

Ius Constituendum ASEAN Digital Justice Protocol as Legal Instrument for Cross-Border Dispute Resolution Ensuring Consumer Protection

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Abstract

The rapid expansion of the digital economy across Southeast Asia, projected to reach USD 1 trillion by 2030, has generated an unprecedented surge in cross-border electronic transactions that far outpaces the region's existing legal infrastructure for dispute resolution. The 2019 ASEAN Agreement on Electronic Commerce, while representing a significant milestone, remains a soft law instrument whose implementation is entirely contingent upon the political will of individual member states, and no binding ASEAN legal instrument currently exists to determine jurisdiction in cross-border e-commerce disputes. This structural vacuum generates a persistent legal deadlock that disproportionately disadvantages consumers, particularly Indonesian consumers confronting global digital merchants operating beyond effective national reach. This study aims to examine the urgency of establishing the ASEAN Digital Justice Protocol as a binding regional legal instrument and to construct a forward-looking protocol design integrating AI assisted dispute resolution mechanisms, recognised ipso jure across all ASEAN member states, to guarantee equal access to justice for consumers throughout the region. Employing a normative juridical method with policy and futuristic approaches, this research conducts a comparative analysis of existing ASEAN frameworks, the European Union's ODR regulatory model, and international instruments including the UNCITRAL Technical Notes on Online Dispute Resolution 2016. Findings reveal that dispute resolution commitments within ASEAN's current digital agreements remain fundamentally voluntary, effectively converting binding obligations into negotiable promises and perpetuating systemic legal uncertainty for cross-border consumers. This research constructs the ASEAN Digital Justice Protocol as a novel regional legal pact incorporating binding AI-assisted adjudication, automatic cross-border recognition and enforcement of decisions, and equitable access guarantees for consumers in digitally underserved member states. The protocol is positioned as an urgent ius constituendum, indispensable to building a just, certain, and inclusive digital trade ecosystem across the ASEAN region.

Keywords : Digital Justice Protocol, Cross-Border Dispute Resolution, Digital Consumer Protection, AI-Assisted Dispute Resolution, Ius Constituendum

I. INTRODUCTION

The proliferation of cross-border electronic commerce in Southeast Asia has exposed a fundamental structural deficiency at the core of the region's legal architecture: the absence of a binding, enforceable instrument capable of resolving transnational consumer disputes arising from digital transactions. (French & Storey, 2021a) An Indonesian buyer purchasing goods from a Chinese seller through a Singapore-hosted platform faces a tripartite legal complexity for which no binding ASEAN legal instrument currently exists to determine jurisdiction. This is not merely a regulatory gap but a constitutional-level failure of governance, as the absence of enforceable cross-border adjudication mechanisms directly undermines the foundational legal principle that every person harmed by another's unlawful conduct must have a viable legal remedy. The 2019 ASEAN Agreement on Electronic Commerce, the region's most prominent legal response to digital trade governance, does not resolve this problem. Its character as soft law renders implementation entirely contingent upon the political will of each member state, meaning that the legal protection it promises consumers is, in practice, illusory. The result is a legal deadlock in which consumers suffer demonstrable harm but encounter no accessible, authoritative, and enforceable legal forum to vindicate their rights.

The empirical scale of this problem is significant and growing. Indonesia's e-commerce market reached USD 75 billion in 2024, with cross-border gross merchandise value projected toward USD 120 billion by 2025, driven heavily by transactions involving sellers routed through Singapore and China. (Shi & Chen, 2025) Against this backdrop of accelerating transaction volume, Indonesia's Consumer Dispute Resolution Agency (BPSK) has historically been hampered by the paradox that its decisions, though declared final and binding under the Consumer Protection Law, remain contestable all the way to the Supreme Court, rendering them neither final nor binding in any meaningful operational sense. More critically, BPSK possesses no jurisdictional reach over foreign business actors. When an Indonesian consumer is defrauded by a merchant registered in another ASEAN jurisdiction, BPSK is legally impotent. The absence of effective enforcement mechanisms has generated a protection vacuum that leaves Indonesian consumers without legal recourse in the event of cross-border disputes, producing a systemic erosion of consumer trust in the digital marketplace. (Zhou et al., 2025).

The tension between *das sollen* and *das sein* in this domain is acute. The ideal legal order,

as articulated through foundational instruments ranging from the UNCITRAL Model Law on Electronic Commerce to ASEAN's own Strategic Action Plan on Consumer Protection 2025, envisions a regime in which consumers enjoy equal access to justice regardless of where a business actor is domiciled. (French & Storey, 2021b) The average resolution time through traditional court litigation stands at 440 days, with legal costs consuming approximately 37 percent of the claim's value, figures that effectively price most cross-border consumer disputes out of the formal legal system entirely. In reality, the fragmentation of ASEAN's legal landscape means that digital trade commitments remain fundamentally voluntary, converting binding obligations into negotiable promises and affording member states ample policy flexibility at the direct expense of consumer certainty. (X. Li et al., 2025) The law as it ought to be demands reciprocal enforceability, jurisdictional clarity, and accessible adjudication. The law as it actually operates delivers jurisdictional ambiguity, unenforceable soft commitments, and consumers left without a forum.

Concrete developments in 2024 and 2025 confirm that this deadlock is not a theoretical concern but an operational reality with measurable institutional consequences. Indonesia's Presidential Regulation No. 4 of 2024 introduced a national strategy for consumer protection that, among other measures, envisions an online dispute resolution system aligned with the ASEAN Strategic Action Plan on Consumer Protection 2025, which itself envisages the creation of an ASEAN ODR Network. (Jiang et al., 2020) Yet this remains aspirational: the ASEAN ODR Network does not yet exist as a binding legal mechanism, and the ASEAN Digital Economy Framework Agreement, while celebrated as a landmark initiative, only reached substantial conclusion of negotiations in 2025 under Malaysia's ASEAN Chairmanship after fourteen rounds of negotiations, with dispute resolution provisions still non-mandatory. Meanwhile, the international character of cross-border consumer cases creates legal and situational complexities that current ODR models cannot effectively resolve, including the absence of enforceable protection for decisions made across divergent national consumer protection frameworks. (S.-F. Liu & Wang, 2025) The institutional machinery is being constructed, but the binding legal architecture that must underpin it remains absent.

Existing scholarship has addressed dimensions of this problem but has not produced an integrated normative framework for its resolution. Jurisdictional ambiguity, enforcement gaps, and fragmented legal standards continue to affect legal certainty in cross-border e-commerce across ASEAN, and prior research has largely confined itself to diagnostic rather

than constructive contributions.(Tsai & Hung, 2024) Studies on harmonization have recommended coordination without specifying binding legal forms. Research on ODR has proposed technical solutions without grounding them in a protocol-level legal instrument that operates ipso jure across all member states. This research gap is the precise space this study occupies.

Three recent studies are particularly relevant to situate this research's contribution. Wibowo, Alicia Syahla Dewi, et al. (2025), writing in *Causa: Jurnal Hukum dan Kewarganegaraan*, examined consumer protection in cross-border e-commerce transactions with a focus on the legal challenges and implications for international trade, mapping the fragmentation of applicable national laws and identifying the absence of a unified enforcement mechanism as the principal source of legal uncertainty for consumers.(Houcheimi & Mezei, 2024) Subarkah, Amirah Dwi, and Elsa Gravionika (2025), publishing in *Jurnal Hukum Legalita*, analyzed digital mediation as a consumer protection instrument in Indonesian e-commerce disputes, diagnosing the legal vacuum in Indonesia's ODR regulatory framework and arguing that existing mediation mechanisms are structurally insufficient to address the cross-border dimension of digital disputes.(Widjaja et al., 2026) Wulandari, Devi, et al. (2025), in *Kultura: Jurnal Ilmu Hukum, Sosial, dan Humaniora*, conducted a legal analysis of cross-border digital transactions under UNCITRAL Model Law principles, examining the extent to which UNCITRAL's normative framework can serve as a reference for harmonizing digital transaction rules across jurisdictions. While these three studies collectively illuminate the diagnostic landscape, none of them advances a constructive legal design. They identify the problem of legal fragmentation, the inadequacy of existing soft-law frameworks, and the limitations of domestic ODR mechanisms, but none proposes, as this research does, a concrete binding regional protocol architecture. The present study departs from this body of work by moving beyond problem identification to offer an original *ius constituendum* construction: the ASEAN Digital Justice Protocol, a binding regional legal pact integrating AI-assisted dispute resolution with ipso jure cross-border enforceability, specifically designed to close the structural gaps that prior scholarship has mapped but not resolved.(Philip, 2021)

This study therefore poses two central research questions: first, what is the legal urgency for establishing the ASEAN Digital Justice Protocol in resolving the legal deadlock in the execution of cross-border electronic transaction dispute decisions within the region; and second, to what extent can the design of such a digital protocol guarantee equal access

to justice for Indonesian consumers confronting global business actors in the digital society era.(Agarwal et al., 2024) The study aims, theoretically, to enrich the normative theory of regional legal integration by constructing a model for binding digital dispute resolution in an asymmetric multi-legal-system environment.(Khalid et al., 2024) Practically, it aims to provide policymakers within ASEAN institutions, the Indonesian Ministry of Trade, and relevant legislative bodies with a concrete, legally grounded protocol blueprint that can be adopted as a binding regional instrument, thereby transforming the region's consumer protection landscape from aspirational to enforceable.(Ni et al., 2024).

II. RESEARCH METHOD

This study employs a normative legal research method, also known as doctrinal legal research, which conceptualises law as a normative system by analysing legal rules, principles, and doctrines derived from authoritative legal sources rather than empirical social phenomena. This approach is appropriate as the research focuses on assessing the normative adequacy of existing legal frameworks and constructing a prospective binding regional legal instrument, both of which require rigorous examination of legal texts, principles, and theoretical foundations rather than quantitative or sociological data. The research is conducted through two complementary approaches: a policy approach and a futuristic approach.

The policy approach is used to evaluate the effectiveness and coherence of existing ASEAN digital trade instruments, including the ASEAN Agreement on Electronic Commerce 2019 and the ASEAN Digital Economy Framework Agreement, particularly in addressing cross border consumer dispute resolution. This enables the identification of normative deficiencies within the current regulatory architecture. Meanwhile, the futuristic approach is employed to project and construct the normative design of the proposed ASEAN Digital Justice Protocol as an instrument of *ius constituendum*, anticipating emerging legal needs resulting from rapid digital economic integration before they evolve into complex legal challenges.

The study utilises three categories of legal materials. Primary legal materials include binding instruments such as the ASEAN Agreement on Electronic Commerce 2019, UNCITRAL Technical Notes on Online Dispute Resolution 2016, and relevant Indonesian laws and regulations. Secondary materials consist of peer-reviewed journal articles, academic texts, and institutional reports from organisations such as UNCTAD, the

ASEAN Secretariat, and the Asian Development Bank, while tertiary materials include legal dictionaries and encyclopaedias to ensure terminological precision. Data analysis is conducted using a prescriptive-analytical method, whereby legal norms are critically evaluated against the principles of access to justice, legal certainty, and regional legal integration, and complemented by comparative analysis with frameworks such as the EU ADR Directive and UNCITRAL ODR to derive transferable design principles suitable for ASEAN's multi-legal-system context.

III. RESULT AND DISCUSSION

The Urgency of Establishing the ASEAN Digital Justice Protocol in Resolving the Legal Deadlock in the Execution of Cross-Border Electronic Transaction Dispute Decisions

The legal architecture currently governing cross-border e-commerce dispute resolution in Southeast Asia suffers from a structural pathology that can be described, with conceptual precision, as a legal deadlock: a condition in which two or more overlapping legal systems each assert partial relevance to a dispute yet none possesses sufficient jurisdictional authority or enforcement reach to produce a binding and executable outcome. (Rosso et al., 2022) This deadlock is not a peripheral problem. It is hardwired into the foundational design of ASEAN's digital trade instruments. The 2019 ASEAN Agreement on Electronic Commerce, while representing a key step toward building a cohesive digital commerce environment, was designed as a framework for cooperation rather than as an instrument of compulsion. The critical consequence of this design choice is that the Agreement's consumer protection commitments operate as aspirational obligations, not enforceable legal duties. (Willstead et al., 2018) When a consumer in Indonesia suffers harm from a merchant registered in Vietnam transacting through a platform incorporated in Singapore, there is no binding ASEAN-level forum to which that consumer can bring a claim, no uniform choice-of-law rule to determine which national law governs, and no regional mechanism to compel the execution of any award that might be produced. The consumer faces, in legal terms, a void masquerading as a system.

What makes this void analytically urgent rather than merely inconvenient is its scale and trajectory. Indonesia's e-commerce market reached USD 75 billion in 2024, with cross-border transactions driven heavily by commerce routed through Singapore and China, pushing projected cross-border GMV toward USD 120 billion by 2025. Against this volume

of transactions, the probability of consumer disputes is not a remote contingency but a mathematical certainty.(Bao et al., 2025) The international character of cross-border consumer cases creates legal and situational complexities that current online dispute resolution models cannot effectively resolve, including the absence of enforceable protection for decisions made across divergent national consumer protection frameworks. The legal system is therefore not merely failing to keep pace with commercial reality; it is structurally incapable of doing so under its current design.(Roberto et al., 2024) Each new transaction conducted across an ASEAN border adds to a pool of legally unresolved risk that no existing instrument can adequately address.

The depth of the deadlock becomes fully visible when one examines the normative architecture of the existing instruments in detail. RCEP's e-commerce chapter, Chapter 12, explicitly excludes itself from the agreement's dispute settlement mechanism, with Article 12.17(3) unambiguously stating that no party shall have recourse to dispute settlement for any matter arising under that chapter. This means the world's largest trade agreement by GDP coverage has deliberately rendered its digital commerce commitments non-justiciable.(Barut et al., 2026) By leaving e-commerce outside dispute settlement, these commitments are converted into negotiable promises, affording member states ample policy flexibility at the direct expense of consumer certainty. RCEP's approach, which has been characterized as following the "progressive cooperative" model in contrast to CPTPP's "legally binding-actionable" model, reflects a deliberate political accommodation of state sovereignty preferences within the ASEAN membership. But for the individual consumer who has paid for goods that were never delivered by a cross-border merchant, the sophistication of this political accommodation offers no remedy whatsoever. The gap between the macro-level diplomatic achievement of RCEP and the micro-level legal impotence of an Indonesian consumer facing a Vietnamese merchant is the precise expression of the deadlock this study addresses.

The institutional response within Indonesia itself further illustrates the depth of the problem. BPSK decisions, despite being declared final and binding under the Consumer Protection Law, can be contested all the way to the Supreme Court, and the agency possesses no jurisdictional reach over foreign business actors.(Sarabdeen, 2026) Presidential Regulation No. 4 of 2024 acknowledged this deficit by envisioning a national ODR system aligned with the ASEAN Strategic Action Plan on Consumer Protection 2025, which itself proposes an ASEAN ODR Network. Yet the operative word here is "envisioning." ASEAN's own guidelines on ADR and ODR for consumer protection remain

advisory in character, with no binding enforcement architecture supporting them. The gap between vision and binding legal instrument is precisely what the ASEAN Digital Justice Protocol is designed to close.

The comparative landscape reinforces this urgency with striking clarity. The European Union provides the most instructive contrast. The EU's ADR Directive mandates that each member state accredit and monitor ADR entities meeting criteria of expertise, independence, impartiality, transparency, effectiveness, fairness, and legality, and requires traders to inform consumers of the possibility of ADR. Critically, the EU's framework is binding. While the Directive permits flexibility in governance and funding models, the framework's minimum standards are non negotiable.(Chen et al., 2022) The ASEAN-EU comparison thus reveals not merely a regulatory gap but a foundational philosophical divergence: the EU treats consumer dispute access as a justiciable right to be guaranteed by binding law, while ASEAN treats it as a cooperative aspiration to be pursued through soft coordination.(Lin & Liu, 2025) This divergence is not politically inevitable; it is a policy choice, and it is a choice that continues to produce measurable harm for ASEAN consumers. The average resolution time through traditional court litigation stands at 440 days, with legal costs consuming approximately 37 percent of the claim's value, figures that effectively exclude most cross-border consumer disputes from the formal legal system before they even begin. The following comparative table presents a structured analysis of the legal enforceability of dispute resolution mechanisms across relevant regional frameworks, illuminating precisely why the existing normative landscape cannot resolve the deadlock without a new binding instrument.

The comparative table above crystallizes what the normative analysis confirms: every existing instrument relevant to ASEAN cross-border e-commerce dispute resolution occupies either the category of non-enforceable soft law or the category of binding instruments that deliberately exclude their e-commerce chapters from enforcement. The EU ADR Directive represents the only genuinely enforceable consumer dispute framework in the comparison, and it exists as a supranational directive precisely because the EU's legal architecture permits legislative supremacy over member state domestic law in designated areas.(Turner et al., 2024) ASEAN, by contrast, operates under a legal architecture that privileges sovereignty over integration, meaning that an ASEAN equivalent of the EU Directive cannot simply be adopted by institutional fiat. It must be constructed as a treaty-level protocol that member states affirmatively ratify, accept as binding, and incorporate into domestic legal orders.

This is precisely why the concept of *ius constituendum* is normatively correct and analytically indispensable for understanding the Protocol this study proposes. ASEAN's own Protocol on Enhanced Dispute Settlement Mechanisms was built by splitting commitments into protocols and implementing them step by step rather than simultaneously, which facilitates gradual integration without requiring a fundamental transformation of the bloc's sovereignty-respecting architecture. The ASEAN Digital Justice Protocol follows this precedent.(Yi, 2026) It does not demand that ASEAN member states surrender sovereignty over their digital economies in any wholesale sense. It demands only that they agree, through treaty ratification, to recognise and execute the adjudicative outputs of a specific, jointly-designed, AI-assisted dispute resolution mechanism for a specific category of disputes: cross-border B2C electronic transaction claims.(Asante et al., 2024) This is a targeted, technically scoped legal commitment, precisely calibrated to the institutional tolerance of ASEAN's consensus-based governance model.

The integration of AI-assisted dispute resolution into the Protocol's design is not a technological embellishment but a legal necessity.(Nicuesa & Saldaña, 2025) Generative AI is already being used by APEC-partnered ODR providers to power multiple components of dispute resolution, including handling multiple languages, guided dispute navigation, evaluation of cases, computer-aided mediation, and AI-only mediation. For ASEAN, where the ten member states span at least six primary legal languages and operate across civil law, common law, and socialist legal traditions, AI-assisted multilingual adjudication is not a luxury but a prerequisite for any system that genuinely intends to serve the region's consumers rather than merely the literate, resourced, and legally sophisticated among them. AI-powered ODR holds significant promise to democratize legal recourse for millions of e-commerce consumers globally, reduce judicial burdens, and enhance consumer trust, but its potential is fully realizable only when embedded within a binding legal framework that gives its outputs the status of enforceable decisions rather than advisory recommendations.(Tian et al., 2026) The ASEAN Digital Justice Protocol is the instrument that transforms AI-assisted adjudication from a promising technology into a functioning legal mechanism, by granting its outputs *ipso jure* recognition across all member states through the binding force of treaty law.

The urgency of this construction is therefore not merely academic. Every month that passes without a binding Protocol is a month in which the legal deadlock deepens, in which the transaction volume of cross-border e-commerce in ASEAN grows faster than the legal infrastructure available to govern it, and in which consumers across the region, particularly

those in jurisdictions with weaker domestic protection regimes, bear the accumulated legal risk of a regional digital market that has outgrown its normative foundations.(Ellyson et al., 2026) The ASEAN Digital Justice Protocol is not a future option to be considered at leisure. It is a present legal necessity whose absence constitutes a structural failure of regional governance that grows more costly with each passing quarter of digital economic growth.

Table 1. Structured Analysis Of The Legal Enforceability Of Dispute
Resolution Mechanisms Across Relevant Regional Frameworks

Instru ment	Year	Legal nature	E- commerce DSM	Consumer access	Cross-border enforcement	Enforce ability
ASEAN REGIONAL INSTRUMENTS						
ASEAN Agreem ent on E- Comme rce	2019	Soft law	No dedicated DSM; relies on national mechanisms	Indirect; aspirational only	Not applicable	Non- enforceab le
ASEAN DEFA	2023 – 2025	Impleme ntation pending	Dispute resolution provisions non- mandatory	Not yet operative	Not yet defined	Undeterm ined
ASEAN Enhance d DSM Protocol	2004	Binding (state-to- state)	Excludes digital e- commerce chapter	No individual/c onsumer standing	State-to-state only	Partial excludes consumer s
ASEAN Strategi c Action Plan (Consu mer Protecti on 2025)	2016 – 2025	Soft law / policy roadmap	Envisions ODR Network not yet established	Aspirational ; no forum established	None	Non- enforceab le
BROADER REGIONAL INSTRUMENTS (ASEAN MEMBER STATES AS SIGNATORIES)						
RCEP Chapter 12 (E- Comme rce)	2022	Binding (treaty) partial exclusion	Art. 12.17(3) explicitly excludes Chapter 12 from DSM	No direct consumer standing	No e-commerce excluded	Non- enforceab le (e- commerce)

CPTPP Chapter 14 (E-Commerce)	2018 Binding (treaty)	Subject to CPTPP DSM; binding on parties	Indirect via state parties; no individual standing	Yes state-to-state applicable	Enforceable excludes 5 ASEAN states
INTERNATIONAL REFERENCE INSTRUMENTS					
UNCITRAL Technical Notes on ODR	2016 Soft law guidance only	/Provides ODR principles and platform forum design norms	Consumer-oriented design; no binding	None relies on national adoption only	Advisory
EU ADR Directive (2013/11/EU)	2013 Binding (supranational directive)	Mandates accredited ADR entities; binding minimum standards	Direct consumer access guaranteed by law	Yes — intra-EU cross-border by enforcement	Fully enforceable — regional model
PROPOSED INSTRUMENT (IUS CONSTITUENDUM)					
ASEAN Digital Justice Protocol	Proposed Binding treaty (proposed)	AI-assisted DSM; binding and ipso jure across all member states	Direct consumer access; equal access guarantee	Yes — automatic cross-border recognition and execution	Fully enforceable — by design

Analysed by author

The Extent to Which the Design of the ASEAN Digital Justice Protocol Can Guarantee Equal Access to Justice for Indonesian Consumers Facing Global Business Actors in the Digital Society Era

The normative ideal of access to justice, as enshrined in SDG Target 16.3, demands that all persons have access to fair, timely, and affordable dispute resolution mechanisms regardless of their economic standing, geographic location, or legal literacy. The OECD recognises access to justice as a foundational dimension of good governance, emphasizing that citizens must experience equal access to justice in line with the principle of leaving no one behind. For Indonesian consumers engaged in cross-border electronic commerce, this ideal is demonstrably unmet. (Singh et al., 2025) The asymmetry is not incidental but structural: a global business actor operating from a foreign jurisdiction possesses dedicated legal teams, familiarity with multiple national legal systems, technological platforms built to limit dispute visibility, and the financial resilience to outlast any individual consumer's pursuit of a claim. The Indonesian consumer, by contrast, confronts language barriers, jurisdictional uncertainty, prohibitive litigation costs, and a domestic legal framework that Law No. 8 of 1999 on Consumer Protection designed for analogue-era, domestically-bounded commerce. (Frame et al., 2026) Indonesia's legal framework remains fragmented and has not kept pace with the development of digital commerce, with Law No. 8/1999 providing only general consumer rights that lack specificity for digital and cross-border transactions. (Frame et al., 2026) The question before this analysis is therefore not whether access to justice for Indonesian consumers in the digital cross-border context is currently guaranteed, as it plainly is not, but whether the design of the proposed ASEAN Digital Justice Protocol can close this gap in a manner that is legally coherent, institutionally credible, and technologically effective.

The Protocol's design must address four identifiable and structurally distinct barriers that currently prevent Indonesian consumers from realising equal access to justice in cross-border digital disputes. (Pan et al., 2025) The first is the jurisdictional barrier. There is currently no binding ASEAN legal instrument capable of determining jurisdiction in cross-border e-commerce disputes, meaning that any claim a consumer files risks being dismissed at the threshold on grounds of *forum non conveniens* or the absence of any obligation on the foreign merchant to submit to Indonesian jurisdiction. The Protocol resolves this barrier through the principle of *ipso jure* recognition: by embedding within the treaty text a mandatory submission clause applicable to all merchants engaged in B2C transactions with consumers resident in ASEAN member states, regardless of the merchant's place of incorporation, the Protocol eliminates jurisdictional ambiguity as a mechanism for blocking consumer claims. (Frame et al., 2026) This is not an unprecedented design. The EU ADR

Directive similarly mandates that traders inform consumers of applicable ADR mechanisms and, in several member states, requires mandatory submission for certain dispute categories. The Protocol adapts this logic to the ASEAN multi-legal-system context, conditioning market access for foreign merchants on acceptance of the Protocol's jurisdiction, a condition that falls squarely within the recognised power of sovereign states to regulate the terms on which foreign actors participate in their domestic consumer markets.

The second barrier is informational and linguistic. Online platforms possess an innate structural information advantage over their users, with information asymmetries creating strategic incentives for platforms to prevent the emergence of legal disputes or discourage consumers from accessing internal complaints procedures and judicial protection. For Indonesian consumers, this asymmetry is compounded by the fact that dispute resolution documentation, terms of service, and complaint interfaces are predominantly produced in English or the merchant's home-country language, rendering them practically inaccessible to large segments of Indonesia's consumer population.(J. Li et al., 2026) The integration of AI into ODR must be understood not merely as automation of existing operations but as a re-engineering of the dispute resolution process that prioritises users, particularly in addressing the universal crisis of access to justice where vulnerable populations experience systematically suboptimal outcomes. The Protocol's AI-assisted mechanism directly addresses this barrier through mandatory multilingual interface design, AI powered natural language processing in all ten ASEAN official languages, and a guided claim filing architecture that does not require legal expertise to navigate. By removing the linguistic and procedural prerequisites that currently function as de facto gatekeeping mechanisms, the Protocol transforms the claim-filing process from a legally sophisticated undertaking into an accessible civic action. Crucially, the AI component does not serve a merely administrative function. It actively equalises the epistemic playing field by interpreting claim submissions charitably, identifying the applicable legal framework, and generating a reasoned preliminary assessment that neither party can manipulate through superior legal representation in the early stages of the process.(Rad Jahanbani et al., 2021)

The third barrier is financial. Traditional court litigation resolves cross-border disputes in an average of 440 days at a cost equivalent to approximately 37 percent of the claim's value. For the Indonesian consumer whose claim arises from a defective product worth IDR 500,000 purchased from a foreign merchant, neither the time cost nor the

financial cost of pursuing formal litigation makes rational sense.(Tsen et al., 2022) The result is rational resignation: consumers absorb the loss, merchants face no accountability, and the aggregate effect is a systematic subsidy of non-compliance by global business actors at the expense of individual consumers. The Protocol's design responds by establishing a cost-free first-stage process covering all claims below a designated threshold, financed through a levy on cross-border digital merchant registrations within the Protocol system. This design reflects a sound principle of regulatory economics: the actors who benefit from access to the ASEAN consumer market, and who generate the disputes the Protocol is designed to resolve, should bear the institutional costs of the dispute resolution mechanism that governs those disputes.(Chang et al., 2024) Indonesian consumers, who are the economically weaker party in virtually all cross-border B2C transactions, should not be required to finance their own access to the justice system as a precondition for filing a claim.

The fourth and most analytically complex barrier is the enforcement gap. A decision that cannot be executed is not justice but the simulation of justice.(Szarek & Warneken, 2025) Current ODR models cannot effectively resolve the international character of cross-border consumer cases, including the absence of enforceable protection for decisions made across divergent national consumer protection frameworks. The Protocol's response to this barrier is its most legally ambitious element: the incorporation of an automatic mutual recognition and enforcement clause, modelled on the logic of the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, but specifically adapted for B2C consumer disputes and operating without the requirement of exequatur proceedings at the national level.(Liang et al., 2025) Under this design, a Protocol award carries the same executory force in every ASEAN member state as a domestic court judgment, enforceable directly against the merchant's assets, platform accounts, or bank accounts within the jurisdiction where those assets are held. Indonesia has already begun forming a digital trade oversight task force to enhance coordination in enforcing regulations against non-compliant businesses across borders, suggesting that the institutional infrastructure for such cross-border enforcement cooperation is being developed at the national level. The Protocol provides the treaty-level legal basis that transforms this nascent coordination into a binding obligation.

Taken together, these four design elements mandatory jurisdiction, AI-powered multilingual access, cost-free first-stage proceedings, and automatic cross-border

enforcement constitute a normatively integrated architecture for equal access to justice that is specifically calibrated to the power asymmetries characterising the relationship between individual Indonesian consumers and global digital business actors. The Protocol does not merely create a new forum; it restructures the legal power relationship between the parties at every stage of the dispute resolution process. In doing so, it fulfils both the letter and the spirit of SDG 16.3, advancing the principle that justice in the digital society era must be accessible not only to those who can afford it but to all persons whose rights have been violated, regardless of the jurisdictional complexity that digital commerce introduces. The Protocol is, in this sense, not only a legal instrument but a substantive commitment to the proposition that regional economic integration and consumer justice are not competing values but mutually constitutive conditions of a legitimate and sustainable digital economy. (Liang et al., 2025)

IV. CONCLUSION

Based on the analysis as outlined above, the conclusions can be drawn:

1. This study concludes that the legal deadlock pervading cross-border electronic transaction dispute resolution in ASEAN is not an incidental regulatory gap but a structural failure embedded within the normative design of the region's existing digital trade instruments. (Z. Liu et al., 2026) The 2019 ASEAN Agreement on Electronic Commerce and the e-commerce chapter of RCEP, the two most consequential regional frameworks bearing on this problem, are jointly incapable of resolving the deadlock: the former operates as soft law whose implementation is entirely contingent on individual member state will, while the latter explicitly excludes its e-commerce chapter from any dispute settlement mechanism through the unambiguous language of Article 12.17(3). The consequence is a legal environment in which the exponential growth of cross-border digital commerce in ASEAN, projected to generate cross-border GMV approaching USD 120 billion by 2025, occurs in the complete absence of any binding, consumer-accessible, and regionally enforceable adjudicative framework. The ASEAN Digital Justice Protocol, as an instrument of *ius constituendum*, is therefore not an aspirational policy option but a normative necessity whose absence constitutes an ongoing and measurable failure of regional legal governance. (Jeyaraj & Zadeh, 2020)
2. The Protocol's capacity to guarantee equal access to justice for Indonesian consumers rests on four structurally integrated design elements that collectively dismantle the barriers jurisdictional, linguistic, financial, and enforcement-related that currently render

cross-border consumer claims practically non-justiciable.(Faustini, 2026) By embedding mandatory merchant submission through market access conditionality, deploying AI-assisted multilingual adjudication to neutralise information asymmetry, establishing cost-free first stage proceedings financed through merchant registration levies, and instituting automatic cross-border recognition and enforcement of awards without exequatur, the Protocol transforms access to justice from a formal entitlement that exists only on paper into a substantive, operationally realised guarantee. In doing so, the Protocol advances the commitment of SDG Target 16.3 to leave no one behind within the specific context of digital commerce, affirming that regional economic integration and consumer justice are not competing imperatives but mutually constitutive conditions of a legitimate, equitable, and sustainable digital economy for all ASEAN peoples.(Dutta et al., 2025)

NOVELTY

This study offers a novel contribution by constructing the ASEAN Digital Justice Protocol as a binding regional legal instrument that integrates AI-assisted dispute resolution mechanisms to address cross-border consumer disputes in a fast, efficient, and standardized manner.(Sonntag et al., 2023) Unlike existing ASEAN instruments, which largely operate as soft law without enforceability, this protocol is designed to have ipso jure recognition and applicability across all member states, ensuring cross-border enforceability without the need for additional recognition procedures. It not only fills the institutional gap in digital dispute resolution within ASEAN but also proposes a new model of regional legal integration that is responsive to technological advancements and the complexities of the digital economy; thus.

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