ISSN:2509-0291
مختبر البحث: قانون الأعمال
مجلة القانون والأعمال الدولية
Revue internationale du droit des affaires
www.Droitetentreprise.com
الإصـــدار رقم 61
دجنبــــر 2025

Legal Challenges in Digital Transactions through Open Platforms: A Study of the UAE Legislative Framework

Dr. Naser Al-Sherman

Associate Professor of Commercial Law College of Law, American University in the Emirates

Email: Naser.sherman@aue.ae ORCID: 0000-0003-4365-842X

Abstract

This study aims to analyze the legal issues arising from gaps and challenges within the legislative frameworks governing digital transactions, particularly in the context of product exchange and purchase through open digital platforms, with a focus on the United Arab Emirates. The findings indicate that UAE legislation provides a solid legal foundation for protecting the parties involved in digital transactions; however, rapid technological developments and changes in the nature of these transactions necessitate continuous updates to the legal frameworks to ensure they keep pace with emerging challenges, thereby enhancing trust and security in the digital environment.

The study further emphasizes the urgent need to develop flexible and adaptable legislation capable of accommodating the accelerating technological changes, which contributes to strengthening consumer rights protection and achieving legal stability in electronic transactions, especially those conducted between individuals via open digital platforms. Such legislative development should include clear legal guarantees, effective mechanisms for contract documentation, fair return and exchange policies, and appropriate insurance systems to safeguard the rights of all parties, in addition to promoting regional and international cooperation in regulating cross-border e-commerce.

keywords: Legislative gaps , Digital transactions , Consumer protection , Open digital platforms , UAE legislation , Legal security , E-commerce .

1. Introduction

Digital platforms function as extensive virtual environments that facilitate interaction among a large number of users and support a wide variety of economic, social, and cultural transactions. Among the most common of these transactions is the exchange and purchase of products between users on open digital platforms, where individuals can list new or used products for sale or trade at an agreed value, often with payment made in advance(Hein et al, 2019).

These transactions depend entirely on the capabilities provided by the digital platform, offering users considerable freedom in communication and negotiation without formal oversight or strict legal regulations governing execution procedures or ensuring guarantees regarding product quality and delivery. Unlike licensed e-commerce stores, which typically limit their role to displaying and selling products, users of open platforms can act as sellers, buyers, or intermediaries, which complicates the legal regulation of these transactions (Al-Sherman, N, 2024).

This situation raises significant legal concerns stemming from the lack of contractual guarantees and oversight mechanisms to protect the rights of involved parties, especially consumers, in the absence of comprehensive and clear legislative frameworks governing digital transactions between individuals. Transactions are often conducted through informal channels, which introduces risks related to non-compliance with agreed terms, thereby undermining trust in the digital marketplace and threatening transaction security (Spagnoletti et al., 2015)

There is a growing necessity to develop legislation that keeps pace with the ongoing evolution of digital business models and innovations in e-commerce, establishing a legal framework that safeguards the rights of all parties and enhances the reliability of digital transactions, particularly in the context of consumer-to-consumer (C2C) commerce via open digital platforms (Pappas, 2016).

1.1 Research Problem

Legislative gaps and deficiencies in the legal frameworks governing transactions on open digital platforms pose a significant challenge to ensuring legal certainty and protecting the rights of contracting parties in the United Arab Emirates. This challenge is particularly critical given the rapid advancement of digital technologies and the increasing diversity of methods for exchanging and purchasing products through these platforms. Accordingly, this study seeks to answer the following question: How do existing legislative gaps affect the reliability and security of product exchange and purchase transactions on open digital platforms in the UAE, and what legislative measures can be proposed to address these gaps, enhance legal certainty, and safeguard the rights of all parties involved?

1.2 Significance of the Study

This study holds considerable legal and practical significance as it addresses the legislative gaps affecting digital transactions through open platforms in the United Arab Emirates. By examining these gaps, the research contributes to enhancing legal certainty, consumer protection, and the enforceability of contractual obligations in e-commerce. Additionally, it provides policymakers, regulatory authorities, and legal practitioners with a comprehensive understanding of the emerging risks and challenges associated with both domestic and cross-border online transactions. The study thereby facilitates the development of a more robust, flexible, and adaptive legislative framework capable of keeping pace with rapid technological advancements and evolving digital business models.

1.3. Study Objectives

The primary objectives of this study are:

1. To identify and analyze legislative gaps and deficiencies in the UAE legal framework regulating digital transactions through open platforms.
2. To evaluate the impact of these legislative gaps on the reliability, security, and enforceability of contractual obligations in consumer-to-consumer (C2C) transactions.
3. To propose practical legal solutions and recommendations aimed at enhancing consumer protection, contractual certainty, and overall transactional reliability in accordance with UAE law.

1.4. Methodology

This study adopts an analytical and descriptive approach to assess the impact of legislative gaps on contractual security in product exchange and purchase transactions conducted via open digital platforms, focusing on the legal framework in the United Arab Emirates. The research methodology consists of the following stages:

1. **Collection and Analysis of Legal and Regulatory Sources:** Gathering and examining legal texts, regulations, and policies related to e-commerce and consumer protection in the UAE, with particular emphasis on Federal Decree-Law No. 1 of 2023 on the Regulation of E-Commerce and Federal Consumer Protection Law No. 15 of 2020. This stage includes studying relevant legal provisions, executive regulations, and materials concerning the resolution of electronic disputes.
2. **Analysis of Legislative Gaps and Associated Risks:** Conducting a qualitative analysis of legal texts and judicial practices to identify legislative gaps and challenges affecting the reliability of electronic transactions. This analysis focuses on contractual security, the protection of parties' rights, and consumer trust in transactions executed through digital platforms.
3. **Proposing Legislative Solutions and Amendments:** Based on the analysis and identified risks, a set of recommendations is proposed to enhance the UAE's legislative framework, strengthen legal protection, and ensure transaction reliability. These include improving return and exchange policies, adopting appropriate insurance systems, and developing mechanisms for electronic contract documentation.
4. **Formulating Recommendations for Policymakers:** Developing practical recommendations directed at legislative and regulatory authorities to facilitate the effective implementation of laws and address emerging challenges in the e-commerce sector. This stage also

includes establishing monitoring and evaluation mechanisms to ensure continuous legislative development aligned with technological advancements.
This methodology provides a rigorous legal foundation for improving the UAE's e-commerce regulatory environment, ensuring robust legal protection for all stakeholders involved in digital transactions.

2. Legal Challenges and Risks Arising from Legislative Gaps in Transactions Conducted through Open Digital Platforms

The primary risks associated with transactions conducted via open digital platforms stem from legislative gaps in the laws regulating the purchase and exchange of products and goods. These platforms permit any individual to access, register, and commence displaying, selling, buying, or exchanging products with other registered users. (Al-Sherman, N, and Momani, B, 2025).

Such transactions raise legal issues concerning the level of legal security and the reliability of contracting parties, particularly the consumer (buyer)(Abdelhady, M, 2024), who lacks adequate protection against risks associated with these transactions during and after the completion of the purchase (Du & Mao, 2018). This is attributable to the absence of legal provisions ensuring that the product corresponds to the advertised or agreed specifications, or protecting the consumer from risks such as damage, destruction, delay, and other potential hazards arising from these transactions(Sanz & Crosbie, 2016) .

The nature of conducting these transactions through large-scale open digital platforms renders insuring these operations difficult, due to the legislative gaps that prevent imposing guarantees on the parties to secure the transactions. Furthermore, practical challenges arise related to the nature, size, and scope of these transactions, impeding the application of conventional insurance mechanisms.

Moreover, the identities of parties involved in transactions through open digital platforms are often unreliable, due to the lack of legal requirements mandating the use of real identities or verification of transactions by an official entity (Loh et al, 2024). Advanced technologies, such as blockchain, are required to authenticate transactions (Bwambale et al, 2019). especially in the transfer of ownership of products or goods by mutual agreement between parties, as opposed to official channels used for registration and transfer of ownership of vehicles and similar goods, which are subject to formal legal procedures (Di Pierro, 2017).

This legislative gap creates an unstable and unreliable business environment, allowing sellers and intermediaries to offer products that do not comply with the advertised or agreed specifications, thereby exposing consumers to risks of fraud and manipulation and undermining their trust in open digital platforms (Pinter et al, 2019). This environment also facilitates identity impersonation on the platform, resulting in transactions based on mistrust and insecurity.

The absence of clear return policies for products sold through these platforms (Yılmaz, 2022), along with the lack of regulatory provisions for compensation in case of harm, exacerbates consumers difficulties.

Additionally, the lack of effective insurance coverage for transactions conducted via open digital platforms complicates addressing financial losses arising from potential risks, increasing the expected financial damages for all parties involved (Pramono, 2023).

Consequently, these risks, coupled with weak legal protection, negatively affect consumer confidence in electronic transactions, heighten concerns when dealing through these platforms, reduce the volume of online commercial transactions, impede economic growth related to this sector, hinder sustainable development of this form of e-commerce, and adversely impact the digital economy as a whole .

2.1. Legal Challenges and Their Impact on Product Transactions Through Open Digital Platforms in the UAE

The level of legal security and transaction reliability constitute fundamental factors influencing users' trust and participation in product exchange and purchase transactions through open digital platforms (Al, 2021). To ensure the protection of parties' rights and enhance the reliability of these transactions, the existence of a precise and comprehensive legislative framework is essential (Konovalova, 2022).

In this context, Federal Decree-Law No. 1 of 2023 on Regulating E-Commerce in the United Arab Emirates provides an advanced legal framework governing exchange and purchase operations via open digital platforms. The law mandates these platforms to follow clear and transparent procedures, including contract documentation and establishing return and compensation policies that guarantee consumer rights and protect them from potential risks (Indrasari, 2021).

Furthermore, the UAE law addresses challenges related to transaction documentation by imposing effective mechanisms for electronic contract documentation, which enhances reliability and mitigates fraud risks (Fletcher et al, 2021). The law also contains effective provisions for penalizing violators, whether regarding misleading advertisements or unauthorized use of trademarks, thereby ensuring a high level of consumer protection (Al-Sherman, Nasser, 2024).

Moreover, the UAE legislation pays special attention to the international challenges of cross-border e-commerce by coordinating legal systems and unifying policies that facilitate the implementation of laws at the international level, reflecting a deep understanding of the global nature of digital commerce.

Nonetheless, certain challenges remain, such as the need to raise awareness among users about the importance of contract documentation and their rights and obligations, in addition to developing effective mechanisms for the swift and transparent resolution of disputes.

By examining the provisions of the UAE Federal E-Commerce Law, several gaps affecting the reliability of product and goods exchange and purchase transactions through open digital platforms can be identified, as follows:

A. Lack of stringent legislative regulation for operations conducted via open platforms between platform clients:
Transactions involving the exchange and purchase of products and goods through digital platforms require a clear and comprehensive legislative framework that guarantees the rights of contracting parties and protects them from potential risks arising from such transactions.

B. Weak legal guarantees protecting the rights of parties involved in transactions through open digital platforms:
The current legal guarantees are insufficient to protect parties in the event that one party suffers harm. This insufficiency is due to the absence of approved return policies or compensation systems that can be activated in cases of breaches of contractual obligations.

C. Weak legal framework regarding penalties
Although the UAE E-Commerce Law includes penalties related to misleading advertisements and unauthorized use of trademarks on digital platforms, there remain gaps in the enforcement mechanisms of these penalties and in providing adequate consumer protection, particularly concerning the law's scope, the competent enforcement authorities, and the challenges posed by the international nature of digital platforms.

D. Absence of a documented mechanism for contracts concluded through open digital platforms:
Contracts concluded through such platforms require more formal and institutional documentation, as contract documentation is considered one of the most effective means to ensure the reliability of transactions, similar to specialized platforms that rely on precise documentation mechanisms to safeguard the rights of the parties involved.

2.2. Does the UAE E-Commerce Law provide guarantees for customers in product exchange and purchase transactions through open digital platforms?

The Federal Decree-Law No. 1 of 2023 on Regulating E-Commerce in the United Arab Emirates represents an advanced and decisive step towards comprehensive and effective regulation of the e-commerce sector. It keeps pace with rapid technological developments and establishes clear legal foundations that ensure the protection of all parties' rights and enhance trust in digital transactions (Abdelhady, 2024).

The UAE law explicitly regulates transactions conducted through open digital platforms between clients and provides an integrated legal framework to address any potential negative impacts. The law includes clear provisions regarding penalties for misleading advertisements or unauthorized use of trademarks, thereby strengthening consumer protection and providing robust legal guarantees for users (Indrasari, 2021).

Furthermore, the law requires all parties wishing to engage in e-commerce, whether as sellers or consumers, to comply with transparent and organized procedures that ensure formal registration and documentation of transactions. This contributes to enhancing the reliability of product exchange and purchase operations through digital platforms (Fletcher et al, 2021).

The law also offers effective mechanisms to protect customers' rights, including clear return and compensation policies, along with swift and transparent dispute resolution procedures, thus fostering a safe and stable environment for digital commerce between individuals and businesses alike (Yılmaz, 2022).

Additionally, UAE legislation is characterized by its flexibility in addressing the international challenges posed by e-commerce. It coordinates with international laws and adopts unified policies that facilitate the regulation of cross-border transactions and protect the rights of all parties involved.

Based on the above, it can be concluded that the UAE E-Commerce Law provides strong and effective guarantees for customers in product exchange and purchase transactions through open digital platforms, establishing a pioneering model in the region that enhances consumer confidence and supports the growth of the digital economy .

3. Proposed Measures to Support the Rights of Parties and Enhance the Reliability of Product Purchase and Exchange Transactions Between Customers on Open Digital Platforms in the United Arab Emirates

Transactions involving the exchange and purchase of products between customers on digital platforms proliferate in various forms (Batrinca & Treleaven, 2014), whether through specialized digital platforms that enable users to display, exchange, or purchase products from other customers, such as the Haraj digital platform, or through exchange, sale, and purchase transactions conducted via social media platforms using personal pages and accounts (Kim & Kim, 2018).

In such transactions, the parties involved are usually ordinary individuals who are not licensed by official authorities and therefore are not subject to merchants' obligations when listing or selling products. Instead, they are ordinary users with various reasons for selling, exchanging, or purchasing a product, and they may not use their real identities (Van Der Walt et al, 2018). These transactions may also be accompanied by fraudulent practices alongside the inherent risks involved in such operations.

Accordingly, the following legal measures are proposed to support legal certainty and enhance the reliability of sales, exchange, and purchase transactions conducted through these digital platforms

Assessing measures to ensure the protection of customer rights in product exchange and purchase transactions on open digital platforms. These transactions take place between individuals via an open digital platform rather than between a customer and a licensed store. The buyer and seller are customers conducting their transactions through the platform without binding legal regulations such as return policies or product insurance. Therefore, legal measures supporting legal certainty in these transactions should be evaluated.

Imposing a mandatory insurance system for product exchange and purchase between customers via digital platforms. Insurance is a traditional and effective tool for risk acceptance and protection. However, its applicability in this context to mitigate risks or ensure transaction success faces the following challenges:

A. The multiplicity of platforms through which these transactions are conducted, especially those on social media, complicates oversight, further exacerbated by the continuous growth in the number of users, reaching approximately 5 billion in 2024.

B. The absence of a specific regulatory framework for these digital platforms, which often operate beyond national borders, limits the effectiveness of insurance regulation since most social media platforms function globally .

C. Strict privacy policies regarding user data hinder the enforcement of mandatory insurance systems, leaving participation to individual discretion. These platforms serve as primary channels for these transactions.

D. The need to document transaction stages, from negotiation to completion, is essential to implement an insurance system, enabling identification and assessment of risk stages.

E. The potential lack of legal capacity of the parties involved to enter into insurance contracts may impede the anticipated legal enforcement.

F. Challenges related to international insurance regulation arise when transactions occur across borders, complicating law and regulation application.

G. A general lack of awareness among parties regarding insurance and the necessity to protect themselves from potential risks necessitates further consumer education and promotion of an insurance culture.

H. The absence of effective enforcement mechanisms for insurance application to products in digital environments calls for the development of tools to ensure compliance with required standards.

3.1. Establishing a Strict Legal Framework for Conducting Product Sales Activities on Open Digital Platforms from Client to Client Based on Innovative Legislative Solutions

This approach is characterized by flexibility and suitability to the development and diversity of digital platforms, as well as the new methods and means of exchanging and purchasing products between clients via specialized or non-specialized digital platforms. These proposals rely on leveraging legislative innovation to address issues arising from technological advancements and changes in the nature of transactions, providing solutions that meet the need for enhanced reliability in product exchange and purchase activities between clients through digital platforms. The role of open digital platforms is limited to advertising, communication, and negotiation, with the completion of transaction procedures carried out through a reliable platform such as "Ejar."

Through legal obligation, it is possible to ensure that participants on these platforms are legally qualified to conduct such transactions (Lumenta & Runtunuwu, 2020). With the significant expansion and widespread popularity of online sales and purchases (Padalka et al., 2021), legal protections have become increasingly essential. By establishing appropriate legal rules for this type of transaction, which emerged from the advent and evolution of the Internet, it is possible to develop global principles suited to the nature of these activities that transcend national borders. Consequently, clients can be protected, laws enforced, and refunds facilitated due to the increasing prevalence of misleading and non-compliant products (Wathan, 2023).

3.2. Enhancing Legal Protection in Client-to-Client Product Transactions via Open Digital Platforms in the UAE: A Legislative Perspective

The digital landscape in the United Arab Emirates is witnessing rapid developments in the use of open digital platforms for product exchange and purchase between individuals. This evolution necessitates the adoption of **innovative legislative approaches** to ensure the protection of rights and to strengthen trust and reliability in this dynamic digital environment. The **Federal Decree-Law No. 1 of 2023 on the Regulation of E-Commerce,** along with the **Federal Law No. 15 of 2020 on Consumer Protection,** have established an advanced legal framework focused on safeguarding parties to digital transactions, enhancing transparency, and ensuring accountability.

Although both laws have introduced substantial legal safeguards, certain **key areas still require reinforcement** to ensure the effective application of these legal provisions—especially in **client-to-client transactions conducted through open digital platforms**. The following critical points are highlighted for legislative development:

A. **Promoting Legal Awareness Among Users**

Many users remain unaware of their legal rights and the available protective mechanisms, such as return policies, complaint procedures, or methods to verify seller identity. This lack of awareness significantly increases the risk of fraud and legal vulnerability (Lumenta & Runtunuwu, 2020).

B. **Mandating Individual Sellers' Compliance with Consumer Protection Requirements**: Transactions conducted via personal, non-commercial accounts are often exempt from professional obligations such as warranties, quality assurance, or exchange rights. Legislative amendments are needed to require individual sellers to comply with these consumer protection standards—particularly when their sales activities are recurrent or semi-commercial in nature (Padalka et al, 2021).

C. **Improving Electronic Dispute Resolution Mechanisms**

While there are established consumer protection bodies and complaint channels, these are not always fast or effective—especially in cases involving unlicensed or anonymous sellers. A streamlined and digital-friendly dispute resolution system is essential for effective enforcement (Costa & Matias, 2020).

D. **Accelerating the Enforcement of Judgments and Sanctions**

The law must ensure that decisions issued against violators are swiftly implemented, particularly when dealing with non-commercial individual sellers who may operate beyond regulatory oversight. Without efficient enforcement, legal liability remains merely theoretical (Wathan, 2023).

E. **Clearly Regulating the Relationship Between Digital Platforms and Users**

Some open digital platforms function solely as intermediaries, disclaiming responsibility for products or the accuracy of seller information. The law should impose obligations on such platforms to assume greater responsibility through documentation, verification mechanisms, and a shared role in upholding consumer rights (Cao et al, 2020).

4. The Position of the UAE Legislator on Gaps Affecting the Reliability of Product Exchange and Purchase Transactions via Open Digital Platforms

The study indicates that the UAE legislator has taken advanced legislative measures to address challenges related to the reliability of electronic transactions, particularly those conducted through open digital platforms. This is clearly reflected in Federal Decree-Law No. 1 of 2023 concerning the Regulation of Electronic Commerce, alongside Federal Consumer Protection Law No. 15 of 2020. The UAE legislator has addressed the following aspects:

A. Addressing Legislative Gaps through a Comprehensive Legal Framework

The UAE legislator has established a developed legal framework regulating electronic transactions and obliging digital platforms to apply clear rules that protect the rights of contracting parties, thereby enhancing trust in electronic transactions and reducing associated legal and economic risks (Konovalova, 2022).

B. Providing Strong Legal Guarantees for the Protection of Parties

The UAE law requires electronic service providers to adopt clear return and exchange policies and provides effective compensation mechanisms in cases of breach of contractual obligations, constituting a legislative guarantee for consumer protection (Indrasari, 2021).

C. Effectiveness of the Penal System in Combating Violations

The UAE law stipulates strict penalties against those who promote misleading advertisements or unlawfully use trademarks and provides effective enforcement mechanisms for these penalties through regulatory authorities such as the Ministry of Economy and the Telecommunications and Digital Government Regulatory Authority (Fletcher et al, 2021).

D. Adoption of Official Mechanisms for Documenting Electronic Contracts

The legislator has approved electronic mechanisms for documenting transactions conducted via digital platforms, ensuring the reliability of contracts and reducing the likelihood of fraud or manipulation, through approved and trusted digital platforms (Yılmaz, 2022).

E. Addressing Regulatory Challenges at the International Level:

The UAE law takes into consideration the international nature of electronic commerce by embracing international agreements and standards and seeks to unify legal frameworks and facilitate cooperation with foreign entities regarding consumer protection and regulation of cross-border transactions (Glaessner et al, 2002).

Accordingly, it can be concluded that the UAE legislator has adopted an advanced legislative approach aimed at enhancing legal protection and reliability within the electronic commerce environment, particularly in the context of transactions conducted between individuals via open digital platforms, thereby contributing to the establishment of a secure and sustainable digital environment.

5. Discussion

A. Legislative Gaps and Their Impact on Product Exchange and Purchase Transactions via Open Digital Platforms in the UAE

Despite the significant progress made by the UAE legislator through the issuance of Federal Decree-Law No. 1 of 2023 concerning the regulation of e-commerce and Federal Consumer Protection Law No. 15 of 2020, the digital transaction environment in the UAE remains in continuous development, imposing new legal challenges. The situation in the UAE differs from other countries due to the interplay between federal legislation and local laws in some emirates, in addition to the economic and technological prosperity that has led to a notable increase in the use of diverse digital platforms, whether specialized or general.

This dynamic environment results in the emergence of varied forms and methods of transactions that were previously not clearly addressed legally, necessitating the development of flexible legal frameworks that keep pace with this evolution, while maintaining strict enforcement of parties' rights and consumer protection. Furthermore, the UAE government's efforts in digital transformation play an active role in enhancing trust and stability in the digital market by providing reliable platforms such as "Ejar" and supporting digital complaint systems.

B. Complexities in Implementing Regulations and Controlling Product Exchange and Purchase Transactions via Open Digital Platforms

The cross-border nature of digital transactions poses particular challenges for the enforcement of laws in the UAE, which is recognized as an international hub for trade, tourism, and investment. This leads to electronic transactions involving parties of different nationalities within an overlapping geographical scope. Therefore, it is sometimes difficult to precisely determine jurisdiction and effectively enforce laws.

Nevertheless, the UAE invests in developing international cooperation and adopts regional and global standards and regulations aligned with its strategies to enhance the digital business environment. Additionally, the state relies on legislative innovation to draft adaptable laws subject to continuous development to keep pace with technological advances, thus mitigating the complexities associated with regulating these transactions and reducing potential risks.

C. Continuous Expansion and the Difficulty of Controlling Product Exchange and Purchase Transactions via Open Digital Platforms

The UAE is among the fastest-growing countries globally in terms of internet and digital technology usage, with internet penetration rates exceeding a significant portion of the population, resulting in a large and steadily increasing volume of digital transactions. This includes exchange and purchase operations between individuals through open digital platforms that are not always directly supervised by governmental or regulatory authorities.

This expansion requires UAE legislative and executive authorities to continually adopt innovative and flexible legislative solutions, alongside enhancing the use of technology in oversight, such as artificial intelligence and data analytics, to ensure effective monitoring of these transactions and protection of consumers. Moreover, the UAE aims to foster digital literacy and awareness of consumer rights and the importance of personal data protection, thereby supporting legal and commercial sustainability in the e-commerce sector.

6. Findings

1. **Existence of an Advanced but Continuously Developing Legislative Framework**

Although the UAE possesses advanced laws such as Federal Decree-Law No. 1 of 2023 Regulating Electronic Commerce and Federal Consumer Protection Law No. 15 of 2020, there remains an ongoing need for continuous development that keeps pace with the rapid evolution of e-commerce and open digital platforms.

2. **Challenges in Documenting and Protecting Digital Transactions**

Regulatory authorities in the UAE face certain difficulties in unifying mechanisms for contract documentation and safeguarding parties involved in transactions conducted between individuals via open digital platforms, necessitating improvements in related technical and legal systems.

3. **Necessity to Enhance Return and Exchange Policies**

Despite the existence of legal provisions supporting consumer rights, the implementation of clear and standardized return and exchange policies requires improvement to bolster consumer confidence and reduce potential risks in digital transactions.

4. **Managing Legal Diversity at the International Level**

As the UAE is a major international trade hub, the challenge of harmonizing and coordinating with international legal frameworks arises, necessitating the adoption of flexible legal strategies that enable handling cross-border transactions within a unified or integrated legal framework.

5. **The Need for Legislative and Technological Innovation**

The rapid technological developments in the e-commerce sector call for the enactment of innovative laws and regulations that integrate advanced technological solutions such as artificial intelligence and blockchain technologies to ensure transaction transparency and protect rights.

7. Recommendations

1. **Periodic Updating of the Legislative Framework**

It is essential to regularly update laws and regulations related to e-commerce and digital transactions to keep pace with technological and economic developments, with a focus on protecting consumer rights and enhancing trust in digital platforms.

2. **Strengthening Digital Contract Documentation Mechanisms**

Encouraging the use of reliable and authenticated electronic systems for contracts and agreements on digital platforms to ensure clarity of parties' rights and obligations and to reduce risks of fraud and manipulation.

3. **Enforcing Clear Return and Exchange Policies**

Establishing binding and comprehensive rules for products sold through digital platforms, including return and exchange policies, to guarantee consumer protection and enhance their confidence in the digital marketplace.

4. **Developing an Insurance System for Electronic Transactions**

Proposing the establishment of insurance or guarantee systems to cover potential risks in digital transactions, such as fraud or non-delivery, providing financial legal protection for the parties involved.

5. **Enhancing International and Regional Cooperation**

Developing agreements and legislative coordination with other countries to unify regulatory rules governing e-commerce, especially in cross-border transactions, facilitating law enforcement and consumer protection.

6. **Increasing Awareness and Digital Literacy**

Organizing awareness campaigns and training programs for consumers and sellers regarding their rights and obligations in e-commerce, and how to safely interact with digital platforms.

7. **Establishing Specialized Regulatory Bodies**

Creating specialized regulatory authorities to monitor the implementation of laws and regulations on digital platforms and ensure their compliance with protection and quality standards.

References

Abdelhady, M. A. E. (2024). Policies and legislation enabling sustainable technologies in the public transport infrastructure in NEOM. *Sustainable Development, 32*(5), 5602–5610. https://doi.org/10.1002/sd.2976
Al, Y. a. B. E. E. E. (2021). Customer review on confidence, readiness, and security in electronic commerce. *Türk Bilgisayar Ve Matematik Eğitimi Dergisi, 12*(10).
Al-Sherman, N. (2024). Legal protection from artificial intelligence technology used to filter visual contents via the Internet. *Pakistan Journal of Criminology, 16*(1), 505–517. https://doi.org/10.62271/pjc.16.1.505.517
Al-Sherman, N., & Momani, B. T. (2025). Alternative dispute resolution: Mediation as a model. *F1000Research, 14*, Article 152362. https://doi.org/10.12688/f1000research.152362.2
Batrinca, B., & Treleaven, P. C. (2014). Social media analytics: A survey of techniques, tools and platforms. *AI & Society, 30*(1), 89–116.
Cao, K., Xu, Y., & Wang, J. (2020). Should firms provide online return service for remanufactured products? *Journal of Cleaner Production, 272*, 122641.
Chu, J., & Manchanda, P. (2016). Quantifying cross and direct network effects in online consumer-to-consumer platforms. *Marketing Science, 35*(6), 870–893.
Costa, J., & Matias, J. C. (2020). Open innovation 4.0 as an enhancer of sustainable innovation ecosystems. *Sustainability, 12*(19), 8112.
Di Ciccio, C., Gabryelczyk, R., García-Bañuelos, L., Hernaus, T., Hull, R., Štemberger, M. I., Kő, A., & Staples, M. (2019). Business process management: Blockchain and Central and Eastern Europe forum. In *Lecture Notes in Business Information Processing*.
Di Pierro, M. (2017). What is the blockchain? *Computing in Science & Engineering, 19*(5), 92–95.
Du, W., & Mao, J. Y. (2018). Developing and maintaining clients' trust through institutional mechanisms in online service markets for digital entrepreneurs: A process model. *Journal of Strategic Information Systems, 27*(4), 296–310.
Grzebiela, T. (2003). Insurability of electronic commerce risks.
Hänninen, M., Smedlund, A., & Mitronen, L. (2017). Digitalization in retailing: Multi-sided platforms as drivers of industry transformation. *Baltic Journal of Management, 13*(2), 152–168.
Hein, A., Schreieck, M., Riasanow, T., Setzke, D. S., Wiesche, M., Böhm, M., & Krcmar, H. (2019). Digital platform ecosystems. *EM, 30*(1), 87–98.
Holt, T. J., Smirnova, O., Chua, Y. T., & Copes, H. (2015). Examining the risk reduction strategies of actors in online criminal markets. *Global Crime, 16*(2), 81–103.
Indrasari, A. S. (2021). Trade supervision through the government electronic system based on Law No. 7 of 2014 concerning trade and Government Regulation No. 80 of 2019 concerning trade through electronic systems. *UMPurwokerto Law Review, 2*(1), 40.
Kim, N., & Kim, W. (2018). Do your social media lead you to make social deal purchases? Consumer-generated social referrals for sales via social commerce. *International Journal of Information Management, 39*, 38–48.
Konovalova, T. (2022). Digital transactions: Modern legal regulation and law enforcement. *Evrazijskij Soûz Učenyh, 15–19.*
Loh, H. S., Lee, J. L., Gu, Y., Chen, H. S., & Tay, H. L. (2024). The effects of digital platforms on customers' satisfaction in international shipping business. *Review of International Business and Strategy, 34*(2), 231–244.
Lumenta, H. N., & Runtunuwu, Y. B. (2020). The state of parties in sale and purchase agreements via Internet according to Indonesia civil law.
Padalka, A. M., Gribincea, A., Lesik, I. M., Semenda, O. V., & Barabash, O. O. (2021). Consumer protection when purchasing goods on the Internet. *Vìsnik Nacìonal'noï Akademìï Pravovih Nauk Ukraïni, 28*(2), 189–197.

Pappas, N. (2016). Marketing strategies, perceived risks, and consumer trust in online buying behaviour. *Journal of Retailing and Consumer Services*, *29*, 92–103.
Pinter, K., Schmelz, D., Lamber, R., Strobl, S., & Grechenig, T. (2019). Towards a multi-party, blockchain-based identity verification solution to implement clear name laws for online media platforms. In *Lecture Notes in Business Information Processing* (pp. 151–165).
Pramono, N. H. P. N. (2023). Legal protection of consumers in digital transactions. *Proceedings of International Conference on Law, Patent, and Technology*, *11*(3).
Sanz, E., & Crosbie, T. (2016). The meaning of digital platforms: Open and closed television infrastructure. *Poetics*, *55*, 76–89.
Spagnoletti, P., Resca, A., & Lee, G. (2015). A design theory for digital platforms supporting online communities: A multiple case study. *Journal of Information Technology*, *30*(4), 364–380.
Van Der Walt, E., Eloff, J., & Grobler, J. (2018). Cyber-security: Identity deception detection on social media platforms. *Computers & Security*, *78*, 76–89.
Wathan, F. P. (2023). Legal effectiveness in providing consumer protection for online sales and purchase at e-commerce. *Journal Research of Social Science, Economics, and Management*, *2*(11).
Yrjölä, M., Rintamäki, T., Saarijärvi, H., & Joensuu, J. (2017). Consumer-to-consumer e-commerce: Outcomes and implications. *International Review of Retail, Distribution & Consumer Research*, *27*(3), 300–315.