

The Influence of Job Creation on Environmental Protection

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Abstract. The Job Creation Law was designed as one of the Indonesian government's efforts to increase economic growth in Indonesia. The Job Creation Law, simplifying more than 70 rules, aims to create jobs; apart from that, the Job Creation Law also considers various aspects of the rules relating to convenience, protection, and empowerment of MSMEs, enhancing the investment ecosystem by reducing requirements regarding business permits and land acquisition, accelerating national projects and increasing the protection and welfare of workers. However, the reduction in the business license requirements listed in the Job Creation Law tends to threaten environmental sustainability.

Keywords: The Job Creation Law; Environment; Indonesia

1 Introduction

Currently, global economic conditions are starting to weaken, which has resulted in the Indonesian economy changing significantly. The Indonesian government, in maintaining the weakening economy, continues to encourage economic growth by maintaining purchasing power, increasing government consumption, and improving investment performance. Economic growth is currently considered slow, and only reaching figures in the range of 5 percent is not considered sufficient to avoid the threat of the average income trap (MIT). In 2019, the GNI per capita of USD 6,010 means that Indonesia still reports a higher average income. Therefore, in the national document, the government's medium-term development plan, including State-Owned Enterprises (BUMN), especially in the (RPJMN) of the Agency, continues infrastructure development. In other words, increased investment will be aimed at increasing productivity and competitiveness, which will encourage an increase in the National Development Planning (Bappenas) in 2020-2024, "The government is investment efficiency. Indicator problems have shown economic growth that has grown by an average of 6 percent. In 5 years, GDP growth per capita is 4.0 +/- 1 percent.[1]

One of the strategies undertaken by the government to encourage economic growth in Indonesia is through increased investment in the form of regulatory reform in the field of business licensing. This reform was carried out to resolve investment barriers; these obstacles were in

the form of long bureaucratic chains, overlapping regulations, and many regulations that were not aligned, especially in central and regional regulations [2]

The Job Creation Law, employing the omnibus legislative approach, entails the concurrent revision and repeal of multiple statutes, with the overarching objective of simplifying regulatory frameworks. This legislation, encompassing the streamlining of over 70 regulations, is fundamentally oriented toward the facilitation of job generation. Moreover, the Job Creation Law comprehensively addresses a spectrum of regulatory dimensions, encompassing the facilitation of convenience, protection, and empowerment for Micro, Small, and Medium-sized Enterprises (MSMEs), the bolstering of the investment landscape through the reduction of requisites pertaining to business licenses and land acquisition, expediting national projects, and advancing the safeguarding and well-being of the workforce. This application can be carried out in general, namely by making point-to-point adjustments to the provisions, but of course, this will have an impact on delaying the settlement process. The application of the Omnibus Law method at this time is really needed to polarize thematic legal products, which are expected to be able to produce provisions as a substitute for statutory provisions needed in development, one of which alludes to trimming regulations and preparing the Omnibus Law for Job Creation. The reduction of the business license requirements listed in the Job Creation Law tends to threaten environmental sustainability resources that are used to fulfill the lives of the Indonesian people.

Over time, Indonesia's industrial sector has experienced rapid growth, resulting in extensive exploitation of natural resources. This exploitation, driven by the pursuit of wealth and the aspiration for sustainable prosperity, has led to a depletion of these resources. However, the mismanagement of these resources poses significant environmental and societal repercussions, as environmental degradation can inflict hardship upon the populace in the vicinity [3]. The environment, encompassing spatial entities and comprising all elements, forces, conditions, and life forms, including human activities, exerts a profound influence on the natural ecosystem, the continuity of life, and the well-being of both humans and other organisms. An environmental permit constitutes official authorization granted to individuals engaged in businesses and activities necessitating an Environmental Impact Assessment (Amdal) or Environmental Management Effort and Environmental Monitoring Effort (UKL-UPL), forming an essential prerequisite for securing business and activity permits within the framework of environmental protection and management [4].

Modifications to environmental business licenses introduced by the Job Creation Law have brought about substantial implications for environmental sustainability. The alterations to existing legal provisions, particularly those pertaining to environmental permits within the Environmental Protection and Management Law and the Forestry Law, have raised concerns about their potential to weaken the safeguards intended for nature preservation [5]. The enactment of the Job Creation Law is perceived to have curtailed the authority of regional governments in environmental governance, as certain powers have been reallocated to the central government. The relaxed permitting processes stipulated by the Job Creation Law present a formidable challenge to environmental oversight officials and law enforcement agencies, who must now exercise more stringent vigilance over business activities to prevent environmental harm. This research will describe how the Job Creation law influences efforts to protect the environment.

2 Result and Discussion

This research was conducted using the normative legal method. The author reviews document studies using various secondary data such as statutory regulations, legal theory and also in the form of opinions of legal experts. The approach used in this study is the approach to changing legislation in order to determine the conformity of the rules so as to provide an overview of the positive and negative impacts.

The author examines environmental regulations with the Job Creation Law based on the principles and legal norms that apply in Indonesia. With this study, the authors can identify the influence of the Job Creation laws on efforts to protect the environment.

3.1 Portraits of Environmental Disputes in Indonesia and Their Resolutions

The fundamental role of the environment in human existence, culture, and civilization is paramount and indispensable. It is intricately interwoven with human life, prompting the establishment of legislative frameworks such as Law No. 41 of 1999 concerning forestry, Law No. 32 of 2009 on Environmental Protection and Management, and Law No. 18 of 2013 addressing the prevention and eradication of forest destruction. These laws are formulated with the sole purpose of safeguarding forests and the environment against degradation, with the overarching goal of fostering harmony, equilibrium, and environmental stability, which constitute pivotal assets for sustainable development.

On October 5, 2020, the Indonesian People's Consultative Assembly (DPR RI) ratified Law No. 11 of 2020, known as the Job Creation Law. The primary objectives of this law are to stimulate job creation and boost both domestic and foreign investments through the simplification of regulatory requirements for commercial permits and land acquisitions. The presence of the Job Creation Law is envisioned as a catalyst for fortifying the national economy by enhancing the investment ecosystem and bolstering Indonesia's competitive edge. The multifaceted objectives of the Job Creation Law encompass fostering a more conducive and attractive business environment for investors, catalyzing Indonesia's economic expansion, enhancing legal predictability, attracting foreign talent to work in Indonesia, facilitating knowledge and skill transfer to nurture high-quality Indonesian human resources, encouraging voluntary tax compliance and active participation of domestic business entities, and promoting equitable commercial dealings between foreign and domestic business actors [9].

Aligned with its core objectives, the Job Creation Law offers the advantageous prospect of streamlining and harmonizing existing laws and regulations, eliminating discrepancies between central and regional policies in support of the investment climate, streamlining the legislative amendment process, thereby conserving governmental resources from both administrative and political perspectives, and harmonizing sectoral regulations scattered across various legal frameworks. This comprehensive law encompasses improvements related to the investment environment, business operations, employment dynamics, the facilitation of cooperatives and Micro, Small, and Medium-sized Enterprises (MSMEs), the ease of conducting business activities, national fiscal policies, and support for research and innovation [9]. After the passage of the Job Creation Law there were several obstacles faced by the Regional Government in

protecting and managing the environment, one of which was the lack of integration of environmental monitoring activities with an integrated licensing system. Law No. 32 of 2009 requires that businesses or activities that have an impact on the environment must submit four stages in licensing, namely environmental documents (AMDAL or UKL UPL), environmental eligibility decisions or UKL UPL recommendations, environmental permits, and business permits. In the Job Creation Law, environmental permits are removed and integrated into business licenses. This integration cuts the bureaucratic chain because it shortens the time for permits. The Central Government established an environmental due diligence. The results of the due diligence will be one of the requirements for applying for a business license.

The environmental due diligence was carried out by a team formed by the central government's environmental due diligence agency. The team consists of representatives from the central government, regional governments, and certified experts. The output of the due diligence is in the form of recommendations regarding environmental feasibility or ineligibility. Based on these recommendations, the Central Government or Regional Government determines a decision regarding environmental feasibility, and the determination of environmental feasibility is used as a requirement for issuing business permits. This is different from the provisions previously stipulated in the PPLH Law; namely, EIA is the basis for determining the environmental feasibility of implementing a business and activity. However, before the Amdal is used as the basis for the determination, the Amdal documents, as stipulated in the PPLH Law, are first assessed by the Amdal Assessment Commission formed by the minister, governor, or regent/mayor according to their authority. If there is no Amdal recommendation, then the environmental permit will not be issued.

Issuance of business licenses already uses a one-door system and utilizes an integrated licensing system from the central to light level by using a platform called Online Single Submission. The Investment Coordinating Board manages this platform at the Central Level and the One-Stop Integrated Investment and Licensing Service at the Provincial and Regency/City Levels. Environmental permits will always be related to environmental supervision. The attachment to permits and environmental supervision is intended so that apart from being a source of income, permits can overcome externalities in environmental management.

Changes to Article 24 have impacts that must be considered, namely:

- a) The central government's workload will increase if it is not followed by proper and proportional delegation
- b) Contain the risk of complicating access to information for the public and business actors in the area (especially in areas that are difficult to reach and are still lagging in the field of information technology) in submitting an EIA
- c) The absence of community elements in the Due Diligence Testing Institute, which previously existed in the Amdal Assessment Commission, eliminated space for the community to participate.
- d) In accordance with Environmental Law principles, community members are legally recognized as equal stakeholders with the right to participate in decisions affecting their well-being. However, recent legislative changes have led to a transformation in the landscape of civil society organizations concerned with issues related to human existence. The preparation of Environmental Impact Assessments (EIA) is subject to regulation by both the Ciptaker Law and the PPLH Law, with distinct approaches to

community involvement. Notably, the Ciptaker Law introduces a more restrictive definition of "community" compared to the PPLH Law. Under the PPLH Law, the community encompasses the affected community, environmental observers, and those impacted by decisions within the EIA process. At the same time, the Ciptaker Law confines its scope to the directly affected community.

Beyond altering Article 24, the Ciptaker Law also revises the stipulations found in Article 25, subsection c, pertaining to the mandatory content of EIA documents. A noteworthy modification concerns the inclusion of input suggestions and responses from the public. Specifically, the PPLH Law mandates that one of the components of an Amdal document must feature input suggestions and responses from the directly affected community that are pertinent to the business or activity plan. Conversely, the Ciptaker Law extends this requirement to input suggestions and responses from the broader community, not necessarily limited to those directly impacted by the proposed actions. The abolition of Article 38 eliminates people's access to justice, including access to the judicial process. This is very inappropriate for Indonesia as a rule-of-law country. In addition, changes regarding the mechanism of objections to the Amdal. The PPLH Law provides space for people who object to the Amdal document to submit objections or legal remedies. In contrast, the Ciptaker Law does not provide for an objection mechanism to the Amdal. The Ciptaker Law removes the provisions regarding the objection mechanism, namely by removing the provisions regarding the Amdal evaluation commission, which is regulated in Article 29, Article 30, and Article 31 of the PPLH Law. The absence of an objection mechanism has sparked debate in the community because this mechanism is considered very important to ensure environmental sustainability, especially to ensure that the EIA document is not made haphazardly or just as a formality.

Amendments to Article 39 paragraph (2) do not regulate the government's obligation to ensure that the public can access information or not. Rather, it only regulates the way the information is announced. Communities with limited ability to access information will experience greater difficulties in obtaining information. In addition, restrictions on the media in conveying information are contrary to the principle of public information disclosure.

The abolition of Article 40 is interpreted as the loss of direct environmental management control over a business or activity. This has the potential that canceling environmental approvals does not necessarily cancel business permits. Environmental approvals can be assessed as not urgent for business actors anymore, causing serious threats to the environment.

In accordance with the foundational principles of Environmental Law, community members are accorded legal recognition as equal stakeholders possessing the entitlement to engage in decisions that influence their overall well-being. Nevertheless, recent legislative revisions have instigated a paradigm shift within the landscape of civil society organizations that are dedicated to addressing issues related to human existence. The regulation of Environmental Impact Assessments (EIA) is governed by both the Ciptaker Law and the PPLH Law, each adopting distinct approaches to community engagement. Notably, the Ciptaker Law introduces a more stringent definition of the term "community" in contrast to the broader interpretation offered by the PPLH Law. Within the purview of the PPLH Law, the community encompasses not only the directly impacted community but also incorporates environmental observers and individuals affected by decisions made throughout the EIA process. Conversely, the Ciptaker Law confines its scope exclusively to the directly affected community.

In addition to the modifications above, the Ciptaker Law also effects alterations to the provisions articulated in Article 25, subsection c, which pertain to the obligatory elements of EIA documentation. A salient adjustment involves the incorporation of input suggestions and responses from the public. Specifically, the PPLH Law mandates that one of the components of an Amdal document must encompass input suggestions and responses from the directly impacted community with relevance to the proposed business or activity plan. In contrast, the Ciptaker Law extends this requirement to encompass input suggestions and responses from the broader community without necessarily confining it to individuals directly affected by the contemplated actions.

The legal changes that have occurred have created enough threats to the environment of the State of Indonesia, namely by not requiring an AMDAL function, while the AMDAL is one of the instruments that can at least assist in analyzing business permits, even though the deletion is only for a number of business activities. Still, the division is not clear and definite, so this really poses a threat to the environment even though humans or society and the environment are very closely related because people in their lives clearly need food and drink, as well as fulfillment of other needs. It is unimaginable that if pollution and environmental damage occur, it will also indirectly damage and contaminate the rights of the Indonesian people to the environment. Considering that Indonesia's natural resources are quite abundant, it will have a huge impact if pollution occurs, let alone environmental damage. Thus, the community will experience difficulties in meeting their needs, and even in their survival, the community will be disturbed by pollution caused by changes in legislation. Even though it is clear that Indonesia is a rule of law and the environment basically includes human rights (HAM), if a change in legislation causes pollution and environmental damage, then the change also violates human rights law.

Nonetheless, the legislative changes introduced through acts like the Job Creation Law have raised significant concerns and represent a looming threat to Indonesia's environment. Despite Indonesia's status as the world's largest tropical rainforest and its abundant natural resources, the safeguarding of the country's environment should be an unequivocal responsibility for all Indonesian citizens. The alterations made to the Ciptaker Law, particularly those affecting the provisions of the PPLH Law concerning Environmental Impact Assessments (Amdal) and environmental permits, are viewed by numerous environmental activists as a vulnerability that imperils the preservation of nature. Additionally, the limited applicability of environmental impact analysis solely to high-risk projects raises concerns, given the lack of clear criteria for distinguishing between low and high-risk projects. This ambiguity in determining the rules of the game remains unresolved. There is also apprehension that these regulatory changes may inadvertently facilitate the issuance of spurious Environmental Impact Assessments (EIAs), as the process lacks effective community oversight. In reality, community participation represents the cornerstone of the EIA issuance process, and its absence could undermine the integrity of the assessments.

Changes in legislation, especially the Ciptaker Law, have raised concerns about an environmental crisis resulting from businesses being established without any impact analysis that would occur prior to business establishment. This is a contradiction in the community, which will also have an impact on the future of the Indonesian people's environment. Considering that the condition of Indonesia's environment at the level of global warming is still ongoing and has increased with the change in the law, environmental problems have increased.

Therefore, it is very necessary for a movement to protect and manage the environment, which is regulated by a special law to regulate the protection and management of the environment. Because going through the law will be able to help regulate tangible conditions and can help solve all forms of problems in the environment.

3 Conclusion

Based on the previous explanation, the researcher can conclude that Indonesia, as a country rich in natural resources, should have laws that specifically regulate environmental protection and management. If you want to make updates regarding environmental protection and management regulations, you should pay more attention to the impacts that will occur in the future. The Job Creation Law provides positive benefits in terms of ease of investment and business licensing. However, based on the explanation that environmental monitoring activities have not been integrated with the licensing system, the supervisory apparatus does not have a complete database regarding the object to be monitored. In addition, the imposition of penalties from reprimand to revocation of permits cannot be carried out quickly. This is due to the monitoring system that has not been integrated, so it must go through a long bureaucratic chain. A limited number of functional environmental supervisors. The amount is not balanced with the number of objects that must be watched. The process of proving guilt for Environmental Damage before the court as a result of amendments to article 88 of Law Number 32 of 2009. Environmental supervisors are required to have sufficient legal competence so that they can present evidence when carrying out a lawsuit for environmental damage. From these several points, it can be seen that the Job Creation Law has a major impact and influence on the environment because it indirectly gives freedom to business actors to establish businesses and destroy the environment. Although the regulations will be limited, the limits are not clear, so it is still a cause for concern. It must be followed up immediately so that environmental pollution and damage can be controlled.

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