

Legal Analysis of Mineral and Coal Mining Investment and Environmental Impacts in Indonesia Based on Law Number 11 Year 2020 Concerning Work Creation

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Abstract

Indonesia has potential for natural resources which is abundant and plays a big role in the economy in Indonesia, after the presence of Law Number 11 of 2020 concerning Job Creation. Of course this has its own charm for investors to carry out investment activities in Indonesia, especially in the mineral and coal mining sector and how the environmental impact in Indonesia. This study will discuss two main issues, namely: 1) What is the conception of mining investment or investment in Indonesia after the Law on Job Creation was enacted? 2) What is the role of law in mining investments that have an impact on the environment in Indonesia? This study produces two conclusions, namely: 1) The government here that wishes for investment sustainability must be based on the principle of a sovereign state, which of course safeguards sectors that have the potential to threaten state sovereignty. By paying attention to and strictly excluding core industries and national strategic projects from the interference of foreign investors. 2) Protecting and managing the environment in accordance with the AMDAL, namely by restoring the rights that should be owned by the community to be able to access their rights to a good and healthy environment, be it the right to information, the right to participation, and the right to justice.

Keywords

investment; environment; environmental impact analysis



I. Introduction

Indonesia is a country that has the potential of abundant natural resources, this plays a large role in the Indonesian economy. Geological potential is one that plays a role in the Indonesian economy, it certainly has an attraction for investment activities in the mineral and coal mining sector.

In economic activities in Indonesia to date, state enterprises still exist, continue to grow, and play an important role in supporting economic growth (GDP). In addition, state companies also play a role in providing public goods and services that have not been provided by private companies, carrying out pioneering businesses, providing the necessities of life for many people (public service obligations), and seeking profit.

Investment in mineral and coal mining business activities is a way to encourage exploration and exploitation of natural resources contained in the bowels of the earth. Because of these activities, investment is needed because it requires large capital, the latest technology and the ability of human resources themselves who are experts in carrying out the mining.

The current Indonesian government has ratified Law Number 11 of 2020 concerning Job Creation (UU Cipta Kerja), which as an effort to improve the investment ecosystem and business activities in the Job Creation Act, investment simplification is carried out.

This simplification effort applies to certain sectors which in this case is a matter of investment which is also the basis for opening up investment opportunities as much as possible, without exception investment in the mineral and coal mining sector. This is of course expected to be a special attraction for investors to carry out investment activities, one of which is in the mineral and coal mining business sector and is certainly expected to be able to encourage the wheels of the economy in Indonesia.

Investment activities in mineral and coal mining business activities will certainly encourage wider exploration and exploitation activities. Because in this case, the Job Creation Law provides ease of doing business for extractive business activities, one of which is mineral and coal mining business activities. However, in mineral and coal mining business activities, of course, it is necessary to pay attention to the environmental impacts that will be experienced.

Environmental impacts need to be considered, especially in this case the obligations and responsibilities of business actors for the environment around mineral and coal mining business activities. In this regard, the Government must make clear and firm regulations related to mineral and coal mining business activities that have an impact on the surrounding environment to demonstrate the ability of the Government in good governance. This is a challenge, because from the many criticisms thrown at the Job Creation Act, the issue of environmental protection and management is in the spotlight. The issue arose because the law was deemed not to be pro-environmental and more pro-business, especially in this case as an excuse to attract investment in order to create the widest possible employment opportunities.

This assumption can at least be justified when looking at some of the provisions regarding environmental management that are regulated in it. First, the obligation regarding Environmental Impact Analysis (Amdal) both in its preparation and implementation as a prerequisite for the issuance of environmental approvals has been greatly relaxed. The participation of the wider community is limited and its approval is fully determined by the Government through the EIA assessment team it has formed. The last thing mentioned also closes the opportunity for a more independent study to be conducted to measure the environmental impacts that arise.

Second, there is a shift in the environmental licensing regime from environmental permits to environmental permits as a condition for the issuance of business permits. This implies that the environmental management permit issued for its obligations does not originate from the provisions stipulated in the law. However, it comes from administrative actions taken by the Government. Where the obligations imposed on the person in charge of the business will depend on the discretion of the Government as the giver of approval.

Third, there is a change in the sanctions regime. This can be seen from the increasing types of administrative sanctions. However, there are indications that the Government does not understand or has misapplied the concept of administrative sanctions that this law is trying to introduce. So it is very doubtful about the effectiveness of its application in environmental protection and management efforts. Apart from that, there are still inconsistencies in the abolition of the provisions of criminal sanctions, misinterpretation of the concept of civil liability and the abolition of the environmental administrative lawsuit mechanism.

Then, the issuance of Government Regulation Number 22 of 2021 concerning the Implementation of Environmental Protection and Management or PP 22/2021 in the end only became a patchwork of the Government's efforts to cover the shortcomings of the Job Creation Law. Even though it was intended for that, basically there were not many shortcomings that were corrected in it, even what happened was that the regulations in it

did not clarify the provisions previously regulated through the Job Creation Act. In addition, practically in addition to administrative arrangements in environmental management, this PP itself seems to want to reaffirm the position of the Government as the center of all authority and discretion in environmental management. Especially in the context of granting business approvals to facilitate investment.

Based on the description above, through this paper the author wants to analyze the investment in mineral and coal mining and the impact on the environment based on the Law on Job Creation.

II. Research Method

The writing method that will be used by the author is normative juridical research. Normative juridical research is a process to find the rule of law, legal principles and legal doctrines in order to answer the legal issues faced so that new arguments, theories or concepts are obtained as prescriptions in solving problems. The use of this research method is used to answer problems in research based on existing legal principles and positive law that regulates the problems in this research as well as several other supporting theories. The types of data used in this research are primary data and secondary data. The primary legal materials used are:

1. Law Number 11 of 2020 concerning Job
2. Creation Law Number 3 of 2020 concerning Mineral and Coal Mining
3. Law Number 25 of 2007 concerning Investment
4. Law Number 32 of 2009 concerning Environmental Protection and Management
5. Government Regulation Number 22 of 2021 concerning Implementation of Environmental Protection and Management
6. Presidential Regulation Number 44 of 2016 concerning List of Closed Business Fields and Open Business Fields.

The author in this case also uses secondary legal materials in the form of legal books, articles from various newspapers, magazines and the internet, journals, theses, theses, and dissertations related to the problems studied. This is expected to be a method for finding answers to the problem formulation that the author has formulated.

III. Results and Discussion

3.1 Investment in Indonesia After the Presence of the Law on Job

Creation The government's position from an economic perspective is needed if there is a problem which is called a market failure, this refers to 4 (four) problems if we see the occurrence of the market failure . First, is the existence of monopoly or abuse of dominant position. In contrast to a competitive market, where the price is determined when the marginal cost equals the marginal benefit, in a monopoly market the price is determined by business actors above marginal cost, so that the price becomes too high and the goods are too little for the consumer. Even though it is profitable for business actors, this condition will ultimately harm consumers and society in general, which is shown in the form of deadweight loss. It is clear under these conditions that the market is not functioning, and therefore government intervention is needed.

Second, market failures can occur when there is severe informational asymmetries. This imbalance of information can cause one party to benefit only by exploiting the ignorance of the other party, which can then lead to the inhibition of efficient exchange of goods or market activities. Although this information problem can sometimes be solved by

the market mechanism itself, in many cases this problem can only be solved with government intervention. With these provisions, the government stipulates various obligations to business actors/activities to provide information to the public regarding the price, identity, composition, quality, or certain quantity of goods produced/marketed or the activities they carry out. On the other hand, the government can also make various provisions that prohibit or control misleading information (control of misleading information). This control over information applies to both information voluntarily provided by the parties, as well as information that is required to be provided by them.

Third, market failures can also take the form of public goods, in which the Government intervenes to ensure the availability of everything from the armed forces and police, to health and education services, telecommunications and energy. On the other hand, the Government is also actively involved in making various environmental regulations, supervising and then providing witnesses to parties who fail to fulfill their obligations under these regulations.

Public goods here have their own characteristics known as non-exclusivity and non-rivalry. Non-exclusivity is an item that is otherwise impossible or very expensive for individual expenditures from the benefits of the item, while non-rivalry is an additional consumption item that requires a marginal cost of production = 0. In theory, goods like this should be presented by the Government, especially since no private sector is willing to do so.

The government sector feels responsible for producing goods and services because the private sector seems unwilling or unable or because if it is implemented, the private sector is worried that it will cause unwanted patterns of economic development and harm the community. By becoming a direct actor in the economy, the government hopes that it will be able to overcome various economic problems, including the creation of new jobs so as to reduce unemployment. So the sector that has become the government's concentration is no longer limited to public goods, but has begun to enter into private goods.

Fourth, another form of market failure is the problem of externalities. This condition is indicated by the existence of prices that do not reflect environmental costs. With the existence of externalities, the market fails to consider the total cost (in this case pollution) caused by a production process. Thus, externalities give the wrong signal/direction to individuals when making decisions, because the prices faced by individuals do not reflect the actual price of a product or activity. In short, externalities reflect behavior that seeks to make personal gains, but is unwilling to bear the costs involved in obtaining those benefits. On the other hand, the Ciptaker Law actually provides ease of doing business for extractive business activities, both forestry, plantation, and mining. The obligations and responsibilities of business actors for the environment are relaxed, and public participation in the preparation of the AMDAL is limited to affected communities, which of course is done in order to open the door to investment or investment as widely as possible to investors.

Investment regulated in Article 77 of the Copyright Law has amended the provisions of Article 12 of Law 25 of 2007 concerning Investment (Investment Law). The article states that the exclusion of business fields that are declared closed for investment or investment activities are activities that can only be carried out by the Central Government. The closed business fields as intended only include 6 (six) business fields, namely:

- a) Cultivation and narcotics industry class I;
- b) All forms of gambling and/or casino activities;
- c) Catching fish species listed in Appendix I Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES);

- d) Utilization or return of coral and the utilization or removal of corals from nature which are used for building materials/lime/calcium, aquariums, and souvenirs/jewelry, as well as live or recent death corals from nature;
- e) Chemical weapons manufacturing industry; and
- f) Industrial chemical industry or ozone depleting substance industry.

It should be noted here that the above changes open up investment or investment activities carried out by foreign investors in strategic business fields that control the lives of many people, for example water, electricity sourced from coal energy, telecommunications, weapons, security and defense. The Copyright Act in this case also abolishes the production of weapons, munitions, explosive devices, and war equipment previously regulated by the Investment Law as an activity or business field that is closed to investing in it.

The Ciptaker Law does exclude the chemical weapons business or industry from foreign investment, but here we see the possibility of foreign investors investing in other weapons industries. This is contrary to the principle of a sovereign state, which of course has the potential to threaten state sovereignty. This is due to the large number of core and national strategic industries that are not exempt from foreign investment interference and do not rule out the control of other fields which are controlled by foreign investors.

The Ciptaker Law in this regard also does not adopt the provisions of Law Number 44 of 2016 concerning the List of Closed Business Fields and Open Business Fields, regarding the investment requirements that must be met to establish a Foreign Investment Limited Company (PT PMA), namely:

- 1) PT's line of business is not included in the Negative Investment List;
- 2) Minimum capital; and
- 3) Maximum foreign investment.

The Copyright Act does not regulate in a limited manner and there are no provisions for investment requirements in strategic fields that are able to guarantee national sovereignty and interests. With the abolition of "business fields that are open with conditions", it makes business fields other than those declared closed or activities that can only be carried out by the Central Government appear to be fully controlled by foreign investors in Indonesia without any regulated maximum capital participation limits.

The current government wants investment sustainability. In this case, the ease of investment offered by the presence of the Copyright Law is very broad and it is questionable regarding its guarantees and certainty in attracting investment, both from within and from abroad. In addition, the facilities provided by the Government to investors do not appear to be accompanied by guarantees for the sustainability of the investments to be made. In fact, good governance of a country also encourages the value of foreign investment (foreign direct investment FDI) and economic growth (economic growth).

The concept offered by the Ciptaker Law is not only related to investment and investment related to mining, but also provides the ease of doing business offered by the Ciptaker Law to attract investors to be able to carry out their investment activities in Indonesia. The ease of doing business offered by the Copyright Act in this case is the Taxation Sector.

Changes to the Income Tax Law, the VAT Law and the Criminal Code Law contained in the Ciptaker Law have both positive and negative impacts. Positive changes that can attract investors to carry out investment activities are: 1) the existence of regulations that provide equal tax treatment between corporate tax subjects, especially those in the form of Limited Liability Companies, Associations, and Cooperatives; 2) the existence of regulations regarding crediting of Input Taxes found during tax audits, so as to

minimize disputes between Taxpayers and Fiskus; and 3) the existence of a regulation regarding the amount of administrative sanctions based on the applicable reference interest rate, so that it is in accordance with the principle of fairness and the purpose of creating a deterrent effect on taxpayers.

On the other hand, some of the problematic settings are as follows. First, in relation to the Income Tax Law, the application of the principle of nationality in determining tax subjects has no other purpose than to make it difficult for Indonesian citizens who migrate abroad to revoke the status of their domestic tax subjects; and to provide excessive taxation facilities for foreign nationals who are subject to domestic taxes. This arrangement creates reverse discrimination against Indonesian citizens and has the potential to facilitate the entry of foreign workers into Indonesia, thereby increasing competition in the Indonesian labor market.

Second, related to changes to the VAT Law, the Ciptaker Law only regulates the exclusion of coal mining products as Taxable Goods (BKP), even though there are many types of mining and drilling products that are taken directly from the source. This means that the goal of achieving equality has not been reflected in the negative list in the amendment to the VAT Law in the Ciptaker Law.

Apart from the description above, the ease of investment or investment offered by the Ciptaker Law is

- 1) First, related to investment sustainability, there are several things: The Ciptaker Law provides a wide range of investment facilities, it's just that the guarantee and certainty in attracting investment is questionable. investment, both from within and from abroad. The convenience provided is not accompanied by a guarantee of investment sustainability.
- 2) Second, related to changes in sharia banking regulations, the Ciptaker Law changes the provisions on the maximum limit of ownership in the formulation of Article 9 paragraph (3) of the Sharia Banking Law in Article 79 of the CK Law. The amendment to this article has an impact on the existence of a legal vacuum (rechts vacuum) which regulates the maximum limit of ownership of Islamic commercial banks by foreign nationals. This has the potential for foreign nationals to fully control the ownership of commercial Islamic banks.

3.2 Legal Consequences The birth of Law Number 11 of 2020 concerning Job Creation on Environmental Impacts in Indonesia

The Copyright Act is a big ambition but was drafted haphazardly by ignoring the ethical norms of dignified legislation. The main purpose of the Copyright Act is to improve the investment ecosystem and business activities, by merging 79 laws in order to simplify business and investment licensing. However, this process is not based on an adequate and comprehensive academic study of all related aspects in each law whose provisions have been amended by the Copyright Act, in this case the environment and other related aspects.

Narrowing of Space for Community Participation

Judging from the creation of the Ciptaker Law, the scope of the community that can participate in the preparation of the AMDAL can be seen from: a) the affected community; b) environmentalists; and/or c) affected by all forms of decisions in the AMDAL process, only the people who are directly affected by the environment.

The Ciptaker Law raises pessimism and concern, because in this case the Ciptaker Law contains various changes to Law Number 32 of 2009 concerning Environmental Protection and Management (Environmental Protection and Management Law). One of the

implications of the amendment to the Environmental Protection and Management Act in the Copyright Act is a significant reduction in public participation. The degradation of public participation can be seen at least from several indications, namely: the narrowing of the community that must be involved in the preparation of the AMDAL and the abolition of the AMDAL Assessment Commission which previously was a space for the community to participate in the AMDAL assessment.

The limitation of the scope of the community that must be involved in the preparation of the AMDAL in the Ciptaker Law, first is the provision of parties who can play a role in the preparation of the Amdal document which originally consisted of the affected community, environmental observers, and the community affected by all forms of decisions in the Amdal process, becoming only the people who are directly affected. This provision is also confirmed by the provisions of the body of the PPLH RPP which regulates in line which in this case the Initiator in preparing the AMDAL as referred to in Article 24 paragraph (1), involves the people who are directly affected.

The Copyright Act in this case has ignored the principle of environmental protection in Indonesia. Because the Ciptaker Law does not adopt the principles or principles of sustainable development or are directly related to sustainable development as it is contained in sectoral laws related to the management of existing natural resources. Sustainable development is closely related to investment where investments require permits to be carried out in certain sectors, this can be seen in the privileges given to the National Strategic Project (PSN) including hitting the national spatial planning, in which the National RTRW is prepared by taking into account the carrying capacity and capacity of the National Spatial Plan. accommodate the environment.

Environmental Permits based on the Law on Environmental Protection and Management are removed and replaced with Environmental Approval (Article 22 of the Job Creation Law on Amendments to the Law on Environmental Protection and Management, especially Article 1 number 35 and Article 36). Permit which is a product of administrative law is certainly different from the case of Approval which is more of a discretionary nature over an authority. Thus, changing the context of Permit to Consent certainly has significant legal consequences. One of the fundamental consequences is the loss of administrative rights for the community over the issuance of environmental approvals. This is a degradation of environmental permits into environmental approvals as a condition for business licensing and does not require all business activities to obtain permits, depending on the risk that the prerequisites are not yet clear.

Table 1. Comparison table of the Environmental Law and the Employment Creation

Act Law Number 32 of 2009 concerning Environmental Protection and Management	Law Number 11 of 2020 concerning Work
1) Creation The AMDAL Document as referred to in Article 22 was prepared by the initiator by involving the community.	1) The AMDAL document as referred to in Article 22 is prepared by the Initiator by involving the community.
2) Community involvement must be carried out based on the principle of providing transparent and complete information and being notified before activities are carried out.	2) The preparation of the AMDAL document is carried out by involving the community who are directly affected by the planned business and/or activity.
3) The community as referred to in	3) Further provisions regarding the

paragraph (1) includes: a. affected; b. environmentalists; and/or c. affected by all decisions in the AMDAL process.	process of community involvement as referred to in paragraph (2) shall be regulated in a Government Regulation.
4) The community as referred to in paragraph (1) may file an objection to the AMDAL document.	

The distinction between the scope of the people who are directly affected and those who are indirectly affected, which is automatically born as the antithesis, should not affect the quality of public participation, namely the participation of all interested parties, especially the community. The people who are directly or indirectly affected should be given the same proportion in the public participation process.

The Copyright Law does not have an explanation of the phrase “people who are directly affected” either in the Ciptaker Law or in its academic text. The definition of the people who are directly affected appears in the PPLH RPP which describes that the people who are directly affected or directly affected are the people who are within the boundaries of the AMDAL study area who will be directly affected by the existence of a business plan and/or activity.

The phrase "people who are directly affected", in its meaning, can refer to the meaning of existing and grammatically with reference to the Big Indonesian Language Dictionary (KBBI). In this case, there are two elements, namely:

1) Communities affected by the

Regulation of the Minister of the Environment Number 17 of 2012 concerning Guidelines for Community Involvement in the Amdal Process and Environmental Permits (Permen LH 17/2012) has defined the affected communities as: The EIA study (which is the social boundary) who will feel the impact of the planned business and/or activity consists of the community who will benefit and the community who will suffer the loss”.

The meaning of the elements "benefit" and "experience losses" has two identical meanings with positive and negative elements as these are contained in the PPLH RPP. Meanwhile, the element of “impact” has been regulated in the Minister of Environment Regulation Number 16 of 2012 concerning Guidelines for the Preparation of Environmental Documents (Permen LH 16/2012) which describes two types of impacts, namely direct impacts and indirect impacts. In essence, the direct impact is the impact that is caused directly by the existence of a business and/or activity.

2) Direct

The problem in understanding the element of “direct impact” is understanding the term 'direct'. When we refer to the KBBI, what is meant by the word 'direct' is continuous (not stopping) and continuing.²⁶ Therefore, it can be interpreted that the people who are directly affected must be defined as the people who are in the EIA study area as identified during the scoping process. in the EIA study, with the nature of the impact not only being immediate but also for potential impacts. The effort to accommodate the identification of potential impacts is an effort to explore the essence of Amdal as a scientific document that can ensure that all forms of predictions of future impacts on the environment are considered in the decision-making process as regulated in the World Commission on Environment and Development Report entitled “Our Common Future”.

Based on the description above, the people who are directly affected must be interpreted as people who are within the boundaries of the EIA study area who are directly

affected, either positively or negatively, which are experienced immediately or in the future, from the existence of a business plan and/or activity. Meanwhile, if you want to define “indirectly affected communities”, it is sufficient to provide exceptions outside the definition of “directly affected communities”. Departing from the notion of community as proposed, the EIA study can include calculations of cumulative or aggregate impacts, and the process must be able to accommodate the widest possible community participation for all elements of society proportionally.

Referring to the PPLH RPP, the Environmental Feasibility Test Team which is functioning to replace the position of the AMDAL Assessment Commission (KPA) in evaluating the AMDAL document has an obligation to involve the community in the assessment process. In the AMDAL substance assessment meeting which can be carried out both face-to-face and online, the Environmental Feasibility Test Team involves directly affected communities, relevant experts, sector agencies that issue technical approvals, central, provincial, district/city agencies related to the plan and/or or the impact of businesses and/or activities, environmental observers and communities affected by all forms of decisions that have submitted relevant suggestions, opinions, and responses can participate in this stage. However, in this case the role of the community has indeed been insignificant since the existence of the Ciptaker Law because the role of the community no longer has voting rights in making decisions regarding AMDAL.

IV. Conclusion

Based on the discussion that the author has conveyed in this paper, here the author has several conclusions as follows:

1. Investment and investment in Indonesia after the birth of the Ciptaker Law is oriented to the opening of large investment channels to enter Indonesia. However, this is based on the Government's desire for investment sustainability. In this case, the ease of investment offered by the presence of the Copyright Law is very broad and it is questionable regarding its guarantees and certainty in attracting investment, both from within and from abroad. In addition, the convenience provided by the Government to investors does not appear to be accompanied by a guarantee of the sustainability of the investment itself as desired by the Government. In this case the Ciptaker Law also does not adopt the provisions of Law Number 44 of 2016 concerning the List of Closed Business Fields and Open Business Fields, regarding the investment requirements that must be met to establish a Foreign Investment Limited Company (PT PMA). This is of course contrary to the principle of a sovereign state, which of course has the potential to threaten state sovereignty. This is due to the large number of core and national strategic industries that are not exempt from foreign investment interference that can be done with the presence of this Copyright Act and do not rule out the control of other fields which are controlled by foreign investors.
2. Investment or investment in the mineral and coal business sector that will be carried out after the existence of the Ciptaker Law has a significant impact on the environmental impacts that will occur in Indonesia. This is due to the lack of adequate and comprehensive academic studies on all related aspects which in this case are related to the environment and in this case the Copyright Law has ignored the principle of environmental protection in Indonesia. Because the Copyright Act does not adopt the principles or principles of sustainable development or those that are directly related to sustainable development as it is contained in sectoral laws related to natural resource management. The Ciptaker Law also limits the scope of the community that must be

involved in the preparation of the AMDAL in the Ciptaker Law, first is the provision of parties who can play a role in the preparation of the Amdal document which originally consisted of the affected community, environmental observers, and the community affected by all forms of decisions in the EIA process, becomes only limited to the people who are directly affected. This provision is also confirmed by the provisions of the body of the PPLH RPP which regulates the same, in this case the Initiator in preparing the AMDAL. The definition of the phrase “people who are directly affected” both in the Ciptaker Law and in its academic text. The definition of the people who are directly affected appears in the PPLH RPP which states that the people who are directly affected or directly affected are the people who are within the boundaries of the AMDAL study area who will be directly affected by the planned business and/or activity. Regarding the role of the law itself, it is necessary to pay more attention to the Environmental Permit based on the Law on Environmental Protection and Management, which is removed and replaced with an Environmental Approval (Article 22 of the Job Creation Law on Amendments to the Law on Environmental Protection and Management, especially Article 1 point 35 and Article 36) . Permit which is a product of administrative law is certainly different from the case of Approval which is more of a discretionary nature over an authority. Thus, changing the context of Permit to Consent certainly has significant legal consequences. This is where things must be concentrated, namely one of the basic consequences of the Copyright Act is the loss of administrative rights for the community over the issuance of environmental approvals. The legal role that needs to be focused is also related to the Law on Environmental Protection and Management, namely because of the reduction in rights that can be carried out by the community to be able to access their rights to a good and healthy environment, be it the right to information, the right to participation, and the right to participate. over justice. Because in terms of the environment that is affected by investment or investment activities in the mining sector, it has a very risky weakness, namely the weakness of conducting a good inventory related to data where mining activities can be carried out and in accordance with AMDAL so that it can then be known which mine will profitable and which are not.

3. The issuance of Government Regulation Number 22 of 2021 concerning the Implementation of Environmental Protection and Management or PP 22/2021 in the end was only a patchwork effort by the Government to cover the shortcomings of the Job Creation Law. This is reflected in the many shortcomings of the Employment Creation Law which are trying to be corrected in it. Even the rules that appear in it do not clarify and/or are just repetitions of the provisions previously regulated through the Job Creation Law. In addition, practically apart from only detailing administrative arrangements in terms of environmental management, there is no new solution that can really be offered as an improvement to the Job Creation Law to address environmental degradation issues that arise as a result of opening up wider investments. In the end, this PP seems to want to reaffirm the position of the Government as the center of all authority and discretion in environmental management minus its protection. Especially in the context of granting business approvals to facilitate investment.
4. Meanwhile, the tendency to decline in the regulation and implementation of the principles of sustainable development continues to be seen in various development policies issued by President Joko Widodo. For example, the Government grants various privileges to the National Strategic Area (KSN) including to collide with the national spatial planning, whereas the National RTRW is prepared by taking into account the carrying capacity and capacity of the environment. Another example, PP No. 24 of 2018

concerning Licensing Services. Electronically Integrated Business (PP OSS) which weakens the position of the Amdal from permit issuance requirements to fulfill commitments that can be carried out after the permit is issued. While environmental damage pollution continues to occur in various industrial and infrastructure development projects, the Job Creation Law degrades environmental permits into Environmental Approvals as a condition for business permits, and does not require all business activities to obtain “permits”, depending on risks whose prerequisites are not yet clear.

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