

Digital Copyright Dispute Resolution in Electronic Media Platforms: A Legal Analysis of the Agnez Mo vs Ari Bias Case and the Implementation of Law No. 1 of 2024 Concerning ITE in Digital Music Royalties Protection

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ABSTRACT: The digital revolution has significantly transformed the music industry, especially in the distribution and monetization of creative works through digital streaming platforms. This study analyzes the effectiveness of resolving digital copyright disputes in Indonesia based on landmark case studies, namely the Agnez Mo vs. Ari Bias dispute resulting in a fine of IDR 1.5 billion and the royalty controversy involving the band Kotak related to the song created by Posan Tobing. This study examines the implementation of Law No. 28 of 2014 on Copyright and Law No. 1 of 2024 on the Second Amendment to the Electronic Information and Transactions Law (ITE Law), as well as the integration of electronic royalty mechanisms in digital transactions. The results indicate that although court decisions provide deterrent effects and legal certainty, significant challenges remain in terms of evidence, enforcement, and regulatory harmonization. The implementation of technologies such as blockchain and smart contracts is proposed as a solution to enhance transparency and accountability of royalty payments in the digital streaming era. This research contributes new insights by linking juridical and technological aspects in the protection of digital music copyrights, along with recommendations for strengthening regulations and dispute resolution mechanisms in Indonesia.

KEYWORDS: Digital Copyright; Dispute Resolution; Electronic Royalties; ITE Law; Digital Music Industry.

I. INTRODUCTION

The digital revolution has fundamentally transformed the music industry, creating a new paradigm in the distribution, consumption, and monetization of musical works. Streaming platforms such as Spotify, Apple Music, and YouTube Music now dominate the global music market with subscription- and advertising-based business models that are changing the traditional structure of the recording industry (Saidin, 2019). This transformation brings new complexities to copyright protection and dispute resolution, particularly regarding royalty payment mechanisms and the use of musical works in electronic transactions regulated by Indonesian law.

Previous research on digital copyright protection in Indonesia has explored various fundamental aspects. One study analyzed copyright protection in the Indonesian digital music industry from a civil law perspective, focusing on the role of music aggregators in the industry (Wahyudi, 2023). However, this research has not specifically analyzed dispute resolution mechanisms in the context of real-life cases involving court decisions with significant damages. Furthermore, research on legal protection for songwriters who do not receive royalty payments from music streaming applications has identified that creators have moral and economic rights related to their creations (Pratama, 2024). However, this research remains limited to theoretical aspects without integrating the latest developments in the ITE Law.

The state of the art in digital copyright research demonstrates a gap between technological developments and the existing regulatory framework. Previous research by Margono (2021) identified that the electronic royalty system faces transparency and accountability challenges, but did not analyze its integration with the electronic transaction provisions in the latest ITE Law. Similarly, Islamiyati's (2022) research on the protection of creators' economic rights in the era of digital music streaming provides a strong theoretical foundation but does not yet connect it with practical dispute resolution mechanisms involving electronic media platforms.

The novelty of this research lies in the legal analysis of a concrete case demonstrating the implementation of the Copyright Law in a digital context. The Agnez Mo vs. Ari Bias dispute, which resulted in a Rp. 1.5 billion fine by the Central Jakarta Commercial Court on January 30, 2025, set an important precedent in the application of sanctions for digital copyright

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infringement. Agnez Mo was found to have violated copyright by singing the song "Bilang Saja" without permission from the composer at a commercial concert, demonstrating the weaknesses of the licensing and royalty payment system in the digital era. The complexity of copyright disputes became even more apparent in the controversy surrounding Ahmad Dhani, the Kotak band, and former drummer Posan Tobing, which became a hot topic in 2022. Posan Tobing accused Kotak of failing to pay him royalties for performing their collaborative songs at concerts and on streaming platforms. This case demonstrates how royalty distribution in the era of streaming and digital concerts remains a systemic issue that requires a comprehensive solution through an integrated legal framework.

Law No. 1 of 2024 concerning the Second Amendment to the Electronic Information and Transactions Law (ITE Law) introduces a new dimension to the regulation of electronic transactions, with implications for the digital music industry. The new ITE Law regulates three key points: electronic transactions, international electronic contracts, and the protection of children as users of electronic systems. This provides a stronger legal basis for regulating digital music distribution and royalty payment mechanisms through electronic platforms. The integration of these provisions with Law No. 28 of 2014 concerning Copyright creates a more comprehensive legal framework but also poses new challenges in its implementation.

Electronic royalty systems managed through collective management institutions like WAMI (Wahana Musik Indonesia) face operational challenges in the digital streaming era. Despite the existence of paid streaming mechanisms, royalty payments remain mandatory for music use in commercial venues such as cafes, demonstrating the complexity of multiple licensing within the digital music ecosystem. This requires synchronization between various stakeholders to ensure fair and transparent royalty distribution.

This research contributes novelty by in-depth analyzing two landmark cases in Indonesian digital copyright disputes: the Agnez Mo case, which demonstrated the application of significant sanctions for copyright infringement, and the Kotak Band royalty controversy, which exposed the weaknesses of the digital royalty distribution system. Furthermore, this research integrates legal analysis with the implementation of the latest ITE Law, which has never been explored in the context of comprehensive digital music copyright protection.

Another state-of-the-art aspect of this research that is novel is the analysis of dispute resolution mechanisms through commercial courts, taking into account the unique characteristics of electronic transactions and digital platform business models. Previous research has not explored how courts determine compensation in digital copyright infringement cases, as seen in the Rp 1.5 billion fine decision, which reflects the economic calculation of losses in the digital streaming era.

The identified research gap demonstrates the need for a legal framework that integrates traditional copyright protection with the realities of digital technology and electronic transactions. This research seeks to fill this gap by analyzing the effectiveness of digital copyright dispute resolution through concrete case studies and identifying weaknesses and recommendations for improvements to the digital music royalty protection system in Indonesia.

Based on the description above, the main problem that is the focus of this research is how the effectiveness of digital copyright dispute resolution in the Agnez Mo vs Ari Bias case and the Ahmad Dhani vs Kotak Band controversy can be analyzed legally to identify weaknesses in the digital copyright protection system, as well as how the implementation of Law No. 1 of 2024 concerning ITE can be strengthened to provide more effective legal protection for songwriters in the digital streaming era through an electronic royalty mechanism that is integrated with electronic transaction provisions

II. RESEARCH METHOD

This research is a qualitative legal research with a normative legal doctrinal approach, using a regulatory-legal approach and a contextual approach with descriptive-analytical specifications. The normative approach is used to study the regulation and implementation of Law Number 1 of 2024 concerning ITE and Law Number 28 of 2014 concerning Copyright in the context of protection of digital music royalties and settlement of copyright settlements on electronic media platforms, with a case study of Agnez Mo vs Ari Bias. This research uses secondary data in the form of primary, secondary, and tertiary legal materials obtained through literature studies and digital data searches. The analysis is carried out qualitatively to describe the mechanism for resolving digital copyright rescue and forms of legal protection for music royalties in the digital era based on applicable legal provisions and theories..

III. DISUCSSION

A. *The Effectiveness of Digital Copyright Dispute Resolution in the Agnez Mo vs Ari Bias Case*

An analysis of the effectiveness of the digital copyright dispute resolution in the Agnez Mo vs. Ari Bias case, which resulted in a Rp 1.5 billion fine by the Central Jakarta Commercial Court, demonstrates the complexity of implementing copyright law in the digital era. This case is a landmark decision reflecting how courts interpret copyright infringement in the context of commercial music performances and digital distribution, and provides an important precedent in determining compensation proportionate to the economic losses suffered by creators (Rahardjo, 2023).

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Judging from the provisions of Law No. 28 of 2014 concerning Copyright, this case involves a violation of the economic rights of the creator as regulated in Article 9 paragraph (1) which states that the creator or copyright owner has the economic rights to carry out: a) publishing the creation, b) duplicating the creation in all its forms, c) translating the creation, d) adapting, arranging, or transforming the creation, e) distributing the creation or its copies, f) performing the creation, g) announcing the creation, h) communicating the creation, and i) renting the creation (Margono, 2024). Agnez Mo was proven to have performed the song "Bilang Saja" by Ari Bias in a commercial concert without obtaining permission, which clearly violates the performance rights and the right to announce the creation as referred to in the provisions.

The digital aspect of this case lies in the distribution and publication of the performance through electronic media platforms and social media. Agnez Mo's concert featuring the song was then distributed through various digital channels, including video recordings uploaded to streaming platforms and social media, expanding the scope of copyright infringement from a live performance to massive digital distribution (Islamiyati, 2024). This demonstrates how digital technology can magnify the impact of copyright infringement, while also complicating the calculation of the economic losses suffered by creators.

The Rp 1.5 billion fine in this case reflects the application of Article 95 of the Copyright Law, which regulates compensation, in which the court considers the losses suffered and the profits obtained by the infringer. This amount of compensation indicates that the court has considered the economic value of the commercial exploitation of the song in a widely sold concert, as well as the impact of digital distribution that expands the audience and the potential economic loss to the creator (Purba, 2024). This approach is in line with the principle of *restitutio in integrum*, which aims to restore the creator's position to the position before the infringement occurred, by considering lost profits and actual damages..

Integration with Law No. 1 of 2024 concerning the Second Amendment to the ITE Law provides a new dimension in the resolution of digital copyright disputes. The latest ITE Law regulates three important aspects: electronic transactions, international electronic contracts, and the protection of children as users of electronic systems, which provides a more comprehensive legal framework for regulating digital music distribution and royalty payment mechanisms (Wibowo D. S., 2024). In the context of the Agnez Mo case, the provisions on electronic transactions are relevant because concert tickets are sold online, and recordings of performances are distributed through digital platforms that involve electronic transactions both directly and indirectly.

The effectiveness of dispute resolution in this case can be evaluated from several aspects. First, from a deterrent effect perspective, this significant fine sends a strong signal to music industry players that copyright infringement will be subject to sanctions commensurate with the economic losses incurred (Hasibuan, 2024). Second, from a legal certainty perspective, this decision provides guidance for similar cases in determining proportional compensation. Third, from an enforcement perspective, this case demonstrates the judicial system's ability to handle the complexity of digital copyright disputes by considering technological and electronic distribution factors.

However, this effectiveness also faces several challenges. First, the complexity of proving in the digital era requires adequate technical expertise from law enforcement officials to understand digital distribution mechanisms and accurately calculate economic losses (Sutedi, 2024). Second, enforcement of decisions in the digital context often faces technical obstacles, especially if the infringing content has been widely distributed across various platforms. Third, harmonization of the Copyright Law and the Electronic Information and Transactions Law still requires more detailed implementing regulations to regulate technical aspects such as takedown procedures and notice and counter-notice mechanisms..

The linkage of music distribution through electronic transactions under the latest ITE Law provides a stronger framework for protecting copyright in the digital ecosystem. The provisions on electronic contracts in the ITE Law can be utilized to strengthen the digital music licensing mechanism, where creators can grant permission to use their work through smart contracts or digital platforms that automatically regulate royalty payments (Atmadja, 2024). This can prevent copyright infringement, as in the case of Agnez Mo, because any commercial use of musical works must go through a documented and verifiable electronic licensing mechanism.

The implementation of blockchain technology and smart contracts, supported by the ITE Law's legal framework, can strengthen transparency and accountability in the distribution of digital music royalties. Every music usage transaction, whether for concerts, streaming, or synchronization with other digital content, can be recorded immutably and automatically trigger royalty payments to creators (Raharja, 2024). This approach not only prevents copyright infringement but also accelerates the dispute resolution process because digital evidence is available in real time and can be verified.

From a procedural law perspective, the Agnez Mo case demonstrates the Commercial Court's ability to apply modern principles to the resolution of digital copyright disputes. The use of expert witnesses to explain the technical aspects of digital distribution and the calculation of economic losses demonstrates the judicial system's adaptation to technological complexity (Sari, 2024). However, standardization of the compensation calculation methodology in digital copyright cases is needed to ensure consistency of decisions and predictability for the parties.

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B. Legal Protection Mechanisms for Songwriters in the Digital Streaming Era

The digital streaming era has fundamentally changed the music industry landscape, creating new challenges in protecting the copyright of songwriters. The controversy between Ahmad Dhani and the Kotak Band regarding songs by Posan Tobing, which came to the fore in July 2024, illustrates the complexity of copyright issues in the digital age. Ahmad Dhani stated that performing someone's own song without the creator's permission is unethical and violates copyright law, referring to three songs by Posan Tobing: "Tinggalkan Saja," "Masih Cinta," and "Pelan-pelan Saja," which were performed by the Kotak Band without permission. This case reflects how legal protection for songwriters needs to be strengthened through the implementation of an electronic royalty system integrated with the electronic transaction provisions in the latest ITE Law.

Copyright protection for songs and music in Indonesia is regulated by Law No. 28 of 2014 concerning Copyright and Government Regulation No. 56 of 2021 concerning Management of Song and/or Music Copyright Royalties. According to Margono (2019), copyright protection in the digital era faces new challenges in the form of ease of access and distribution of content that can undermine the rights of creators. In the context of digital streaming, any commercial use of a song must obtain permission from the creator or copyright holder by paying royalties through the National Collective Management Institute (LMKN) as stipulated in Government Regulation 56/2021.

Sutedi (2018) explains that the digitalization of music content allows for unlimited reproduction and distribution, necessitating a more sophisticated protection mechanism to ensure the economic rights of creators are protected. Streaming platforms such as Spotify, Apple Music, and Joox are obligated to pay royalties to creators through a predetermined system, but its implementation still faces various technical and legal challenges..

The implementation of an electronic royalty system is crucial in providing optimal protection for songwriters in the digital streaming era. Sari (2020) argues that an integrated electronic royalty system can provide transparency and accountability in the distribution of royalties to creators. This system allows for real-time tracking of copyright use, automated royalty calculations, and fairer distribution.

According to Wibowo and Pratama (2021), blockchain technology can be integrated into electronic royalty systems to ensure the immutability of usage data and royalty payments. This could address issues like those experienced by Posan Tobing, where his songs were still performed by the band Kotak without his permission even though he left the band in 2011..

Rahayu (2019) added that an electronic royalty system must be able to accommodate various streaming platforms and provide creators with comprehensive data analytics regarding the use of their works. This system must also be integrated with the national database managed by LMKN to ensure that every commercial use of a song is recorded and royalties are distributed appropriately.

Law No. 19 of 2016 concerning Amendments to Law No. 11 of 2008 concerning Electronic Information and Transactions (ITE) provides a legal framework for electronic transactions that can support the implementation of an electronic royalty system. Fauzi (2020) explains that the electronic transaction provisions in the ITE Law provide legal certainty for the implementation of digital royalty payments.

The electronic royalty system must comply with the principles of electronic transactions stipulated in the ITE Law, including authentication, integrity, non-repudiation, and confidentiality. Hakim (2021) stated that implementing electronic signatures in the royalty system can provide legal certainty for royalty payment agreements between streaming platforms and creators..

According to Andika and Sari (2022), blockchain-based smart contracts can be integrated with electronic royalty systems to ensure automatic execution of royalty payments according to agreed terms. This will reduce the potential for disputes like the Ahmad Dhani vs. Kotak Band case, as every use of a song will automatically trigger royalty payments to the rightful creator.

The implementation of an electronic royalty system faces various technical and legal challenges. First, data standardization and interoperability between streaming platforms remain major obstacles. Nugroho (2021) explains that the lack of standardization of song metadata across platforms makes it difficult to accurately track and calculate royalties.

Second, personal data protection in the electronic royalty system must comply with the provisions of Law No. 27 of 2022 concerning Personal Data Protection. Wijaya (2023) emphasized that the electronic royalty system must implement privacy by design to protect the personal information of creators and users of streaming platforms.

Third, enforcement and legal sanctions for violations must be strengthened. The Ahmad Dhani vs. Kotak Band case demonstrates that even though regulations exist, their implementation still faces challenges. Legal practitioner Kadri Mohamad, speaking to CNN Indonesia, argued that accusations of legal violations are not always relevant if there is no effective enforcement mechanism.

Strengthening the legal protection of songwriters through the electronic royalty system requires several strategic steps. First, the establishment of an integrated national database connecting LMKN (National Library of Indonesia), streaming platforms, and creators. Kusuma (2022) suggests that a centralized database with distributed ledger technology can provide a single source of truth for copyright and royalty information. Second, the implementation of a standardized API that allows streaming platforms to report song usage in real time to the national royalty system. Rahman and Dewi (2021) explain that mandatory API integration can ensure that every song play or download is recorded in the electronic royalty system. Third, strengthening administrative and

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criminal sanctions for platforms that do not comply with the electronic royalty system. Mulyadi (2020) argues that strict sanctions are needed to ensure streaming platforms comply with their royalty payment obligations.

IV. CONCLUSION

The effectiveness of the digital copyright dispute resolution in the Agnez Mo vs. Ari Bias case demonstrates positive progress in copyright law enforcement in the digital era, but still requires improvements in technical and procedural aspects and regulatory harmonization. The integration of the Copyright Law with the latest ITE Law provides a stronger foundation for facing future digital copyright challenges, provided that implementation is supported by capacity building and comprehensive implementing regulations.

The controversy between Ahmad Dhani and the band Kotak regarding Posan Tobing's songs illustrates the urgency of strengthening legal protection for songwriters in the digital streaming era. Implementing an electronic royalty system integrated with the electronic transaction provisions of the ITE Law is a strategic solution to provide optimal protection for creators. This system must be able to provide transparency, accountability, and efficiency in royalty distribution, and be supported by a strong enforcement mechanism. Through an integrated technological and legal approach, it is hoped that songwriters' rights can be optimally protected in the ever-evolving digital streaming ecosystem.

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