

RECONSTRUCTING INVESTOR PROTECTION IN DIGITAL DISTRIBUTION OF RETAIL SBSN: RISK DISCLOSURE, MEANINGFUL CONSENT, AND ACCOUNTABILITY

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Abstract: *The digital distribution of Retail Sovereign Sharia Securities (SBSN ritel) expands public access to government investment instruments, but it also intensifies information-asymmetry and interface-driven risks that may lead to mis-selling. This article evaluates whether disclosure and risk-communication practices in SBSN retail digital channels satisfy the principles of transparency, accountability, and anti-mis-selling, particularly across the end-to-end investor journey (pre-offering, transaction, and after-sales). Employing a normative legal method supported by qualitative analysis of the digital consent flow and risk-summary presentation, the study maps risk-based disclosure obligations and assesses their operationalization in platform design. The analysis indicates that disclosure can become “formally available” yet substantively ineffective when material risks are placed in marginal locations, consent is easily bypassed, and UI/UX practices (including artificial urgency and biased framing) compress deliberation and steer decisions. These patterns weaken accountability and complicate proof and redress without reliable audit trails. The study concludes that investor protection in SBSN retail digital distribution requires enforceable minimum standards for digital risk disclosure and meaningful consent, strengthened auditability (consent record and audit trail), and integrated after-sales complaint and remedy pathways, complemented by accessible, traceable sharia-compliance assurance.*

Keywords: *SBSN; Disclosure; Consent; Mis-selling; Auditability*

Introduction

The Government of Indonesia has expanded retail access to sovereign instruments through electronic distribution of retail government securities (SBN) and sovereign sharia securities (SBSN) via the e-SBN ecosystem. Digital channels reduce participation costs and widen reach, but they also reshape the risk profile of investor decision-making. In a digital environment, the investor’s decision is no longer formed primarily by reading lengthy offering documents; it is strongly influenced by interface design, the timing of information prompts, and the ease (or difficulty) of accessing material risk explanations during the transaction flow. Consequently, “disclosure” can be formally present yet functionally ineffective when material risks are buried, consent is routinized, and the platform nudges investors to complete transactions with minimal deliberation (Financial Conduct Authority (FCA), 2024).

This paper reconstructs investor protection in the digital distribution of retail SBSN by focusing on three interdependent elements: (i) risk disclosure as communication of material information at the moment it matters, (ii) meaningful consent as an enforceable standard for informed agreement in click-based workflows, and (iii) accountability as a system of auditability and redress that enables proof, supervision, and remedy when mis-selling occurs. The core question is not merely whether risk information exists, but whether it is understandable, timely,

traceable, and capable of supporting ex post accountability. The contribution of this paper is to translate the dissertation's the analysis analysis on "keterbukaan informasi dan komunikasi risiko" into a conference-ready socio-legal argument about minimum standards for digital investor protection (Otoritas Jasa Keuangan (OJK), 2023).

Digital distribution also changes institutional responsibility. In conventional distribution, sales practices are mediated by face-to-face explanations and a paper trail that can be inspected. In digital distribution, the "explanation" is embedded in screens, pop-ups, and hyperlinks, while the "paper trail" becomes log data. This means that investor protection depends on whether the digital system preserves evidence of what was shown and what was agreed to. If the system cannot reproduce the exact disclosure version and consent event, accountability is weakened (*Undang-Undang Republik Indonesia Nomor 19 Tahun 2008 Tentang Surat Berharga Syariah Negara*, 2008).

Retail SBSN is commonly marketed to the mass public, including first-time investors. That policy objective makes protection standards more-not less-important. A public instrument should not be distributed in a way that normalizes minimal comprehension. Therefore, investor protection must be reconstructed to address not only legal texts but also how the platform operationalizes those texts into user journeys. This paper uses the dissertation's the analysis to identify the specific points in the journey where disclosure and consent tend to fail, and then proposes minimum enforceable standards that are measurable and auditable (*Undang-Undang Republik Indonesia Nomor 19 Tahun 2008 Tentang Surat Berharga Syariah Negara*, 2008; *Undang-Undang Republik Indonesia Nomor 19 Tahun 2016 Tentang Perubahan Atas Undang-Undang Nomor 11 Tahun 2008 Tentang Informasi Dan Transaksi Elektronik*, 2016).

Literature Review

Risk disclosure is traditionally justified as a mechanism to correct information asymmetry between issuers/intermediaries and retail investors, thereby enabling informed decision-making and fair market participation. In digital finance, however, disclosure quality depends on "presentation and process," not only on content. Studies on online contracting and consumer finance highlight that standardized terms and clickwrap agreements tend to produce low comprehension and habitual consent, challenging the classical notion of consent as a meeting of minds. In investment contexts, the problem is amplified by bounded rationality, time pressure, and persuasive interface practices.

Three strands of literature are especially relevant. First, the risk-based disclosure approach emphasizes that "material" risks must be communicated with salience, clarity, and comparability, aligned with the investor journey (pre-offering, transaction, and after-sales). Second, meaningful consent scholarship stresses that consent must be informed, unambiguous, and not manipulated by design features that reduce deliberation (e.g., default settings, obscured links, or artificial urgency) (Barber et al., 2022). Third, accountability and compliance research underlines the importance of audit trails, record integrity, and institutional responsibility in digital systems: without reliable logs of what was disclosed, when it was shown, and what the investor acknowledged, enforcement becomes weak and redress becomes difficult (Andraszewicz et al., 2023).

For retail SBSN, these debates intersect with public-law obligations. Although SBSN is a sovereign instrument associated with state financing and (for sharia series) compliance assurances, retail investors still face risks such as liquidity constraints, price fluctuation (if tradable), platform operational risks, data security risks, and mis-selling through promotional framing. The dissertation's the analysis positions disclosure and risk communication as a policy instrument-beyond administrative formality-requiring standards of timing, comprehensibility,

and proof. This paper adopts that orientation and develops a reconstructive framework that can be operationalized into minimum digital standards.

In addition, the literature on “information design” and behavioral public policy supports the idea that disclosure must be paired with usability. Simply providing a PDF is unlikely to correct asymmetry for retail investors. Modern regulatory approaches therefore endorse layered disclosure and standardized risk labels so that users can grasp key risks quickly while still having access to deeper explanations. Relatedly, scholarship and supervisory practice on “dark patterns” argues that manipulative design can undermine investor autonomy even when formal disclosures exist. This is particularly relevant when platforms use countdown timers, social proof (“many investors have bought”), or default selections that favor completion (U.S. Securities and Exchange Commission (SEC), 2024).

Within Islamic finance, investor protection has a further dimension: sharia compliance assurance. Retail SBSN is distributed as a sharia instrument, and investors may rely on that label as a proxy for safety or fairness. In digital channels, sharia assurance must be communicated with scope and limits: what aspects are covered by sharia opinions, what operational risks remain, and what dispute-resolution avenues exist. If sharia assurance is communicated only as a marketing label, it can create overconfidence and weaken deliberation. The the analysis analysis therefore treats sharia assurance as part of the disclosure ecosystem that must be accessible, traceable, and not misleading (European Commission, 2020).

Method

This study employs a normative legal method supported by qualitative analysis of digital consent flow and risk-summary presentation. The primary legal materials include Indonesian laws and implementing regulations governing state securities and electronic transactions, complemented by financial-sector consumer/investor protection instruments and policy guidance on digital finance. Secondary materials include scholarly literature on risk disclosure, online consent, and accountability in digital platforms.

Analytically, the paper maps (1) disclosure obligations across the end-to-end investor journey (pre-offering, transaction, after-sales), (2) minimum requirements for meaningful consent in digital contracting, and (3) accountability mechanisms required for auditability and remedies. The assessment draws on the dissertation’s the analysis argument that disclosure quality must be evaluated by content, timing, comprehensibility, and evidentiary traceability. Findings are synthesized into enforceable minimum standards that regulators and distributing partners can adopt as compliance benchmarks.

Result and Discussion

The the analysis analysis indicates that digital distribution introduces interface-driven risks that can dilute substantive investor protection even when documents are technically available. The findings can be organized into three governance bottlenecks and one cross-cutting design challenge (International Organization of Securities Commissions (IOSCO), 2025).

Legal and operational bottleneck 1:

Risk disclosure as “formally available” but not decision-relevant. In retail SBSN channels, offering information and risk explanations may be hosted as separate documents or deep links. When the transaction interface prioritizes subscription completion, material risks can be displaced to marginal locations (small-font links, collapsible sections, or separate PDF downloads). This creates a gap between availability and accessibility. Risk-based disclosure requires that the platform surfaces material risks at “decision points” (e.g., before order

confirmation) using plain language summaries, layered disclosure (short summary with drill-down), and friction that encourages review (e.g., mandatory scroll-to-end or comprehension checks for high-impact risks) (European Securities and Markets Authority (ESMA), 2023).

Legal and operational bottleneck 2:

Consent that is easy to bypass and therefore not meaningful. Digital distribution relies on click-based acknowledgements and standardized terms. The dissertation highlights that consent becomes weak when it is bundled (one click covers multiple documents), when disclosures are presented after commitment signals (e.g., after entering purchase amount), or when the interface uses urgency cues that compress deliberation. Meaningful consent requires (a) clarity about what is being agreed to, (b) a real opportunity to understand risks, and (c) a design that does not unduly steer choices. In practice, this implies unbundled consent for key risk statements, clear “I understand” acknowledgements for material risks, and avoidance (or strict control) of dark patterns such as countdown timers, biased default selections, and asymmetric emphasis on benefits (International Organization of Securities Commissions (IOSCO), 2024).

Legal and operational bottleneck 3:

Weak accountability and difficult proof when mis-selling occurs. Accountability in digital retail SBSN requires that distributing partners and the system operator can demonstrate what disclosures were presented and what the investor acknowledged. The dissertation’s the analysis emphasizes the importance of proof (pembuktian) and auditability: without immutable logs and retrievable consent records, accountability becomes rhetoric. A robust audit trail should record (i) the exact version of disclosure shown, (ii) timestamps, (iii) user actions (view, scroll, acknowledgement), and (iv) the identity and authentication method used. Auditability must be linked to after-sales pathways: complaint handling, correction, and remedy should be integrated, time-bound, and transparent (Direktorat Jenderal Pengelolaan Pembiayaan dan Risiko (DJPPR), 2024).

Cross-cutting issue:

UI/UX pressure and behavioral bias amplification. A recurring pattern in digital finance is the amplification of behavioral biases through design. Even with correct legal documentation, interfaces can frame retail SBSN as “low risk” or “easy profit,” emphasize limited quotas, or present yield figures prominently while downplaying liquidity and price risks. Such interface practices can amount to functional mis-selling. The reconstruction proposed here treats interface design as part of legal compliance: platforms should be required to apply “anti-mis-selling by design,” including balanced framing, standardized risk labels, prohibition of deceptive urgency, and standardized prominence rules for risk summaries (Wimbyarto, 2024).

Operationalizing the reconstruction: minimum standards across the investor journey. Table 1 synthesizes enforceable minimum standards for risk disclosure, consent, and accountability across the investor journey.

Table 1: Minimum Standards for Digital Investor Protection in Retail SBSN Distribution

Pre-offering stage	Transaction stage	After-sales stage
Plain-language risk summary; standardized risk labels; comparability of key terms	Layered disclosure at decision points; unbundled consent for material risks; no dark	Complaint and remedy pathway; post-sale risk reminders; record access for

	patterns	investors
Clear sharia-compliance assurance and scope	Consent record: versioned disclosure + timestamp + user acknowledgement	Audit trail export for supervisors; incident reporting for system failures
Balanced marketing: benefits and risks with equal prominence	Comprehension prompts for novice investors (warnings, not barriers)	Transparency on liquidity/early redemption conditions (if applicable)

Source: Synthesized from dissertation the analysis analysis and normative reconstruction.

In sum, the the analysis evidence supports the conclusion that investor protection in digital retail SBSN should be reconstructed from document-centric compliance to process-centric protection: disclosure must be salient and timed, consent must be meaningful and unmanipulated, and accountability must be auditable and remedy-oriented (Ontario Securities Commission, 2024).

Legal anchoring of standards

The reconstruction is compatible with Indonesian public finance and electronic transaction norms. The SBSN legal framework recognizes issuance and distribution mechanisms, while electronic transaction law provides concepts relevant to consent and proof (electronic information, electronic signatures, and electronic agents) (Direktorat Jenderal Pengelolaan Pembiayaan dan Risiko (DJPPR), 2024). In a socio-legal sense, these norms must be translated into operational controls: (i) what “risk disclosure” looks like on-screen, (ii) what “agreement” means in click flows, and (iii) what “evidence” is kept for supervision and dispute resolution (Organisation for Economic Co-operation and Development (OECD), 2023).

Sharia compliance disclosure as protection, not branding

The the analysis discussion also implies that sharia compliance communication should be treated as investor protection disclosure. A “traceable” sharia assurance package should include: the legal basis, the sharia contract structure (at a retail-friendly level), the scope of the DSN-MUI opinion, and a clear pathway to request clarification. In digital channels, this package should be accessible at pre-offering and transaction stages and should be versioned like other disclosures, so that investors can later prove what assurance was relied upon (Organisation for Economic Co-operation and Development (OECD), 2024).

After-sales accountability and remedies

Digital distribution often focuses on onboarding and purchase, while after-sales processes are fragmented. A reconstructed model requires integrated after-sales pathways: standardized complaint intake, time-bound responses, escalation routes, and clear remedies for mis-selling or operational failures (Otoritas Jasa Keuangan (OJK), 2022). Because retail SBSN involves state-backed instruments, coordination between the system operator (e-SBN), distributing partners, and relevant supervisory institutions is essential. The audit trail should support not only compliance checks but also consumer-facing rights, such as access to transaction history and consent records (Andraszewicz et al., 2023).

Implementation feasibility

Minimum standards should be designed as measurable compliance controls: prominence rules (e.g., risk summary must be on the same screen as the final confirmation), unbundled consent for a small set of “material risk statements,” and logging requirements for versioned disclosure. These controls can be verified by supervisors through system testing and log inspection. Thus, reconstruction is not a purely theoretical proposal; it is an implementable compliance framework (Barber et al., 2022).

Conclusion

The discussion confirms the abstract’s central claim: in digital retail SBSN distribution, disclosure can be “formally available” yet substantively ineffective when risks are marginalized, consent is routinized, and interface design compresses deliberation. Three reforms follow. First, regulators and distributing partners should adopt enforceable minimum standards for risk disclosure at decision points, using layered and plain-language communication. Second, meaningful consent must be operationalized through unbundled acknowledgements of material risks and a prohibition (or strict control) of UI/UX practices that function as mis-selling. Third, accountability must be strengthened through auditability: versioned disclosure records, reliable consent logs, and integrated complaint-and-remedy pathways. These measures align digital distribution with investor protection principles while preserving the efficiency gains of e-SBN, and they provide a defensible basis for supervision, proof, and redress in retail SBSN transactions. Future work can validate these standards through user testing and supervisory audits, but the normative direction is clear: investor protection in digital retail SBSN must treat the interface as a regulated space. When platforms are required to make risk communication salient and consent traceable, the efficiency of digital distribution can coexist with fairness, sharia integrity, and credible accountability.

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