vacancy* and *Kendra Ahimsa* can be classified as deliberate alteration, addition or subtraction of an element of electronic information art.

Dispute resolution is a process undertaken to reach an agreement or resolution of issues between parties involved in a dispute. The main objective of dispute resolution is to reach a solution that is fair and satisfactory to all parties involved, and avoid further conflict.

Copyrighted works in the field of Science, Art, and Literature in the event of a dispute, then the efforts of law enforcement officials in establishing justice in guaranteeing the exclusive rights of creators or owners of related rights, organized on dispute resolution of infringement in the field of Copyright. Judging from Article 95 paragraph (1) of Law Number 28 of 2016 concerning Copyright, dispute resolution can be through alternative dispute resolution, namely arbitration, or a court which is based on Article 95 paragraph (1) of the Copyright Law, namely the absolute competence of the Commercial Court. Furthermore, there are rules regarding the requirements for dispute resolution through mediation as contained in Article 95 paragraph (4).

Dispute resolution related to the transaction of artwork into tokens or *Non-Fungible Tokens (NFT)* in Indonesia specifically does not yet exist, but that does not mean that it cannot be resolved, copyright disputes in the form of *Non-Fungible Tokens (NFT)*. Dispute resolution in the context of *Non-Fungible Tokens (NFT)* can involve several resolution mechanisms that have been used in legal disputes in general, namely *non-litigation* and *litigation dispute* resolution.

Non-litigation dispute resolution refers to a settlement method that is carried out outside the courtroom by utilizing alternative means. In Indonesia, there are two forms of *Non-Litigation dispute resolution*, namely through Arbitration and Alternative Dispute Resolution in accordance with the provisions contained in Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution (AAPS Law). *Dispute* resolution through *Alternative Dispute Resolution (ADR)* offers a number of advantages over

litigation. One of them is the voluntary nature of the process, where the parties involved can choose to participate voluntarily without any element of coercion. In addition, *Alternative Dispute Resolution (ADR)* also offers faster procedures compared to litigation which tends to be longer. The decision made in *Alternative Dispute Resolution (ADR)* does not come from the court, but through an alternative mechanism chosen by the parties, which can be consultation, negotiation, mediation, conciliation, Expert Appraisal, and Arbitration.

1. Consultation

Consultation is a "personal" action between a certain party (client) and another party who is a consultant, where the consultant provides his opinion to the client according to the needs and needs of his client.¹¹

Marwan and Jimmy P, explain the meaning of consultation, as follows: "A request for advice or opinion to resolve a dispute in a family manner made by the parties to the dispute to a third party."¹²

2. Negotiation

Negotiation is a means for the disputing parties to discuss the settlement without the involvement of a third party as an intermediary, so there is no standard procedure, but the procedure and mechanism are left to the agreement of the disputing parties. Dispute resolution is fully controlled by the parties, informal in nature, discussed are various aspects, not only legal issues.¹³ In practice, negotiations are carried out for 2 (two) reasons, namely:

- a. to seek something new that he cannot do himself, for example in a sale and purchase transaction, the seller and buyer need each other to determine the price, in this case there is no dispute; and
- b. to resolve disputes or disagreements arising between the parties.¹⁴

3. Conciliation

Conciliation is a dispute resolution with the intervention of a third party (conciliator), where the conciliator is more active, by taking the initiative to compile and formulate settlement steps, which are then offered to the disputing parties. If the disputing parties are unable to formulate an agreement, then the third party proposes a way out of the dispute. However, the conciliator is not authorized to make a decision, but only to make recommendations, the

¹¹ Frans Hendra Winarta, "Hukum Penyelesaian Sengketa-Arbitrase Nasional Indonesia & Internasional", (Jakarta:Sinar Grafika Offset:2011), p.7.

¹² Munir Fuady, *Arbitrase Nasional (Alternatif Penyelesaian Sengketa Bisnis)*, Citra Aditya Bakti,Bandung, 2003, hlm. 12 sebagaimana dikutip oleh Talib, Idris. "Bentuk Putusan

Penyelesaian Sengketa Berdasarkan Mediasi." Lex Et Societatis 1.1 (2013).

¹³Muryati, Dewi Tuti, and B. Rini Heryanti. "Pengaturan dan Mekanisme Penyelesaian Sengketa Nonlitigasi di Bidang Perdagangan." *Jurnal Dinamika Sosbud* 3, No. 1 (2011), p.56.

¹⁴ *Ibid*, p.55.

implementation of which depends on the goodwill of the disputing parties themselves.

4. Mediation

It is a process in which the parties involved in a dispute work together with a neutral mediator to reach a mutually beneficial settlement. The mediator does not provide legal rulings or decisions, but acts as a facilitator who helps the parties reach an agreement. Mediators usually have expertise in law and dispute resolution, and can help facilitate discussions, identify issues, and steer the parties towards a mutually acceptable settlement. The final decision remains with the parties involved in the dispute.

5. Arbitration

Involves the parties involved in a dispute using a neutral arbitrator or group of arbitrators to make a binding decision. Arbitration may be conducted pursuant to an agreement between the parties to the dispute or under certain rules and laws. The parties involved in the dispute will present their arguments and evidence to the arbitrator, who will then make a binding decision. Arbitration decisions are final and generally difficult to review in court.

Unlike other forms of *Alternative Dispute Resolution (ADR)*, arbitration has similar characteristics to adjudicative dispute resolution. Disputes in arbitration are decided by an arbitrator or arbitral tribunal where the arbitral award is *final and binding*. Dispute resolution through arbitration results in an Arbitral Award which must be rendered by the arbitrator or arbitral tribunal within a maximum of 30 days after completion of the dispute examination. If there is an administrative error in the award, the parties to the dispute have the right to request correction within 14 days after the award is rendered. The arbitral award is final and binding on the parties, and may be enforced once it is registered with the district court, where the chief justice has 30 days to grant an order for enforcement of the arbitral award.¹⁵

The use of Arbitration for dispute resolution in Copyright has advantages, namely:

- a. Confidentiality of disputes between parties is guaranteed
- b. Avoid delays caused by procedural matters in court
- c. Can choose its own arbitrator
- d. The parties can choose the process and place of settlement
- e. The resulting award is a decision that binds both parties¹⁶

Similarities and differences between mediation and arbitration in dispute resolution. The similarities between the two are that they are alternative dispute resolution outside the court, both use and appoint third parties who will function as neutral parties and are considered to be able to mediate, the last similarity is that both have the aim of shortening and speeding up time in the dispute resolution process. The difference that we can know is that the mediator in mediation serves as an intermediary and provides input, while the arbitrator in arbitration serves to provide a decision on the dispute. The result of mediation is a *win-win solution*, while arbitration is a *win-lose judgment*. The decision given during mediation can still be considered while the decision delivered by the arbitrator in arbitration is final which indirectly has permanent legal force and binds the parties.

1. Expert Assessment

Expert opinion on a technical matter in accordance with their field of expertise.¹⁷

2. Settlement via *Non-Fungible Token (NFT)* platform

Many *Non-Fungible Token (NFT)* platforms have internal dispute resolution mechanisms that users can utilize. *Non-fungible token (NFT) platforms* may provide detailed dispute resolution procedures, including submission of claims, examination of evidence, and decisions by the *platform*. It is important to understand the *platform's* terms and conditions related to dispute resolution. Example on ;

The case of Beeple vs. Memelordz: In 2021, In this dispute resolution, the parties involved utilized a *blockchain* technology-based dispute resolution mechanism. They use *smart contracts* to set up ownership and license terms in *Non-Fungible Token (NFT)* transactions. Thus, *Non-Fungible Token (NFT)* transactions can automatically generate royalties for the original copyright owner, while ensuring the validity of digital asset ownership. Through dispute resolution using *blockchain* technology, Beeple's copyright is protected and acts of copyright infringement can be identified and addressed.

CryptoKitties Case: CryptoKitties, In this dispute settlement, the CryptoKitties platform worked with the original copyright owner to address the copyright infringement. They removed the copyright-infringing *virtual cat* from the *platform* and took steps to prevent similar infringements from occurring in the future. This action demonstrates the cooperation between the *Non-Fungible Token (NFT) platform* and the copyright owner in protecting the original copyright and resolving the dispute effectively.

a. *Non-litigation* settlement

¹⁵<https://www.djkn.kemenkeu.go.id/kpknl-manado/baca-artikel/13628/Arbitrase-Dan-Alternatif-PenyelesaianSengketa.html> [Accessed on May 26, 2023]

¹⁶ Kurniawaty, Y, *Efektifitas Alternatif Penyelesaian Sengketa Dalam Sengketa Kekayaan Intelektual*. (2017), p. 68

¹⁷ Frans Hendra Winarta, *opcit*, p. 8

If attempts at negotiation, mediation, or arbitration are unsuccessful, *Non-Fungible Token (NFT)* dispute resolution may go to court. Courts play an important role in resolving legal disputes that are complex and involve copyright, ownership, or adverse transactions. The parties involved can file a lawsuit or defend their claims in front of an authorized court. The court will listen to arguments from both sides, consider the available evidence, and provide a binding decision for the disputing parties. Submission of lawsuits to the Commercial Court still requires a mechanism. Explained in Article 100 of Law No. 28 of 2014. Starting with the submission of a lawsuit to the chairman of the Commercial Court, then recorded by the clerk in the case registration, after being recorded in the registration book, the plaintiff receives a receipt. The clerk submits a request to the chairman of the Court for approximately 3 days, and the hearing date is usually received after 3 days the lawsuit case is registered with the Commercial Court. The end of this process is the issuance of a decision on the lawsuit submitted, approximately 3 months from the time the lawsuit is filed. The lawsuit submitted to the panel of judges does not rule out the possibility that there will be compensation. The reason this compensation can occur is due to 2 factors. The first factor is the existence of default and the second factor is the occurrence of unlawful acts. Payment of compensation due to default has been explained in Book III of the Civil Code Article 1243 to Article 1252, while payment of compensation due to unlawful acts is regulated in Book III of the Civil Code Article 1365. Article 1365 which reads "Every act that violates the law and brings harm to others, obliges the person who causes the loss through his fault to compensate for the loss." Article 1365 of the Civil Code does not clearly explain between unlawful acts caused by intent or due to lack of caution. It only mentions several conditions that classify the act as unlawful.

b. Settlement through International Civil Law

The regulation of International Civil Law in Indonesia is included in *Algemene Bel Palingen Van Wet Geving (AB)* Articles 16, 17 & 18). The three articles mentioned above are examples of pointer provisions referred to as pointer provisions because they point to a certain system that may be national law or foreign law, in practice judges who hear cases of International Civil Law are or use foreign law this is done by the judge on the basis that the law in force

in the foreign country instructs that in the case at hand apply foreign law.

With the foregoing, namely where the judge's law refers to the law of a foreigner, thus the case is tried based on the foreign law. International Civil Law by pointing (*Reference Rule*) there are times when it is deemed less in accordance with the ideals of our law if a certain material is controlled by foreign law or foreign law is felt to be less certainty of law in this case the legislator makes his own rules that directly resolve the issue without pointing to a particular legal system, provisions like this are called independent provisions (*Own Rule*).

So in International Civil Law there are 2 provisions

1. Pointer terms
2. Standalone provision

The relationship between the parties in the Classification of acts relating to the object of copyrighted works in the form of *Non-Fungible Tokens (NFT)* is a legal relationship (*rechtsverhouding*), Peter Mahmud Marzuki defines legal relations is a relationship governed by law. Or in other words, relationships that are not regulated by law are not considered as legal relationships.

L.J. Van Apeldoorn defines legal relations as relations regulated by law. As for what is regulated by this law is a relationship arising from the association of society in which there is a limit between rights and obligations. Apeldoorn also explained that every relationship has two aspects:

1. one party is a right; and
2. the other party is an obligation.¹⁸

The transaction of artwork in the form of *Non-Fungible Tokens (NFT)* is a two-faceted legal relationship, meaning that rights and obligations arise between the parties which are realized in the legal act of a sale and purchase agreement for artwork in the form of *Non-Fungible Tokens (NFT)*. The agreement is a *frame* or frame of the rights and obligations of the parties in the sale and purchase transaction, if one party does not carry out what was promised, then the party who feels aggrieved will sue for this loss. If it is not fulfilled by the disadvantaged party, a dispute will arise between the parties, related to dispute resolution in International Civil Law in Indonesia will be based on Dutch heritage regulations in *Algemene Bel Palingen Van Wet Geving (AB)* Articles 16, 17 & 18). Article 18 *Algemene Bel Palingen Van Wet Geving (AB)* Article 18 *Algemene Bel Palingen Van Wet Geving (AB)* Mixed Status, Mixed status forms of legal action are assessed according to the law where the action is performed (*Locus Regit Actum*).

¹⁸ <https://www.hukumonline.com/berita/a/hubungan-hukum-lt62f600f4ceb89/?page=1>

4. CONCLUSION

Settlement of copyright trade disputes in the form of *Non-Fungible Tokens (NFT)* in Indonesia, there is a legal vacuum, dispute resolution efforts can be done by settlement according to civil law in general, namely *non-litigation* and *litigation* settlement. *Non-litigation* settlement in the form of; consultation, negotiation, mediation, conciliation, expert appraisers, and arbitration. while the settlement of litigation conducts prosecution in court (District Court). In addition to Non-Litigation and Litigation settlements, it can also be pursued through Settlement through the *Non-Fungible Token (NFT) platform* or International Civil Law.

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