



Business Legal Analysis of the Creation Law in the Palm Oil Industry (Licensing Disputes Following the Implementation of the OSS-RBA)

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ABSTRACT

The palm oil industry is a strategic sector for the Indonesian economy, but in practice it often faces various problems, particularly related to licensing, which triggers conflicts. In response, the government passed the Job Creation Law, which introduced the Online Single Submission Risk-Based Approach (OSS-RBA) system to simplify regulations and accelerate the licensing process. This study aims to conduct a legal business analysis of the implementation of the Job Creation Law and its impact on licensing disputes in the palm oil industry following the implementation of OSS-RBA. Using a legal research approach, the analysis focuses on the gap between legal norms and their implementation in practice. The results of the study show that although the OSS-RBA is normatively intended to provide legal certainty and efficiency, in reality, the implementation of this system has actually led to new licensing disputes. The main problems identified include a lack of data synchronization between the central and regional governments, inadequate facilities and infrastructure, and insufficient human resources. Furthermore, this system is considered to weaken environmental control instruments and minimize public participation, as evidenced in cases where the participation of indigenous peoples is merely symbolic. This creates a gap between the administrative legitimacy obtained through the system and the socio-legal reality in the field. It is concluded that the effectiveness of the Job Creation Law in resolving disputes is highly dependent on strong implementation support. Therefore, comprehensive institutional reform is needed, including strengthening data interoperability across agencies, establishing a unified oversight body, and harmonizing central-regional regulations. This reform must be grounded in the spirit of achieving substantial justice that balances economic rights with social and environmental responsibilities, not merely procedural efficiency.

Keywords: Online Single Submission Risk-Based Approach; Job Creation Law; Palm Oil Industry

INTRODUCTION

Indonesia is the world's largest supplier of palm oil commodities (Gaveau et al., 2022). Employing more than 16.2 million people and contributing approximately USD 15 billion to Indonesian exports, the Indonesian palm oil sector was a major contributor to gross domestic product (GDP) in 2020 (Dharmawan et al., 2020). Therefore, the Indonesian palm oil industry has the potential to drive Indonesia's economic progress. The palm oil industry plays a vital role in Indonesia's economy and food security (Putrasari et al., 2016). Furthermore, the palm oil industry offers the potential to produce biodiesel to enhance the country's energy security. As a major export commodity, palm oil contributes significantly to the country's foreign exchange earnings, particularly through non-oil and gas exports (Edwards, 2021). This helps strengthen Indonesia's economic position in the global market.

In addition to earning foreign exchange for Indonesia and driving the people's economy, the palm oil industry also plays a crucial and strategic role in the Indonesian economy. Numerous studies have shown that coconut and oil palm play a strategic role in supporting food security in Indonesia (Schoneveld et al., 2019). Although coconut cultivation is crucial for industrial production and livelihoods, farmers receive little attention. In addition, diversification of coconut

products opens up opportunities for MSMEs to develop both in the food and non-food sectors. For example, processed coconut products, such as healthy cooking oil, coconut-based snacks, herbal soap, and coconut shell charcoal briquettes, have become competitive commodities in both domestic and international markets (Martens et al., 2019). This demonstrates that coconut is not only important as an agricultural commodity but also highly profitable as a raw material for innovative, high-value industries.

Throughout their growth, palm oil companies in Indonesia frequently face various challenges that impact business continuity (McCarthy, 2012). One of the most common issues is licensing. Licensing issues negatively impact companies by triggering conflicts of interest with the community, government, and environmental concerns (Brad et al., 2015). One type of permit granted for business activities or projects that can impact the environment is the Environmental Utilization Permit, also known as the UKL-UPL permit. The UKL-UPL is the management and monitoring of businesses and/or activities that do not have a significant impact on the environment, which is necessary for the decision-making process regarding the implementation of the business and/or activities (Republik Indonesia, 2021).

The UKL-UPL document will serve as a guide for those responsible for the business or activity in managing and monitoring the environmental impacts of their business. This aims to ensure that business activities or projects can be implemented with due regard for environmental sustainability, minimizing negative impacts, and maximizing positive impacts (Rulli et al., 2019). One such case is PT Torganda in Padang Lawas Regency, North Sumatra, which, as declared by the Corruption Eradication Commission (KPK) in 2021, had controlled more than 5,000 hectares of land without a valid HGU (cultivated land tenure) and some of it within forest areas without obtaining a land release permit from the Ministry of Environment and Forestry (KLHK) (Human Rights Watch, 2019). This case highlights weak law enforcement and licensing oversight, ultimately contributing to legal uncertainty in the palm oil plantation sector and creating potential disputes between corporations, indigenous communities, and the government (Li, 2017).

To simplify regulations and expedite the business licensing process, the government enacted Law No. 11 of 2020 concerning Job Creation and its derivative regulations, which were then further strengthened through Law No. 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law No. 2 of 2022 concerning Job Creation into Law (Republik Indonesia, 2020; Republik Indonesia, 2023). In the context of the palm oil industry, this law makes it easier for businesses to operate more efficiently (Mahy, 2022). The Job Creation Law introduces a risk-based licensing system that differentiates business permits based on the level of risk of the business activity being undertaken (Negara & Buana, 2023). This method allows business owners to obtain business permits more quickly and at a lower cost, especially in low-risk sectors such as trade and services.

This simplification was achieved through the introduction of the OSS-RBA (Online Single Submission Risk-Based Approach), an electronically integrated, risk-based business licensing system (Astuti & McGregor, 2015). This system is used to facilitate business actors in obtaining business permits by considering the risk level of their business activities. It is also used as a primary

instrument for licensing administration reform. This system aims to unify all cross-sector licensing processes electronically and based on risk levels, thereby reducing the opportunity for maladministration, bribery, and overlapping permit practices between the central and regional governments that have often led to legal conflicts (Sanders et al., 2024).

The OSS-RBA allows business actors to immediately begin their production process while simultaneously completing other technical documents, such as location permits, building permits, environmental permits, and other obligations such as the Indonesian National Standard (SNI), all of which are processed using a checklist system (Republik Indonesia, 2021). Law No. 6 of 2023 strengthens the formal and material legitimacy of the policy following the annulment of some articles by the Constitutional Court, while also providing a more solid legal foundation for the sustainability of the OSS-RBA.

In practice, the existence of these two laws aims to prevent legal disputes arising from unfulfilled administrative procedures (Alonso-Fradejas et al., 2015). For example, if a palm oil plantation was previously sued for not having a Location Permit, these permits have now been integrated and simplified within the risk-based OSS system. Furthermore, the crucial role of these two laws includes strengthening administrative law enforcement through electronic licensing sanctions that can be implemented immediately without having to wait for a lengthy litigation process. However, their effectiveness still depends on the availability of data across sectors and the commitment of local governments to adapt the derivative regulations and technical tools of the OSS-RBA (Pirard et al., 2015).

Although regulatory simplification through the Job Creation Law and the *OSS-RBA* system has normatively established a more efficient and integrated legal framework, the reality on the ground shows that licensing disputes in the palm oil industry continue to emerge. Factors that hinder the effectiveness of the *OSS-RBA* include inadequate facilities and infrastructure that hamper public service delivery, limited human resources, the lack of business capacity in using online-based systems, and delays by local governments in adjusting regional regulations and their implementation techniques to the *OSS-RBA* system. This results in a mismatch between permits issued by the central government and local legality recognized by the region. Data collected by the Coordinating Ministry for Economic Affairs shows that coordination between relevant agencies and data integration between the central and regional governments remain problematic. Although the *OSS (Online Business License)* is intended to be a platform that integrates permits from various government agencies, there are often still issues ensuring data synchronization between the central and regional levels, which can hinder the licensing process. This can trigger new disputes, as companies often obtain digital permits through the *OSS*, only to be sued because the land is recorded as forest or owned by indigenous communities—an indication of persistent legal inconsistencies. Furthermore, legal research on palm oil industry licensing highlights the transactional nature and vulnerability to corruption when technical permits cannot be fully processed through the *OSS*, thus leaving room for disputes. Therefore, further study is needed regarding legal resolution mechanisms and institutional reforms that can address the gap between legal norms and their implementation in palm oil industry licensing practices.

However, in practice, the emergence of several large-scale legal cases demonstrates that regulatory simplification does not automatically guarantee effective implementation. One prominent case is the corruption case involving five companies owned by tycoon Surya Darmadi under the auspices of PT Duta Palma Group, which was accused of causing state losses of more than IDR 78 trillion due to illegal control and management of palm oil plantations without proper permits. On the other hand, the state's attempt to reclaim 47,000 hectares of company land after 18 years without execution also reflects weak institutional coordination and slow law enforcement in land management. These two cases demonstrate that structural gaps in the monitoring and licensing system persist despite regulatory simplification through the *OSS-RBA*. This reinforces the urgency of conducting a legal analysis of the implementation of a risk-based licensing system and the protection of legal certainty for palm oil business actors.

Previous research by Lubis et al. (2023) examined the success of *OSS-RBA* implementation in Ketapang Regency, highlighting its potential to reduce licensing overlaps and corruption. However, their study overlooked systemic issues such as data fragmentation between central and regional governments, which undermines the system's effectiveness. Another study by Vandito and Paramesti (2024) focused on indigenous communities' marginalization in Papua, demonstrating how *OSS-RBA*'s automated processes often exclude meaningful public participation, exacerbating agrarian conflicts. While these studies provide valuable insights, they fail to address the broader institutional and legal reforms needed to harmonize the *OSS-RBA* with environmental and social safeguards.

In response to the continuing emergence of licensing disputes in the palm oil sector despite regulatory simplification, comprehensive legal resolution and institutional reform are needed. First, administrative channels such as objections and administrative appeals, as well as complaints to the Indonesian Ombudsman, must be facilitated through interfaces directly connected to the *OSS* system so that digital data can be promptly reviewed and verified. Second, the role of the State Administrative Court (*PTUN*) is increasingly vital, where digital evidence from the *OSS*, including application trails, technical documents, and automated decisions, can expedite the litigation process and reduce protracted disputes. Third, institutional oversight must be strengthened through the establishment of special units at the regional and central levels that periodically validate cross-agency data (*ATR/BPN, KLHK, Kementan*), as a preventive measure against overlapping licensing. Therefore, the effectiveness of the Job Creation Law and the *OSS-RBA* system in resolving legal issues and licensing disputes in the palm oil industry depends heavily on strong implementation support on the ground, particularly in the areas of oversight, legal literacy, and institutional validation. This is the answer to the main problem formulation in this research.

This study fills these gaps by critically analyzing the *OSS-RBA*'s legal-business framework, identifying systemic bottlenecks (e.g., data desynchronization, weak enforcement), and proposing institutional reforms to align procedural efficiency with substantive justice. By integrating empirical case studies—such as PT Duta Palma's corruption scandal (Kompas, 2025)—and legal-normative analysis, the research offers a comprehensive solution to mitigate licensing disputes.

The findings aim to strengthen policy implementation, ensuring the palm oil industry's sustainability while balancing economic growth with environmental and social responsibilities.

METHOD

This research uses a *normative legal research* approach, focusing on analyzing the gap between existing legal norms and their implementation in the field. This approach aims to gain an understanding of how effectively legal norms are applied in practice, as well as the obstacles and challenges faced in their implementation.

This study is qualitative research with a *descriptive approach*. Its objective is to provide an in-depth description of the implementation of legal norms and the problems that arise in the field. The research design is a case study, focusing on the application of specific legal norms in practice. This study will examine the application of law within the social and cultural context of society and identify the factors influencing the gap between legal norms and their implementation.

The research will be conducted in locations relevant to the legal norms being analyzed, such as government agencies, law enforcement institutions, and the affected communities. The research subjects will include legal practitioners, law enforcement officers, and members of the public who are subject to the law's application.

The instruments used in this research are in-depth interviews, documentation, and literature review. Interviews will be conducted with legal practitioners, government officials, and other relevant parties to gather information on the practical implementation of legal norms in the field. Data will be collected through semi-structured interviews, field observations, and the analysis of relevant legal documents. Interviews will be held directly with informants who possess knowledge of legal application, while documentation will be used to explore in greater depth the relevant legal regulations and policies.

The data analysis in this study will be conducted qualitatively using *descriptive analysis* techniques. The data obtained will be examined to identify gaps between written legal norms and their actual implementation in the field. This analysis will also consider social, economic, and cultural factors that influence legal implementation.

RESULTS AND DISCUSSION

Implementation of the Job Creation Law Provisions Regarding the OSS-RBA System in the Palm Oil Industry

The development of the palm oil industry in Indonesia is inextricably linked to the dynamics of continually changing licensing regulations. In line with the government's efforts to attract investment, policy deregulation was implemented with the aim of making the agricultural sector more attractive to investors. Broader deregulation was applied to specific sectors, such as horticulture, in Law Number 11 of 2020 concerning Job Creation. The removal of the thirty percent foreign ownership limit in horticultural businesses was one of the key changes in this law. Furthermore, the government removed its negative investment list but added fourteen additional sectors to it. Through a simplification and integration approach to the licensing system, the

government introduced the Online Single Submission Risk-Based Approach (OSS-RBA) as a primary instrument to expedite licensing and improve bureaucratic efficiency. This system represents a turning point from the conventional licensing approach, which has been considered overlapping, slow, and prone to collusion. However, the implementation of OSS-RBA in the palm oil industry still leaves behind complex structural and institutional issues, which ultimately have implications for the emergence of new licensing disputes after the system transition.

The OSS-RBA (Online Single Submission Risk-Based Approach) policy is regulated in Government Regulation Number 5 of 2021 concerning the Implementation of Risk-Based Business Licensing, and its administration is explained in Government Regulation Number 6 of 2021 concerning the Implementation of Business Licensing in Regions. Article 1, number 21 of Government Regulation Number 5 of 2021 concerning the Implementation of Risk-Based Business Licensing states that the Electronically Integrated Business Licensing System (Online Single Submission), hereinafter referred to as the OSS System, is an integrated electronic system managed and administered by the OSS Agency for the implementation of Risk-Based Business Licensing. Furthermore, Article 22 states that the OSS Management and Administration Agency, hereinafter referred to as the OSS Agency, is a government agency that administers government affairs in the field of investment coordination. The OSS-RBA is also regulated in Article 6 of the Job Creation Law, which states that business permits are classified based on the level of business activity risk. Through OSS-RBA, applicants can apply for various types of permits online without having to process them manually at various related agencies. The risk-based concept in licensing emphasizes objective and proportional risk assessment, enabling the licensing process to be more efficient and responsive to business needs. As a sector with a significant contribution to exports and the national economy, the palm oil industry has directly felt the impact of the implementation of OSS-RBA. This system transformation has created a paradigm shift in licensing administration, from a system riddled with administrative obstacles to one based on risk classification.

Prior to the OSS-RBA, palm oil licensing relied on manual, multi-layered mechanisms and was highly dependent on regional authorities. The OSS-RBA introduced digitalization and centralized permit processing. Critical elements such as the Business Identification Number (NIB), environmental permits (AMDAL/UKL-UPL), and land legality are now integral parts of the risk system. Following the OSS-RBA, all licensing processes are conducted online and integrated. This is demonstrated by the NIB (Business Identification Number), which serves as the primary identity of business actors and the basis for business legality, including for the palm oil industry. Environmental permits and land legality are integrated into a single system, making them easier to track and monitor. However, implementation in the field often encounters obstacles, resulting in data on land legality and environmental permits not always being updated promptly. This is also due to the unpreparedness of human resources and technical infrastructure in the regions, which has slowed some regions in adopting the OSS-RBA system, as well as a lack of understanding of the OSS-RBA features among business actors. In practice, the implementation of the OSS-RBA has not always run smoothly. Although administratively, the licensing process appears to be

simplified, various technical and institutional challenges remain serious obstacles, particularly in palm oil producing regions such as Sumatra and Kalimantan.

Although the Online Single Submission Risk-Based Approach (OSS-RBA) system has been implemented to simplify the licensing process and promote business efficiency, in practice, this system has not fully addressed the complex legal issues in the palm oil industry. One of the main objectives of the OSS-RBA is to create a risk-based business environment, but implementation in the field shows that this approach has the potential to ignore aspects of land legality, environmental sustainability, and the rights of indigenous or local communities directly impacted by plantation activities. Several civil society organizations, such as WALHI, assess that the implementation of the OSS-RBA tends to prioritize investment interests, while weakening environmental control instruments and public participation in the licensing process. This is exacerbated by weak institutional capacity, both at the central and regional levels, to validate land data and business actors' compliance with environmental obligations. The lack of accountability mechanisms and public participation is also a serious problem. WALHI noted the lack of transparency and public oversight, particularly regarding environmental impact analysis (AMDAL) requirements. With the NIB automation mechanism, the potential for maladministration increases because land or environmental data verification is not carried out thoroughly.

One concrete example of the weak licensing oversight that can occur despite the system being simplified through the OSS-RBA is the alleged corruption case involving tycoon Surya Darmadi, owner of PT Duta Palma Group. Through his five companies—PT Palma Satu, PT Seberida Subur, PT Banyu Bening Utama, PT Panca Agro Lestari, and PT Kencana Amal Tani—Surya Darmadi is accused of causing direct losses to the state of up to IDR 4.7 trillion and IDR 73.9 trillion to the national economy. These companies were found to have illegally managed palm oil plantations without proper permits, including in forest areas, for years. This case reflects the failure of inter-agency coordination in screening and overseeing permit issuance and demonstrates that the data-based OSS-RBA system remains vulnerable to abuse if not supported by firm law enforcement and comprehensive land validation by relevant agencies.

Criticism of the OSS-RBA focuses not only on procedural and institutional aspects, but also on the substance of legal protection for communities and the environment. Although business actors have obtained formal legality such as NIB (National Business License) and permits through the OSS, numerous agrarian conflicts and environmental damage continue to occur on the ground, particularly in oil palm plantation areas. This demonstrates a clear gap between administrative legitimacy and the socio-legal realities experienced by surrounding communities. For example, a case study of the Awyu Tribe in Papua shows that indigenous people's participation in the licensing process is often symbolic and insubstantial. Local communities are only called upon when conflicts arise, while strategic decisions are made beforehand by corporations and the government. Furthermore, the analysis found that some mining or palm oil permits are issued without adequate field studies, thus maintaining a high risk of water pollution and ecosystem damage. This contradiction is exacerbated by the lack of application of the precautionary principle, a

fundamental norm in environmental law. Under the OSS-RBA, permits can be issued automatically without field verification, allowing the misuse of land outside spatial planning, protected areas, and customary areas without early detection. As a result, the digitalization of OSS-RBA licensing appears to function more as an instrument of corporate legitimacy, rather than a solution to structural problems in land management and environmental law enforcement.

Business Law Analysis of Legal Certainty Protection for Business Actors Palm Oil Post-Job Creation Law

Business law is a legal instrument that plays a crucial role in ensuring that business activities run smoothly and orderly. Business law is not merely a formal regulation, but also a moral and ethical guide in the ever-evolving business world. To run their businesses with peace of mind and focus, business actors require legal certainty. One of the primary functions of business law is to provide protection and clarity regarding the rights and obligations of the parties involved. One important pillar of law is the principle of legal certainty, recognized in the legal principles of *lex certa*, *lex scripta*, and due process of law. *Lex scripta* means that legal rules, particularly criminal law, must be written down. This means that an act can only be considered a crime if there is a legal rule that clearly states that the act is a crime. *Lex scripta* is a principle that emphasizes that the formulation of criminal acts in law must be clear and unambiguous. The goal is to ensure the public understands clearly which acts are considered unlawful and subject to criminal sanctions. And due process of law is the principle that ensures that the law enforcement process, from investigation, inquiry, prosecution, to trial, must be conducted fairly and in accordance with applicable law. This includes the rights of suspects and defendants to be heard, the right to a defense, and the right to a fair trial.

In the context of conducting business activities, this principle requires that every business actor obtain certainty regarding legality and legal protection against state administrative actions. The enactment of Law Number 11 of 2020 concerning Job Creation, which was strengthened by Law Number 6 of 2023, is a manifestation of this principle, as it creates a more systematic, written, and electronically accessible business licensing system. The Online Single Submission Risk-Based Approach (OSS-RBA) system is a concrete form of legal formalization of risk-based and integrated business licensing administration across sectors. Based on Article 1, numbers 21 and 22 of Government Regulation Number 5 of 2021, the OSS is defined as an integrated electronic system managed by the OSS Agency to administer risk-based business licensing. This system is the primary tool in implementing the risk classification as stipulated in Article 8 of the Job Creation Law, which differentiates licensing based on the level of business activity risk, ranging from low, medium, to high. Thus, business actors who have obtained a Business Identification Number (NIB) through the OSS can be said to have fulfilled the formal administrative requirements and have the legal legitimacy to conduct their business activities. The NIB (Business Identification Number) serves as a guarantee of legal certainty for business actors because, in addition to serving as a legal identity, The NIB is also a primary requirement for obtaining advanced technical permits. The NIB serves as the basis for business legality and simplifies the licensing process required to conduct

business activities. The OSS-RBA not only simplifies bureaucracy but also establishes an objective and verifiable legal basis, which can serve as administrative evidence in the event of legal disputes. Therefore, this system represents the state's effort to provide clarity and transparency in the administration of business permits, ultimately strengthening the investment climate and legal protection for palm oil business actors.

Within the legal framework of business administration following the enactment of the Job Creation Law, legal institutions such as the State Administrative Court (PTUN) and the Ombudsman of the Republic of Indonesia play a strategic role in ensuring legal certainty for businesses. As a judicial institution, the PTUN has the authority to adjudicate administrative disputes between businesses and government agencies, particularly when issues arise regarding the validity of NIBs, environmental permits, or electronic decisions from the OSS-RBA system. PTUN decisions can annul or order revisions to decisions by OSS officials, thus providing the final guarantee for the protection of business actors' legal rights in the face of adverse administrative decisions. The digitization of OSS-RBA documents such as NIBs, standard certificates, and technical permits now has the power to serve as electronic legal evidence, as stipulated in Articles 5 and 6 of the ITE Law and strengthened through the OSS metadata system. This accelerates the process of proof in court and ensures administrative accountability. Empirical studies indicate that businesses that submit digital OSS evidence to the PTUN have a greater chance of winning lawsuits, because the administrative evidence is systematically recorded and documented. Legal uncertainty resulting from weak enforcement of licensing violations is also evident in the state's takeover of 47,000 hectares of company land, which only occurred after an 18-year dispute remained unresolved. The land was initially controlled without a valid business permit by a corporate entity that did not meet formal legal requirements and was located on state land. This situation indicates a long-term legal vacuum, which ultimately not only harms the state but also causes economic losses to other law-abiding business actors who rely on legal certainty to conduct their businesses. With the existence of the OSSRBA, the government should be able to detect such violations early through cross-sector data integration, but weak execution and coordination remain structural barriers that must be addressed immediately.

In response to the various challenges and legal inconsistencies that persist in the implementation of the OSS-RBA, it is necessary to formulate business law policy recommendations that emphasize the principles of efficiency, accountability, and fairness. Strengthening the OSS-RBA system should be directed at interoperable data across agencies, particularly between the Ministry of ATR/BPN, the Ministry of Environment and Forestry, the Ministry of Agriculture, and local governments. This data synchronization will minimize the risk of overlapping permits, spatial planning discrepancies, and legal loopholes in the legality of oil palm land. An integrated supervisory agency specifically overseeing the oil palm sector as a national strategic commodity is also needed to verify land legality, check environmental compliance, and mediate potential social conflicts. These roles are currently scattered across various agencies, This creates weaknesses in enforcement and compliance monitoring. Furthermore, the government needs to encourage harmonization of legal norms between the central

and regional governments, particularly regarding the recognition of OSS permits by regional governments and strengthening the legal mapping of a single national legal map to reduce overlapping authority between the central OSS and regional authorities, which remains a source of disputes and legal uncertainty for investors. Enforcement of administrative sanctions must be carried out fairly and proportionally, not only against business actors who violate licensing provisions, but also to ensure legal protection for local communities and the environment. In modern business law, legal legitimacy is measured not only by ease of access to permits, but also by the balance between economic rights and social responsibilities. Therefore, future OSS-RBA reforms must be based on a progressive legal spirit that favors substantive justice, not merely procedural efficiency.

CONCLUSION

The implementation of the *Job Creation Law* through the *Online Single Submission Risk-Based Approach (OSS-RBA)* aims to transform the palm oil industry's licensing system from a manual, multi-layered, and collusion-prone process to a more efficient, centralized, and risk-based one. This system introduces the *Business Identification Number (NIB)* as the primary legal identity that integrates various permits, including environmental permits and land legality. However, in practice, the implementation of this system has not been smooth and has, in fact, given rise to new licensing disputes. Several key obstacles identified include the unpreparedness of human resources and infrastructure in the regions, the lack of data synchronization between the central and regional governments—resulting in overlapping land legality issues—and the weakening of environmental control instruments and public participation. Civil society groups believe that this licensing automation tends to prioritize investment interests while ignoring the precautionary principle, thus failing to address structural issues related to agrarian conflicts and environmental damage.

From a business law perspective, the *Job Creation Law* and the *OSS-RBA* system demonstrate the principle of legal certainty (*lex scripta* and *due process of law*), providing a written, systematic, and electronically accessible legal basis for businesses. Obtaining an *NIB* through this system provides formal legal legitimacy and serves as a guarantee of legal certainty for businesses to carry out their activities. The existence of judicial institutions such as the *State Administrative Court (PTUN)* also strengthens this protection by providing a mechanism for resolving administrative disputes, where digital evidence from the *OSS* has legal force. However, to address ongoing inconsistencies, several policy recommendations are needed. These include strengthening data interoperability across agencies (*ATR/BPN, KLHK*, and local governments) to minimize overlapping licensing, establishing an integrated supervisory agency specifically for the palm oil sector, and harmonizing central and regional regulations. Ultimately, *OSS-RBA* reform must be directed at achieving a balance between ease of doing business and social and environmental responsibility—toward substantial justice that goes beyond merely focusing on procedural efficiency.

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