

The Effect of RBA OSS-Based Company Licensing on Domestic Investment

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Abstract

As an embodiment of Law Number 11 of 2020 concerning Job Creation (UU CK) which prioritizes improving the investment ecosystem and business activities as well as Government Regulation (PP) Number 5 of 2021 concerning the Implementation of Licensing Risk-Based Business, business licensing in Indonesia has undergone significant reforms in order to keep attracting investors. In particular, domestic investment is of greater concern because it will encourage job creation. When people have got a job, of course the income will increase. When people's incomes increase automatically this encourages an increase in consumption. In this paper, the author hopes that the reader can find out the importance of the influence of domestic investment. In particular, after the simplification of the company's licensing system, it became a Risk-Based Business Licensing or OSS RBA (Online Single Submission Risk Based Approach).

Keywords

OSS RBA; Licensing; Domestic investment



I. Introduction

The ratification of the OSS RBA (*Risk Based Approach*) in August 2021 is a tangible manifestation of what is mandated by Law Number 11 of 2020 concerning Job Creation (UU Ciptaker) and Government Regulation (PP) Number 5 of 2021 concerning Implementation of Business-Based Licensing Risk. President Joko Widodo in his remarks at the inauguration of the launch of the OSS RBA once said that the key to attracting investment is through the Reform of Simplifying the Licensing Process. An integrated business license, carried out quickly, and executed simply is an important instrument that determines the competitiveness of the Indonesian state in attracting a number of investments.

When the investment rate increases and develops, it will certainly affect the value of economic growth and then have an influence on the number of unemployed and also the wheels of the economy. If there is no competition for optimal economic development and progress, it will trigger the emergence of massive unemployment and have an impact on the creation of social problems and worsen conditions of security and political stability. The big impact of socio-politics in the end disrupts the economic growth of the country itself.

Therefore, that is where the role of the state is to always make entrepreneurs feel comfortable, safe, and want to continuously invest and even increase their capital. Regardless of the volume of investment made by investors, the entrepreneur is very instrumental in providing jobs for a country. The responsibility of providing job opportunities for all citizens should be attached to the state.

What things do entrepreneurs need to encourage them to invest in a country? The answer is certainty. When clear rules are given and the flexibility and freedom are given to entrepreneurs to develop their businesses, these entrepreneurs will always be able to find ways to make everything *feasible*.

Feasibility referred to by Prof. Erman Rajagukguk SH,LLM., Ph.D. in his book Law on Foreign Investment (PMA) and Domestic Investment (PMDN) can mean feasible, can be implemented, can also be done easily.

Investment according to Law Number 25 of 2007 concerning Investment in Article 1 is defined as all forms of investment activities, whether carried out by domestic investors or carried out by foreign investors to conduct a business in the territory of the Republic of Indonesia.

Domestic Investment (PMDN) is a form of investment activity to conduct a business in the territory of the Republic of Indonesia and is carried out by domestic investors and must use domestic capital. Meanwhile, the definition of Foreign Investment (PMA) is an activity in the form of investing to conduct business in the territory of the Republic of Indonesia which is carried out by foreign investors, both using fully foreign capital and those in joint ventures with domestic investors (PMDN).

The definition of Investor or Investor based on Law Number 25 of 2007 is an individual or business entity that makes investment which can be in the form of domestic investors and foreign investors. Domestic investors have the definition of individual Indonesian citizens, Indonesian business entities, the Republic of Indonesia, or regions that make investments in the territory of the Republic of Indonesia. Then foreign investors are individual foreign citizens, foreign business entities, and/or foreign governments that make investments in the territory of the Republic of Indonesia.

Article 5 of Law Number 25 of 2007 also explains the form of a business entity and its position. Domestic investment can be carried out in the form of a business entity in the form of a legal entity, not a legal entity or an individual business, in accordance with the provisions of the legislation.

According to the rules, foreign investment must be in the form of a limited liability company (PT) based on Indonesian law and domiciled within the territory of the Republic of Indonesia, unless otherwise stipulated by law.

The form of PMA Company must be in the form of a Limited Liability Company. There are 3 ways that can be done in the formation of a PMA Company, namely:

- a. Taking shares at the time of establishment of a Limited Liability Company
- b. Buying shares (by deed of sale and purchase of ordinary shares or takeover/acquisition)
- c. Other methods in accordance with the provisions of the legislation (eg *merger*, consolidation, share grants, testamentary grants, exchanges, mixed marriages with foreigners, loss of Indonesian citizenship, inheritance, holding company shares taken over/purchased by/falling to foreigners)

Rights for Investors based on Law Number 25 of 2007 Article 14 are Investors have the right to obtain certainty of rights, laws and protection. Investors are also entitled to open information regarding the field of business they carry out as well as rights to services, as well as various forms of convenience facilities in accordance with the provisions of laws and regulations.

Obligations for Investors based on Law Number 25 of 2007 Article 15, namely investors are required to apply the principles of good corporate governance, carry out corporate social responsibility, make reports on investment activities and submit them to

BKPM, respect the cultural traditions of the community around the activity locations. investment businesses and investors must comply with all statutory provisions.

The formation of a Limited Liability Company as an option in doing business is factored in the development of many Limited Liability Companies in the economies of other countries. Judging from its history, Limited Liability Companies help improve the living standards of the Republic of Indonesia, either by foreign investment or domestic investment, so that Limited Liability Companies are one of the pillars of the national economy.

Another thing that influences why a Limited Liability Company is chosen as a form of company compared to other forms is that the Limited Liability Company is as a capital association and also as an independent legal entity. Its role in the capital association makes it easy for Limited Liability Company shareholders to easily transfer their shares to other people, while based on the Limited Liability Company Law as an independent legal entity, it is determined that the liability of shareholders is only limited to the value of the shares owned.

This element of limited liability from the shareholders of the Limited Liability Company is one of the important factors as a form of encouragement for the willingness of prospective investors to invest their capital into the Limited Liability Company. These companies in the form of Limited Liability Companies functionally have their own demands in providing added *value*, both in the form of *financial returns* for shareholders and *social welfare*, which at least *adds value to stakeholders*.

Although when we talk about the importance of a Limited Liability Company in increasing the value of domestic investment, in reality it is not only Limited Liability Companies that affect it, but the existence of other businesses that the government continues to encourage until now is for Micro, Small and Medium Enterprises (UMK) and Non Micro Enterprises. Small (non-UMK). Risk-Based OSS provides services for these 2 groups of business actors. For low-risk MSEs, they get special privileges, namely a single permit from this rule. What is needed by UMK actors is only a Business Identification Number (NIB) that can be valid as legality, Indonesian National Standard (SNI), and Halal Product Guarantee Certificate (SJPH) for business actors whose products or services must be certified SNI and halal for sale.

Development is a change towards improvement (Shah et al, 2020). Until now in the development of the system, the Ministry of Investment/BKPM continuously urges to make efforts to improve and improve services through OSS. Tina Talisa, Special Staff of the BKPM Investment Minister, said that input and suggestions from the Indonesian people are very important. From time to time development continues to be carried out in the business licensing process. easier and more convenient to use. On the other hand, proactive socialization and education are also carried out.

Before the OSS RBA was ratified, Indonesia's position in the *Ease Of Doing Business* or EODB compiled by the World Bank every year was at number 73 out of 190 countries. It is hoped that after simplification of licensing, Indonesia's position can rise to a higher position.

The purpose of this research is to find out whether domestic investment interest has increased after the implementation of the OSS RBA system.

II. Review of Literature

2.1 OSS RBA-Based Licensing Mechanism

The definition of permission in a broad sense, which the author concludes, is the activity of the authorities based on laws and regulations to allow or allow certain actions or actions that are generally not allowed. With the granting of a permit, the authorities allow or allow the person or business entity requesting it to take certain actions as well as certain activities which are actually prohibited by law for the sake of paying attention to the public interest which then requires supervision.

Licensing in its meaning is a form of implementing regulatory functions and its nature is in the form of controlling activities carried out by the community that are owned by the government. This permit can usually be in the form of registration, recommendation for certification, determination of quotas and permits to carry out a business which usually must be owned or obtained by a company organization or person before the person concerned can carry out an activity or action. By granting a permit, the entrepreneur allows the person requesting it to take certain actions that are actually prohibited for the sake of paying attention to the public interest which requires supervision.

Administrative officials in terms of licensing are officials authorized to issue permits. The government's task is related to providing public services to the community. In terms of public services and in the form of administrative services, permits are a form of service that must be provided to the community. That is, services that produce various forms of official documents needed by the general public.

A Permit must be in written form according to State Administrative Law. Although a permit can be in the form of written and or unwritten, in the field of state administrative law, if something unwanted happens, the permit must be in the form of a state administrative decision. (*beschikking*) so that it can be used as evidence in court. This branch of science requires permission in writing.

It can be ascertained that the nature of the permit in the form of *beschikking* is individual (who is the person whose permission is granted), concrete (the object is not abstract, but tangible, certain and determined), and final (a person who already has the right to carry out a legal action in accordance with its contents). which can definitively lead to certain legal consequences).

Online Single Submission or what we usually call OSS has been around since 2018. However, the *Online Single Submission Risk Based Approach* (OSS RBA) is a different matter. OSS RBA is the implementation of Law Number 11 of 2020 or what we usually know as the Job Creation Act.

Omnibus Law, the method used in the formation of this regulation was used in 79 laws and at the same time revised with only one Job Creation Law which regulates various multi-sectors to be simplified into 186 Articles and 15 Chapters in the Job Creation Act.

There are 11 clusters discussed in the Job Creation Act, namely:

1. Increasing the Investment Ecosystem and Business Activities
2. Licensing
3. Employment
4. Support Cooperatives and MSMEs
5. Support for Research and Innovation in
6. Land Acquisition
7. Economic Zones
8. Ease
9. Business Central Government Investment and Acceleration of PSN

10. Government Administration
11. Imposition of Sanctions

Improvement of the investment ecosystem and activities include:

- a. Application of risk-based Business Licensing
- b. Simplification of basic requirements for Business Licensing
- c. Simplification of Business Licensing Sector
- d. Simplification of investment requirements.

As for Implementing Regulations that are directly related to Business Licensing are:

- 1) PP No. 5/2021 concerning Implementation of Risk-Based Business Licensing
- 2) PP No. 6/2021 concerning the Implementation of Business Licensing in the Regions;
- 3) PP No. 7/2021 concerning Ease, Protection, and Empowerment of K-UMKM
- 4) Presidential Decree No. 10/2021 concerning the Investment Business Sector as amended by Presidential Regulation 49/2021

Provisions of Government Regulation Number 5 of 2021 concerning Implementation of Risk-Based

- a) Business Licensing: The NSPK for Risk-Based Business Licensing in OSS is the sole reference for the Central Government, Regional Governments, and Business Actors . (Article 21 paragraph 2)
- b) The OSS system must be used by K/L, Regional Government, KEK Administrator, Free Trade Zone and Free Port Concession Agency (KPBPB) and Business Actors. The licensing process is trying to be carried out in the OSS System provided by BKPM. (Article 167)
- c) The OSS system is divided into 3 subsystems, namely:
 1. Information Services Subsystem;
 2. Business Licensing Subsystem;
 3. Supervision Subsystem Supervision
- d) In an integrated and coordinated manner by K/L, Local Government, KEK, KPBPB through the OSS System. (Article 211 paragraph (1) and Article 215 paragraph (1))

The Ministry of Investment/BKPM in following up the Job Creation Act also issues regulations related to this risk-based Licensing, namely:

- 1) BKPM Regulation Number 2 of 2021 concerning Procedures for Determining the Fulfillment of Criteria and Application for Off-Network Income Tax Facilities in Special Economic Zones.
- 2) BKPM Regulation Number 3 of 2021 concerning the Electronically Integrated Risk-Based Business Licensing System.
- 3) BKPM Regulation Number 4 of 2021 concerning Guidelines and Procedures for Risk-Based Business Licensing Services and Investment Facilities.
- 4) BKPM Regulation Number 5 of 2021 concerning Guidelines and Procedures for Supervision of Risk-Based Business Licensing.

Business Actors, Ministries/Institutions, Local Governments, KEK Administrators (Special Economic Zones), and the KPBPB Concession Agency (Free Port Free Trade Zone) or *free trade zones* are strictly required to use this Risk-Based OSS or RBA OSS.

OSS RBA or Risk-Based provides services for business actors which are divided into two groups, namely UMK (Micro Small Business) and Non-UMK (Non Micro Small Business). MSEs can be in the form of Individuals and Business Entities. While Non-UMK can be in the form of Individuals, Business Entities, Representative Offices, and Foreign Business Entities (BULN).

What is meant by UMK are businesses owned by Indonesian citizens (WNI), both individuals and business entities, with a business capital of at most Rp. 5 billion, excluding land and places of business buildings. If we divide again into Micro and Small Enterprises, then Micro Enterprises are those whose business capital is at most Rp. 1 billion. This is different from the rules before the Job Creation Law which stated that micro-enterprises are businesses with a maximum capital of Rp 50 million.

Small Business is a business with a capital of more than Rp. 1 billion up to a maximum of Rp. 5 billion. This is different from the regulations before the Job Creation Law, which previously stated that small businesses are businesses with a capital of Rp 50 million to Rp 500 million.

Medium Enterprises are businesses owned by Indonesian citizens, both individuals and business entities, with a business capital of more than Rp. 5 billion up to a maximum of Rp. 10 billion, excluding land and places of business buildings. Prior to the Employment Act, the capital for medium-sized enterprises was Rp 500 million up to a maximum of Rp 10 billion.

Large Enterprises are businesses owned by Indonesian citizens, in the form of business entities owned by Foreign Investments (PMA) or Domestic Investments (PMDN) with a business capital of more than Rp. 10 billion, excluding land and places of business buildings. Especially for this large business, the nominal business capital is still the same as before the issuance of the Job Creation Act.

The changes to the criteria for working capital for MSEs that have previously been explained are in accordance with Law Number 11 of 2020 concerning Job Creation.

What is meant by a representative office is an individual who is an Indonesian citizen or can also be a foreigner or a business entity that is a representative of business actors from abroad with the approval of the establishment of an office in the territory of Indonesia.

Foreign Business Entity (BULN) is a foreign business entity established outside the territory of Indonesia and conducting business and/or activities in certain fields.

Now, let's understand about Risk. Risk-Based Business Licensing has indeed changed the previous approach from permit-based to risk-based. This means that businesses are grouped based on the level of risk and the level of risk determines the type of business license. Business Risk is divided into 4, namely Low, Medium Low, Medium High, and High.

The government has mapped the level of risk according to the line of business or the KBLI (Indonesian Standard Classification of Business Fields) 2020. The current KBLI is the 2020 KBLI with 5 digits as the business field code. In summary, for businesses with Low and Medium Low Risk, the company's licensing process is completed in the *Online Single Submission* or Risk-Based OSS system without requiring verification or approval from Ministries/Agencies or Local Governments.

Meanwhile, for businesses with Medium, High and High Risk levels, the business licensing process is carried out in the Risk-Based OSS system but requires verification or approval from Ministries/Institutions or Local Governments.

The following is a detailed explanation of the business licensing required for each level of business risk. For Low Risk, only need NIB or Business Identification Number. For Medium to Low Risk, it requires NIB and SS (Standard Certificate) or a self-declaration whose format is already available in the Risk-Based OSS system. Medium High Risk, requires NIB and SS in the form of an independent statement that must obtain verification from the Ministry/Agency or Local Government. Finally, for high-risk businesses that require an NIB, a permit that must obtain approval from the Ministry/Agency or Local Government and SS if needed.

There are various scopes of 16 Business Licensing sectors and 18 Ministries/Institutions whose authority to issue business licenses is delegated to the Ministry of Investment/BKPM and the issuance is through the OSS System :

1. Marine and Fisheries
2. Tourism and Creative Economy
3. Education and Culture
4. Employment
5. Energy and Mineral Resources
6. Religion
7. Communication and Informatics
8. Agency Supervision of Nuclear Energy,
9. Defense
10. Trade
11. Environment and Forestry,
12. Industry
13. Public Works and Public Housing,
14. Agriculture,
15. Health
16. Transportation
17. Food and Drug Supervisory Agency,
18. State Police of the Republic of Indonesia

This means that NIB applies as Legality, SNI (Indonesian National Standard) and SJPH (Halal Product Guarantee Certification) for business actors whose products or services are required to be SNI and must be halal. SNI in the form of a certificate of SNI UMK Development will then be accompanied or facilitated by the National Standardization Agency (BSN) while SJPH will be followed up with assistance and facilitation by the Halal Product Assurance Agency (BPJPH) of the Ministry of Religion.

To be able to take advantage of the Risk-Based OSS system, you must have access rights. For individual business actors, they can prepare a NIK (Population Identification Number) in the form of an electronic ID card, email address, and cellular phone number. For Business Entities, the required company data consists of the company name, company TIN, SK number, and email address. Meanwhile, data from one of the directors consists of a NIK with an electronic ID card, date of birth, position, and cellular phone number.

If you already have OSS access rights on version 1.1 (before OSS RBA) you need to change access rights by remembering the old username and password to login. If the former right of access is not a board of directors or management, you must prepare data on the board of directors or management in the form of a NIK with an electronic ID card, date of birth, position and cellular phone number.

To carry out the business licensing process, what must be prepared are business actor/business entity data and business data. If it is an individual business actor, the data for the business actor must be prepared consisting of a personal NPWP if you already have one, BPJS for Employment if you already have one, and BPJS Health if you already have one. If you don't have all three, the business permit process can still be continued.

If it is in the form of a Business Entity, what must be prepared is data in the form of the expiration period of legality, complete address of the business entity, active email, NPWP, telephone number of the business entity that can be contacted, and paid-in capital in other forms. For business data, prepare 5-digit code business data (KBLI 2020), business location including land area and location, business details consisting of business name or business capital activity. If you enter this data into the OSS system, the system will automatically notify you of the scale of your business and the level of business risk. Also prepare data on the number of Indonesian workers (TKI) and the types and capacities of products/services per year. And the last is the environmental approval document (KBLI) for certain business fields.

Then there is additional data for Business Entities in the form of API (Importer Identification Number), BPJS Health, BPJS Employment, and WLKP (Mandatory Reporting Employment in the Company) for business actors who already have an NIB and Effective Permit in OSS 1.1 then the permit can remain valid and not need to re-apply process in the Risk-Based OSS system. However, it is still possible to change business entity data, change business data, add, develop and expand business. Also make a new application. The most important thing and must be known by all business actors is that the NIB will remain valid as long as the business actor carries out his business activities, this means that the NIB does not need to be extended.

2.2 The Effect of RBA's OSS on Domestic

Investment as a driver of the country's economic growth is very much needed. In Indonesia, the Gross Domestic Product (GDP) is still dominated by household consumption. Therefore, investment will have an important role as the main motor driving economic growth.

Simply put, domestic investment will encourage job creation. When people get jobs and the economy reaches stability, of course income will increase. When people's incomes increase automatically this encourages an increase in consumption.

Former Head of the Investment Coordinating Board, Mahendra Siregar said that there are other factors that influence the high investment, namely the prospect of improving economic growth. This shows the success of the government's efforts to encourage an improvement in the investment climate by providing ease of setting up a business and improving the quality of investment services.

III. Results and Discussion

3.1 The BKPM Ministry of Investment's Strategy in Maintaining the Investment Climate during the Covid-19

It is the task of the BKPM to encourage investment growth in Indonesia. One of them is through the function of coordinating the implementation of cooperation in the investment sector which is carried out by the Deputy for Investment Cooperation. So, what needs to be done is to strengthen the role of BKPM as *a focal point* for cooperation in the investment sector in an effort to recover the national economy due to the *Covid-19 pandemic*. The following are some of BKPM's strategies in maintaining the investment

climate during the *COVID-19* which I got from the Deputy for Investment Cooperation of the BKPM Ministry of Investment:

- a. *Facilitating Existing Companies that are Already Operating*
Companies *existing* that are already operating to prevent the possibility of the company having to close which will have an impact on the workforce of the company.
- b. *Facilitating Potential Unexecuted Existing Companies*
BKPM has targeted to solve the problem of potential investment realization of Rp. 708 trillion. Of this amount, the project amounted to Rp. BKPM has facilitated 410 trillion.
- c. *Bringing New Investment*
Until now, Indonesia is still a priority destination for companies that will relocate from China. At least there are 7 companies that will relocate to Indonesia with a planned investment value of USD 850 million with a potential employment of 30,000 workers.
- d. *Providing Incentives for Existing Companies That Do Expansion*
BKPM also seeks to provide incentives for *existing businesses to expand* and expand their business, considering that business expansion and expansion by companies can provide economic value for the country and absorb labor.

Deputy BKPM Pak Riyatno when asked for a statement explained that there are 5 Steps to Facilitate Investors to Increase Investment Realization. The 5 steps are:

1. Promotion, which is to convince investors that Indonesia is investment friendly.
2. Assisting Licensing Services.
3. Assist in *financial closing*.
4. Provide *end-to-end services* to investors until investment realization.
5. Helping up to the production stage.

From this explanation, it can be concluded that we must continue to assist investors from the beginning to the production stage and continue to provide assistance.

3.2 Realization of Domestic Investment Development after the implementation of the OSS RBA Licensing System

President Joko Widodo in his speech at the inauguration of the launch of the *Online Single Submission Risk Based Approach* (OSS RBA) licensing system said that the existence of a new system such as the OSS RBA has the aim of providing service standards for all levels of government issuing permits both at the regional and central levels. Therefore, according to President Joko Widodo, the responsibility for issuing permits is clearer, the services provided are more strategic, and it is believed that the OSS RBA system can have a significant impact on national and regional economic movements.

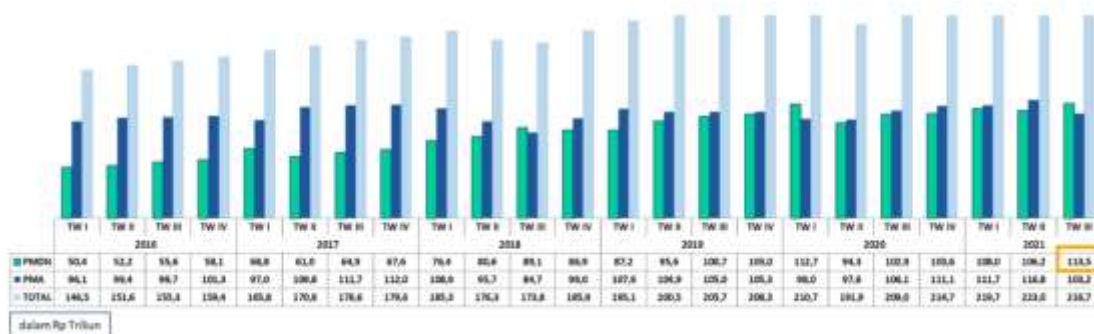
The Ministry of Investment/Investment Coordinating Agency (BKPM) published data on investment realization for the period July - September (quarter III) in 2021 reaching Rp 216.7 trillion and cumulative investment realization for the period January - September 2021 which reached Rp 659.4 trillion.

Investment realization in the third quarter of 2021 increased by 3.7% compared to the same period in 2020 (Rp 209.0 trillion). Investment realization in the January-September period contributed 73.3% to the 2021 target in accordance with President Joko Widodo's directive of Rp 900.0 trillion. From the realization of this investment, even based on data obtained from the Ministry of Investment, BKPM can absorb as many as 912,402 Indonesian workers.

If you look at the achievements of the third quarter compared to the same period in 2020, Domestic Investment (PMDN) has increased by 10.3%.

Seen a significant contribution from the realization of investment realization, namely from PMDN itself amounting to Rp 113.5 trillion or 52.4% of the total investment realization achievement with a total absorption of Indonesian workers as many as 133,972 people. Housing, industrial estates and offices of Rp 20.6 trillion (18.2%) were the largest contributory sector, while for project locations, the largest investment realization was in West Java, Rp 17.1 trillion (15.1%).

Perkembangan Realisasi Investasi 2016 – September 2021: Per Triwulan



Source: BKPM Press Release Indonesia's Investment Optimism in the Midst of the Covid-19 Pandemic

Economic growth in the second quarter of 2021 was recorded to be quite high at 7.07% with an investment realization of IDR 223.0 trillion. For details, PMDN in the second quarter amounted to Rp 106.2 trillion and increased to Rp. 113.5 trillion in the third quarter. As we know the OSS RBA will begin to be implemented in the third quarter of July to September 2021.

Realization of PMA of Rp 103.2 trillion or 47.6% of the total investment realization achievement with the absorption of Indonesian workers of 154,715 people occurred in the same period . Basic metals, non-machinery metal goods and equipment Rp 21.5 trillion (20.9%) and for the project location with the largest investment realization in West Java Rp 17.7 trillion (17.1%) is the origin of several industrial sectors that contributed to the realization of the biggest PMA. The PMA country that contributed the largest realization came from Singapore, Rp. 37.4 trillion (36.2%).

Since it was first used on August 4, 2021, the Risk-Based Online Single Submission System (OSS) has issued more than 200 thousand Business Identification Numbers (NIB). So there are 205,373 NIBs that have been issued during the period from August 4, 2021 to September 18, 2021 as of 07.30 WIB. With details 187,435 NIB consisting of individual businesses and 17,938 NIB from business entities.

The previous record high was unheard of on the legacy OSS 1.0 system. That is, on Thursday 9 September 2021, it has reached 13,697 and 11 days after that, on Friday 20 September 2021, it has surpassed the previous record of 13,737 NIB published on that day. Of course, a record like this has never happened before, starting from the OSS 1.0 System which was actively used on June 21, 2018, to OSS 1.1 which only issued an average of 3 thousand to 5 thousand NIB per day.

Even in the latest update from the Ministry of Investment/BKPM, the total NIB issued up to October 15, 2021 is 319,496 NIB. We can see that the percentage of NIB based on the status of domestic investment itself dominates at 99.8%, which is 318,659 NIB.

Seeing this very significant increase, it means that the interest of business actors to register their business is very high. With the ease of risk-based business licensing, in the end, business actors, especially UMK business actors, can easily obtain NIB as a form of business legality. This is in line with President Joko Widodo's direction that the OSS RBA system must provide convenience to business actors, especially Micro and Small Enterprises (UMK). And the data does show that 98.8 percent of the issued NIBs are UMK actors.

The current Minister of Investment or Head of BKPM Bahlil Lahadalia on August 9, 2021 once said that currently the RBA or Risk-Based OSS System has implemented all the features and functions provided at the 80% stage. Until the end of 2021, in the development process, improvements will continue to be made. Efforts to integrate the system with Ministries and Institutions are continuously pursued to accelerate and improve the system. All business actors and local governments also continue to establish communication and education in order to improve the system in line with improvements. All inputs, questions, and suggestions from all parties, especially business actors are welcome and are very meaningful for system improvement and development.

IV. Conclusion

The Ministry of Investment/BKPM as the operator of the OSS RBA or risk-based OSS system which is also the regulator in this case has carried out all the features and functions provided at the 80% stage. The latest update, as of October 15, 2021, has issued 319,496 NIB which is already risk-based.

The results of this simplification of the licensing system can be seen from the number of business actors registering their businesses after the approval of the OSS RBA or risk-based. Positive impacts are also felt from Indonesia's economic growth, especially as what we focus on in this paper is Domestic Investment, or Domestic Investment. If we only calculate the third quarter and compare between 2021 and 2020, the difference is quite far. Namely 102.9 trillion in PMDN in the third quarter of 2020 and 113.5 trillion in PMDN in the third quarter of 2021. There was a significant increase after the ratification of the OSS RBA or risk-based.

The author admits that in terms of growth factors, the increase in domestic investment is not only from simple licensing, but there are other determining factors. However, it is hoped that this simplified licensing can be a good first step and trigger the desire to invest in line with the ease of the process provided.

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