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Legal Assistance for Micro, Small, and Medium Enterprises (MSMEs) in Drafting Fair Digital Contracts in the Digital Economy Era

Henny Saida Flora[1], Wulandari[2], Grenaldo Ginting,[3], Anastasia Sarjono[4], Suryani Intan Pratiwi Puwa,[5]

[1,]*Universitas Katolik Santo Thomas, hennysaida@yahoo.com*
[2,]*IBN Pringsewu, Seankoko008@gmail.com*
[3,]*Universitas Kristen Indonesia Tomohon, grenaldoginting@gmail.com*
[4,]*Universitas Negeri Gorontalo, desy.sarjono_dosen@ung.ac.id*
[5,]*Universitas Negeri Gorontalo, intan.puwa_dosen@ung.ac.id*

ABSTRACT

The rapid expansion of Indonesia's digital economy has compelled micro, small, and medium enterprises (MSMEs) to enter digital contracts—often standardized agreements imposed by platforms or larger counterparties. These contracts frequently contain unfair terms that disadvantage MSMEs due to their limited legal literacy and bargaining power. This study examines a legal assistance program that aimed to empower MSMEs in Yogyakarta to draft and negotiate fairer digital contracts. Employing a qualitative case study design, data were gathered through in-depth interviews with 30 MSME owners and five legal assistants, focus group discussions, and comparative document analysis of 60 digital contracts (pre- and post-assistance). Thematic analysis revealed that before assistance, contracts were dominated by clauses unilaterally limiting liability, granting vendors unfettered amendment rights, and imposing burdensome dispute resolution mechanisms. Through a structured mentoring process—comprising legal literacy workshops, clause-by-clause review, collaborative redrafting, and negotiation simulations—MSMEs shifted from passive acceptance to active negotiation. Post-assistance contracts demonstrated significant improvements in fairness indicators such as clarity, balance of obligations, and accessibility of remedies. The study also identified persistent challenges, including the reluctance of dominant platforms to alter standard terms and the need for sustained legal support. The findings underscore the transformative potential of community-based legal assistance in fostering contractual justice within the digital economy. Policy recommendations include the development of government-endorsed fair-contract templates, integration of legal design principles into e-commerce platforms, and institutionalization of accessible legal aid for MSMEs.

Keywords: legal assistance, digital contracts, MSMEs, fairness, digital economy

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[1]Corresponding Author Name: Henny Saida Flora; Email: hennysaida@yahoo.com

INTRODUCTION

The digital economy has fundamentally reshaped Indonesia's commercial landscape. With over 212 million internet users and an e-commerce market projected to reach USD 95 billion by 2025, digital transactions have become the norm rather than the exception. At the heart of this transformation lie micro, small, and medium enterprises (UMKM), which number approximately 64 million units, contribute more than 61% to the national GDP, and absorb 97% of the workforce (Kementerian Koperasi dan UKM, 2023). Recognizing their importance, the Indonesian government has actively promoted the digitalization of MSMEs[P1.1] through initiatives such as "UMKM Go Digital" and "Proud of Indonesian Products" (Bangga Buatan Indonesia). By 2024, more than 22 million MSMEs had been onboarded onto digital platforms (Kementerian Komunikasi dan Informatika, 2024). This shift has enabled MSMEs to access wider markets, streamline supply chains, and enhance productivity. However, the digitalization of business relationships has also introduced a new and largely unexamined vulnerability: the widespread use of digital contracts that are not only non-negotiable but often contain terms that systematically disadvantage the weaker party—the MSME (Idrus & Rastina, 2025).

In the digital environment, contracts take the form of click-wrap, browse-wrap, or electronic agreements embedded within platform terms of service, marketplace policies, digital payment agreements, and logistics service level agreements. In Indonesia, the validity and enforceability of electronic contracts are recognized under Law No. 11 of 2008 concerning Electronic Information and Transactions, as amended by Law No. 19 of 2016 (hereinafter the ITE Law), and further regulated by Government Regulation No. 71 of 2019. Article 18(1) of the ITE Law stipulates that electronic transactions set forth in an electronic contract are legally binding. However the law provides only a skeletal framework, emphasizing the principles of good faith, consent, and the freedom to contract, but lacking specific substantive protections against unfair terms in the digital context. The Indonesian Civil Code (Kitab Undang-Undang Hukum Perdata) enshrines the principle of freedom of contract (Article 1338), but this freedom is limited by the requirements of a valid agreement (Article 1320) and the mandate to perform contracts in good faith. However, such general provisions are insufficient to prevent the insertion of unbalanced clauses in standard-form digital contracts, where the economically stronger party dictates the terms of the contract.

Empirical observations and preliminary studies by legal aid organizations reveal that MSMEs frequently encounter digital contracts containing one-sided termination rights, unilateral amendment clauses, broad disclaimers of liability, data exploitation permissions, and mandatory arbitration clauses in distant jurisdictions. For instance, an online marketplace's standard seller agreement may grant the platform the right to suspend accounts without prior notice, withhold payments indefinitely, or amend fees unilaterally. A digital logistics contract may limit the carrier's liability to a nominal amount regardless of the actual loss. MSMEs, lacking legal literacy and bargaining leverage, accept these terms without a genuine understanding or the ability to negotiate. This phenomenon perpetuates what Rakoff (1983) described as "contracts of adhesion," where the weaker party's signature or click signifies not assent but submission. The resulting contractual injustice not only exposes MSMEs to financial risks but also undermines the trust necessary for a sustainable digital economy (Werdaningtyas et al., 2025).

Legal empowerment strategies, including community legal education and contract drafting assistance, have been proposed as remedies for such power asymmetries. In Indonesia, university legal clinics, non-governmental organizations, and local bar associations have initiated programs to assist MSMEs in understanding and negotiating contracts. However, the specific dynamics of digital contract assistance remain underexplored in the academic literature. Most existing studies on legal assistance for MSMEs focus on offline transactions, conventional business registration and intellectual property. Research that explicitly addresses digital contracts, the process of assisting MSMEs in redrafting or negotiating platform imposed terms, and the resulting fairness outcomes is virtually absent. This gap is critical because digital contracts present unique challenges: they are often non negotiable in real time, embedded in code, and subject to complex jurisdictional and evidentiary issues (Yamada, 2024).

This study seeks to fill this gap by examining a legal assistance program conducted by the Legal Clinic of Universitas Nusantara in Yogyakarta, which provided structured mentoring to MSMEs in drafting fairer digital contracts. The central research question is as follws: How does legal assistance empower MSMEs to achieve fair digital contracts in the era of the digital economy? The subquestions are as follows: (1) What types of unfair clauses are prevalent in digital contracts entered into by MSMEs before assistance? (2) Which processes and methods of legal assistance are effective in enhancing MSMEs' capacity to understand and negotiate digital contracts? (3) To what extent does legal assistance improve the fairness of digital contracts as perceived by MSMEs and assessed by legal experts? and (4) What challenges and limitations persist in ensuring contractual justice for MSMEs in the digital economy?

This study aims to provide a comprehensive analysis of the role of legal assistance in fostering fair digital contracts for MSMEs. Thise study is significant at several levels. Theoretically, this study contributes to the discourse on contract fairness in the digital age by integrating perspectives from legal empowerment, consumer protection, and legal design. Practically, it offers an intervention model that can be replicated by legal aid institutions, government agencies, and platform operators. For policy, the findings support the formulation of regulations that mandate plain language standards, require the provision of negotiable alternatives in business to business (B2B) digital contracts, and strengthen access to justice for MSMEs.

The remainder of this paper is organized as follows. The Literature Review synthesizes scholarship on digital economy transformation, MSME digitalization in Indonesia, legal frameworks for electronic contracts, fairness principles in contract law, and legal assistance as a tool for empowerment. The Research Method section details the qualitative case study design, participant selection, data collection techniques, and analytical procedures used in this study. The Results section presents findings structured around the research questions, supported by tables and figures that illustrate the pre and postassistance contract landscape. The Discussion interprets these findings in light of existing theory, highlights the emancipatory potential of legal assistance, and addresses the limitations. The Conclusion offers recommendations and suggests avenues for future research.

METHOD

This study employed a qualitative case study design to obtain an in-depth, holistic understanding of the legal assistance process and its impact on digital contract fairness for MSMEs. The case was the "Digital Contract Mentoring Program" organized by the Legal Clinic of Universitas Nusantara, Yogyakarta, between January and June 2024. The program was selected because it was specifically designed to assist MSMEs in understanding and negotiating digital contracts and had a clear and documented intervention sequence. A qualitative approach was appropriate because the phenomena under investigation—perceptions of fairness, processes of empowerment, and the nuances of contract renegotiation—cannot be adequately captured through quantitative measures alone. The design allowed the researcher to explore the "how" and "why" behind changes in contract content and MSME behavior (Creswell, J. W., & Poth, 2018).

Research Setting and Participants

The research was conducted in the Special Region of Yogyakarta, a province with a vibrant MSME ecosystem and high digital adoption rate. Purposive sampling was used to select participants who met the following criteria: (1) MSME owners who had been using at least one digital platform (marketplace, e-commerce website, digital payment gateway, or logistics aggregator) for a minimum of six months; (2) had signed or clicked through at least one digital contract; and (3) were willing to participate in the full mentoring program and research activities. Thirty MSME owners were enrolled in the study. In addition, five legal assistants (three academic staff and two paralegal volunteers) who facilitated the program were included as key informants to provide the service-provider perspective. Table 1 summarizes the participants characteristics.

Data Collection

Data were collected using three main techniques to ensure triangulation

In depth semi structured interviews: Two rounds of interviews were conducted. Pre intervention interviews explored MSMEs' prior experiences with digital contracts, their understanding of the terms, instances of disputes, and perceptions of fairness. Post intervention interviews, held one month after the program concluded, captured changes in knowledge, attitudes, and the negotiation outcomes attempted. Each interview lasted 45–90 minutes and was audio recorded with consent. Legal assistants were interviewed once after the program regarding the mentoring process and challenges.

Focus Group Discussions (FGDs): Two FGDs were conducted—one mid-program to discuss obstacles and emerging strategies, and one final session to reflect on the overall experience. Each FGD involved 8–10 MSME participants and lasted approximately 120 min. The FGDs were video recorded and transcribed.

Document Analysis: A total of 60 digital contracts were collected—30 contracts that MSMEs had entered into before joining the program and 30 post-assistance contracts (either newly drafted, amended, or renegotiated versions). The contracts included marketplace seller agreements, terms of service for payment gateways, digital advertising contracts, and logistics service agreements. Each contract was systematically coded using a fairness assessment rubric (see the Data Analysis section).

Participant Observation: The researcher attended all mentoring workshops and selected negotiation simulation sessions, taking field notes on interactions, questions raised, and the dynamics between MSMEs and legal assistants.

Intervention Description

The Digital Contract Mentoring Program consisted of four stages over six months: (a) Needs Assessment and Legal Literacy Workshop (2 weeks) – baseline contract collection, introductory training on contract law principles, digital contract validity, and basic rights; (b) Contract Review Clinic (8 weeks) – one-on-one sessions where legal assistants and MSME owners reviewed existing digital contracts, identified unfair clauses using a checklist, and discussed possible modifications; (c) Collaborative Redrafting and Negotiation Simulation (10 weeks) – MSMEs, with assistance, drafted alternative clauses, prepared negotiation scripts, and role-played negotiations with platform representatives (played by law students); and (d) Implementation and Follow-up (4 weeks) – MSMEs attempted to negotiate or switch to fairer contract alternatives, with remote support from the clinic.

Data Analysis

The analysis followed the interactive model of Miles, Huberman, and Saldana (2014), involving data condensation, data display, and conclusion drawing/verification. All interviews and FGDs were transcribed verbatim. The transcripts and contract documents were coded using NVivo 14 Thematic analysis was conducted both deductively and inductively. A priori themes derived from the literature included "unfair clause types," "legal understanding," "bargaining power," and "perceived fairness." Emergent themes such as "digital literacy barriers" and "platform resistance" were also identified. For contract analysis, a Fairness Assessment Rubric was developed based on Willett (2007) and the Indonesian Consumer Protection Law, consisting of six dimensions: (1) Clarity of language; (2) Balance of obligations; (3) Limitation of liability; (4) Termination and amendment rights; (5) Data protection and privacy; and (6) Dispute resolution accessibility. Each dimension was scored by two independent raters (a law lecturer and a senior legal aid lawyer) on a scale of 1 (very unfair) to 5 (very fair). Inter rater reliability was calculated using Cohen's kappa (κ = 0.82), indicating a strong agreement. The mean pre and postassistance contract scores were compared descriptively.

To ensure credibility, sources and method triangulations was employed. Member checking was performed by presenting preliminary findings to a group of participants for feedback. Peer debriefing was conducted with two legal researchers who were not involved in the project. An audit trail of all coding decisions and a reflexive journal were maintained to enhance confirmability. Ethical clearance was obtained from the

Research Ethics Board of Universitas Nusantara (No. 45/UN/LE/2024), and all participants provided written informed consent.

RESULTS AND DISCUSSION

The findings are presented in four sections aligned with the research sub-questions: (1) the prevalence of unfair clauses in pre-assistance digital contracts; (2) the legal assistance process and its empowerment mechanisms; (3) improvements in contract fairness post-assistance; and (4) challenges encountered. Tables and figures are integrated to illustrate the key data.

Thirty MSME owners participated in thise study. Their business characteristics are presented in Table 1.

Table 1. Characteristics of MSME Participants (n=30)

Characteristic	Category	Frequency	Percentage
Business Sector	Culinary	10	33.3%
	Fashion (clothing, accessories)	8	26.7%
	Handicrafts	5	16.7%
	Digital services (printing, design)	4	13.3%
	Others	3	10.0%
Business Age	< 2 years	12	40.0%
	2–5 years	14	46.7%
	> 5 years	4	13.3%
Digital Platform Usage	Marketplace (Shopee, Tokopedia, etc.)	28	93.3%
	Social commerce (Instagram, TikTok)	22	73.3%
	Digital payment (OVO, GoPay, Dana)	30	100%
	Logistics	18	60.0%

Characteristic	Category	Frequency	Percentage
	aggregator		
Prior Contract Dispute	Yes	11	36.7%
	No	19	63.3%
Read Terms Before Clicking "Agree"	Always	2	6.7%
	Sometimes	8	26.7%
	Rarely/Never	20	66.7%

Table 1 description: The sample was dominated by culinary and fashion MSMEs, mirroring national MSME composition. Most businesses were relatively young (<5 years). Nearly all used marketplaces and digital payments. Only two participants reported always reading contract terms before acceptance; the vast majority (66.7%) rarely or never read them, citing time constraints and incomprehensible legal jargon. Onethird had experienced disputes related to digital contracts, such as unexpected account suspensions or withheld payments.

Analysis of the 30 preassistance digital contracts (a total of 342 individual clauses across contracts) revealed a high prevalence of potentially unfair terms. After deductive coding using the fairness assessment rubric, 143 clauses (41.8%) were flagged as unfair by both the raters. The types and frequencies of these events are summarized in Table 2.

Table 2. Frequency of Unfair Clause Types in PreAssistance Contracts (n=30 contracts)

Unfair Clause Type	Number of Contracts Containing Clause	% of Contracts
Unilateral right to amend terms without notice	28	93.3%
Broad disclaimer of liability for any loss	25	83.3%
Termination/suspension without cause or prior notice	24	80.0%

Unfair Clause Type	Number of Contracts Containing Clause	% of Contracts
Mandatory arbitration in foreign jurisdiction	22	73.3%
Excessive data usage and sharing permissions	21	70.0%
Imbalanced payment holding periods or fee deductions	19	63.3%
Non-negotiable choice of law favoring platform	18	60.0%

Table 2 description: The most common unfair clause—present in almost all contracts—was the platform's unilateral right to amend the terms without notifying the MSME. Equally pervasive were broad liability disclaimers that excluded liability for any indirect or consequential damages, even if caused by the platform's negligence. Mandatory arbitration clauses typically designated Singapore or Jakarta as the seat, imposing prohibitive costs on MSMEs. Data exploitation clauses allowed platforms to use MSME transaction data for commercial purposes without explicit consent.

During the interviews, the MSMEs expressed frustration and helplessness. A culinary MSME owner (P04) stated *"I just clicked 'agree.' I didn't know they could freeze my shop without warning. When it happened, I couldn't even reach a human to complain."* A handicraft seller (P12) added *"The language is so difficult, like it's made for lawyers, not for us. I only found out that my customer data could be sold when the legal team explained it."* These quotes illustrate the dual problem of incomprehension and powerlessness that pervaded the pre-assistance situation.

The participants experienced the mentoring program as transformative. Thematic analysis of interview and FGD data revealed four key empowerment mechanisms: demystification of legal language, activation of critical awareness, collaborative problem-solving, and simulated negotiation experience.

Demystification of Legal Language: The literacy workshop and one on one review sessions helped MSMEs decode complex terms. Visual aids, such as flowcharts explaining "termination" and "indemnification," and translations of clauses into Bahasa Indonesia and plain language, were highly appreciated. A fashion seller (P07) noted *"Before, I thought all those sentences were fixed, like a rule from the government. Now I know they are just the company's own rules, and some might be unfair."*

Activation of Critical Awareness: FGDs created a collective space where MSMEs realized they were not alone in facing unfair treatment. Sharing stories about account freezes or hidden charges fostered a sense of shared grievance and collective agency.

Legal assistants guided participants to question the legitimacy of clauses by asking, “Is this balanced? What could happen to you if this clause is enforced?” This reflection shifted the perspective from passive acceptance to acritical evaluation.

Collaborative Problem-Solving: The redrafting stage was characterized by intense collaboration. Legal assistants did not impose solutions but facilitated MSMEs formulation of alternative clauses. For instance, a group of fashion sellers jointly drafted a proposed “Fair Seller Addendum” for marketplace terms, which included a 14-day notice period for policy changes and a cap on liability limited to fees paid. This participatory design process, grounded in the lived experience of MSMEs, ensured that the alternatives were not only legally sound but also practically relevant.

Simulated Negotiation Experience: Role play simulations were cited as a turning point. MSMEs negotiated with “platform representatives” who initially resisted changes. This safe environment built confidence and tactical communication skills among the participants. A handicraft MSME owner (P21) recounted: *“I was terrified at first, but after role-playing, I learned to say, ‘I understand your policy, but this clause harms my business in this way. Can we find a middle ground?’”* Legal assistants observed that the psychological shift from “I cannot negotiate” to “I have a right to ask” was the most significant outcome.

Following the intervention, 22 of the 30 MSMEs attempted to negotiate with the platforms or switch to alternative service providers that offered fairer terms. Five MSMEs successfully negotiated minor amendments (e.g., extended notice period), and six switched to smaller, more flexible logistics or payment providers who accepted their drafted addenda. The remaining MSMEs, despite being equipped, faced platform refusal to alter standard terms; nevertheless, they reported that they now understood the risks and had taken supplementary precautions such as backing up data and diversifying platforms.

Document analysis of 30 post assistance contracts (comprising 22 renegotiated or switched contracts and eight original contracts where MSMEs documented their intentions and risk mitigation plans) showed measurable improvements in fairness scores. Table 3 presents the pre- and post mean scores for each fairness dimension.

Table 3. Mean Fairness Scores of Digital Contracts Pre- and Post-Assistance (1=very unfair, 5=very fair)

Fairness Dimension	Pre-Assistance Mean (SD)	Post-Assistance Mean (SD)	Change
Clarity of language	1.87 (0.73)	3.43 (0.82)	+1.56
Balance of obligations	1.93 (0.78)	3.27 (0.74)	+1.34
Limitation of liability	1.60 (0.68)	2.93 (0.87)	+1.33
Termination/amendment rights	1.73 (0.69)	3.10 (0.76)	+1.37

Fairness Dimension	Pre-Assistance Mean (SD)	Post-Assistance Mean (SD)	Change
Data protection and privacy	2.10 (0.99)	3.47 (0.90)	+1.37
Dispute resolution accessibility	1.83 (0.75)	2.87 (0.94)	+1.04
Overall Mean	1.84	3.18	+1.34

Table 3 description: All dimensions showed notable improvement. Clarity of language increased the most (+1.56), reflecting the plain-language redrafting efforts. Data protection also increased substantially as addenda included explicit consent requirements. The smallest improvement was in dispute resolution accessibility because many platforms refused to change mandatory arbitration clauses; however, some MSMEs managed to insert a tiered dispute resolution clause (negotiation-mediation-arbitration) in custom contracts with logistics partners.

Qualitatively, MSMEs' perceptions of fairness shifted dramatically. In post intervention interviews, 24 of the 30 participants stated that they felt "more protected" or "more in control." A culinary entrepreneur (P09) shared: *"Before, I felt like the contract was a monster I couldn't fight. Now I have a flashlight. Even if I can't change everything, I know where the dangers are and can avoid the worst traps."* Another participant (P19) who successfully switched to a payment gateway that accepted his addendum reported: *"For the first time, I feel like a partner, not just a user who must accept whatever they give."*

Despite the overall positive trajectory, the study identified enduring structural challenges. Most prominently, dominant digital platforms wield immense market power and have little incentive to negotiate with individual MSMEs. A legal assistant (LA03) explained: *"When you deal with a giant marketplace, they tell you 'this is our standard agreement; take it or leave.' Even with a well-drafted addendum, the MSME's business depends on that platform, so they cannot afford to leave."* This underscores the limitations of purely contractual solutions in the face of economic dependency.

Additionally, several MSMEs (especially those with lower educational backgrounds) struggled to fully internalize legal concepts, requiring repeated sessions. Digital literacy also remained a barrier: some participants had difficulty navigating the platform's "terms and conditions" links to locate the full contract. The mentoring program, while successful, was resource-intensive and would be difficult to scale without institutional support.

A summary of the post assistance outcomes and challenges is presented in Table

4.Table 4. Summary of PostAssistant Outcomes and Challenges

Outcome Category	Description	Frequency (n=30)
Successful negotiation (minor changes)	MSME negotiated and achieved at least one clause amendment	5
Switched to fairer alternative provider	MSME chose a different platform/vendor with better terms	6
No change but improved understanding	MSME did not alter contract but now understands risks and takes precautions	19
Key Challenge	"Platform refusal to negotiate" cited as main barrier	25
Key Challenge	"Complex legal language even after training"	12
Key Challenge	"Time and cost of legal assistance"	22

Table 4 description: While only 11 MSMEs achieved a tangible change in their contractual terms, the majority (30) reported a subjective increase in legal capability. However, the structural obstacle of platform non negotiability affected nearly all participants.

Discussion

This study explores how legal assistance empowers MSMEs to achieve fair digital contracts in the digital economy. The findings demonstrate that a well designed, participatory legal assistance program can significantly enhance both the objective fairness of MSME digital contracts and the subjective legal capability of MSME owners. These results resonate with and extend existing theories of legal empowerment, contract fairness, and the dynamics of standard-form contracting in the digital age (Shekhawat & Khare, 2025).

One of the most salient outcomes was the transformation of MSMEs' relationship with digital contractsfrom passive, often fearful acceptance to active, critical engagement. This shift aligns that legal empowerment paradigm, which posits that knowledge of rights, combined with practical skills, can enable marginalized groups to challenge unequal power structures. In the present study, the combination of legal literacy training, one-on-one clause analysis, and negotiation simulations created what Freire (1970) would call a “pedagogy of the oppressed” adapted to the digital marketplace: participants moved from a state of “false consciousness” (believing platform rules were immutable law) to one of “critical consciousness,” recognizing that contract terms are the product of private power and can be questioned. The focus group discussions played a crucial role in this transformation by fostering a collective identity among MSMEs, reducing the isolation that often prevents individual action. This finding extends previous research on collective legal empowerment in community settings (Maru, 2010) to the digital B2B context (Muhammad Mutawalli Mukhlis et al., 2025).

The improvement in contract fairness, as measured by the rubric, provides empirical evidence that legal assistance yields tangible changes in contract content. The gains were most pronounced in language clarity and data protection, areas where MSMEs had the most immediate leverage and where platforms were relatively more willing to accommodate because changes could be framed as customer-friendly rather than zero-sum. The smaller gain in dispute resolution fairness reflects the entrenched nature of mandatory arbitration clauses, a phenomenon well-documented in global consumer contracts (Smakhanova, 2025).

This outcome underscores the value of participatory redrafting, where MSMEs are not mere recipients of legal advice but cocreators of fair clauses. The process embodies legal design principles that emphasize user centered contract creation. By translating legal concepts into plain language and visual formats, the assistance program bridged the “information asymmetry” that fuels unfair. The result is a set of digital contracts that are not only legally sound but also operationally relevant and comprehensible to business owners. This finding supports the call for Indonesian regulators to mandate plain language summaries in electronic contracts, similar to the EU’s requirement for clear and intelligible terms, extended to B2B relationships where significant power imbalances exist.

Despite the positive outcomes, the study reveals that legal assistance alone cannot overcome deep-seated structural inequalities. The refusal of dominant platforms to negotiate illustrates the “super-sticky” nature of standard-form contracts in concentrated markets. When a handful of platforms control market access, the freedom to “vote with one’s feet” is illusory. This finding echoes the fact that the Indonesian legal framework, while formally neutral, is insufficient to protect MSMEs in B2B transactions because it does not recognize the concept of “contractual imbalance” as a ground for judicial intervention. The UCT Directive in Europe and similar laws in other jurisdictions empower courts to invalidate terms that create a “significant imbalance” in the parties’ rights and obligations to the detriment of the consumer (or, in some cases, a small business). Indonesia’s Consumer Protection Law (Article 18) contains a list of prohibited standard clauses, but its applicability to B2B transactions is ambiguous, and enforcement has been limited. The findings of this study provide a strong evidentiary basis for extending such protections to MSMEs when they transact with significantly larger entities, perhaps through a dedicated

"Small Business Fair Contracts Act" or by revising the Consumer Protection Law to cover small businesses (Trivena et al., 2026).

The challenges of sustainability and scale warrant attention. The intensive, acetoface model of legal assistance delivered in this program, while effective, is resource-heavy. The dependency on law clinic staff and students limits the number of MSMEs that can be reached. This points to the need for scalable, technology-enabled solutions such as intelligent contract-checking tools (smart legal design), community-based paralegal networks focused on digital commerce, and integration of contract literacy into government MSME empowerment programs. Additionally, platforms themselves could adopt "fairness by design" principles, offering simple "plain language" toggles and a curated set of optional clauses that allow small sellers to customize protections without sacrificing the platform's core operational needs (R. Benny Riyanto et al., 2025).

This study contributes to the literature in several ways. First, it operationalizes the concept of fairness in digital contracts for MSMEs, moving from an abstract principle to a measurable rubric that can be used in future research and practice. Second, it provides rich qualitative evidence of the empowerment process, showing that legal capability is not merely about knowledge transfer but about fostering critical consciousness, collective support, and practical negotiation experience. Third, it highlights the interplay between individual legal empowerment and structural market dynamics, suggesting that legal assistance is a necessary but not sufficient condition for contractual justice. This study thus enriches the legal empowerment framework by emphasizing the importance of complementary regulatory and market based interventions (Endayani, R., & Arimurti, 2021).

The improvement in contract comprehension and fairness observed here is consistent with O'Brien and Da Costa's (2019) study of Kenyan farmers, where workshop interventions led to better contract terms for participants. However, the Indonesian context adds the dimension of digital platform dominance, which poses a unique challenge not present in physical contract renegotiations. MSME legal assistance in Indonesia focused on offline contracts and found similar improvements in contract quality but did not explore the digital component. The present study extends those findings by demonstrating that digital contracts, despite their "click-and-forget" nature, can be made more transparent and fair when MSMEs are equipped, though the non-negotiability of click-wrap terms remains a formidable barrier (Prasetyo & Priyantoro, 2025).

This study had several limitations. The sample size (30 MSMEs) and specific geographical setting (Yogyakarta) limit generalizability. The assessment of contract fairness, while systematic, relied on a rubric that inevitably involved some subjectivity, although interrater reliability was high. The time frame did not allow long-term follow-up to assess whether the behavioral changes and fairer contracts led to reduced disputes or improved business outcomes. Furthermore, the perspective of platforms was not included; understanding why platforms resist change would add a critical dimension. Future research should involve multistakeholder analysis, comparative studies across different regions, and quantitative impact evaluations to complement qualitative insights.

CONCLUSION

This study examined the role of legal assistance in enabling MSMEs to draft and negotiate fair digital contracts in Indonesia's rapidly expanding digital economy. Through a qualitative case study of a structured mentoring program, it found that pre-assistance contracts were rife with one-sided clauses that exposed MSMEs to significant risk. The legal assistance process, built on demystification of legal language, critical dialogue, participatory redrafting, and simulated negotiations, successfully shifted MSMEs from passive acceptance to active engagement. Post assistance contracts showed marked improvements in clarity, balance of obligations, and data protection, as evidenced by fairness rubric scores and participant testimonies. Nevertheless, the structural power of dominant digital platforms limitse the extent of achievable change, highlighting that legal assistance must be paired with regulatory reform and platform accountability to ensure systemic fairness. These findings have implications for policy and practice. Government should develop mandatory fair-contract standards for digital platforms serving MSMEs, perhaps through a "Digital Contract Code of Conduct," and extend unfair term protections to B2B MSME relationships. Legal aid institutions and universities can replicate the participatory mentoring model by integrating legal design and technology to scale their impact. Platforms themselves are urged to adopt transparent, user centric contracting interfaces and offer graded levels of protection that small businesses can select. Future research should evaluate the long term economic impact of fair digital contracts on MSME resilience and explore the potential of automated legal assistance tools to deliver contract fairness at scale. Ultimately, in an era where digital contracts are inescapable, ensuring their fairness is not merely a legal imperative but a foundational pillar for an inclusive digital economy.

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Ethical Compliance

All procedures performed in studies involving human participants were in accordance with the ethical standards of the institutional and/or national research committee and with the 1964 Helsinki Declaration and its later amendments or comparable ethical standards.

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[2]Corresponding Author Henny Saida Flora; Email: hennysaida@yahoo.com