

The Urgence of Renewal Investment Law and Investment Dispute Settlement in Indonesia

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Abstract. Legal certainty can be reached by good and explicit principles in a legislation, as well as its application. Investment requires legal certainty as well. On April 26, 2007, the Investment Law No. 25 of 2007 was enacted. This legislation was enacted to replace Law No. 1 of 1967 on Foreign Investment and Law No. 6 of 1968 on Domestic Investment. There are eleven factors that serve as benchmarks for gauging a country's ease of doing business. One of the indications is related to the resolution of investment conflicts, or in this case, contract enforcement and bankruptcy proceedings. According to the Doing Business 2019 report, Indonesia ranks 73rd (seventy-three) in terms of ease of doing business. Indonesia's EoDB ranking remains distant from the aim of entering the world's top 40 (forty) ranks. This is due to the fact that, among other things, dispute resolution in Indonesia still has various issues, including basic regulations, the trial procedure, and decision implementation. Meanwhile, affordable, fast, and simple conflict resolution facilities are required in the corporate world (according to EoDB indications). The results of this descriptive analytical research utilizing a normative juridical approach reveal that there is no implementing regulation of Law Number 25 of 2007 concerning Investment, which focuses on discussing investment disputes, therefore there is no strong legal certainty in investing in Indonesia. Furthermore, there are several issues concerning the resolution of bankruptcy cases, some of which stem from regulations, namely Law Number 37 of 2004 concerning Bankruptcy and Postponement of Debt Payment Obligations, some of which can result in certain interests, the length of the bankruptcy court process, and legal certainty following the bankruptcy decision. A breakthrough or update that can support EoDB is required, one of which can be done in the field of investment dispute resolution, particularly connected to contract enforcement and bankruptcy case settlement, by creating implementing regulations and updating associated regulations.

Keywords: Investment; Bankruptcy; Ease of Doing Business; Investment Dispute.

Abstrak. *Kepastian hukum dapat dicapai dengan asas-asas yang baik dan tegas dalam suatu peraturan perundang-undangan, serta penerapannya. Investasi juga membutuhkan kepastian hukum. Pada tanggal 26 April 2007, Undang-Undang Penanaman Modal No. 25 Tahun 2007 diundangkan. Undang-undang ini diundangkan untuk menggantikan Undang-Undang Nomor 1 Tahun 1967 tentang Penanaman Modal Asing dan Undang-Undang Nomor 6 Tahun 1968 tentang Penanaman Modal Dalam Negeri. Ada sebelas faktor yang menjadi tolak ukur kemudahan berusaha suatu negara. Salah satu indikasinya terkait dengan penyelesaian konflik investasi, atau dalam hal ini penegakan kontrak dan proses kepailitan. Menurut laporan Doing Business 2019, Indonesia menempati peringkat ke-73 (tujuh puluh tiga) dalam hal kemudahan berusaha. Peringkat EoDB Indonesia masih jauh dari target masuk peringkat 40 (empat puluh) besar dunia. Hal ini disebabkan antara lain penyelesaian sengketa di Indonesia masih memiliki berbagai persoalan, antara lain peraturan dasar, tata cara persidangan, dan pelaksanaan putusan. Sementara itu, fasilitas resolusi konflik yang terjangkau, cepat, dan sederhana diperlukan di dunia usaha (sesuai indikasi EoDB). Hasil penelitian deskriptif analitik dengan pendekatan yuridis normatif ini mengungkapkan bahwa belum ada peraturan pelaksanaan dari Undang-Undang Nomor 25 Tahun 2007 tentang Penanaman Modal yang fokus membahas sengketa penanaman modal, sehingga belum ada kepastian hukum yang kuat dalam penanaman modal di Indonesia. Selanjutnya terdapat beberapa persoalan mengenai penyelesaian perkara kepailitan, yang beberapa diantaranya bersumber dari peraturan perundang-undangan yaitu Undang-Undang Nomor 37 Tahun 2004 tentang Kepailitan dan Penundaan Kewajiban Pembayaran Utang yang beberapa diantaranya dapat menimbulkan kepentingan tertentu, lamanya pengadilan kepailitan, proses, dan kepastian hukum setelah putusan pailit. Diperlukan terobosan atau update yang dapat mendukung EoDB, salah satunya dapat dilakukan di bidang penyelesaian sengketa investasi, khususnya terkait dengan penegakan kontrak dan penyelesaian perkara kepailitan, dengan membuat peraturan pelaksana dan memperbarui peraturan terkait.*

Kata kunci: *Investasi; Kebangkrutan; Kemudahan melakukan bisnis; Sengketa Investasi.*

INTRODUCTION

Rapid economic development as well as technological and industrial advancements have resulted in the production of a variety of goods and/or services, leaving consumers with a variety of options. Every nation strives to enhance the progress, welfare, and prosperity of its people. These efforts are conducted in numerous methods that vary from country to country. In Indonesia, efforts to improve the welfare and prosperity of the populace are outlined in the preamble to the Constitution of the Republic of Indonesia, which states: By the grace of Allah the Almighty and with the encouragement of a noble desire to live a free national life, the Indonesian people declare independence. Then, build a government of the State of Indonesia that defends the entire Indonesian nation and the entire Indonesian homeland, promote public

welfare, educate the nation's life, and assist in implementing a world order based on independence, eternal peace, and social justice.¹

The development of Indonesia demands substantial resources and commitment. Government and the national private sector cannot supply the necessary capital and investment for this development. Therefore, it is vital to support maximal efforts to attract foreign or international investment in Indonesia.²

Investment operations in Indonesia are governed by Law 25 of 2007 pertaining to Investment. The presence of the Investment Law is anticipated to give domestic and foreign investors with legal protection and clarity, thereby encouraging them to invest in Indonesia. The Investment Law regulates, among other things, the resolution of investment disputes, but the regulations controlling dispute resolution are also incorporated in bilateral investment agreements between Indonesia and the investing countries.³

One thing that a country cannot escape is the globalization of trade. Increased cross-border trade has connected Indonesia's economy into the global economy. As a participant in global economic activity, Indonesia must foster an investment-friendly environment, ensure legal certainty, fairness, and efficiency, and consider the national economy's best interests.⁴

Numerous variables affect the implementation of an investment. The convenience of making the investment itself is one of the characteristics that can attract capital owners. The simpler it is for investors to invest, the simpler it is for them to expand their firm. The development of the investor's business's scale can be accomplished through both local and international investment.⁵

Investors in making their investments face different conveniences and obstacles when developing their business to various countries. The difference in the ease of making investments has encouraged the emergence of the ease of doing business index. The Ease of

¹ Kemenristekdikti, "Undang-Undang Dasar Republik Indonesia 1945," *Resntra Kemenristekdikti 2015-2019*, 2015.

² Teguh Tresna Puja Asmara, Isis Ikhwanyah, and Anita Afriana, "Ease of Doing Business: Gagasan Pembaruan Hukum Penyelesaian Sengketa Investasi Di Indonesia," *University Of Bengkulu Law Journal*, 2019, <https://doi.org/10.33369/ubelaj.4.2.125-143>.

³ Peter Mahmud and Budi Sutrisno, "Hukum Investasi Di Indonesia," *Jurnal Penelitian Hukum*, 2008.

⁴ Irma Ambarini Darmawan, Isis Ikhwanyah, and Pupung Faisal, "CROSS-BORDER BUSINESS COMPETITION: KEABSAHAN DAN HAMBATAN PENERAPAN PRINSIP EKSTRATERITORIAL DALAM PENEGAKAN HUKUM PERSAINGAN USAHA DI INDONESIA," *Jurnal Bina Mulia Hukum*, 2018, <https://doi.org/10.23920/jbmh.v3n1.10>.

⁵ Asmara, Ikhwanyah, and Afriana, "Ease of Doing Business: Gagasan Pembaruan Hukum Penyelesaian Sengketa Investasi Di Indonesia."

Doing Business Index (EoDB) is a ranking of the ease of doing business in a country based on several indicators and financed by the World Bank.⁶

Indicators relating to the ease of doing business can be measured from the time a business begins until the point where problems or challenges arise if things do not go according to plan. One of the problems or difficulties that arise is financial difficulty, which results in the inability or failure of the debtor to satisfy his obligations or debts to creditors, often known as insolvency. Due to the debtor's inability or unwillingness to pay, nonpayment is possible.⁷

Based on the above description, the author is interested in addressing numerous concerns, including: First, how is the legal study of investment implementation in Indonesia. Second, what are the techniques and issues associated with settling investment disputes in Indonesia? Third, what is the notion of reviving investment dispute settlement in Indonesia in favor of the EoDB?

METHOD AND MATERIAL

The research method used in this article is a normative juridical approach, which is a legal research method that prioritizes how to research library materials or what is known as secondary data material in the form of positive law in this case that regulates investment, ease of doing business, resolution of investment disputes, and examples of dispute decisions. This study's normative juridical approach method involves research on legal principles, legal systematics, and legal synchronization. This research is descriptive analytical in nature, describing the facts derived from data based on reality, in this case activities linked to investment, ease of doing business, and settlement of investment disputes in Indonesia. These facts are subsequently examined in light of applicable law, and conclusions are reached.⁸

⁶ Jamal Ibrahim Haidar, "The Impact of Business Regulatory Reforms on Economic Growth," *Journal of the Japanese and International Economies*, 2012, <https://doi.org/10.1016/j.jjie.2012.05.004>.

⁷ Asmara, Ikhwanasyah, and Afriana, "Ease of Doing Business: Gagasan Pembaruan Hukum Penyelesaian Sengketa Investasi Di Indonesia."

⁸ Suteki dan Galang Taufani, "Metodologi Penelitian Hukum," *Metodologi Penelitian Hukum*, 2018; I Made Pasek Diantha, "Metodologi Penelitian Hukum Normatif," *Teori Metodologi Penelitian A.*, 2017.

DISCUSSION

1. GENERAL INVESTMENT POLICY IN INDONESIA

As a nation that aspires to a just and affluent society, Indonesia must always pursue development in various spheres, particularly economic development. Economic development is identical to the growth of economic sectors within a country, such as agriculture, fishing, livestock, mining, industry, commerce, and services.⁹ The implementation of economic development necessitates a substantial amount of capital or investment for development. It is known that investment activities (investment) in Indonesia began in 1967, when Law No. 1 of 1967 about Foreign Investment and Law No. 6 of 1968 concerned Domestic Investment went into effect.¹⁰

Investment Arrangements in Law no. 25 of 2007 regarding Investment, and other laws and regulations governing investors for Indonesian citizens and for other countries (Foreign Investment), such as Law no. 12 of 1970 regarding Amendments and Supplements to Law no. 6 of 1968 regarding Domestic Investment. State, Law no. 11 of 1970 pertaining to Amendments and Supplements to Law no. 1 of 1967 pertaining to Foreign Investment, PP No. 17 of 1992 pertaining to Requirements for Share Ownership in Foreign Investment Companies, as well as several Presidential Decrees and Decrees of the Minister of Finance and Decisions of the Head of BKPM, and others.¹¹

As stated previously, there are a number of legal bases for investment, as well as some fundamental provisions that serve as a guide for its actions, both in the business sector and in other areas, such as institutional aspects, employment, legal protection aspects, and others. Here it can be seen that it is crucial to comprehend the fundamental provisions of the investment sector, so that it is easier to comply with the applicable legislation and also so that investments may be conducted effectively.¹²

⁹ Sihombing, *Hukum Penanaman Modal Di Indonesia. Alumni., Remaja Rosdakarya*, 2009.

¹⁰ Mahmud and Sutrisno, "Hukum Investasi Di Indonesia."

¹¹ Mahmud and Sutrisno.

¹² Satria Sukananda and Wahyu Adi Mudiparwanto, "Analisis Pengaturan Penanaman Modal Asing Dalam Bentuk Perusahaan Joint Venture Di Indonesia," *DIVERSI: Jurnal Hukum*, 2020, <https://doi.org/10.32503/diversi.v5i2.559>; Suradiyanto Suradiyanto and Made Warka, "PEMBANGUNAN HUKUM INVESTASI DALAM PENINGKATAN PENANAMAN MODAL DI INDONESIA," *DiH: Jurnal Ilmu Hukum*, 2015, <https://doi.org/10.30996/dih.v11i21.444>; Isdiana Syafitri and Atika Sandra Dewi, "ASPEK HUKUM JOINT VENTURE DALAM PENANAMAN MODAL ASING PADA SEKTOR PERINDUSTRIAN DI INDONESIA," *Juripol (Jurnal Institusi Politeknik Ganesha Medan)*, 2022, <https://doi.org/10.33395/juripol.v5i1.11325>.

The territory of the Republic of Indonesia has tremendous potential, including: a particularly fertile region with plentiful natural resources; relatively low labor wages; and a vast market. Position strategic; The government is making a concerted effort to foster a favorable investment climate; There are no limits on foreign exchange flows, which include capital, profits, and others.¹³

2. THE URGENCE OF INDONESIAN INVESTMENT LAW RENEWAL

Many people have numerous requirements and desires in the contemporary world. Due to the expanding era's demands, needs and desires have increased. The ever-growing complexity of people's lifestyles causes them to have an increasing number of needs. Obviously, it is not enough to rely on salaries or people's pocket money to cover all of these needs. Therefore, it is essential to develop ways to employ the money we have to satisfy a variety of requirements and goals. Investing is one approach to utilize the funds we have.

Harrod's Saving and Investment hypothesis, which posits that a country's economic growth will be low if its savings and investment levels are low, is one of the theories of economic development that is still utilized today. Underdevelopment is primarily an issue of inadequate capital investment, whereas development is primarily a problem of excess capital investment. If there is money and that capital is invested, economic growth will occur. Almost all nations today, especially developing nations, require foreign finance. Foreign capital is becoming increasingly vital for a nation's development. Consequently, the involvement of foreign investors is inevitable. The issue is that the presence of foreign investors is heavily influenced by a country's internal factors, such as economic stability and law enforcement. Investment benefits all parties, including investors, the economy of the nation where capital is invested, and the investors' own nation. Through a variety of rules, the government chooses the business sectors that demand investment. In addition, the government determines the amount of capital and the proportion of domestic to international investment.

¹³ Sukron Rumawi, Rumawi & Mazid, "Aspek Hukum Investasi Asing Dalam Portofolio Pasar Modal," *Literasi Hukum*, 2020; OK.Saidin dan Yessi Serena Rangkuti, "Hukum Investasi Dan Pasar Modal Sebuah Kajian Kritis Terhadap Kemudahan Untuk Berusaha," *Prenadamedia Group, Jakarta*, 2019.

3. METHODS AND PROBLEMS OF SETTLEMENT OF INVESTMENT DISPUTES IN INDONESIA

Conflict resolution is a public statement involving contradictory claims to something of value. In Indonesia, there are two ways to settle business disputes: through the court, also known as litigation, and outside of court, also known as non-litigation. Litigation is a court-based conflict resolution process in which the disputing parties defend their rights in front of the court. A dispute resolved through litigation results in a judgement that indicates a win-lose outcome, or in other words, someone is defeated and someone is victorious.¹⁴

This lawsuit option has a more formal and technical procedure. This is because the Court must comply with procedural law during the proceedings. Due to its formal and highly technical nature, dispute resolution in litigation is undesirable, particularly for business disputes. Dynamic and unique company activities necessitate a simple, quick, and low-cost dispute resolution, which can be accommodated in this instance through alternative dispute resolution methods, often known as ADR.¹⁵

Alternative Dispute Resolution (ADR) is a common term for non-litigation dispute resolution (NLDR). Law Number 30 of 1999 governing Arbitration and Alternative Dispute Resolution governs ADR (Arbitration Law and NLDR). According to Article 1 Number (10) of the Arbitration Law and NLDR, NLDR is an institution for resolving disputes or differences of opinion through a mechanism agreed upon by the parties, namely dispute resolution outside of court through consultation, mediation, or expert judgment.

Following is an explanation of each form of settling outside of court: First, consultation is a "personal" action between one party (the client) and another (the consultant), in which the consultant provides his opinion to the client based on the client's wants and requirements. Second, negotiation is a method for resolving disputes between parties outside of the legal system in order to establish a mutual agreement based on more peaceful and creative

¹⁴ Subianta Mandala, "HARMONISASI HUKUM PERDAGANGAN INTERNASIONAL: SEJARAH, LATAR BELAKANG DAN MODEL PENDEKATANNYA," *Jurnal Bina Mulia Hukum*, 2016, <https://doi.org/10.23920/jbmh.v1n1.6>; Nita Anggraeni, "Perang Dagang Dalam Hukum Perdagangan Internasional," *UIN Sultan Maulana Hasanuddin Banten*, 2019; Yudha Pangestu, Bernard Sipahutar, and Budi Ardianto, "Harmonisasi Prinsip Perdagangan Internasional Pada GATT Dalam Undang-Undang Nomor 7 Tahun 2014 Tentang Perdagangan," *Uti Possidetis: Journal of International Law*, 2021, <https://doi.org/10.22437/up.v2i1.10352>; Nandang Sutrisno, "Harmonisasi Hukum Perdagangan Internasional Trend Lex Mercatoria," *Unisia*, 1995, <https://doi.org/10.20885/unisia.vol15.iss26.art4>.

¹⁵ Anita Afriana, "Penerapan Acara Singkat Dan Acara Cepat Dalam Penyelesaian Sengketa Perdata" 1, no. 1 (2015).

cooperation. Thirdly, mediation is a method for resolving disputes through a negotiation process to reach an agreement between the parties with the assistance of a mediator; in its growth, mediation is also in the court system. Fourth, conciliation is a method for settling disagreements with the assistance of a mediator who, with the parties' consent, seeks an acceptable solution. Fifth, expert evaluation refers to the opinion of specialists on an issue of a technical character and within their area of expertise.¹⁶

In Indonesia, The Investment Law governs dispute settlement in the investment industry. Article 32 of the Investment Law specifies that, in the event of a dispute in the sphere of investment between the Government and the investor or the parties, the matter must first be resolved by consultation and consensus. In the absence of agreement, a disagreement may be resolved by arbitration or in court, in line with the applicable laws. Disputes involving investments are legitimate business disputes that must be resolved expeditiously.

At least three methods of settling investment disputes have been governed by the Investment Law, notably settlement based on deliberation and consensus, arbitration or alternative dispute resolution, and the courts. Article 32 The Investment Law requires the government and international investors to resolve investment problems via deliberation and consensus. If conflict resolution through deliberation and consensus cannot be reached, then government and investor investment problems can be settled by arbitration.¹⁷

If there is a dispute between the Government and domestic investors in the investment sector, the parties may resolve the dispute through arbitration if they agree to do so; otherwise, the case will be resolved in court. In addition, disagreements in the field of investment between the government and foreign investors will be resolved by international arbitration, which the parties must agree to.

Arbitration under the Arbitration Law and Alternative Dispute Resolution is a method of resolving civil disputes outside of court, based on a written arbitration agreement between the disputing parties. When parties choose for arbitration, the court loses the authority to adjudicate the same matter. A court cannot and will not intervene in an arbitration-determined

¹⁶ M.H.. J Dr. Frans Hendra Winarta, S.H., *Hukum Penyelesaian Sengketa : Arbitrase Nasional Indonesia Dan Internasional*, Sinar Grafika, 2016; Vrido Marchel Samaleleway, "MEKANISME PENYELESAIAN SENGKETA SECARA DAMAI WILAYAH DARAT ANTARA INDONESIA DAN TIMOR LESTE MENURUT HUKUM INTERNASIONAL," *Analytical Biochemistry*, 2018; Kikin Nopiandri, "The Role of Arbitration in International Business," *Jurnal Legal Reasoning*, 2018.

¹⁷ Helmi Kasim, "ARBITRASE SEBAGAI MEKANISME PENYELESAIAN SENGKETA PENANAMAN MODAL," *Jurnal Rechts Vinding: Media Pembinaan Hukum Nasional*, 2018, <https://doi.org/10.33331/rechtsvinding.v7i1.228>.

dispute resolution. The parties' agreement must include or incorporate arbitration as a mechanism for resolving disputes.

Settlement of investment issues in its arrangement is governed not only by national law, but also by the law of the investor's country, and the arrangement according to international private and public law is of equal importance. In addition, there are international arbitrations, one of which, the International Center for Settlement of Investment Disputes, is involved in the resolution of investment disputes.

4. EASE OF DOING BUSINESS BASED ON WORLD BANK REGULATIONS

Several indicators released by the world bank as part of a project titled The Ease of Doing Business (EoDB) quantify the ease of investing in a country today. Doing Business is a Global International Finance Corporation project by the World Bank Group that provides an objective assessment of business legislation and its application (regulation) in 190 countries and selected cities at the province and district or city level. This project, which has been in existence since 2002, does research on small to large enterprises in a country and measures the business regulations that apply to them. Doing Business provides numerous reports on the application of business regulations by corporations. These reports consist of data on the ease of conducting business and suggestions for enhancing the execution of convenience.¹⁸

EoDB is essentially a ranking or index of business-friendliness produced by the World Bank. This index is an economic ranking on a scale of 1-190 (depending on the number of countries surveyed by the World Bank) regarding the ease of doing business in a country, as measured by the application of business regulations to companies and/or business actors, as well as their experience in doing business and conducting business. Doing Business data is

¹⁸ Asmara, Ikhwansyah, and Afriana, "Ease of Doing Business: Gagasan Pembaruan Hukum Penyelesaian Sengketa Investasi Di Indonesia"; et al., "UNDERSTANDING COUNTRY RISK TOWARD FOREIGN DIRECT INVESTMENT MODERATED BY EASE OF DOING BUSINESS RANKING (Study in ASEAN (Indonesia, Malaysia, Thailand, Philippines, and Vietnam))," *JURNAL APLIKASI MANAJEMEN*, 2020, <https://doi.org/10.21776/ub.jam.2020.018.02.07>; Nadhilah Mustika, Dewi Kania Sugiharti, and Purnama Trisnamansyah, "PENGENAAN PAJAK PENGHASILAN ATAS PENGALIHAN HAK ATAS TANAH DAN/ATAU BANGUNAN YANG DIIKAT DALAM PERJANJIAN PENGIKATAN JUAL BELI DIHUBUNGKAN DENGAN EASE OF DOING BUSINESS (EODB) DALAM PERSPEKTIF KEPASTIAN HUKUM," *Jurnal Poros Hukum Padjadjaran*, 2020, <https://doi.org/10.23920/jphp.v1i2.231>; Tomi Setianto, "EASE OF DOING BUSINESS IN INDONESIA: A LONG ROAD," *Optimum: Jurnal Ekonomi Dan Pembangunan*, 2020, <https://doi.org/10.12928/optimum.v10i2.15012>; Dr. B. Hema, "EODB - A Synopsis of Pre and Post Make in India Initiative," *GIS Business*, 2019, <https://doi.org/10.26643/gis.v14i6.11698>; Tristan A. Canare and Alvin Ang, "Ease of Doing Business: International Policy Experience and Evidence," *SSRN Electronic Journal*, 2016, <https://doi.org/10.2139/ssrn.2834757>.

frequently used to evaluate a country's economic conditions and regulatory environment when considering foreign investment or foreign direct investment (FDI).

The higher a country's ranking indicates that its business environment is more favorable. Countries with a high level of ease of doing business are undoubtedly more investor-friendly. The more the ease with which investors can invest, the larger the possibilities for a country to grow potential industries, such as the economic sector, tourism, and others.

There are eleven indicators for measuring the ease of doing business, or EoDB. The eleven indicators consist of starting a business (starting a business), licensing related to building construction (dealing with construction permit), electricity connection (getting electricity, property registration), access to credit (getting credit), protection of minority investors (protecting property), trading across borders, labor market regulation, enforcing contracts, and resolving insolvency cases.

Listed below is a description of each EoDB indicator: First, Business Creation. The Starting a Business Stage is supposed to be the initial phase of doing business, containing the procedures, duration, and costs that entrepreneurs must meet while creating a commercial entity and carrying out official business operations. And all processing activities for the different permissions required to launch a small or medium-sized business. On the indicator side of starting a business, there are four possible areas for improvement: minimum capital requirements, ease of procedures, completion time, and expenses incurred.

Second, Construction Permits (Dealing with Construction Permits). Construction and establishment of commercial structures are distinct indicators with distinct procedures. This indication becomes significant at the start of a firm, particularly for organizations whose primary operations in the operational phase include trading, warehousing, and product distribution. The convenience of managing and getting building construction licenses (warehouses) is crucial and must be simplified in light of the economic cycle.

Third (Getting Electricity). Electricity is one of the most essential requirements for conducting business, particularly in relation to the location where business is conducted. Obtaining a power connection is one of the assessment indicators used by the World Bank in EoDB. The World Bank's building assumptions for measuring the electricity connection indicators are limited to the electrical connection of a warehouse with a minimum size of 929 m² (minimum land area of 1,300.6 m²), new buildings and electricity connection for the first

time, electricity connected to 140 KVA power, and minimum monthly electricity consumption of 0.07 GWH.

Fourthly, Real Estate Registration (Registering Property). In this instance, one of the properties is land, which is also a significant factor in the evaluation of the EoDB indication. Land whose title is uncertain or whose transfer of rights is difficult to control diminishes the value of the advantages derived from its use. This indicator specifies a sequence of business procedures that must be completed by both the seller and the buyer for the lawful transfer of property rights. Similar to the other two indicators, the Registering Property indicator includes the same primary data (procedures, time, and prices), with the exception of data regarding the quality of administrative services. There are interactions with central vertical agencies in the regions (BPN), local government agencies, and third parties such as notaries/PPAT. According to the classification of stages: pre-registration, registration, and post-registration, the sequence of procedures, time, and costs are performed concurrently or independently.

Fifth, Credit Availability (Getting Credits). Access to credit is a key factor that must be considered when conducting company, particularly for investors who still require additional finances. In this instance, the problem of the legal rights of borrowers and lenders in relation to guaranteed transactions and comprehensive credit information is highlighted. Indicators of credit access are also evaluated as part of the series on the ease of doing business.

Sixth, Minority Shareholder Protection (Protecting Minority). Legal clarity is one of the characteristics that can safeguard investors, including both majority and minority shareholders. The minority shareholder protection indicator is one of the evaluation indicators in the World Bank's EoDB survey. This statistic focuses on a country's minority shareholder protection regulations and practices.

Seventh, Payment of Taxes is the seventh point (Paying Taxes). Taxes are obligatory contributions to the state owing by individuals or entities that are coercive under the law, without receiving direct remuneration and being utilized for the state's purposes to promote the maximum prosperity of the people. During the second year of operation, the tax payment indicator indicates the total amount of taxes and contributions paid, the mode of payment, the frequency of payments, and the number of institutions included in the case study. This includes employer-deducted taxes, value-added tax (VAT), and employee labor tax (PPh 21). This tax is collected/deducted from consumers or employees by the enterprise. Although they do not

impact a company's income statement, according to the tax system they increase the administrative burden and are included in the tax payment measure.

5. IDEAS FOR RENEWING INVESTMENT DISPUTE RESOLUTION IN INDONESIA IN SUPPORT OF EODB

Investment in its execution might be affected by numerous variables. Numerous factors can impact investors' decisions to invest in a country. Before opting to invest, investments with the primary objective of maximizing profit (profit-driven) and the secondary objective of creating commodities constantly assess a variety of factors. For this reason, the government must promote the creation of a favorable and conducive environment, so that investors are interested in investing cash.

Investors look at a country's EoDB rating as one of their references when deciding whether to invest there. EoDB is a ranking or index of the World Bank's ease of doing business. This index is an economic ranking of the ease of conducting business in a country, as measured by the application of business regulations to companies and/or business actors, as well as their experience conducting business and conducting business. Doing Business data is frequently used to evaluate a country's economic conditions and regulatory environment when considering foreign investment or foreign direct investment (FDI).

According to the Doing Business 2019 report, the ease of doing business in Indonesia is ranked 73rd (seventy-threeth). The objective for Indonesia's EoDB ranking is to enter the world's top forty (forty) ranks. Supporting EoDB requires a breakthrough or update in the field of investment dispute resolution, particularly in relation to contract enforcement and bankruptcy case resolution.

In terms of contract enforcement, the measured indicators include the costs and time required to resolve contract enforcement disputes through the courts, the quality of the trial process, and the convenience of conducting business through a succession of court processes. This should be included in the EoDB indicator since effective contract enforcement provides investors with optimal protection and legal certainty.

The judiciary's contribution to the improvement of the ease of doing business index in this instance relating to contract enforcement and settlement of bankruptcy cases is evidenced by the existence of several breakthroughs, including the issuance of Supreme Court Regulation No. 2 of 2015 on Procedures for Simple Lawsuits, also known as Small Claim Courts, and Supreme Court Regulation No. 2 of 2016 on Mediation. Issue Supreme Court Regulation No.

03 of 2018 on Electronic Court Case Administration, and create the e-Court Application, whose characteristics include not only eFiling, but also e-Register, ePayment, e-Notification, and e-Summon.

Regarding the settlement of bankruptcy cases, there are a number of hurdles, one of which relates to the potential use of numerous articles for particular purposes. The Bankruptcy Law and the Delay Of Debt Payment Obligations control bankruptcy. The Bankruptcy Law and Donation Of Debt Payment Obligations appear to be lethal to the debtor's business. Article 2 paragraph (1) of the Bankruptcy Law stipulates that a debtor may apply for bankruptcy if two conditions are met: the debtor has two or more creditors and does not pay at least one due and collectible obligation. This essay demonstrates that the Bankruptcy Law is inconsistent with the requirement for bankruptcy legal remedies that should benefit all creditors.

CONCLUSION

The government plays a strategic role in promoting investment, particularly foreign investment. Foreign investment is supposed to have a positive influence on Indonesia, such as stimulating economic activity, transferring technology, creating jobs, and giving other benefits that benefit people. In order to achieve this, legal certainty has become a separate issue, acting as a barrier to foreign investor admission into the country. The imprecise regulation of foreign investment leads to overlapping rules between the central government and local governments, as well as issues in the licensing bureaucracy, which is a common problem in Indonesian investment activities.

The resolution of investment disputes in Indonesia still has various issues, including basic regulations, the trial process, and decision implementation. In terms of basic regulations, there are no implementing regulations of the Investment Law that focus on discussing the resolution of investment disputes, and there are various provisions in the Law on Bankruptcy and Suspension of Debt Payment Obligations that can be used for specific interests. There was a protracted time difficulty during the trial process, and in terms of post-decision recovery, the Law on Bankruptcy and Suspension of Debt Payment Obligations did not offer a clear time restriction, creating legal uncertainty.

Investment dispute resolution in favor of EoDB must be quick, cheap, simple, and lawful. To accomplish this, it is necessary to renew Indonesia's investment dispute settlement law by enacting implementing regulations from the Capital Market Law that focus on

discussing business dispute resolution in order to provide legal certainty for investors, as well as revise several articles in the Bankruptcy Law and Suspension of Debt Payment Obligations that can be used to the benefit of but do not protect investors.

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