

Legal Protection for Food Suppliers in Hardship in Semarang City

Abdul Satar¹⁾ & Andri Winjaya Laksana²⁾

¹⁾Faculty of Law, Sultan Agung Islamic University, Semarang, Indonesia, E-mail: abdstroffice@gmail.com

²⁾Faculty of Law, Sultan Agung Islamic University, Semarang, Indonesia, E-mail: AndriWinjayaLaksana@unissula.ac.id

Abstract: *This study aims to analyze the legal protection for food supply entrepreneurs in Semarang City in facing difficult conditions caused by external factors such as changes in raw material prices, distribution disruptions, or natural disasters. This study uses a qualitative approach with a case study method to explore the challenges faced by entrepreneurs in managing these risks. The data was collected through in-depth interviews with entrepreneurs, legal practitioners, and local governments, and analyzed using qualitative descriptive analysis techniques. The results of the study show that although there are regulations designed to protect entrepreneurs, such as in the Civil Code and the Consumer Protection Law, their implementation is still limited. Small entrepreneurs often do not have a sufficient understanding of their legal rights and are unable to access affordable legal services. This study recommends increasing legal understanding among entrepreneurs and improving the legal aid system for the small business sector.*

Keywords: *Foodstuffs; Hardship; Legal; Regulations.*

1. Introduction

Food is a very basic need for human life. According to the Food and Drug Supervisory Agency of the Republic of Indonesia, food includes everything derived from biological and water sources, both processed and unprocessed, intended for human consumption, including food additives, food raw materials, and other ingredients used in the process of preparation, processing, and manufacturing of food or beverages. Food has an important role in maintaining life, maintaining health, and ensuring the nutritional adequacy of the community.

The National Food Agency noted that in the last two years, the availability of energy, protein, and fat from the rice/cereal group has increased significantly. The per capita energy availability per day increased from 1,383 Calories in 2019 to 1,402 Calories in 2020. The availability of protein and fat also increased, although by a smaller percentage. This availability of energy, protein, and fat is driven by increased rice production, which accounts for more than 85% of the total calories available in the rice/cereal group, while other commodities such as wheat and corn have a smaller contribution.

However, despite the increase in production of staple foods such as rice, dependence on imports of foodstuffs such as wheat and oats remain high, with import figures in 2020 declining slightly. This shows that there is a dependence on imported foodstuffs that are at risk of international price fluctuations and instability in domestic food supply. In addition, the Central Statistics Agency noted that the food sector, especially vegetable

Master of Law, UNISSULA

foodstuffs, experienced a significant increase in imports, which indicates the high public demand for foodstuffs. In 2024,

food exports and imports show an increasing trend, with imports of vegetable food reaching a much larger figure compared to exports, reflecting the domestic market's dependence on food imports to meet consumption demand.

This condition creates pressure on the domestic food distribution system, which must be balanced by an increase in domestic production. In the last five years, the domestic food service and food procurement industry has experienced rapid development, created jobs, and making a great contribution to the local economy. However, this condition also poses various challenges related to the quality and distribution of food that must be maintained to meet the increasing market demand.

One of the main problems faced by food entrepreneurs is related to the difficult situation in the sale and purchase agreement. Hardship refers to exceptional circumstances that occur in a business transaction that cause one of the parties to have difficulty in fulfilling its obligations due to unpredictable changes in circumstances. This has happened a lot to food supply entrepreneurs, such as Sasmita, a vegetable entrepreneur who suffered heavy losses due to delivery delays caused by transportation damage. The loss was exacerbated by the actions of buyers who unilaterally set prices for leftover foodstuffs that were still suitable for sale.

In this context, entrepreneurs who provide groceries often do not have a strong enough bargaining position in the sale and purchase agreement, especially in the case of abuse of circumstances by buyers who take advantage of the difficult situation to unilaterally reduce the price of goods. This condition is often detrimental to small entrepreneurs, who do not have sufficient understanding of the law as an instrument of protection of their rights in business agreements.

Although the agreement for the sale and purchase of groceries is usually based on freedom of contract and consumer protection, in practice, an imbalance between the rights and obligations of both parties often occurs. One of the legal problems that arises is *misbruik van omstandigheden* (abuse of circumstances), which can occur when one of the parties, in this case the buyer, unilaterally changes the price of the goods or cancels the agreement without a clear legal basis. Article 1321 of the Civil Code regulates the abuse of circumstances in the agreement, which includes negligence, coercion, and fraud, which are often experienced by small entrepreneurs in transactions with large buyers or more economically powerful parties.

This leads to bigger problems related to legal protection for food supply entrepreneurs. This situation shows that there is a weakness in the politics of civil law and national business, which has not fully accommodated the rights of small entrepreneurs in facing difficult situations and adequate protection in food purchase and sale agreements. There needs to be an effort to improve regulations related to hardship agreements that have not been clearly regulated in Indonesia's positive law, so that small entrepreneurs can be protected from the abuse of circumstances that are detrimental to them.

Against this background, it is important to study more deeply about legal protection for food supply entrepreneurs in a state of hardship in Semarang City. This research aims to

Master of Law, UNISSULA

analyze various aspects of existing legal protection and provide recommendations to improve the legal protection system for food entrepreneurs, as well as creating balanced fairness in business transactions.

2. Research Methods

This study uses a type of non-doctrinal legal research, in which law is understood as a manifestation of symbolic meaning seen in social interactions between members of society. The approach used is sociological juridical, which aims to understand how the law functions in real life through the perspective of social actors. This study combines primary and secondary data to obtain comprehensive insights. Primary data were obtained through in-depth interviews with relevant food stuffing entrepreneurs, consumers, bureaucrats, academics, and NGOs. Meanwhile, secondary data includes primary legal materials such as laws, secondary legal materials such as academic journals, and tertiary legal materials such as legal dictionaries.

Data collection techniques are carried out through literature studies, field observations, and in-depth interviews. Literature studies aim to understand legal regulations relevant to business agreements and the concept of hardship, while field observations are used to directly observe entrepreneurs' operations and document the challenges they face in their daily business practices. In-depth interviews involve various stakeholders to get first-hand views on legal protection and solutions in dealing with hardship.

The collected data is analyzed qualitatively through the process of data reduction, data presentation, and conclusions drawn. Data reduction is carried out to select information relevant to the focus of the research, while data presentation is carried out in the form of narratives to facilitate analysis. Drawing conclusions is carried out in a deductive manner, where relevant legal theories and rules are applied to understand empirical facts. To ensure the validity of the data, a triangulation technique is used, which is to compare data from various sources to ensure the consistency and credibility of the research results. With this method, the research is expected to provide an in-depth understanding of legal protection for food supply entrepreneurs in facing hardship.

3. Results and Discussion

3.1. Legal Protection for Foodstuffing Entrepreneurs in Semarang City When the Current Hardship Situation Occurs

a. History of Hardship

Contracts are the main tool in legal relationships between parties that have clear obligations and rights based on mutual agreements. In general, the contract made by the parties will be binding and contain provisions that must be implemented in accordance with the principle of *pacta sunt servanda*, which is the principle that states that a valid agreement is binding on the parties as the law for those who make it. This principle is also based on good faith, which requires each party to carry out its obligations in accordance with the content, spirit, purpose, and purposes of the agreement.⁹ However, in practice, there are often unpredictable changes in the situation, which leads to difficulties for one of the parties in implementing the agreed agreement.

In this case, the doctrine of *boil sic stantibus* appears as an exception to the principle of *pacta sunt servanda*. This doctrine governs that a treaty made is binding only as long as

Master of Law, UNISSULA

the circumstances underlying the agreement do not undergo a fundamental change. In the event of a fundamental change in unexpected circumstances, the agreement may be adjusted or even cancelled. In the world of international law, this doctrine is known by various terms, such as *Imprévision* in France, *Frustration of Purpose* in England, *Voraussetzung* in Germany, and *Presupposizione* in Italy, all of which refer to situations in which the circumstances underlying the treaty change significantly. 10 In the context of international law, this change is often referred to as hardship.

In the UNCITRAL Model Law, Article 28 provides that failure in the resolution of disputes by the parties in an arbitral hearing shall be decided on the basis of the applicable law in the country chosen by the disputing parties. The application of the *sic stantibus* or hardship clause in international arbitration may only be applied if the national law chosen by the parties to the agreement provides for it. In other words, this clause is not automatically accepted in the prevailing legal system, although the basic principle regarding changes in fundamental circumstances has been widely accepted in international law.

The Principles of European Contract Law (PECL) in Article 6:111 also stipulates that in the event of a fundamental change in circumstances that interferes with the performance of obligations, the parties must re-negotiate and the court has the authority to modify or terminate the contract if it is contrary to the principles of fairness and good faith. This shows that the principle of *sic stantibus* is not only applicable in international agreements but can also be applied in domestic agreements involving parties with unforeseen circumstances.

The application of *sic stantibus* is not only seen from the aspect of legality and its implementation in the agreement, but also from the aspect of justice. As proposed by Bynkershoek and Machiavelli, this principle allows for a change in the agreement when the underlying circumstances have changed substantially, resulting in one party no longer being able to perform its obligations. This principle was first applied in religious justice and later adopted by world courts, especially in international law to deal with circumstances of war or other profound changes that hinder the implementation of treaties. In more modern cases, the use of *sic stantibus* is growing as awareness of uncertainty and risk in contractual relationships increases. The hardship clause in

international agreements adopted by UNIDROIT, as provided for in Article 6.2.2 of the UNIDROIT Principles of International Commercial Contracts, states that changes in circumstances that fundamentally alter the balance of the contract, such as an increase in the cost of execution or a decrease in the value received by a particular party, may be the basis for renegotiation or even cancellation of the agreement. UNIDROIT stated that this condition can be applied if a change in circumstances occurs after the agreement has been made and cannot be foreseen at the time the contract is signed.

The UNIDROIT Principles stipulate that when hardship occurs, the agreed party has the right to immediately request a renegotiation of the contract. However, this request for renegotiation does not automatically relieve the agreed party from their contractual obligations. The party requesting the renegotiation must show a clear legal basis and give the opposing party an opportunity to study the application. If within a reasonable period of time there is no agreement, then each party can file the case with the court to get a

Master of Law, UNISSULA

decision.16

One relevant example is the use of both *sic stantibus* in international treaties after World War I, where European countries used this basis to postpone previously agreed obligations due to drastic changes in circumstances caused by war. In these cases, the international court granted the aggrieved State the right to withdraw from an existing treaty based on a fundamental change in circumstances.

In Indonesia, the application of *sic stantibus* in national law is still limited to the context of international agreements. Law No. 24 of 2000 concerning International Agreements stipulates that international agreements can be terminated or postponed if there are fundamental changes that affect the implementation of the agreement. However, in Indonesian civil law, the concept of *sic stantibus* has not been explicitly regulated, although there are several legal reasons that can be used to terminate an agreement as stated in Article 1381 of the Civil Code.

Thus, *sic stantibus* or hardship is an important concept in contract law that allows the adjustment or cancellation of an agreement in the event of a fundamental change that affects the ability of one party to fulfill its obligations. Although recognized in international law, the application of this concept in Indonesia still needs further development to provide better protection for the agreed parties in the agreement.

3.2. Similarities and Differences between Hardship and Overmacht

In this study, an analysis has been carried out on the concepts of hardship and overwork (*force majeure*), which are often found in business contracts, especially those involving the procurement of foodstuffs. These two concepts govern the conditions under which one party is unable to fulfill its obligations due to exceptional circumstances. Although both have a similar goal in accommodating unexpected changes affecting the performance of the contract, there are significant fundamental differences between the two. Here is a table comparing aspects of hardship and overwork based on available data and information:

Table 1. Similarities and Differences between Hardship and Overmacht

Aspects	Force Majeure	Hardship
Events that Hinder the Implementation of Achievements	There are extraordinary events that prevent performance of obligations by the affected parties	Events that fundamentally change the balance of the contract, either because the cost of execution or the value received changes significantly
Unpredictable	Events that occur are unpredictable at the time the contract is created	Events that cannot be predicted, but can affect the performance of obligations by changing economic conditions
Not the party's fault	Not caused by the fault of one of the parties in the performance of the	It is not caused by the fault of one party, but rather because of an extraordinary change in circumstances

	contract	that cannot be foreseen
Consequences for Contracts	The contract terminates automatically, unless only part of the obligation cannot be fulfilled	The contract remains valid and can be renegotiated (renegotiation), if the renegotiation fails, it can be filed in court for revision or cancellation
Focus on Changing Circumstances	There is no fundamental change in the balance of contracts, focusing more on failure to execute	Emphasis on changes that significantly affect the balance of the contract, either in terms of costs or the value of the performance received
Placement in Contracts	Placed in Chapter VII on Non-Performance, focusing on failure to meet achievements	Placed in Chapter VI on performance (Performance), it focuses more on adjusting the implementation of performance in the face of changing circumstances

Source: Researcher Processing, 2024

3.3. Legal Protection for Foodstuffing Entrepreneurs in Semarang City When the Current Hardship Situation Occurs

The absence of clear regulations regarding hardship in the legal politics of buying and selling foodstuffs in Indonesia has caused various significant negative impacts. One of them is legal uncertainty that leads to the injury of various dimensions of trade law policy in this country. As capitalism and the market economic system develop, the problem of social and economic inequality is increasingly visible. In ever-changing market conditions and full of uncertainties, such as fluctuations in raw material prices or natural disasters that can affect the distribution of goods, grocery entrepreneurs are often caught in situations where they

have to fulfill previously unpredictable contractual obligations. The absence of regulations regulating hardship in this context makes small and medium entrepreneurs engaged in the food sector more vulnerable to unfair losses, while on the other hand, consumers are also not fully protected from products that do not meet quality standards or are harmful.

In this case, strong business ethics and high integrity should be the cornerstone of every transaction. But in reality, many business practices do not reflect this, and it is increasing over time. Extreme honesty, the ability to analyze the boundaries of competition, and the ability to admit mistakes and learn from failures are becoming increasingly rare in the business world. This situation is exacerbated by the inequality between large companies and small entrepreneurs, which is squeezed by unbalanced market forces. Capitalism, which teaches trade liberalism, does provide freedom of business, but this freedom often leads to sharper social gaps, where the rich get richer while the poor get poorer. In the

Master of Law, UNISSULA

capitalist system, a minority dictator is created who oppresses weaker groups. Therefore, business sustainability must be based on the principle of fair ethics, where business is not only profitable for business actors but also provides real benefits to the wider community.

In the context of contract law, good faith is a principle that should not be ignored. Good faith is an important element in every agreement, including in the contract for the sale and purchase of foodstuffs. According to Subekti, good faith in an agreement requires the parties involved to carry out the contract by relying on the norms of propriety and decency.¹⁹ In addition, the recognition of the principle of good faith is also reflected in the 1969 Vienna Convention which states that the principle of free consensus and good faith is a universally recognized principle in international contract law. Good faith requires each party to the contract to act honestly and not harm the other party, and be responsible for the performance of their obligations in accordance with the existing agreement. In this case, in the event of an unexpected change in market conditions, such as a surge in raw material prices or distribution problems, entrepreneurs should be given space to renegotiate their agreements with buyers or other parties involved, without having to bear the full burden of losses.

However, in reality, the lack of clarity regarding the regulation of hardship in the law on the sale and purchase of foodstuffs in Indonesia leads to various violations that are detrimental to the parties involved. In 2024, for example, the Semarang POM Center found that around 28.15% of the 1,600 food samples tested did not meet safety and quality requirements, which contained hazardous substances such as formaldehyde and borax.²⁰ This situation shows that the absence of clear regulations regarding hardship causes legal uncertainty that is detrimental to consumers. Products that do not meet these quality standards risk endangering consumer health, while entrepreneurs who cannot control the quality of their products are also at risk of losing market confidence.

In addition, the problem of distribution and damage to foodstuffs that occurs during delivery is a big problem for food entrepreneurs. Neila Arief Prasetyo, Director of Rajawali Nusindo, revealed that one of the main risks in the food procurement business is food damage due to disruptions in distribution, such as delays in delivery or damage to expedition vehicles. This leads to losses for entrepreneurs, especially when buyers refuse to pay the full price of food that has been damaged. On the other hand, inadequate warehouse conditions are also a contributing factor to food damage, considering that many food ingredients are perishable and require proper storage conditions. Without clear regulations regarding hardship, employers are often unable to legally protect themselves when they face these kinds of risks.

The importance of regulating hardship in food purchase and sale agreements is not only to protect entrepreneurs but also to create a fairer and more transparent market. With clear regulations regarding hardship, employers can be given the opportunity to renegotiate contracts with buyers in the event of a change in circumstances that affect their obligations. This renegotiation process allows the parties to adjust their obligations to the new market conditions without having to unilaterally cancel the contract. It will also help maintain business continuity in the food sector, which is particularly vulnerable to price fluctuations and distribution disruptions.

The lack of clarity in the legal policy on the sale and purchase of foodstuffs also violates

Master of Law, UNISSULA

several provisions in the Consumer Protection Law. For example, Article 3 mandates that consumer protection aims to increase consumers' awareness, ability, and independence to protect themselves, while Articles 8 and 9 regulate the prohibition of business actors who trade goods that are not in accordance with the promised standards or quality. 21 The absence of clear regulations regarding hardship can cause business actors to freely trade food ingredients that do not meet safety or quality standards, which is detrimental to consumers. In addition, business actors who are forced to face losses due to food damage also do not get adequate legal protection.

Overall, the lack of clarity regarding the regulation of hardship in food purchase and sale agreements shows that existing legal policies are far from creating justice. Hardship as a regulating concept about fundamental and unexpected changes in circumstances must be regulated more clearly in the Indonesian legal system to provide better protection for entrepreneurs and consumers. Thus, regulations that accommodate hardship will ensure the creation of a fairer and more sustainable trading system, which protects all parties involved in transactions.

Based on the description above, the problem of losses experienced by food procurement entrepreneurs is caused by circumstances that are beyond their control. However, this condition occurs due to weaknesses in three important aspects of the legal system in Indonesia, namely weaknesses in legal substance, weaknesses in legal structure, and weaknesses in legal culture. These three weaknesses are interrelated and contribute to the injustice faced by food entrepreneurs, especially in the face of hardship or overwork conditions that hinder the implementation of obligations in contracts.

21 Law Number 8 of 1999 concerning Consumer Protection.

able 2. Weaknesses in Three Important Aspects of the Legal System in Indonesia

Aspects	Description
Weakness of Legal Substance	There is a lack of clear regulation regarding hardship in the law on buying and selling foodstuffs, so that foodstuff traders are vulnerable to losses due to changes in market conditions or distribution disruptions.
Weaknesses of the Legal Structure	Existing regulations provide more protections for consumers and do not provide clear legal protections for grocery traders, leading to their bargaining position becoming very weak.
Weaknesses of Legal Culture	Unfair business competition and legal uncertainty have led many grocery entrepreneurs to be trapped in agreements that are unfavorable to them, without adequate protection in the face of circumstances beyond their control.

Source: Researcher Processing, 2024

Master of Law, UNISSULA

a. Weakness of Legal Substance

One of the main drawbacks that causes losses for grocery entrepreneurs is the lack of clear regulations regarding hardship in food purchase and sale agreements. Until now, there are no legal regulations that specifically regulate protection for food traders when they experience hardship, which can be in the form of unexpected changes in circumstances that affect significantly the performance of contracts. The lack of understanding of business actors in including clear clauses regarding the responsibilities of the parties when hardship occurs further exacerbates this injustice. Many grocery traders, especially those in the traditional sector, do not have a sufficient understanding of their rights in trade agreements. This causes them to be unable to use the law as an instrument of protection, so that their bargaining position in the sale and purchase agreement becomes very weak. As a result, grocery traders are vulnerable to abuse of circumstances by buyers, who take advantage of the situation to unilaterally change prices or cancel agreements.

The principle of *misbruik van omstandigheden* or abuse of circumstances, as specified in Article 1321 of the Civil Code, becomes relevant in this context. *Misbruik van omstandigheden* includes three things, namely negligence (*dwang*), coercion (*dwaling*), and fraud (*bedrog*), which can occur when the buyer unilaterally changes the agreement or lowers the price of goods due to hardship. For example, when hardship occurs, for example, the price of raw materials spikes due to natural disasters or distribution disruptions, the buyer should not change the value of the object of the agreement without the consent of both parties. This violates the principle of *pacta sunt servanda*, which states that a valid agreement is binding on the parties. Therefore, changes to the agreement made unilaterally by one of the parties, without mutual agreement, are clearly contrary to the principles of good faith, consensualism, and fairness in the law of the agreement

b. Weaknesses of the Legal Structure

Another weakness lies in the existing legal structure in Indonesia, especially in terms of laws and regulations that regulate the buying and selling of foodstuffs. The main problem that arises is the lack of clarity regarding the provisions that regulate legal protection for food traders in facing hardship. In this case, the existing regulations regulate more protection for consumers and not for traders or food business actors. Supposedly, the principle of freedom of contract gives the parties the freedom to draw up a fair and balanced agreement, which also takes into account the rights and obligations of food traders. However, in practice, this principle is often misinterpreted as the freedom to dictate and take advantage of a stronger position in the agreement, especially for large buyers who have great influence in the market.

The principle of freedom of contract, according to Purwahid Patrik, includes several important aspects, namely the freedom to make or not make an agreement, the freedom to choose who to contract with, the freedom to determine the form of the agreement, and the freedom to determine the content and terms of the agreement. However, this freedom is often used to the advantage of one party only, while weaker parties, such as traditional grocery traders, are forced to accept changes in the agreement without being able to conduct a fair renegotiation. In this case, grocery entrepreneurs often miss the

Master of Law, UNISSULA

opportunity to maintain the balance of the agreement due to the imbalance of bargaining power that exists.

c. Weaknesses of Legal Culture

The weakness of the legal culture in Indonesia is also a factor that exacerbates this situation. In the increasingly competitive business world, both at the local and international levels, many business actors tend to prioritize personal profits without considering justice and common welfare. This is the case in many sectors, including the food sector, where free competition often creates unfair conditions for small traders. In the face of international trade competition and free trade policies, grocery entrepreneurs are often caught up in agreements that are unfavorable to them. The regulatory vacuum regarding hardship makes the bargaining position of food traders even weaker, because they are unable to protect themselves in the face of circumstances beyond their control, such as food spoilage due to distribution problems or changes in raw material prices.

This unfair competition and legal uncertainty have caused many foodstuff business actors to suffer huge losses. Without a clear provision for hardship, they have to accept unfavorable conditions in the sale and purchase agreement, and often have to bear losses without fair compensation. Therefore, it is important to improve the legal structure and legal culture in Indonesia to better support balance in trade contracts, especially in the food sector.

3.4. Solutions related to the problem of the lack of legal protection for foodstuffing entrepreneurs in Semarang City when there is a current state of hardship

In overcoming the problem of losses experienced by food procurement entrepreneurs due to circumstances beyond their control (such as hardship), Muchsin argued that legal protection can be divided into two types, namely preventive legal protection and repressive legal protection. These two approaches are the basis for providing fairer and more transparent solutions in the arrangement of food purchase and sale agreements, especially in the face of unexpected situations.

d. Preventive Legal Protection

Preventive legal protection aims to prevent violations before they occur. This protection is carried out by providing clear guidelines or limits for business actors through laws and regulations. In the context of food procurement entrepreneurs, preventive protection is very important, especially to provide clear legal signs in carrying out their contractual obligations.

The government should integrate the hardship agreement system in the laws and regulations that regulate the food business sector. With clear regulations on hardship, food entrepreneurs will have guidelines that govern their rights and obligations in the face of unpredictable conditions, such as economic changes, fluctuations in raw material prices, or natural disasters that affect their ability to meet contractual obligations. For example, in the case of a natural disaster that damages crops or distribution disruptions that delay deliveries, entrepreneurs will be protected with a mechanism that allows them to renegotiate or adjust the agreement without having to bear the full loss. Regulations like this will create legal certainty and reduce losses for the weak parties in the contract, in this case food entrepreneurs.

Master of Law, UNISSULA

e. Repressive Legal Protection

Repressive legal protection is a form of protection provided after a violation has occurred. This form of protection includes the provision of sanctions, such as fines, imprisonment, or other additional penalties, to the offender. In the context of the grocery business, repressive protection can be applied when there is abuse of circumstances or *misbruik van omstandigheden*, where one party, for example, a buyer, takes advantage of the difficult situation to harm the other party.

The government should establish a clearer and fairer protection mechanism for food entrepreneurs who are experiencing hardship by implementing civil sanctions such as compensation, as well as criminal sanctions for those who commit fraud or abuse the situation. For example, when buyers unilaterally reduce the price of groceries due to changing market conditions or circumstances beyond the control of the entrepreneur, they must be responsible and compensate for losses arising from such changes.

In addition, in the context of hardship, the government needs to implement a system of shared responsibility between sellers and buyers of foodstuffs. When hardship occurs, both parties must share the risk proportionately and fairly. This will avoid any injustice, where one party (usually the seller) has to bear all the losses, while the other party (usually the buyer) benefits without having to commit to a fair liability.

Through this repressive legal protection approach, the government can ensure that food entrepreneurs are not only protected preventively, but also given access to the restoration of their rights through legal channels in the event of violations. Thus, hardship clauses in the food purchase and sale agreement can provide a guarantee that both parties will be fairly responsible and that no party will be harmed unilaterally.

4. Conclusion

properly. This is due to the absence of legal provisions that specifically regulate hardship in the regulation of business agreements in the food sector. This situation results in food entrepreneurs not having clear guidelines regarding their rights and obligations in dealing with unexpected situations, such as fluctuations in raw material prices, distribution disruptions, or natural disasters that hinder the implementation of contracts. Without clear rules regarding hardship, employers are often trapped in unfair agreements, where they have to bear all losses arising from circumstances beyond their control.

For this reason, the solution to this problem is that the government should include a hardship agreement system in legislation that specifically regulates the food ingredient business sector. With clear regulations on hardship, foodstuff entrepreneurs will have legal protections that can protect them from losses due to changes in market conditions or distribution disruptions. In addition, the government also needs to create a legal protection mechanism that provides a way for entrepreneurs to obtain compensation through civil sanctions, as well as applying criminal sanctions for parties proven to have abused the situation (*misbruik van omstandigheden*). In addition, a system of shared responsibility between sellers and buyers of groceries needs to be implemented in times of hardship, so that both parties can share risks proportionately and fairly. With this fair and clear arrangement, it is hoped that a more transparent, fair, and supportive legal system can be created that supports business sustainability in the food procurement

Master of Law, UNISSULA

sector in Semarang City.

5. References

Regulation:

Decree of the Head of the Indonesian Food and Drug Supervisory Agency, Number HK.00.05.5.1639 concerning Guidelines for Good Food Production Methods for Home Industries (CPPB-IRT).

Law No. 24 of 2000 concerning International Agreements. Law No. 8 of 1999 concerning Consumer Protection.

Books:

Bierly, E. (2005). *International Contract Law: Theory and Practice*. Chicago: University of Chicago Press.

Bynkershoek, H. (2003). *De Iuris Publici Universalis*. Leiden: Martinus Nijhoff Publishers.

Hadiwinata, AS (2017). *Indonesian Legal Politics in the Perspective of Business Law*. Jakarta: RajaGrafindo Persada.

Subekti, R. (1986). *Indonesian Contract Law*. Jakarta: Intermedia.

Utama, M. (2012). *International Economic Law*. Jakarta: PT.

Journals:

Fauzi, AF (2023). The Existence of the Principles of International Treaty Law in Positive Law and its Implementation in the Timor Gap Treaty. *Jurist-Diction*, 6(2). <https://ejournal.unair.ac.id/JD/article/download/44077/24611>.

Hidayat, MF (2017). Legal Politics of Business Competition in Indonesia. *Journal of Light of Justice*, 5(1), 78-103. <http://ejournal.upbatam.ac.id/index.php/cahayakeadilan/article/view/913>.

Indriani, HL, Agustina, U., Dahar, UT, & Agustiawan, A. (2024). The Role of Business Ethics on Consumer Trust. *Rimba Journal: Research in Business Management and Accounting*, 2(2), 173-184. <https://journal.arimbi.or.id/index.php/Rimba/article/view/716>.

Khoirunnisaa, NF, & Masnun, MA (2022). Legal Protection for Investors Against Insider Trading in the Perspective of Law Number 8 of 1995 Concerning Capital Markets. *Novum: Jurnal Hukum*, 91-100.

Muchsin, A. (2009). Legal Protection for Patients as Consumers of Health Services in Therapeutic Transactions. *Journal of Islamic Law*, 7(1), 31-45. <https://ejournal.unesa.ac.id/index.php/novum/article/view/47478>.

Pitoyo, AJ (2007). Dynamics of the informal sector in Indonesia: prospects, development, and its position in the macroeconomic system. *Population*, 18(2). <https://doi.org/10.22146/jp.12081>

Ritonga, AM (2023). Global Economic Challenges and Opportunities in 2023: Growth Projections and Risk. *Circle Archive*, 1(2).

Master of Law, UNISSULA

<http://circle-archive.com/index.php/carc/article/view/49>.

Rofidah, K., Putriana, N., Roqimah, AGC, & Arini, LDD (2024). Building Health from With in With a Healthy High Protein Menu. *Journal of Health and Nutrition Sciences*, 2(3), 06-19. <https://prin.or.id/index.php/jig/article/view/2933>.

Royce, P., & Sudiro, A. (2024). The legal implications for authentic deeds declared to be false. *Law Development Journal*, 6(4), 434-447.

<https://jurnal.unissula.ac.id/index.php/ldj/article/view/40724>.

Rusli, T. (2015). The Principle of Freedom of Contract as a Basis for the Development of Agreements in Indonesia. *Legal Institution*, 10(1), 26780. <https://www.neliti.com/publications/26780/asas-freedom-of-contract-as-the-basis-of-agreement-development-in-Indonesia>.

Sahasrad, H. (2017). State-Owned Enterprises and Politics in the Reform Era: Economic-Political Reflections. *The Politics: Journal of Master of Political Science*, Hasanuddin University, 1(1), 57-82. <https://core.ac.uk/download/pdf/230418975.pdf>.

Sinaga, NA (2021). Perspective of Force Majeure and Rebus Sic Stantibus in the Indonesian Legal System. *Journal Scientific Law Aerospace*, 1(1). <https://journal.universitassuryadarma.ac.id/index.php/jihd/article/view/648>.

Sugiharto, H., & Abrianto, BO (2018). Non-Judicial Legal Protection against Legal Acts Public by Government. *Jurisprudence*, 33(1), 41-72.

<https://www.academia.edu/download/55759233/7280-23898-1-PB.pdf>.

Sujai, M. (2011). The impact of fiscal policy in efforts to stabilize agricultural commodity prices.

Analysis Policy Agriculture, 9(4), 297-312. <https://epublikasi.pertanian.go.id/berkala/akp/article/view/1012>.

Zahrulianingdyah, A. (2018). Culinary as a supporter of local wisdom-based tourism industry. *TEKNOBUGA: Journal Technology Fashion and Catering*, 6(1), 1-9.

<https://journal.unnes.ac.id/nju/teknobuga/article/view/16667>.

Electronic Documents:

Il Gattopardo and Luchino Visconti. Rebus Sic Stantibus: A Comparative Analysis for International Arbitration. Accessed from <http://ssrn.com/abstract=2103641>, May 12, 2023.

Dissertation:

Efendi, MF (2024). Reconstruction of Legal Protection Regulations for Scrap Iron Sellers When Hardship Occurs in Sale and Purchase Agreements Based on Justice Values Dissertation (Doctoral dissertation, Sultan Agung Islamic University Semarang).

Master of Law, UNISSULA

Reports and Statistics:

National Food Agency. (2020). Food Availability Report 2020. Central Statistics Agency. (2024). National Export and Import Data 2024. Semarang POM Center. (2024). Food Safety and Quality Report.