



Quo Vadis: Legal certainty of environmental protection in investment activities post job creation law

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ABSTRACT

Legal certainty in environmental protection is one of the issues of investing in Indonesia. After the issuance of the Job Creation Law, an existential question that emerged was how the investment regime of the Job Creation Law supports legal certainty for environmental protection. In this situation, there is a possibility of ignoring the legal certainty of environmental protection when making investments. However, legal certainty is highly expected by investors to ensure that investments made do not contradict environmental sustainability. Therefore, this research aims to analyze the role of investment in environmental protection, as well as analyze the legal certainty of environmental protection in the investment regime of the Job Creation Law. This research is normative or doctrinal research, where the object of research is legislation in the investment sector, supported by the results of a literature study. Apart from that, this research uses a qualitative analysis method by describing the data obtained based on the problem. The results of this research show that investment activities will always be in contact with environmental sustainability. However, the issuance of the Job Creation Law simplifies and facilitates investment activities but provides legal certainty in environmental protection.

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1. INTRODUCTION

Indonesia has rich and diverse natural resource potential. However, the country is having difficulty managing its natural resources due to a lack of capital (funds), so that Indonesia's economic development is very limited. Investment is one of the ways the government uses to obtain capital. The essence of investment activities is related to the mandate of the Indonesian constitution that natural resources are used for the greatest prosperity of the people and to produce general welfare.

The constitution requires the Indonesian government to give priority to the needs of its citizens or local business owners when formulating policies, especially in terms of economic growth.

Investment is the investment of capital or money in a project or corporation with the main aim of making a profit Language Center Dictionary Compilation Team, Indonesian Dictionary (Jakarta: Language Center, Department of National Education, 2008). According to Sornarajah, investment is the transfer of tangible or intangible assets to another country with the aim of using them there to secure wealth in the full or partial control of the asset owner. Investment basically has a broad meaning considering that investment itself consists of direct and indirect investment. Investors who invest directly participate in running and supervising the business. In addition, direct investment involves carrying out commercial operations, establishing a factory or corporation, and/or carrying out a project. Indirect investment includes investors who manage and supervise the company indirectly (Sornarajah 2004)

Investment is the main indication of whether national economic growth will continue to grow in the future, thus enabling various government policies to help current and potential investors Mas Rahmah, Investment Law (Jakarta: Kencana, 2020). Joko Widodo as President of the Republic of Indonesia, launched an agenda to improve economic diplomacy in early 2016. This proposal seeks to help Indonesia's economic expansion by encouraging global trade and an environment for foreign investment. However, there is not always great interest from international investors to invest their money in Indonesia, even though there are many attractive investment opportunities in this country. Therefore, in order for a country to maximize investment, both domestic and foreign, it is important to convert economic potential into actual economic strength in order to spur economic growth Dellisa AR and Mariya AT, "Globalization and Development : Free Trade, Foreign Aid, Investment and The Rule of Law," California Western International Law Journal 33 (2003): 335.

Legal certainty is very important to maintain commercial calm and certainty in the business sector. Japanese businessman Horikawa Shuji compared investment decisions to flowing water. Whatever the reason, business people always look for it because entrepreneurship requires mental clarity. Legal certainty is a comprehensive concept that underlies the entire legal system HG Schermers and DF Waelbroeck, Judicial Protection in the European Union, Kluwer Law International, 6th ed., 2001. Legal certainty can help investors feel comfortable in running their business because investors can make various predictions regarding their company's plans Putra Halomoan, "Application of Legal Certainty in International Business Transactions and Its Implications for Investment Activities," LABATILA: Journal of Islamic Economics 2, no. 2 (2018): 103, <https://doi.org/https://doi.org/10.33507/labatila.v2i02.78>.

In order to advance the country's economy, investment regulations must be clearly regulated by the government. The legal certainty provided to investors can increase entrepreneurs' interest in investing in Indonesia. Investment in various fields must be oriented towards achieving legal certainty for investors. The government issues implementing laws and regulations to convince investors to invest in Indonesia. Inadequate legal support can result in a lack of legal certainty which of course will have an impact on economic activities themselves, so every economic activity requires appropriate legal support.

Legal certainty, one of the characteristics of a rule of law, is a requirement for investment operational needs. However, the conformity of the principle of legal certainty with the ideals of economic liberalism should not be hasty in concluding that the principle of legal certainty will be in line with the direction of development (A. Portuese, Orla Gough 2017). In the context of national economic development, investment must be carried out in a sustainable manner and with an environmental perspective as mandated by Article 33 paragraph (4) of the 1945 Constitution. In other words, the environment is a fundamental basis for national economic development that cannot be ignored. In addition, as stated in Article 28 H of the 1945 Constitution, mainstreaming environmental issues into the constitution is a natural result to guarantee that everyone has the right to a decent

and healthy living environment, including in investment activities Indonesia, Constitution of the Republic of Indonesia of 1945.

In particular, Mochtar Kusumaatmadja emphasized that changes in mindset and outlook on life are important for the progress of a nation Abdul Manan, *The Role of Law in Economic Development* (Jakarta: Kencana, 2014). In relation to the way of looking at investment, the mindset that is formed as if investment tends to be used as an instrument to stimulate economic growth certainly needs to be straightened out. Harmonization of environmental principles in investment operations can encourage investment portfolio performance, so that investment cannot escape collective responsibility for its implementation Bintan Rahayu Anisah, "The Existence of Green Investment in the Axis of Economic Development as a Manifestation of Environmental Protection," *Padjadjaran Law Review* 8, no. 1 (2020): 30.

Investment is an important metric that will show whether future national economic development will continue to increase or not. Apart from that, investment also occupies a position as one of the largest components of national output, especially GDP (Gross Domestic Product). GDP will increase in response to increased investment, and vice versa Supandi Darmawan, "The Role of Investment Law Linked to Environmental Law on Sustainable Development in Indonesia," *Jurnal Kertha Semaya* 9, no. 8 (2021): 1477. In addition to increasing state income, the government has actually realized the importance of preserving the environment in investment activities. This was demonstrated by the promulgation of "Government Regulation in Lieu of Law no. 2 of 2022 concerning Job Creation as a substitute for Law no. 11 of 2020 concerning Job Creation which was declared Conditionally Unconstitutional by the Constitutional Court. Furthermore, Government Regulation in Lieu of Law no. 2 of 2022 concerning Job Creation was changed into law through Law no. 6 of 2023 (hereinafter referred to as the Job Creation Law)". The Constitutional Court decided that the Job Creation Law violated several regulations and was therefore formally flawed. The Job Creation Law is considered to be in conflict with the 1945 Constitution and does not have conditionally binding legal force. Therefore, there is a need to harmonize various rules and regulations that hinder investment.

The implementation of the Job Creation Law aims to streamline bureaucracy and simplify efforts to improve the investment ecosystem. As stipulated in Article 6 of the Job Creation Law, improving the investment ecosystem includes "implementing risk-based business licensing, simplifying the basic requirements for business licensing, simplifying sector business licensing, and simplifying investment requirements." This strategy aims to make it easier for business actors not to get trapped in long and convoluted licensing procedures in an effort to boost investment in Indonesia. Such measures reduce the contribution of administrative law to environmental protection initiatives and instead simplify bureaucracy. In fact, to avoid legal violations regarding environmental protection, administrative law is the main part of environmental law Endang Sulastris and Evi Satispi Andriansyah, "The Role of Government Policies in Environmental Management," *Research Horizon* 1, no. 86 (2021): 90. On the other hand, the ease of investing also has its own obstacles for environmental supervisors and law enforcement officials, making it difficult for them to more closely monitor company operations to prevent environmental damage.

Currently, driven by economic motives to maximize profits, companies are still passively carrying out their responsibilities towards the environment. Of course, legal certainty can be provided to investors with the presence of the Job Creation Law. Simplicity in investing should not be exploited by dishonest business people who want to maximize profits at the expense of the environment. Therefore, investment in Indonesia must be able to provide benefits for all Indonesian people while preserving the environment. However, after the publication of the Job Creation Law, an existential question that emerged was how does the investment regime of the Job Creation Law support legal certainty for environmental protection? In this situation, there is a possibility of ignoring the legal certainty of environmental protection when making investments. Therefore, this

research aims to analyze the role of investment in environmental protection; as well as analyzing the legal certainty of environmental protection in the investment regime of the Job Creation Law.

Several previous studies have provided an overview of environmental protection in the investment climate of the Job Creation Law. As is the case with Ahamad Yulda Wildanu et al's research entitled "Environmental Protection in the Investment Climate of the Job Creation Law: Prioritizing or Eroding?". However, this research has not provided a comprehensive picture of *das sein* and *das sollen* regarding legal certainty of environmental protection in the investment regime. This research provides an in-depth understanding of how investment can support or hinder environmental protection in Indonesia. It includes an analysis of how investment regulations, particularly the Job Creation Law, affect environmental practices.

2. RESEARCH METHOD

This research is a type of normative or doctrinal research, where the object of research is legislation in the investment sector, supported by the results of a literature study. Therefore, this research uses a statutory approach and a literature approach. Based on this approach, data collection was carried out through a process of reviewing regulations and related literature in the investment sector. In this case the author examines regulations in the investment sector in relation to environmental protection after the issuance of the Job Creation Law. Next, the data obtained is analyzed qualitatively, by describing the data obtained which is synchronized with the problem being studied.

3. RESULTS AND DISCUSSIONS

3.1. The Role of Investment in Environmental Protection

One of the most important tools in a country's economic structure is investment. It is not surprising that various countries, such as Indonesia, are making their best efforts to attract investors to encourage the economy, which is closely related to the economic activities of society. This means that it is not an exaggeration to say that investment plays an important role in the growth of a country or more specifically in the government's efforts to advance the economy.

Investing refers to the practice of acquiring assets to obtain rewards in the form of income (dividends, interest, or rent) that can be estimated with reasonable certainty and/or that will increase over the long term Manan, *The Role of Law in Economic Development*. The investment realization figure in Indonesia from January to June (Semester I) 2023 amounts to IDR. 678.7 trillion, up 16.1% compared to the same period the previous year. This period also recorded success in employing 849,181 migrant workers. The contribution of foreign investment (PMA) in the second quarter of 2023 is IDR. 186.3 trillion. Then in Quarter II 2023, the mining sector dominates Domestic Investment (PMDN), namely IDR. 19.5 trillion, followed by the housing sector, industrial areas and offices amounting to Rp. 18.4 Trillion. In Quarter II 20223, the location of investment realization (PMA and PMDN) in Indonesia is dominated by West Java Province Rp. 53.7 Trillion, DKI Jakarta Rp. 43.0 Trillion, East Java Rp. 31.1 Trillion, Central Sulawesi Rp. 26.6 trillion and Banten amounting to Rp. 24.9 Trillion Ministry of Investment/BKPM, "Investment Realization in Quarter II and January-June 2023" (Jakarta, 2023), "<https://bkpm.go.id/id/info/siaran-pers/rilis-data-capaian-realization-investasi-semester-i-2023-ministry-of-investment-optimistic-economic-growth-remains-above-5>".

Every investment actor and policy maker must fully have a collective awareness of environmental justice. In addition, ignoring environmental problems can result in various disasters including ecosystem damage and increased socio-economic inequality. Moreover, the inclusion of sustainability and environmental awareness in the administration of the national economy is a strong indication that the constitution also considers environmental protection in investment activities.

The resulting environmental legal regulations can then be used to determine how committed a country is to regulating environmental management. The many characteristics and patterns of

environmental legal regulations in Indonesia that have been and are still in force show that the gloomy picture is starting to change into a more positive one. This makes sense considering that the focus in the early stages of our country's growth was on how to make the most of natural resources and attract as much investment as possible Mukhlis & Mustafa Luthfi, "Constitutional Ecology: Between Reconstruction, Investment or Exploitation in the Name of the Republic of Indonesia," *Constitutional Journal* 8, no. 3 (2011): 175.

Investment will always be closely related to the environment. For example, the impact on the environment is a result of infrastructure development Yulinda Adharani, "Compliance and Enforcement of Environmental Law in Infrastructure Development in Realizing Sustainable Development (Case Study of PLTU II Construction in Mundu District, Cirebon Regency)," *ADJADJARAN Journal of Legal Sciences (Journal of Law)* 4, no. 1 (2017): 62. New and large land is needed to build infrastructure. So, the preferred focus is deforestation. In fact, it is the filtration process in forests that gives us the clean air we breathe every day. The earth's ozone layer and air flow are greatly influenced by the abundance of trees HJ Mukono, *Environmental Health Analysis Due to Global Warming* (Surabaya: Airlangga University Press, 2020).

It is estimated that the transition to a low-carbon, climate-resilient and resource-efficient economy and greener growth by 2030 will require significant investment and also require private capital sources on a much larger scale than before C. Kaminker and F. Stewart G. Inderst, "Defining and Measuring Green Investments: Implications for Institutional Investors' Asset Allocations," 2012. Therefore, investment as an instrument of economic development will have a domino effect on the environment. This means that economic development through investment on the one hand will improve the welfare of society and protect the environment if accompanied by good legal instruments and human resources. However, on the contrary, investment will be difficult to bring prosperity and damage the environment if it does not provide legal certainty in its implementation. Therefore, to maintain the wheels of a country's economy, legal certainty is very important.

The principle of sustainability as regulated in Article 3 paragraph (1) letter g and Article 3 paragraph (2) letter c Law no. 25 of 2007 concerning Capital Investment (Investment Law) as last amended by the Job Creation Law Indonesia, Law Number 25 of 2007 concerning Capital Investment, Pub. L.No. 67 of 2007. This sustainable principle is a manifestation of the government's commitment to ensure that investment does not damage the environment Muhammad Suparmoko, "The Concept of Sustainable Development in National and Regional Development Planning," *Journal of Economics and Management* 9, no. 1 (2020): 41. Apart from that, the principle of sustainable development has also been confirmed in Article 42 and Article 43 of Law Number 32 of 2009 concerning Environmental Protection and Management (UU PPLH) Indonesia, Law Number 32 of 2009 concerning Environmental Protection and Management, Pub. L.No. 140 of 2009.

The Job Creation Law has also attempted to simplify and harmonize investment activities with environmental protection through risk-based business licensing, which is carried out based on risk levels and business scale. Based on an assessment of the potential level of danger and its potential, risk thresholds and operational scale thresholds are determined. One way to assess the level of danger of the business is environmental aspects. Even though there is a reduction in previously regulated provisions, the simplification of investment activities based on the Job Creation Law is not necessarily a bad thing. Of course, if there is simplicity, there will be a reduction in legal requirements, and this is done only with the aim of advancing the interests of the investment climate Ahamad Yulda Wildanu et al, "Environmental Protection in the Investment Climate of the Job Creation Law: Prioritizing or Undermining?," *Wahana Pendidikan Scientific Journal* 9, no. 13 (2023): 21. Laws and regulations may be changed, but guaranteeing legal certainty remains a priority considering the importance of investment for a country.

One of the most influential factors in investment decisions is the level of risk. The possibility of unfavorable and unpredictable changes in legal policy is a key element of such risk (Noothaut 2016). Continuous legal policy changes required to facilitate the transition could potentially hamper

investment decisions. Therefore, from an investment perspective, the many changes in legal policy that have occurred in order to support investment activities naturally raise critical questions regarding sustainability, predictability and legal stability, as well as legal certainty in ensuring environmental sustainability.

Looking at the review above, investment plays a vital role in environmental protection. For this reason, investment clusters in the Job Creation Law must be in line with the PPLH Law in order to realize sustainable development. The implementation of capital investment must focus on investment prospects that are committed to conserving natural wealth, developing new and renewable energy sources (EBT), as well as environmentally friendly investment activities Hanung Harimba Rachman, "Green Investment Policy Direction" (2018). Investments that guarantee environmental sustainability are also known as "green investments, namely investments that emphasize environmental protection. Green investment instruments are one way to realize environmental preservation and management to help economic growth. Considering the important role of investment in environmental protection, at least investment policies must be directed at the following efforts: (a) Harmonization of environmental development policies and initiatives, especially those aimed at reducing greenhouse gas emissions from the investment sector as well as investment activities that support the protection of biodiversity. (b) Creation of environmentally friendly technology, and use of new and renewable energy sources. (c) Investors who support environmental conservation activities are given access to facilities, convenience and investment incentives. (c) Utilizing environmentally friendly technology and production methods. (d) Regional development by considering the carrying capacity of the environment and spatial planning.

Apart from that, in order to realize environmental sustainability in investment activities, investors can generally consider several aspects in determining the investment to be taken. These aspects include investment in the environmentally friendly energy sector, waste management, active participation in environmental conservation, and mitigating environmental hazards through implementing an efficient risk management system.

The elements listed in the five investment policy orientations above can be a "stepping stone" to encourage the expansion and progress of green investment in Indonesia. Green investment is the fastest growing investment category in capital markets around the world, especially in industrialized countries. A green investment strategy or environmentally friendly investment is a strategy that considers environmental factors. This is necessary to maintain the economy and keep life on Earth sustainable. However, this policy approach is considered insufficient because Indonesia needs a legal structure that prioritizes environmental preservation in order to improve its reputation as an environmentally friendly investment destination Yiyi Ning et al, "Green Bonds as a New Determinant of Sustainable Green Financing, Energy Efficiency Investment, and Economic Growth: A Global Perspective," *Environmental Science and Pollution Research* 30, no. 22 (2023): 61325. Legal certainty will greatly increase investment growth and encourage overall macroeconomic expansion. Legal certainty and investment development are like two sides of a coin; if one is ignored, let alone separated, then the other will lose its meaning.

3.2. Legal Certainty for Environmental Protection in the Investment Regime of the Job Creation Law

The consistent implementation of a legal system will play an important role in attracting international investors to invest in Indonesia. The legal system must be able to create an environment that guarantees legal certainty. Even though there are initiatives to encourage investment in Indonesia, these efforts are not necessarily supported by legal certainty regarding investment activities, which causes investors to hesitate to invest in Indonesia. As a result of this phenomenon, more and more industrial companies are closing or shifting their activities to other countries, such as China and Vietnam Elfina and Z. Judge, "Legal Certainty of Geothermal Renewable

Energy Investment Guarantees in Energy Development in Indonesia," *Jatijajar Law Review* 2, no. 2 (2023): 86.

Global dynamics, such as rising energy and food prices and climate change, result in slower global economic growth and higher inflation. These global dynamics will have a significant impact on the national economy, requiring a standard policy mix to increase competitiveness and increase the country's attractiveness in the eyes of foreign investors through economic transformation as outlined in the Job Creation Law. Based on these considerations, one of the regulatory scopes of the Job Creation Law is improving the investment ecosystem and business activities Ima Mayasari, "Regulatory Reform Policy Through the Implementation of Omnibus Law in Indonesia," *Rechts Vinding Journal* 9, no. 1 (2020): 9.

Domestic funding is the main source of national development financing for Indonesia. However, relatively little domestic funding can be accessed, so the government uses foreign funds. Foreign investment is a source of funds from abroad that can be utilized to support national economic growth.

One of the government's initiatives to accelerate the pace of the Indonesian economy is foreign investment. Therefore, it is not surprising that the Indonesian government continues to reform laws regarding foreign investment. This reform cannot be separated from the aim of providing a sense of security and legal certainty for foreign investors in investing in Indonesia JNA Taduri, "The Legal Certainty and Protection of Foreign Investment Against Investment Practices in Indonesia," *Lex Scientia Law Review* 5, no. 1 (2021): 119. So it is not surprising that every nation, including Indonesia, is currently competing to become a superpower with a sophisticated economy. Economic development must be prioritized to achieve this goal. Therefore, it is rare for investment activities to pay attention to environmental issues that could harm future generations.

Asia Business Outlook once ranked Indonesia as the third most attractive country to invest in after China and India, not necessarily attracting the attention of domestic and foreign investors. Foreign investors believe that strong legal certainty will encourage investment certainty. Legal certainty regarding investment activities must be able to encourage predictability if a country wants to attract investment. However, most studies of environmental protection and investment in Indonesia raise legal ambiguity as a factor limiting the growth of local and international investment (Nixon 2005). The concept of legal certainty is ranked first out of ten investment implementation standards in Indonesia. This concept highlights Indonesia's status as a country that upholds the supremacy of law and bases all its policies and actions in the investment sector on legal and statutory requirements. However, the statutory provisions in the Law do not fully regulate the issue of legal certainty in the implementation of investment.

Legal certainty in terms of substance must be supported by legal certainty in other areas of business law, and legal certainty in the implementation of law enforcement is also a consideration. However, the discrepancy (gap) between the government's political will and the applicable regulations is a problem in environmental protection in the investment regime of the Job Creation Law. Of the many provisions of the Job Creation Law in the investment cluster, there are no provisions that explicitly and firmly regulate environmental sustainability in investment activities. Environmentally sound investment and investor responsibility for environmental sustainability are only regulated in the Investment Law, while the Job Creation Law does not regulate this explicitly. Environmental protection in investment activities is only stated implicitly in the forestry cluster, specifically in Article 35 which essentially stipulates that "Every person holding a business permit related to forest utilization is obliged to participate in the costs of forest conservation" Indonesia, Law Number 6 of 2023 concerning the Determination of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation into Law, Pub. L.No. 41 of 2023.

The issuance of the Job Creation Law tends to simplify and facilitate investment activities, but does not yet provide comprehensive legal certainty in environmental protection. Environmental issues are not included in the investment cluster of the Job Creation Law. In fact, environmental

issues became a hot topic when the Job Creation Law was proclaimed Otto Soemarto, *Environmental Ecology and Development* (Jakarta: Djangkat, 1999).

The uncertainty of investment law related to environmental protection will at least influence investors' motivation to invest, because every investment activity will come into contact with the environment. Increased private capital flows directly impact environmental protection. Every human activity, including investment activities, has an impact on the environment. Therefore, investment activities must still be carried out in a way that protects the environment and the survival of humanity. On the other hand, the government must be careful so that when investment activities are completed, the community is not forced to bear the costs of environmental damage resulting from investment activities. If environmental damage occurs, the government is forced to bear the costs of environmental repairs. Therefore, environmentally friendly investment activities are very important.

In addition, because the environment supports the existence of all living things on earth, environmental law enforcement is directly related to all aspects of human life, including investment. Effective law enforcement can encourage investors to invest their capital. Conversely, investors in Indonesia are obliged to protect the environment when investing, and authorized officials can cancel permits if investors violate them. Even investors who ignore the environment can be punished or required to provide compensation for environmental damage Salim HS & Budi Sutrisno, *Investment Law in Indonesia* (Jakarta: Raja Grafindo Persada, 2008).

As a result of the conflict between the desire to attract investment and strong environmental protection, greater market opening to foreign direct investment may lead to undesirable investment and production patterns because market conditions do not allow for the internalization of social resources. (including environmental restoration costs) OK Fauchald, "International Investment Law and Environmental Protection," *Yearbook of International Environmental Law* 17, no. 1 (2007): 3. Authorities should strive to encourage the internalization of environmental costs and the use of economic instruments, taking into account the approach that investors who pollute should, in principle, bear the costs of pollution.

The environment needs to receive very serious attention because investments that ignore the environment will ultimately result in environmental management problems Rofi Wahanisa and Septhian Eka Adiyatma, "Conception of the Principles of Sustainability and Sustainability in Environmental Protection and Management within Pancasila Values," *Environmental Law Development* 6, no. 1 (2021): 94. The uncertainty of environmental protection laws in the investment regime of the Job Creation Law has the potential to give rise to a number of problems, including: (a) Investment management institutions do not yet have a complete database regarding matters that need to be monitored because environmental monitoring operations are not yet connected to the investment licensing system. (b) It is impossible to quickly sanction investment operations that damage the environment. This is because the monitoring system is not yet integrated and has to go through a long bureaucratic process. (c) There are not many effective environmental monitoring officers. The number of investments that need to be managed is greater than that of the supervisory officer. (d) It may be difficult to prove fault for environmental damage in court. So, to provide evidence in court regarding environmental damage caused by investment operations, environmental supervisors must have sufficient legal expertise.

The Job Creation Law should be a momentum in reforming investment law that supports environmental protection. The Job Creation Law should be able to provide confirmation of legal certainty for environmental protection in investment activities. Legal certainty regarding environmental protection should be one of the fundamental bases for implementing investment in Indonesia.

The Job Creation Law is a legislative instrument that aims to provide shape and direction for Indonesian investment law, but does not claim to be the only solution to all investment problems in this country. On the other hand, environmental authorities at the regional level rarely issue legal regulations/instruments relating to environmental-based investments. To achieve the goals of the

sustainable development concept, the government and society must make implementation efforts in addition to their role as legislative instruments. A good investment strategy is to maintain economic growth and income growth, as well as placing greater emphasis on justice and environmental sustainability. Therefore, the Job Creation Law must support investment renewal and development in a comprehensive, methodical and integrated manner. So that Indonesia becomes an investment-friendly country for national economic growth, while still paying attention to environmental sustainability as a legacy for future generations.

Furthermore, at the policy level, serious efforts are needed regarding the legal certainty of environmentally friendly investments, in order to facilitate mutual understanding among investors, related institutions and the government in general, as well as measuring the scale of environmentally friendly investments. In addition, governments should support the establishment of standard-setting bodies or specialized agencies to approve, certify or assess green projects (or investment vehicles such as green bonds) to ensure that investments will be environmentally friendly.

Interestingly, the content of environmental protection and sustainable development in the investment climate is very diverse. This includes investments in production activities and environmental protection measures not related to production. For example, practices such as environmental protection training, energy conservation, environmentally friendly publicity, etc. are very different from environmental protection regulations related to corporate production.

One of the aims of the Job Creation Law is to unify various investment-related regulations, such as regulations related to licensing, employment, and so on, under one law. Considering the importance of the Job Creation Law for many industries, especially investment, its drafting must be able to transform legal disputes and overlaps into profitable synergies, especially for the environment. In essence, the government's main task is to provide legal certainty for investor companies regarding their responsibilities towards environmental sustainability. Therefore, government regulations governing the implementation of capital investment are very important to achieve this goal. In this context, the government must pay attention to the interests of investors and the environment so that the policies taken can create a balanced and sustainable economic climate. It is hoped that with the right policies, investment development can be increased significantly, thereby having a positive impact on environmental sustainability and Indonesia's economic growth.

The policy of reforming investment regulations through the Job Creation Law must focus on efforts to equalize community income so that investment can support national economic growth in line with economic development determined by the Government. To encourage a just investment climate and legal certainty, economic growth must be supported by legal development (renewal), which must also be accompanied by de-bureaucratization of government services and openness.

The Job Creation Law must regulate investments that are market friendly, supported by government institutions that are efficient in providing services, and linked to requirements for legal clarity among market players. This must be done without sacrificing environmental interests. Meanwhile, the requirements of "corporate social responsibility" must be implemented to ensure the maintenance of social and economic rights of the community and provide security mechanisms for social interests. The same thing also happens with environmental legislation. To maintain an economic system based on the economic constitution, all legislative systems in related economic sectors must be handled simultaneously with the investment regulatory system.

4. CONCLUSION

Investment will always be closely related to the environment, gradually investment activities will always come into contact with environmental sustainability. Therefore, investment activities must provide legal certainty as a form of support for the environment. Thus, investment plays a vital role in environmental protection. Even though theoretically Indonesia is a prospective investment location, in reality there are many problems that give rise to legal ambiguity/uncertainty. The

issuance of the Job Creation Law tends to simplify and facilitate investment activities, but provides legal certainty in environmental protection. The concept of legal certainty is ranked first out of ten investment implementation standards in Indonesia. However, the statutory provisions in the Law do not fully regulate the issue of legal certainty in investment implementation. Legal certainty regarding environmental protection should be one of the fundamental bases for implementing investment in Indonesia.

Investment development policies must provide legal certainty for green economic development programs, in this case economic growth targets must be in line with environmental development issues and goals, such as overcoming climate change, preventing loss of biodiversity and environmental pollution. Thus, the environment must be considered in the formulation of investment strategies as a guide. This clause emphasizes the importance of 6 (six) very important factors in the direction of investment policy, namely: First, investment activities must be in harmony with environmental development programs and policies. Second, investment activities must advance environmentally friendly technology as a priority. Third, investment must encourage "green economic" growth. Fourth, investments that provide convenience and/or incentives for investments that support environmental preservation. Fifth, it is important to more frequently apply environmentally friendly industrial technologies and methods in investment operations, from an upstream to downstream perspective. Sixth, prioritizing investment that takes into account spatial planning, environmental capabilities and environmental carrying capacity. Research may have limitations in terms of collecting sufficient empirical data to support all analyses. For example, data on the specific impacts of the Job Creation Law on investment projects and the environment may not be fully available or difficult to access. Future research could use quantitative methods, such as statistical analysis or econometric models, to provide more robust and objective evidence of the relationship between investment regulation and environmental protection.

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