# Analysis of the Impact of Reducing Investment in IKN the Environment Based on SDGS

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**Abstract.** Investment is an effort made by the state to obtain support from both foreign and domestic investors to carry out mutually beneficial cooperation. Developing countries like Indonesia still need to support and run their businesses to establish the Indonesian nation as a whole. Therefore, the government continues to intensify the appeal and encouragement to invest in Indonesia with all negotiations between the two parties. However, the government is often seen as needing to be more indulgent towards investors, which results in people being disturbed from participating in investors' assessments. Likewise, Indonesia is considered to have relaxed regulations regarding building permits by extending the Amdal regulations in Article 38 and Article 39 of Law Number 32 of 2009 by replacing them with Law Number 11 of 2020, which provides special concessions to investors. This legislation is considered to obscure people's rights and abdicate the responsibilities they owe to the community. It will be difficult for the community to get justice in court because complaints can only be processed when the complainant has strong evidence to bring to court. This could be gold for investors for the continued development of IKN, which requires great support from various parties.

Keywords: Amdal; Investment; IKN Investors

### 1 Introduction

Indonesia, through Indonesian President Joko Widodo, wants to prioritize and set a focus, especially in the field of national infrastructure development, on developing the National Capital (IKN) of the archipelago by budgeting the 2023 APBN which is focused on developing IKN[1]. As a result, the government requires that no less than 41,000 hectares of forest be cleared to prevent the presence of IKN development in parts of North Penajam Paser and Kutar Kartanegara Regencies, East Kalimantan Province.[2]. And it is impossible for the government to establish IKN independently, IKN requires investor donations from various parties who are willing to invest their capital. Interestingly, the government is willing to hold regulatory sales to attract prestigious investors. When the author carried out this research, the Minister of International Trade and Industry of Malaysia, Tengku Zafrul Tengku Abdul Aziz, showed his seriousness in proposing to IKN by showing a letter of intent (LoL) document by bringing in

company names such as Alliance MEP, Berjaya, HCM Engineering, Boustead Properties, Berjaya, Carsome, 12 Energy, Olympic Cable, Pharmaniaga, Reneuco, Success Electronics & Transformer Manufacturer, and National Energy[3].

In its consideration, the Job Creation Law recognizes the need to adjust various aspects of regulations related to the convenience, protection, and empowerment of MSMEs, improving the investment ecosystem, accelerating national projections, and increasing worker protection and welfare. However, in this law, some regulations are considered to threaten environmental sustainability. For example, changes to the nomenclature of environmental permits in the 2009 UUPPLH become environmental approvals, which are used as a prerequisite for issuing business permits. Even though it is considered a new paradigm for licensing in the Job Creation Law, this shows little difference from the paradigm in the 2009 UUPPLH. Because the 2009 UUPPLH also places environmental permits as a prerequisite for business permits, revoking environmental permits will also have an impact on revoking business permits.

The lack of clarity in the paradigm actually needs to be clarified regarding the position of environmental approvals as objects of State Administration disputes, considering Articles 38 and 39 of the UUPPLH, which state that environmental permits can be revoked through the State Administrative Court. However, let us look at the form of environmental approval regulated by the Job Creation Law. It is SKKL or PKPLH, which the central government or regional government has approved. Suppose we construct a product with environmental approval and its prerequisites based on the Job Creation Law. In that case, environmental approval fulfills the elements to be considered a permit, as confirmed in Article 39 paragraph (2) of the Government Administration Law. In addition, the Job Creation Law uses a new risk-based approach, which divides businesses into medium and high categories for processing business permits. However, it should be noted that Indonesia still has various weaknesses that must be addressed before using a risk-based approach, such as:

- a. Lack of a complete database in Indonesia as a whole and in existing sectors
- b. Lack of studies on risk mapping and implementation of policies, plans, and programs from regional governments based on risk mapping
- c. High level of corruption

The absence of a complete and integrated environmental inventory based on the ecoregions of each regionThe relocation of the capital city from Jakarta to an area that has peat and green soil, which is feared will erode natural ecosystems and biodiversity. It is known that the IKN area is located in a production forest area of 63,434 hectares. Where there is a concession owned by PT. Inhutani I Batu Ampar with an area of 16,058 hectares, PT. ITCI Hutani Manunggal 37,314 hectares. This area is home to Kalimantan endemics such as the Red Langur, Clouded Leopard, Sun Bear, Orangutan, Forest Cat, and so on.[4].

Every development is necessarily designed in terms of environmental protection and management, which refers to the mandate of Article 33 of the 1945 Constitution of the Republic of Indonesia, which seeks systematic and integrated sustainable development to prevent environmental damage and various effects from development activities. Regulations regarding this matter are contained in Law of the Republic of Indonesia Number 4 of 1982 concerning the Principles of Environmental Management, which was amended following the enactment of Law of the Republic of Indonesia Number 32 of 2009 concerning Environmental Protection and Management, and most recently amended in part by Law of the Republic of Indonesia Number 11 of 2020 concerning Job Creation. At the point of implementation and participation in Law

Number 11 of 2020 concerning Job Creation, which includes provisions on licensing and opening a business, there is potential for ambiguity because regional governments can issue permits. There are concerns that they will escape the supervision of the central government.[5]. So it is feared that it will deviate from the provisions of Article 28 H of the 1945 NRI Law in conjunction with Article 65 paragraph (1) of the PLH UUPLH and become unsafe. However, this was given a different response by the government in the Coordinating Ministry for Republic of Economic Affairs of the Indonesia in Press Release HM.4.6/142/SET.M.EKON.2.3/10/2020 which states that the AMDAL is only simplified, not that the permit is removed in the Job Creation Law. Referring to the old rules regarding environmental impact analysis, environmental permits were separate from company permits, and if at a certain time the applicant committed a violation, either in the form of an environmental permit or a company permit, then only one of them was revoked and the other continued. This is different from the Job Creation Law which regulates the all in one rule, which means that if one permit has a problem, other permits will also have an impact.

The researcher deliberately raised this theme because he thought that the review was related to the impact of making it easy to invest in IKN with a multitude of hot regulations that were ready to be presented to investors. As well as the massive number of previous researchers who also discussed similar matters relating to environmental permits which will have a direct impact, such as H. Effendi who explored the dynamics of environmental approvals from the perspective of Government Regulation Number 22 of 2021 and its Derivative Regulations[6]. This research will try to examine the previous discussion, namely regarding how the government's policies and independence prioritize superior regulations for investors and what if losses occur due to negligent actions of investors by the government, as well as environmental impacts that will occur in the future. The aim of this research is to analyze the environmental impact of investing in IKN and whether it is in line with sustainable development goals (SDGs).

### 2 Method

Referring to the problems raised in the introduction and the topic of this research is legal issues, the type of research that is the topic is normative legal research. Normative research is research that seeks to determine legal rules, legal principles, or doctrines that are in line with the aims and objectives of legal writing.[7]

#### 3 Discussion

# 3.1. Government Policy in Regulation of Forest Clearing Permits for Expanding Development/Business and/or Other Activities

### 3.1.1 Amdal Approval

One of the government's efforts to tempt investors both from within the country and abroad is by promising easy regulation of various sectors, one of which concerns development permits. Expansive logging in Kalimantan, especially the central government's plan to carry out efforts to clear 400 hectares of land in the capital city of the archipelago in South Kalimantan, is believed to bring about an ecological disaster.[8]. Therefore, this is an important issue regarding

the system which is not only about how to attract investors instantly, but must think more about how the aspects will be in the future, without making many sacrifices.

Permit processing should follow the regulations in Law of the Republic of Indonesia Number 4 of 1982 concerning the Principles of Environmental Management and have been updated in Law of the Republic of Indonesia Number 11 of 2020 concerning Job Creation. The main point in starting development based on a large scale must be to determine the results issued by the environmental impact analysis or licensing system (environmental license).[9]. From these results, a conclusion will be provided, namely an analysis of environmental impacts (AMDAL). The issue of EIA certainly has a motive whose aim is to guarantee something about the impacts that arise through controlling (sturen) activities. Michael Klopher once argued in his perspective that environmental permits can be a means of administrative juridical control over activities or every business that is included in statutory regulations is stated as having to have a permit.[10]. Having a permit for a building standing on land is of particular urgency, namely as a legal basis. Law Number 32 of 2009 concerning Environmental Protection and Management clearly states that licensing is an instrument for preventing pollution, destruction and damage to the environment. One of them is an environmental permit for every person or business entity and/or activity that requires a permit from Amdal or UPL - UPL in order to maintain environmental protection and management. Glancing at Article 22 paragraph (2) and Articles 34 - 35 Permn Number 5 of 2012 concerning Activities that are Mandatory in AMDAL and Minister of Environment Regulation Number 13 of 2010 concerning Environmental Management Efforts and Environmental Monitoring Efforts and Statement of Capability for Environmental Management and Monitoring. Implicitly, Law Number 32 of 2009 concerning Environmental Protection and Management states implicitly that the future of an environment is in its hands because it depends on permits.

The ratio of clusters of licensing policies in environmental law becomes logical when carrying out ecological practices. This means that licensing is not just a formality, but is a form of consistent implementation and supervision. This is because environmental problems are not only based on economic activities or the progress of human civilization, but also on how policy problems are present in real terms and the forms of monitoring them. Permission for environmental life becomes the fatal axis of a decision or unintentional negligence which causes a boomerang effect. Environmental protection is preventive and repressive for business actors or interested parties.

Not only does it revolve around AMDAL, there are other permits that are taken into consideration when granting environmental permits, such as HO (permits relating to places or business activities of private or legal entities that are considered to have the potential to cause disruption and environmental sustainability), IMB (permits issued by Regional Head, head of building owner), Mining Business Permit, Forest Product Utilization Permit, Waste Disposal Permit (including B3 (hazardous and toxic materials)), and so on. All these permits are included in the environmental permit category (Law Number 23 of 1997).

The latest legal product, namely the Job Creation Law, also contains criteria related to environmental permits which require ownership of an Amdal, as intended in Article 22 UUPLH. It is also explained differently in Article 88 of Government Regulation Number 22 of 2021, that the assessment criteria for AMDAL are considered to have an important impact. That the Job Creation Law classifies types of permits at risk level. In determining the type of licensing using

the RBA (Risk Based Approach) method. Risk is an assessment of whether there will be a danger resulting from the implementation of a business which will have an immediate or delayed impact on health, safety, security, the environment, limited resources, and/or other impacts that will occur in the future with events that cannot be determined.[11].

In terms of terminology, environmental permits contained in the Job Creation Law are no longer included, but the context of environmental permits has not disappeared in substance, because environmental permits have been integrated into the form of business permits. In the RBA concept, risk levels have been classified as medium and medium low. Even though the level of business risk is actually not closely related to the type of environmental document, the level of business risk uses criteria related to health, safety, limited resources and the environment (K3L), these criteria are contained in Government Regulation Number 5 of 20211. It is necessary It is known that high business risks are included in the Business Identification Number (NIB) License and Business Registration Number (NIB), then medium business houses are included in the type of business licensing with standard certificates and NIB, while businesses or activities that are considered to have a low level of risk are the type of business only with NIB. So the risk level only discusses and includes types of business licensing. So when talking about high risk, try not to always relate it to AMDAL alone, the risk level of UKL, the low risk level of SPPL, what is meant in this regulation is not the purpose of determining the type of environmental document in this regulation which refers to Articles 23 and 22 UUPLH 2009. Then If the NIB has integrity with the SPPL, so that business actors who already have an NIB, then the person concerned already has an SPPL.

The issuance of amdal regulations in the Job Creation Law has not changed from the previous provisions, improvements refer to efforts to improve policies in terms of implementation in accordance with the initial objectives of enacting the Job Creation Law. AMDAL interpreter regarding the important environmental impacts of a planned business and/or implementation, for the format of prerequisites for decision making related to the implementation of the business and/or activities contained in the Business Licensing, or approval from both the Central and Regional Governments.

The preparation of the Amdal is adjusted to Article 27 of Government Regulation Number 22 of 2021. Testing in providing assessments in the Amdal concerns the environmental feasibility test carried out by the environmental feasibility test team as in Article 24 paragraph (3) of the Job Creation Law, which was formed by the Testing Institute Feasibility of Life and was initiated by the Minister. The Environmental Feasibility Test Team (TUKLH) itself is established by the central government, regional governments, and certified experts domiciled in the territory of Indonesia with structural elements consisting of a chairman, head of secretariat, and members who are given the task of assisting the Minister, governor, regent/mayor, and for the task of implementing reviewing environmental feasibility tests for business plans and/or activities in accordance with authority[12].

The KPA (Amdal Appraisal Commission) was updated with a feasibility test system that assesses the standardization of implementation in accordance with the NSPK, carries out a complete role rule back of the Amdal, as a scientific study, and addresses bottlenecks (conditions where the system does not work fully because it is hampered by components that are not in line with requirements). Here, the form of amdal assessment is a form of activity that

can be scientifically or scientifically accountable, therefore an amdal certificate is needed to produce certificates and documents for establishing building permits.

### 3.2. Preparation of Environmental Documents on Environmental Management Efforts and Environmental Monitoring Efforts

Explicit in Articles 1 and 6 of Government Regulation Number 22 of 2021 regarding Environmental Management Efforts and Environmental Monitoring Efforts is the implementation of the environmental management process which is expressed in the form of standard decision-making requirements contained in business permits, or approval obtained from the central government and/or region. The administrative requirements that need to be implemented to carry out environmental approval are by compiling forms for Environmental Management Efforts and Environmental Monitoring Efforts and as in Article 10 of Government Regulation Number 22 of 2021. Referring to Article 123 of Law Number 32 of 2009 which explains that permits entered into in the field of environmental management issued by the Minister, governor or regent/mayor who are the authorities must be legalized into environmental permits at least 1 year after this provision is made official. . Then in Article 61 and Article 62 of the Job Creation Law, 1 article is included, namely Article 61A. This is different from Technical Approval which refers to business actors and/or activities that have high and medium levels of risk. If there are businesses and/or activities that show indications of medium risk, the technology integration system will be carried out into environmental approvals which can process permits in an effort to be effective and simple and of course cut licensing bureaucracy. This Perstek is an action from the central and/or regional government regarding the provisions on standards for environmental protection and management and/or activities related to business impacts and/or activities in accordance with statutory regulations. Submission of documents related to AMDAL requirements and RKPL-RPL documents accompanied by technical approval, namely Fulfillment of Waste Water Quality Standards, Fulfillment of Emission Quality Standards, B3 Waste Management, and/or analysis of the impact of businesses and/or activities.

# 3.3. Guaranteeing Capability in a Statement of Capability for Environmental Management and Monitoring

The statement in Article 1 number 9 of Government Regulation Number 22 of 2021, that the Statement of Capability for Environmental Management and Monitoring constitutes a form of capability and responsibility for businesses and/or activities to carry out environmental management and monitoring with environmental impact results which must be provided with an AMDAL and /or UKL UPL.

However, for micro and small-based businesses and/or activities that are considered to have an impact on small environments considering that the size of their production is also small, the government provides an assistance in preparing Amdal documents and requirements.

### 3.4 Impact of Enforcing Environmental Permits

Based on the provisions contained in the Job Creation Law, this will underlie the implications for environmental sustainability, as follows:

Law Number 4 of 1982 concerning Basic Provisions for Environmental Management which still regulates the implementation of environmental permits, the mechanism of which is not yet clear and is only limited to the scale of business permits. However, Law Number 4 of 1982 was the initial originator of the regulation of environmental permits in Indonesia which also gave birth to AMDAL provisions, which relate to planning sustainable development and predicting things that will have an impact on the environment. The resulting regulatory direction has also accommodated many instruments for preventing pollution and/or environmental damage. Law Number 23 of 1997 concerning Environmental Management which also contains regulatory licensing provisions covering environmental impact assessments and business permits in Article 18 with clear implementation provisions and accommodated by Article 19 and Article 20 of Law Number 23 of 1997.

Business actors need to have an Amdal or UKL-UPL to obtain an environmental permit. The two stages of the permit emphasize the importance of environmental protection. Therefore, any activity that is expected to affect the environment must obtain an environmental permit first. This is a corrective and evaluative effort towards the 1997 UUPLH which does not recognize environmental permits after the Amdal assessment, but rather approval of the Amdal or Environmental Feasibility Decision. However, this is not effective enough because there are no provisions that state what happens if there is a violation of the environment in relation to the validity of Amdal approval and business permits. Therefore, when an activity pollutes the environment and causes approval for the Amdal to be revoked, the business permit is not automatically revoked so the activity continues. The 2009 UUPPLH paradigm is expected to protect and manage the environment.

After the Job Creation Law was enacted with the aim of improving economic aspects by facilitating the investment climate and ease of doing business, this was not accompanied by the same enthusiasm for protecting the environment optimally. New policies should learn from past experiences and evaluate the shortcomings of existing policies. Indonesia had previously realized the importance of environmental protection after facing the accident of the Japanese tanker, Showa Maru, on January 6 1975 near the Port of Singapore. At that time, Indonesia realized the importance of regulations to protect the archipelago's environment in facing settlements and demands for compensation due to environmental pollution[13]. Therefore, Indonesia drafted a law on the prevention and control of marine pollution, which was the starting point for Indonesia to conceptually improve environmental law.

- a. In its consideration, the Job Creation Law recognizes the need to adjust various aspects of regulations related to the convenience, protection, and empowerment of MSMEs, improving the investment ecosystem, accelerating national projections, and increasing worker protection and welfare. However, in this law, some regulations are considered to threaten environmental sustainability. For example, changes to the nomenclature of environmental permits in the 2009 UUPPLH become environmental approvals, which are used as a prerequisite for issuing business permits. Even though it is considered a new paradigm for licensing in the Job Creation Law, this shows little difference from the paradigm in the 2009 UUPPLH. Because the 2009 UUPPLH also places environmental permits as a prerequisite for business permits, revoking environmental permits will also have an impact on revoking business permits.
- b. The lack of clarity in the paradigm actually needs to be clarified regarding the position of environmental approvals as objects of State Administration

disputes, considering Articles 38 and 39 of the UUPPLH, which state that environmental permits can be revoked through the State Administrative Court. However, let us look at the form of environmental approval regulated by the Job Creation Law. It is SKKL or PKPLH, which the central government or regional government has approved. Suppose we construct a product with environmental approval and its prerequisites based on the Job Creation Law. In that case, environmental approval fulfills the elements to be considered a permit, as confirmed in Article 39 paragraph (2) of the Government Administration Law. In addition, the Job Creation Law uses a new risk-based approach, which divides businesses into medium and high categories for processing business permits. However, it should be noted that Indonesia still has various weaknesses that must be addressed before using a risk-based approach, such as:

- Lack of a complete database in Indonesia as a whole and in existing sectors
  - Lack of studies on risk mapping and implementation of policies, plans, and programs from regional governments based on risk mapping
- d. High level of corruption
   The absence of a complete and integrated environmental inventory based on the ecoregions of each region
- e. Absolute Responsibility Gap (Strict Liability)

Based on Article 88 of Law Number 32 of 2009, which has been amended by Law Number 11 of 2020, initially, all losses incurred were clear errors on the part of the business and activities. However, this has been fully revised regarding the meaning of Strict Liability to liability based on fault.[14]. This can be found in Government Regulation Number 22 of 2001, Article 501 paragraph (1) in conjunction with Article 500 paragraph (3), which means that a form of absolute liability that is given a fault does not need to show evidence to the plaintiff as a basis for payment of compensation. This makes it meaningful *Strict Liabilities*.

Quoted from Bambang Hendroyono's statement which was accessed on the Forest Digest YouTube channel in his interview[15]. He said that Article 88 of Law Number 11 of 2020 does not delete the phrase 'absolute irresponsibility' but moves it into the civil or private realm. This statement can also point to the fact that when there are indications of violations, the community must prove the wrongdoing caused or affected when suing in court. This is clearly detrimental, considering that people will be hit by the stairs twice, and those who have been affected must also look for evidence. The perceived weakening that occurred when Law Number 11 of 2020 came into existence needed to be explained in detail in the body of the law. If we refer back to Law Number 23 of 1997 and the update to Law Number 32 of 2009, it is actually an improvement on the previous law because proving guilt will be difficult to prove when environmental pollution occurs. This will result in people continuing to swallow bitter stones without any clarity and certainty regarding their rights as mandated by Article 27, paragraph (2) of the 1945 Constitution, which requires the state to ensure that its citizens live a decent life. It would be strange if the principle of strict liability places responsibility on those who feel disadvantaged, not those causing the problem of environmental damage in their business area and activities. Violation of Environmental Rights

- f. Some aspects can form environmental rights, namely the procedural aspect and the substantive aspect. Procedural aspects related to the right to information, the right to participate in decision-making, and the right to obtain the widest and widest access to justice.[16]. Meanwhile, from the substantive aspect related to the right to life, the right to obtain a standard of living like humans in general who obtain independence, and the right to continue their descendants or generations. There are things that are prevented by the provisions of the Job Creation Law regarding environmental rights, which focus on procedural aspects:
- Impairing the Degree of Community Participation in the Amdal Process In the context of community involvement in the preparation of Amdal, the Job Creation Law has the potential to reduce community participation in environmental decision-making. The reason is that this participation is only limited to communities directly affected, so this can limit environmental rights regulated in the provisions for structuring and enforcing environmental law both procedurally and substantively. In fact, the right to the environment is guaranteed by the Indonesian constitution, namely the 1945 Constitution of the Republic of Indonesia. If environmental issues continue to be ignored, it can have a negative impact on ecological sustainability and is also related to environmental justice. Environmental justice is a concept that emphasizes the importance of considering the environment in achieving people's welfare goals. The Job Creation Law brings a new discourse regarding ecological sustainability in Indonesia, but this is contrary to the principles of environmental justice because legal politics emphasizes exploitative nature rather than environmental conservation. As a result, economic and ecological interests often conflict. Economic interests tend to prioritize human welfare by managing limited resources. In contrast, ecological interests emphasize the importance of preserving the environment and the availability of resources for current and future life. One example of this is the elimination of environmental permits in the Job Creation Law, as previously explained. Another change is implied in Article 26 paragraph (3) of Law Number 32 of 2009, which reduces the community's perspective in the preparation of Amdal in Law Number 11 of 2020 to only the community directly affected, even though Government Regulation Number 22 of 2021 refers to the community who are directly affected in the preparation of Amdal Law Number 11 of 2020. In this case, community participation in the preparation of Amdal is limited by the Job Creation Law because only people who are directly affected have the right to provide suggestions, opinions, and responses (SPT) directly after the announcement of business plans or activities, and they will be involved during public consultations. However, environmental organizations and other interested communities who are not directly affected only have the right to provide SPTs for business plans or activities after TUKLH has announced them within ten working days, and the SPTs will be sorted again by TUKLH to determine their relevance. There are still questions regarding the relevant SPT measurement standards by TUKLH because there are no clear regulations regarding this matter. After the issuance of Law Number 11 of 2020, community elements are now not considered in the Environmental Due Test Team (TUKLH). In the future, all business matters and activities will coexist with residents; they should be involved as objects that are potentially affected. Even though they are not simply being thrown out formally, the community is only involved in the assessment process, and how their voices influence decision-making cannot be known with certainty.[17].

### 3.4. Degradation of the Clause for Submitting Rejection of the Amdal Process

It is included in Article 26 Number 32 of 2009, which previously stipulated that the public could raise objections to the decision to issue an Amdal document. However, now in Law Number 11

of 2020, it has been silenced. This illustrates that there are barriers between community rights and participation in decision-making participation. Even though there is a small amount of life in Government Regulation Number 22 of 2021, its provisions do not guarantee that it will definitely be taken into consideration in AMDAL decisions involving the community. Uncertainty of the Position of Environmental Approvals as Objects of TUN Disputes.

The overhaul of environmental permits and the amalgamation of Article 38 and Article 39 of Law Number 32 of 2009 into Law Number 11 of 2020 has caused its legal standing to be questioned as an object of TUN dispute. However, if you look at Law Number 30 of 2014 concerning Government Administration, you should be able to get environmental approval, which is interpreted as a motorbike taxi for TUN disputes. In this case, it is necessary to be clear that environmental approvals can be the object of a TUN dispute in the Job Creation Law. As mentioned, environmental approvals have a significant legal impact on the business activities carried out. Therefore, if there are errors or non-compliance with environmental requirements in the process of issuing environmental approvals, then these must be corrected through existing legal processes.

In addition, it should be noted that supervision and law enforcement of business activities that have an environmental impact are not only limited to the business licensing process. As mentioned, after environmental approval is issued, there is still the possibility of changes in the business activities carried out, such as land acquisition or changes in land area. Therefore, there is a need for continuous monitoring and law enforcement efforts to ensure that the business activities carried out meet the environmental requirements that have been set and do not have a detrimental impact on the environment and surrounding communities. Indonesia is a country that measures its laws in the form of legal codification, one of its legal products, as regulated in Article 28I paragraph (2) of the 1945 Constitution, which states that every person has the right to live in a good and healthy environment and has the right to benefit from a balanced environment, and sustainable for the lives and welfare of present and future generations. In this context, the government, as the people's representative, should act to maintain a balance between economic development and environmental protection so that economic interests can be fulfilled without sacrificing environmental sustainability. This must be done through policies and regulations that are scientifically based, participatory, and supported by adequate resources.

### 4 The Impact of Investments That Occur on Providing Regulations to Investors by the Indonesian Government

According to Law No. 3 of 2022 concerning the National Capital, IKN Nusantara has a land area of approximately 256,242 hectares and a sea area of approximately 68,189 hectares. Geographically, IKN Nusantara is located in several positions, such as the northern part at 117 "O'3L.292" East Longitude and O' 38'44.912" South Latitude, the southern part at 1L7" IL'51.903" East Longitude and 1 "15'25.260" South latitude, the western part at 116' 31' 37/728" East Longitude and O' 59'22.510" South Latitude, and the eastern part at 117" L8'2a.O84" East Longitude and 1' 6' 42.398' South Latitude. IKN Nusantara also has territorial boundaries in the south with North Panajam Paser Regency and Balikpapan City, in the west with Kutai Kartanegara Regency and North Panajam Paser Regency, in the north with Kutai Kartanegara Regency, and the east with the Makassar Strait[18]

Based on information obtained from the Investment Coordinating Board (BKPM) in 2023, at least the Indonesian Government has received investment from Japanese investors in Indonesia throughout 2022, amounting to US\$ 3.56 billion.[19]. Bambang Susantoso, Head of the IKN Authority Agency, said that at least 90 parties had submitted letters of interest (LOL) as a form of the seriousness of their interest in IKN. He explained that there were 25 LOLs interested in investing in the infrastructure sector, 15 LOLs interested in the education sector, 14 LOLs in the consulting services sector, and 10 LOLs in the housing sector, etc.[20].

The move to the capital of the archipelago is also not without reason. Currently, Jakarta is haunted by the possibility of sinking in the not-too-distant future. This is caused by the decrease in surface soil sediment that occurs every year. Jakarta, as a megacity with skyscrapers, has succeeded in providing gravity, which puts more pressure on the ground. Large buildings that embed deep piles also provide great pressure. Coupled with an average sea level rise of 0.3 cm per year in the North Jakarta area[21].

Therefore, moving the capital city to Kalimantan is considered to bring more benefits than the losses incurred. The study carried out by the government through Bappenas emphasized the acceleration of economic transformation and equality throughout Indonesia. Until now, Jakarta has been the driving force of Indonesia's government and economic center and is the source of the dense DKI Jakarta area. In its development, the capital city of the archipelago is predicted by the government to be the core of the IKN economic superhub program to grow new economic centers and not concentrate them at one point. This means that the government's assessment will give rise to a multiplier effect, which is in line with effective optimization. [22].

### 5 Conclusion

The Indonesian government needs to invest in various sectors, such as the infrastructure sector, education sector, economic sector, health sector, social and cultural sector, science sector, etc. All of this is impossible for the Indonesian government to overcome, which currently still relies for its finances on the tourism sector, natural resources, and tax levies collected from the community. Of course, more than this source of income is needed to meet the needs of this country, which is connected from Sabang to Merauke. All regions and areas need support, such as infrastructure, to ensure faster economic transformation.

The investment that is expected to occur is certainly for the good and progress of the Indonesian nation. However, if you examine the current conditions, a country is being sold out by investors on the grounds that they want to immediately invest their capital in Indonesia with the various benefits presented by investors. If it drags on, it will certainly have an impact on society, both good and bad. The issue of abolishing Article 38 and Article 39 of Law Number 32 of 2009 was replaced by Law Number 11 of 2020, which did not explicitly mention its abolition but was refuted with improvements. However, in fact, in the field, the weakening in the implementation of the assessment of the Amdal decision process has confused me. The public can no longer be involved in this assessment. Moreover, if one day the community is affected by the sap, this condition cannot be sued in court based on the Amdal documents but must have strong evidence of the occurrence of a violation.

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