

ANALYSIS OF BUSINESS LICENSING FACILITATION POLICY FOR MSMEs

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ABSTRACT

In line with the progression of time, business licensing has also become a focus of the Central Government, especially with the opening of extensive investment opportunities through the enactment of Law Number 11 of 2020 concerning Job Creation, or the Omnibus Law. The Job Creation Law has led to adjustments in several laws, one of which is in the realm of licensing in Indonesia. One of the changes in licensing is the establishment of Government Regulation Number 5 of 2021 concerning the Implementation of Risk-Based Business Licensing, referred to as the Business Licensing Regulation. This study aims to analyze how the implementation of risk-based business licensing policies is carried out by examining Regional Regulation No. 10 of 2021 of the City of Bandung on the Implementation of Business Licensing. The results indicate that the implementation of the OSS RBA-based business licensing policy for MSMEs in Bandung City is maximized in accordance with the theories of Edward and Van Metter Van Horn. The implementation results also align with Regional Regulation No. 10 of 2021 of Bandung City. Each indicator shows results with each implementation of Regional Regulation No. 10 of 2021 carried out by the DPMPTSP of Bandung City. The implementation is in accordance with Regional Regulation No. 10 of 2021 of Bandung City and also aligns with the theories of Edward and Van Metter Van Horn.

KEYWORDS MSMEs, OSS RBA, Business Licensing



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INTRODUCTION

Along with the times, business licensing has also become a concern of the Central Government when the door to investment is opened as much as possible through the passing of Law Number 11 of 2020 concerning Job Creation or Omnibus Law. The Job Creation Law has an impact on adjustments in several laws, one of which is in the realm of licensing in Indonesia. One form of change produced in the licensing realm is the establishment of Government Regulation Number 5 of

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2021 concerning the Implementation of Risk-Based Business Licensing or later referred to as the Business Licensing PP.

Yundrina (2023) argues that public services in the fields of licensing, non-licensing, and investment, are considered strategic and a priority because they are considered the main thing in realizing good governance in Indonesia. Efforts to improve the quality of government services in the business licensing process are currently being encouraged to attract investors and support investment growth in Indonesia. One of the initiatives for this improvement is on the Implementation of Business Licensing known as OSS RBA (Online Single Submission Risk Based Approach).

The regulation is a further step in the integration of existing electronic business services. With the implementation of OSS RBA, the public and business actors can access the OSS System online anytime and anywhere. The service is the government's effort to simplify the business licensing process, create an integrated licensing system that is efficient and affordable, and provide certainty in public services. The urgency of implementing a risk-based business licensing policy is directly related to the impact that can result from the success or failure of this policy, especially on Micro, Small and Medium Enterprises (MSMEs). In the midst of fast and competitive economic dynamics, this policy is key in determining the future of MSMEs.

On the one hand, based on what Lie (2022) described, the urgency of this implementation arises from the need to simplify the licensing process, which has been an obstacle for MSMEs. An efficient and transparent licensing system not only makes it easier for business owners to obtain business licenses, but also creates a conducive business climate. By reducing red tape, the Bandung City government seeks to stimulate economic growth by encouraging more MSMEs to operate legally and efficiently. This shows how effective policies can be a catalyst for growth and innovation in the MSME sector.

On the other hand, the failure in the implementation of this policy illustrates the opposite scenario. Without a clear and accessible licensing system, MSMEs are faced with major obstacles in starting and growing their businesses. The complexity and uncertainty in the licensing process is not only difficult, but can also prevent MSMEs from fully contributing to the local economy. This uncertainty affects not only the daily operations of MSMEs, but also investor interest, which is an important element in economic growth. The urgency of this implementation also relates to the need to create a stable and secure business environment. An effective and risk-based licensing system can help ensure that MSMEs operate in accordance with applicable standards and regulations, reducing legal and operational risks. As such, this policy impacts not only the administrative and economic aspects, but also the compliance and business security of MSMEs.

Therefore, this research aims to analyze how the implementation of risk-based business licensing policies by analyzing Regional Regulation No. 10 of 2021 of Bandung City concerning the Implementation of Business Licensing. This research will use the theory of Van Meter and Van Horn (1975) Carl Van Horn and Donal Van Meter, 1975, Models in Implementation Policy, yongyakarta which has six indicators, namely, Standards, Policy Goals and Objectives, Resources,

Characteristics of Implementing Agents, Inter-Organizational Communication, Disposition or Attitudes of Implementers, Social, Economic and Political Environmental Conditions. Based on the above background, the problem that arises in this research is how is the implementation of risk-based business licensing policies in Regional Regulation No. 10 of 2021 of Bandung City concerning the Implementation of Business Licensing?

Normative legal research explores the principles or standards of positive law (Marzuki, 2017). This research uses two types of materials: primary legal materials, which consist of binding legal regulations, and secondary legal materials, which explain primary legal materials through literature, journal articles, and relevant research (Fajar & Achmad, 2017). Data collection was conducted through normative legal research. To answer this research problem, data was collected through research of relevant legal literature. Analysis of this research is carried out descriptively qualitative to answer the formulation of the problems in this study.

RESEARCH METHOD

POLICY STANDARDS, GOALS AND OBJECTIVES

By looking at the facts in the field, one form of government program is the "Online Single Submission Risk Based Approach" system policy implemented by the Bandung City Investment and One-Stop Integrated Service Office. In implementing the OSS RBA system policy, the agency is guided by Regional Regulation No. 10 of 2021 of Bandung City concerning the Implementation of Business Licensing, which this regulation is one of the advanced efforts of business services. In implementing the OSS RBA system policy in Bandung City, the One-Stop Investment and Integrated Service Office has implemented an SOP (Standard Operating Procedure) in accordance with Government Regulation Number 5 of 2021. This program is also one of the innovative steps that is very effective and provides great benefits to the community, especially MSME players. The main objective in the OSS RBA system policy based on Government Regulation No.5 of 2021, when business actors apply this OSS RBA system, aims to make it easier for MSME actors to take care of the business licenses they run.

Continuing the government regulation No.5 of 2021, Regional Regulation No. 10 of 2021 of Bandung City concerning the Implementation of Business Licensing in article 4 states that the aim is to improve the investment ecosystem and business activities. Then in article 4 paragraph (2) it is also explained that improving the investment ecosystem and business activities is intended for risk-based licensing as well. Then in the application of OSS RBA in Regional Regulation No. 10 of 2021 of Bandung City OSS RBA is used as a tool to facilitate the implementation of business licensing, as stated in article 1 paragraph 12 of Business Licensing activities whose management process is electronic starting from the application stage until the issuance of documents which are carried out in an integrated manner in one door.

Clear indicator measures are already in place in assessing the implementation of this OSS RBA system. This licensing system with OSS RBA, the process is very fast and there is no need to wait long. In terms of requirements, it is not too complicated, and this licensing system can also be done anywhere, without having

business actors come to the relevant agencies. For the target targets in the RBA OSS system policy, it has reached the appropriate target, namely business actors from various levels of their own business risks. As stated in Regional Regulation No. 10 of 2021 of Bandung City in the implementation of the RBA OSS system, the requirements for license applications for all levels of business risk are clearly stated. In Regional Regulation No. 10 of 2021 of the City of Bandung in implementing the OSS RBA system, it has been explained in such a way regarding the requirements and documents that must be completed in the OSS RBA. Starting from article 6 regarding business licensing for low-risk activities to article 8 which discusses granting business licenses for high-risk business levels, it has been explained about the document requirements that must be met in the OSS RBA in order to obtain a business identification number and business license.

RESULT AND DISCUSSION

RESOURCES

When viewed from human resources, financial resources and also facilities and infrastructure resources. With an adequate number of employees within the Bandung City One-Stop Investment and Integrated Services Agency, namely with a total of 92 employees (DPMPTSP, 2024), especially those in the licensing and non-licensing sections. The employees in charge of the licensing section with the OSS RBA system have also received Technical Guidance training (BIMTEK), and there is also a special team in each licensing service section which will support the success of the OSS RBA policy. As in 2023, to be precise in September, DPMPTSP held technical guidance on procedures for implementing public services for all employees (Wahab, 2021).

Furthermore, financial resources have still been categorized as maximum, because the Bandung City One-Stop Investment and Integrated Services Office has implemented a priority scale in terms of government budgets. So that a special budget for socialization activities to the community or business actors has been carried out a lot, where the Investment and One-Stop Integrated Services Office of Bandung City has carried out socializations regarding OSS RBA and implemented guidance and supervision in accordance with Regional Regulation No. 10 of 2021 Bandung City in article 21 and article 22.

Guidance activities for business actors were carried out in 2022 in August with the agenda Socialization of Provisions for the Implementation of Investment Online Single Submission Risk Based Approach (OSS RBA), PIRT Licensing and Halal Certification for Micro and Small Business Actors in Bandung City (Mariana, 2022). this is carried out in accordance with Regional Regulation No. 10 of 2021 of Bandung City regarding guidance in the form of socialization to the community. This activity has The purpose of this socialization is so that participants are able to understand OSS RBA and the procedures for applying for PIRT and halal certification according to applicable laws and regulations, so that products that will be sold to consumers have distribution permits that have been checked before being distributed. Where this activity implements Regional Regulation No. 10 of 2021 of Bandung City in article 21 paragraph (4) and paragraph (5). Then the supervision activities held in November 2022 where the activity was carried out to socialize

related to business licensing supervision by Iyan Darmansyah Bimantara, Young Legal Analyst for the West Java DPMPTSP Control Division also explained that supervision is carried out routinely and incidentally, and the results of supervision will show the validity of the data summarized in the compliance value of business actors (DPMPTSP, 2024). This activity is a form of proof of implementation of Regional Regulation No. 10 of 2021 Bandung City in article 22 and article 33.

This form of implementation is the basis that DPMPTSP fulfills the implementation for existing human and financial resources. With events and coaching activities for employees, it shows readiness to implement Regional Regulation No. 10 of 2021, especially in implementing the use of OSS RBA (Rina, 2022a, 2022b, 2023). Likewise, with the implementation of financial resources where the DPMPTSP of Bandung City also held coaching activities in accordance with Regional Regulation No. 10 of 2021 where this activity was last carried out in August 2022.

COMMUNICATION

This factor is the most crucial indicator in the implementation of the "Online Single Submission Risk Based Approach" (OSS RBA) system policy at the Bandung City One-Stop Investment and Integrated Services Office, utilizing a lot of human resources in realizing the implementation of the OSS RBA system policy. This is indicated by the collaboration between the Bandung City One-Stop Investment and Integrated Services Office and the Bandung City Cooperative, Micro Business, Trade and Industry Office (DKUPP) as the supervisory technical agency (Andhika, 2019). Where in this OSS RBA system policy there are Derivative Access Rights given to Regional Apparatus related to the business sector in the OSS RBA system itself, if for the Micro, Small and Medium Enterprises sector, the DPMPTSP gives derivative access rights to DKUPP Bandung City, where the agency can access and find out how many MSMEs have processed licenses through the OSS RBA system.

In addition to the existence of derivative access rights, the Bandung City One-Stop Investment and Integrated Services Office itself has socialized the OSS RBA system policy to business actors that include MSMEs. The agency invites these business actors based on the business database and also a recapitulation of the number of business actors available in the OSS RBA system, so, the Bandung City One-Stop Investment and Integrated Services Office will sort out which business actors will be invited to participate in the socialization activities. This activity has been carried out repeatedly since the formation of Regional Regulation No. 10 of 2021 where this activity was last carried out in August 2022. This is done so that all MSME parties have equal access to information, in accordance with the principles of business licensing implementation stated in article 2 letter c.

In the implementation of communication, MSME actors and the DPMPTSP also open means of suggestions and input as well as complaints experienced by business actors. Through its website, DPMPTSP provides a column to provide complaints, the column can also be used to request assistance regarding OSS RBA or others regarding business licensing. The communication carried out by the DPMPTSP is to implement Regional Regulation No. 10 of 2021 where every

community can participate, stated in article 20 paragraph (2) letter a, the form of participation referred to is to submit suggestions and input.

THE POSITION OR ATTITUDE OF THE IMPLEMENTERS

Judging from the attitude of the implementers of the OSS RBA system policy within the Bandung City One-Stop Investment and Integrated Service Office, no one rejects the OSS RBA policy and shows support for the OSS RBA system by accepting and also implementing any policies that have been determined from the Central Government effectively regardless of the obstacles that occur. Seen through activities on the website of the DPMPTSP of Bandung City, the functions and objectives of DPMPTSP itself, one of which is to increase public satisfaction in one-stop integrated licensing services. And through the website, activities related to the implementation of OSS RBA are developing. The website states that since May 28, 2015, DPMPTSP has inaugurated a new electronic-based application or known as the Online Services System, entitled HAY.U bandung! A website-based licensing application, full online, full paperless services. An innovation in licensing services that provides time certainty, cost certainty, and process certainty. With 3 easy steps [registering, paying for paid permits (Building Construction Permit and Route Permit), and waiting for the permit to be delivered by post to the applicant's destination address] without any face-to-face between the officer and the permit applicant, making DPMPTSP services in Bandung City world class. On February 25, 2016, the Bandung City Government through the One-Stop Investment and Integrated Service Office (DPMPTSP) proudly presented a smartphone-based licensing service called "GAMPIL" (Gadget Mobile Application for License), which is a licensing governance system that can be accessed easily anywhere and anytime online licensing system. "GAMPIL" is a smartphone-based application for licensing services, especially licensing for SMEs with an easy way and minimal requirements. Currently the application can be downloaded on the Play Store with the search keyword "GAMPIL" (DPMPTSP, 2024).

As implementers, employees at the Bandung City One-Stop Investment and Integrated Service Office provide effective and efficient services seen through the development of services provided so that the implementation of the OSS RBA runs according to the DPMPTSP Motto itself, namely Providing services with "PASTI" (Professional, Accountable, Synergy, Transparent and Innovative) in providing services to the community. This is also in accordance with Regional Regulation Number 10 of 2021, the implementation of business licensing must be carried out in a transparent, participatory, accountable manner, and free from administrative barriers and high economic costs implemented in the form of business licensing services with certainty of time, requirements and procedures that are measurable, competent, responsive and have integrity (DPMPTSP, 2024).

ENVIRONMENTAL, SOCIAL AND POLITICAL CONDITIONS

Through some information, in order to improve the quality of public services and to realize public services that are fast, cheap, transparent and can also be reached independently, several innovations have been implemented in order to improve the quality of service and convenience for the community including

Sakedap (Facility Anjungan Kemudahan Perizinan) services, OSS virtual consultation services, OSS helpdesk counter facilities at Bandung City public service outlets, and invest website facilities. Then in the implementation from permit application to permit issuance, DPMPTSP provides applications that have been used since 2015 and 2016, namely Hayu and Gampil to facilitate the community in conducting business licensing. The convenience provided is implementing the principle of Business Licensing Implementation stated in Regional Regulation No. 10 of 2021 Bandung City in article 2 letter (b). With this assisted service, the moving service is expected to increase the legality of business actors through the creation of a Business Identification Number (NIB) through the OSS RBA system or Risk-Based Business Licensing.

The challenges faced in the service are the limited information and understanding of some business actors, officers, and elements of the regional head about OSS RBA. The Bandung City One-Stop Investment and Integrated Service Office also provides training to every MSME actor who will take care of his business license. For coaching for employees and officers, DPMPTSP has also conducted several coaching and socialization as well as training for officers and MSME players. This coaching and training also implements Regional Regulation No. 10 of 2021 Bandung City in article 22 and article 33. This step is used to facilitate service activities carried out by DPMPTSP.

CONCLUSION

Based on the results of research that has been conducted by researchers through data analysis techniques using literature review and related secondary data, with the title Implementation Analysis of Risk-Based Business Licensing Policy in Bandung City. The findings of Edward and Van Metter Van Horn's theory do not see from two aspects, namely Government Regulations and Services, researchers look at these two aspects. So there is a contribution that can be made from this research. The conclusion from the implementation of the OSS RBA-based MSME Licensing Service Policy in Bandung City at the implementation stage and its implementation has run optimally in accordance with Edward and Van Metter Van Horn's theory. Then the implementation results are also in line with Regional Regulation No. 10 of 2021 Bandung City. Each indicator displays the results with each implementation of Regional Regulation No. 10 of 2021 carried out by DPMPTSP in Bandung City. The implementation carried out is in accordance with Regional Regulation No. 10 of 2021 Bandung City and is also in line with Edward and Van Metter Van Horn's theory.

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