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THE REVOCATION OF ONLINE TRANSPORTATION PROVISIONS BY THE INDONESIAN SUPREME COURT

In the midst of major changes planned by the government to revamp the transportation network, the Indonesian Supreme Court ruled that the online transportation provisions stipulated under the Minister of Transportation Regulation No. 26 of 2017 is no longer effective. This decision made on 22 August 2017 was based on the consideration that the revoked provisions were in contrary to the Law No. 20 of 2008 concerning Micro, Small, and Medium Enterprise. Thus, this Supreme Court decision creates doubt as to the legality of the number of online transportation systems created for the convenience of the Indonesia public at large. It is obvious that this issue highlights the need for the government to address the legality of such online transport system and whether to regulate or to prohibit the transportation online to settle this protracted issue once and for all.

Meanwhile, it is left to be seen whether the public will continue to cease using such transportation apps or continue to use regardless of the court ruling. Such transportation apps which effectively disrupt the traditional transport business model have undergone many ups and downs globally from Japan to the East to USA / Chile to the West to offer better services to public generally.