



## Public Service Through Online Single Submission: Efforts to Simplify Investment Licenses in Improving Public Service

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### ABSTRACT

Public service is a form of service that is principally the responsibility of and implemented by Government Agencies. One form of public service carried out by the government is related to investment licensing, namely through Online Single Submission (OSS). Online Single Submission (OSS) is a Business License issued for and on behalf of the minister, head of institution, governor, or regent/mayor to Business Actors through an integrated electronic system. However, the concern is whether Online Single Submission (OSS) will facilitate investment licenses or instead make it difficult in public services and whether Online Single Submission (OSS) is sufficiently safe, reliable and protected by law. This research is a normative juridical research, which is a legal research method carried out by examining library materials or secondary materials such as laws and regulations, books, legal rules and literature related to the formulation of this research problem. The data used is secondary data, which is obtained from primary legal materials, secondary legal materials and tertiary legal materials. The data collection method used in this research is library research by tracing, reading, studying or analyzing materials, theories and concepts. The making and issuance of investment license decree is a legal action of the government. As a legal action, there must be authority granted by legislation or it must be based on the principle of legality. The matter of investment license is regulated in Law No. 23 Year 2014 on Local Government, Law No. 25 Year 2007 on Investment is obtained. Online Single Submission has been categorized as providing improvements in public services but still must receive attention from the government.

**Keywords:** Online Single Submission, Investment Licensing, Public Service

### ABSTRAK

Pelayanan publik adalah bentuk jasa pelayanan yang pada prinsipnya menjadi tanggung jawab dan dilaksanakan oleh Instansi Pemerintah. Adapun salah satu bentuk pelayanan public yang dilakukan pemerintah adalah terkait perizinan penanaman modal yaitu melalui Online Single Submission (OSS). Online Single Submission (OSS) adalah perizinan berusaha yang diterbitkan untuk dan atas nama menteri, pimpinan lembaga, gubernur, atau bupati/wali kota kepada Pelaku Usaha melalui sistem elektronik yang terintegrasi. Namun yang menjadi perhatian adalah apakah Online Single Submission (OSS) akan mempermudah izin penanaman modal atau justru malah mempersulit dalam pelayanan publik dan apakah Online Single Submission (OSS) sudah cukup aman, terpercaya dan dilindungi oleh hukum. Penelitian ini merupakan penelitian yuridis normatif, yaitu metode penelitian hukum yang dilakukan dengan cara meneliti bahan pustaka atau bahan sekunder seperti peraturan perundang-undangan, buku, kaidah-kaidah hukum serta literatur yang terkait dengan rumusan masalah penelitian ini. Data yang digunakan ialah data sekunder, yang diperoleh dari bahan hukum primer, bahan hukum sekunder dan bahan hukum tersier. Metode pengumpulan data yang digunakan dalam penelitian ini ialah studi kepustakaan (*library research*) dengan cara menelusuri, membaca, mengkaji ataupun menganalisis bahan, teori dan konsep. Pembuatan dan penerbitan ketetapan izin penanaman modal merupakan tindakan hukum pemerintahan. Sebagai



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tindakan hukum, maka harus ada wewenang yang diberikan oleh peraturan perundang-undangan atau harus berdasarkan pada asas legalitas. Adapun perihal izin penanaman modal diatur dalam UU No. 23 Tahun 2014 Tentang Pemerintah Daerah, UU No. 25 Tahun 2007 Tentang Penanaman Modal diperoleh. Online Single Submission sudah dikategorikan memberikan peningkatan dalam pelayanan publik namun tetap masih harus mendapat perhatian dari pemerintah.

**Keyword: Layanan Publik, Online Single Submission, Perizinan Investasi.**

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## 1. Introduction

Law Number 24 of 2009 concerning Public Services states that building public trust in public services carried out by public service providers is an activity that must be carried out in line with the expectations and demands of all citizens and residents about improving public services. Government bureaucratic reform first emerged because of the government's desire to provide the best service to the community as prescribed by the 1945 Constitution. The improvement of public services must get the main attention of the government, because public services are the basic social rights of the community or fundamental rights). The juridical basis for public services on basic social rights is regulated in the provisions of Article 18 A paragraph (2) and Article 34 paragraph (3) of the 1945 Constitution of the Republic of Indonesia. Thus the Constitution expressly regulates public services as a form of basic social rights (the rights to receive). Refusal or deviation of public services is contrary to the 1945 Constitution. (Philipus M. Hadjon, 2011, p. 26)

In general, the process of providing services to the public (community) is currently carried out through direct contact between service providers (government bureaucracy) and citizens. Apparently, direct contact like this has been widely utilized by the perpetrators of service interactions both on the part of bureaucrats (service providers) and on the part of citizens (service recipients) From the servant side, some unscrupulous servants deliberately seek profit from the services they provide, for example by asking for a number of fees outside the applicable provisions. From the side of citizens, some unscrupulous citizens who want to get services easily by bribing or giving "facilitation" money to unscrupulous service officers. Such practices will certainly have an impact on other service users, which in turn will also have an impact on the quality of service in general.

The United Nations (UN) E-Government Survey 2020 has ranked Indonesia 88th for the development and implementation of e-government or electronic-based government systems (EBS). The 2020 results, which were released in July, show a 19-rank increase compared to 2018 which was ranked 107th and 116th in 2016. Based on the survey results, it shows that public services in Indonesia are still in the category of not providing the best. One of the public services carried out by the government is related to investment licensing. Investment law in Indonesia covers licensing issues, rights and obligations of investors, incentives, reporting and monitoring of investment implementation, cooperation through international agreements, and investment dispute resolution mechanisms. (Hasan, 2021, p. 19)

Article 10 of Law No. 23/2014 on Regional Government regulates the division of government into absolute government affairs, concurrent government affairs, and general government affairs. The authority to manage licensing is included in concurrent government affairs so that in its implementation it is closely related between the central government and local governments. Local governments due to regional autonomy are obliged to provide public services in the investment licensing sector.

Investment licensing services were previously carried out at the One Stop Integrated Service (PTSP) but the emergence of various obstacles to investment activities from the results of a study conducted by Wieky Rusmanto shows that, in general, the obstacles, problems and licensing conditions that occur in Indonesia, especially in the regions after the issuance of regional autonomy policies are: first, the absence of a standardized, integrative and comprehensive licensing system; second, the number of various agencies that issue licenses; third, the scattering of licensing regulations in various laws and regulations; and fourth, the issuance of a license is based solely on the purpose of income for government revenue, especially after the enactment of the concept of regional autonomy (Santhy Ainun Adrianty, 2019, pp. 250-262). Another obstacle from the results of Tommy Aditia Sinulingga's study is that there is a lot of coordination here and there, this makes the State Budget (*Anggaran Pendapatan dan Belanja Negara* APBN) unclear, this also makes the manager unable to answer investors if they ask questions beyond the cost of principle licenses and business licenses, what costs will be incurred. (Tommy Aditia Sinulingga, 2018, pp. 188-196)

In order to accelerate investment in Indonesia, and overcome the problems of investment licensing, the central government established the Investment Coordinating Board (*Badan Koordinasi Penanaman Modal* BKPM) which has the task of coordinating the implementation of policies and services in the field of investment based on the provisions of laws and regulations. Investment licensing has undergone a revolutionary evolution with the establishment of an electronic investment licensing system to facilitate the processing of investment licenses. This is expected to provide convenience to investors/business actors. For this reason, the government issued an electronic-based licensing system called Online Single Submission (OSS). Online Single Submission (OSS) is an integrated electronic business licensing system managed and organized by the OSS Institution (Ministry of Investment / BKPM). In the spirit of the Job Creation Law, the OSS system now serves risk-based business licensing. Through the OSS system, business licensing becomes certain, easy, effective, and transparent. Based on the background of the problem above, investment licensing is the scope of public services, this paper will discuss whether Online Single Submission as an effort to facilitate investment licenses in improving public services.

## 2. Method

This paper is the result of normative research with a statutory and conceptual approach. This approach is used to answer the problem of the scope of public service affairs in the investment licensing sector through online single submission. The analysis of legal materials is carried out by conducting an inventory of legal materials, then systematizing the materials obtained. Finally, interpretation of legal materials that have been systematized is carried out, resulting in conclusions as an answer to the problem.

## 3. Result and Discussion

### A. Investment Licensing in the Public Service Sector

Licensing is one form of implementation of the regulatory and control functions owned by the government towards activities carried out by the community. Licensing can take the form of registration, recommendation, certification, quota determination, and permission to conduct a business which usually must be owned or obtained by a company organization or a person before the person concerned can carry out an activity or action (Sutedi, 2017, p. 168). Article 28J paragraph (1) of the 1945 Constitution of the Republic of Indonesia states that everyone must respect the human rights of others in the orderly life of society, nation and state so that the issuance of permits is intended to organize activities in society so as not to reduce the rights of other people in order to make the administration of the state an orderly society, nation and state. A license is one of the instruments needed by the government to control or limit a person's rights to achieve order. Licensing as one of the decisions in the framework of the provisions of the prohibition and or the provisions of the order. This prohibition is not intended to be absolute but to be able to act and control society by issuing permits, especially by linking regulations to the permit (Philipus M. Hadjon, 2002, p. 126)

The provisions of laws and regulations must be in accordance with the principles of state and regional governance, so that government agencies, both central and regional, have their respective authorities or responsibilities in managing their regions. Based on Law No. 23 of 2014 concerning Regional Government, Article 9 point (1) states that government affairs consist of absolute government affairs, concurrent government affairs, and general government affairs. What is meant by absolute affairs is government affairs that are fully under the authority of the central government. There is also what is meant by concurrent government affairs is government affairs that are divided between the central government and provincial and district / city regions where concurrent government affairs submitted to the regions become the basis for the implementation of regional autonomy. Meanwhile, general government affairs are government affairs which are the authority of the President as head of government.

Article 11 of Law No. 23/2014 on Regional Government, concurrent government affairs which are the authority of local governments consist of mandatory government affairs and optional government affairs. The mandatory government affairs are divided into two parts, namely government affairs related to basic services and government affairs that are not related to basic services. In this case, which is the authority of the regional government called mandatory government affairs related to basic services are:

- a. Education;
- b. Health;

- c. Public Works and Spatial Planning;
- d. Public Housing and Settlement Areas;
- e. Public Housing and Settlement Areas. Public housing and residential areas;
- f. Peace, public order, and community protection; and
- g. Social Affairs

The implementation of investment has been delegated in concurrent government affairs to local governments in Law No. 23 of 2014 concerning Regional Government which states that investment issues remain the authority of local governments where the provincial government can provide investment administration services including across districts/cities, and also delegated to district/city governments to provide investment administration services based on the principles of accountability, efficiency, and externality, as well as national strategic interests.

The making and issuance of investment license decree is a governmental legal action. As a legal action, there must be authority granted by legislation or it must be based on the principle of legality. Without the basis of authority, the legal action becomes invalid. Therefore, in terms of making and issuing an investment license, it must be based on the authority granted by the prevailing laws and regulations because without the basic authority, the license decree becomes invalid. The history of Indonesian state administration in the legal aspect of authority, experiencing a system of delegation of authority into two systems, namely the centralization system and the decentralization system.

The state is an organization that contains people and a group of people who have the power to become leaders. Actually, the state is a form of organization that unites various groups of people from different backgrounds. Quoting from the journal *State and Its Functions* (Usman, 2015), the state as an organization of power means that the state is used as a tool for a group of people who have the power to regulate relations between people in the country. Empirically, it always adheres to the system or principle of centralization from birth to the end of life. However, a large and very complicated organization such as the Indonesian State organization cannot only adhere to centralization. If only this principle is adopted, the implementation of a number of government functions cannot be fully effective. Therefore, the principle of decentralization is also needed. The adoption of decentralization does not mean that the principle of centralization is abandoned. As Herbert H. Werlin asserts, decentralization cannot occur without centralization (Budisetyowati, 2009, pp. 33-34).

Every organization is established with centralization first. The centralization is the main principle in the organization. In an organization, there must be a primary source of responsibility, direction, command, and power. The state, as an organization since its birth, adheres to or organizes centralization. Centralization is the main principle of government in a nation-state organization. The Unitary State of the Republic of Indonesia as a nation-state organization first implemented centralization since the proclamation of independence on 17 August 1945. According to Bagir Manan, centralization contains goodness, namely; (Manan, 2001, p. 38).

- a. Centralization lays (the basis) for the political unity of society (*depolitieke eenheid van de gemneenshap*);
- b. Centralization can be a tool to strengthen feelings of unity (*versteking van het saamharigheidsgevoel*);
- c. Centralization encourages unity in the implementation of law. Centralization encourages unity in the implementation of the law (*de eeheid can rechtbeding*);
- d. Centralization leads to a consolidation of power (*bundeling can krachen*);

In certain circumstances, centralization can be more efficient. In general, the government's authority to issue licenses is expressly determined in the legislation on which the licenses are based. However, in its application, according to Marcus Luckman, the government's authority in the field of licensing is discretionary power or in the form of free authority, in the sense that the government is given the authority to consider on its own initiative matters relating to licensing, for example consideration of:

- a. What conditions allow a license to be granted to the applicant;
- b. How to consider these conditions;
- c. The juridical consequences that may arise from granting or refusing a license in relation to the restrictions of the applicable laws and regulations;
- d. What procedures must be followed or prepared at the time and after the decision is given either acceptance or refusal of the license (Lukman, 1996, p. 189).

From the constitutional point of view, decentralization is the delegation of government power from the center to the regions that take care of their own households. Decentralization is only realized if there is a "handover" or *Ionverdragen* of government authority and decentralization of autonomy and assistance tasks (*zelfsbestuur*) (Sirajuddin, 2016, p. 60).

According to C.V. Van Der Pot, constitutional decentralization is divided into two types:

- a. Territorial decentralization (*teritoriale decentralisatie*) delegation of power to regulate and manage its households from each region.
- b. Functional decentralization (*functionale decentralisatie*) the delegation of power to regulate and manage something or some specific interests (Supriatna, 1992, pp. 1-2).

The opinion of C.V. Van Der Pot is in line with Philipus M. Hadjon who states, decentralization means that the authority to regulate and manage government affairs is not solely carried out by the central government, but also by lower government units, both in the form of territorial and functional units. Lower government units are entrusted with and allowed to regulate and manage some government affairs themselves (Hadjon, 1993, p. 111).

According to Rondinelli, decentralization includes deconcentration, devolution, delegation to semi-autonomous institutions (delegation) and delegation to non-governmental institutions (privatization):

- a. Deconcentration is the transfer of workload from the central ministry to its officials in the region. This transfer is not followed by decision authority and discretion to carry it out.
- b. Devolution is the relinquishment of certain functions from the central government to create new government units that are not directly controlled. The purpose of devolution is to strengthen the government unit under the central government by delegating functions and authorities.
- c. Delegation (delegation to semi-autonomous institutions) is the delegation of decision-making and administrative authority to certain organizations that are not under the supervision of the central ministry. Organizations that perform certain functions with somewhat independent authority, for example: SOES.
- d. Privatization (delegation to non-government institutions); the act of granting authority from the government to private entities. For example, BUMN and BUMD that become PT. Chamber of Commerce and industry, cooperatives, NGOs, and other associations (Nurcholis, 2007, pp. 11-13).

The Investment Law determines which government affairs in the field of investment, which are the authority of the central government in terms of centralization are:

- a. investment related to non-renewable natural resources with a high level of risk of environmental damage;
- b. investment in the industrial sector which is a high priority on a national scale;
- c. investment related to the function of unifying and connecting between regions or its scope across provinces;
- d. investment related to the implementation of national defense and security strategies;
- e. foreign investment and investors using foreign capital, originating from the government of another country, based on agreements made by the Government and the government of another country; and
- f. other investment fields which become government affairs according to the law.

The government in exercising authority centrally by organizing it itself, delegating it to the governor as the representative of the government, or assigning the district / city government. In this case the government delegates its authority to the local government by expressly ordered by law, then the delegation of authority is by attribution from the central government to the region. A permit (*vergunning*) based on the concept in Law of the Republic of Indonesia Number 30 of 2014 concerning Government Administration (hereinafter referred to as the AP Law) is a decision of an authorized government official as a form of approval of a citizen's application in accordance with the provisions of laws and regulations. Permission is intended by the lawmaker's desire to achieve a certain order or to prevent bad circumstances (Philipus M. Hadjon, *Pengantar Hukum Administrasi Indonesia*, 2002, p. 3).

Online Single Submission can be implemented due to the delegation of regional authority to the central government, and in this case OSS must have public service standards including the following components; (Peraturan Presiden No. 97 Tahun 2014 tentang Penyelenggara Pelayanan Terpadu Satu Pintu )

- a. legal basis;

- b. requirements;
- c. system, mechanism and procedure/Standard Operating Procedure;
- d. period of completion
- e. cost/tariff;
- f. service product;
- g. infrastructure and facilities;
- h. competence of the executor;
- i. internal supervision;
- j. handling of complaints, suggestions and input;
- k. number of implementers;
- l. service guarantee;
- m. guarantee of service security and safety; and
- n. evaluation of executor performance;

Based on this, the form of public service that is very basic and becomes the duty of the state as well as an effort to achieve state goals is to improve the welfare of the people as stated in the Preamble of the 1945 State Constitution. The scope of public services includes public goods and public services as well as administrative services regulated in laws and regulations. Article 5 paragraph (7) of Law No. 2009 on Administrative Services includes: government administrative actions required by the state and regulated in laws and regulations in order to realize the protection of personal, family, honour, dignity, and property; administrative actions by non-government agencies required by the state and regulated in laws and regulations and applied based on agreements with service recipients.

Permits in the scope of public services are administrative services in the form of government administrative actions required by the state and regulated in laws and regulations in order to realize personal, family, honour, dignity and property protection. Based on the legitimacy of government actions in issuing permits, the elements of validity can be analyzed with 3 (three) things, namely authority, substance and procedure. Authority as a core concept in State Administrative Law and Constitutional Law as public law which consists of at least 3 (three) components including influence, legal basis and legal conformity (Hadjon, Tentang Wewenang, 2009, p. 23).

## **B. Online Single Submission as an Effort to Simplify Investment License in Improving Public Service.**

The presence of the OSS System is not an exaggeration if it is stated that various obstacles in obtaining investment licenses can be cut down various bureaucratic chains that have been considered as obstacles in obtaining licenses. However, it is less favorable with the spirit of building starting from the regions. Regional heads need to improve public services needed by the community, especially business people. As for the importance of the presence of investment in the region, it can be seen from various studies that have been conducted by various parties, among others as stated by Delly Mustafa, the implementation of good licensing services will be a driving force for the progress of the regional economy (Mustafa, 2012, p. 57).

Based on the above, there has not been a harmonization of policies between regional leaders in encouraging the creation of a conducive investment climate. Harmonious legal products at the central and regional levels provide legal certainty in the implementation of licenses. If these two things are achieved, the permit processing process becomes more certain and efficient. Furthermore, economic growth in the regions will be boosted, because the investment climate is getting better with the simplification of licenses (Damanik, 2015). To curate regulations, the Omnibus Law can be a solution to hyperregulation towards synchronization and harmonization of laws and regulations. (Azhar, 2019)

For this reason, the presence of the state through the granting of licenses becomes very substantial, namely as a preventive measure. Here it can be seen how the state is present through the legal institution of licensing to provide protection, as stated by Nuriyanto A Daim, the purpose of licensing services is to control business activities carried out by the community and protect other people in the surrounding environment who may be affected by business activities (Daim, 2019, p. 10). Advances in technology and information have become a solution in fulfilling aspects of transparency, accountability and participation through online networks, especially in service delivery, allowing for the availability of data and information in government agencies that can be analyzed and utilized quickly, accurately and safely (Hardiyansyah, 2011, p. 20).

The use of the OSS system is certainly different from the offline licensing process through the One Stop Integrated Service (PTSP), where so far the One Stop Integrated Service (*Pelayanan Terpadu Satu Pintu* PTSP) still has a number of weaknesses. In the online single submission system, all licenses from the central level to the regions become one unit and support each other (Kusumaningsih, 2021). Business licensing services now go through different stages from the previous year because the system used is an online system through the OSS website or Electronic Business Licensing System, in fact there are still problems that exist in licensing on Online Single Submission (OSS).

The implementation of public services carried out by the government to date is still faced with an ineffective and inefficient government system and the inadequate quality of human resources or apparatus. This can be seen from the many complaints and complaints from the public both directly and through the mass media (Surjadi, 2011, p. 40). The Online Single Submission system, which is implemented by the central government through the Investment Coordinating Board, is a mandate from the local government, whereas normally the mandate is given based on structural positions from superiors to subordinates. Borrowing a term from Philipus M Hadjon, it can be said that there has been legal smuggling in using the mandate as a license issuance to avoid a lawsuit against the OSS institution. Electronic licensing services require a common perception from all parties. In addition, it is necessary to prepare technological devices that are ready to be operated at any time. If all parties are ready, then the presence of government regulations on electronic services can be a solution in overcoming investment licensing problems. On the other hand, it could be that the presence of OSS services becomes a new problem in licensing, the obstacle is because the permit is a state administrative decision.

The authority delegated from the local government to the OSS institution is actually unclear what kind of authority figure exists in this online single submission (OSS) system. Conceptually, the authority to issue permits through the online single submission (OSS) system is confusing, even though the invalidity of the authority in a permit results in the permit being null and void. This is because licensing is the object of a State Administrative Decision. Article 1 point 7 and point 8 Jo. Article 87 of the Government Administration Law, the object of dispute in the form of a decision is expanded to a decision in the form of a written determination and an action in the form of a concrete action. Licenses include decisions that have the potential to cause legal consequences.

The object of dispute in Law No. 51 of 2009 concerning the Second Amendment to Law No. 5 of 1986 concerning State Administrative Courts (hereinafter referred to as the State Administrative Courts Law) in the form of a decision is regulated in Article 1 point 9, which can be described as follows: a. Written stipulation; b. Issued by a State Administrative Agency or Official; c. Contains State Administrative legal action; d. Based on the applicable laws and regulations; e. Based on the applicable laws and regulations; e. Based on the applicable laws and regulations. Based on the applicable laws and regulations; e. concrete, individual, and final; f. causing legal consequences for a person or civil law entity.

Based on this article, important points can be underlined to assess the object of dispute over a written decision, which is intended for ease of proof but is not limited to the formal form of a decision (Indroharto, 1993, p. 163). In addition to the need for a written form, the "stipulation" clause indicates the content of the legal relationship stipulated in the relevant state administrative decision, which can be in the form of: obligations to do or not to do something or to leave something alone, granting a subsidy or assistance, granting a license and granting a status (Indroharto, 1993, p. 164).

*Secondly*, issued by a state administrative body or official, to measure a state administrative body or official, it is seen from the implementation of the function at the time of the state administrative action. In addition, it is not limited to official agencies within the government, but includes institutions outside the executive and even the private sector (Indroharto, 1993, p. 165). *Third*, state administrative legal action based on applicable laws and regulations, that a legal action by a state administrative body or official is carried out based on the regulations in force when the decision is issued. In addition, the state administrative legal action is a decision that creates, or determines the binding or elimination of an existing state administrative legal relationship (Indroharto, 1993, p. 171). The clause of state administrative legal action carried out based on laws and regulations is in accordance with one of the principles in government administration, namely the principle of legality (the principle of *wetmatigheid van bestuur*).

*Fourth*, it is concrete, individual and final, that a decision must be tangible and can be determined. The individual meaning can be interpreted, that the decision is aimed at a person or civil legal entity with an interest and not aimed at the general public. The final meaning is that it must have been discontinued with other decisions and the legal effects caused and intended by issuing the written determination must have been a certain legal effect (Indroharto, 1993, p. 173). *Fifth*, legal consequences for persons and civil legal entities, that cause a change in the atmosphere of existing legal relations (Indroharto, 1993, p. 174).

Supreme Court Circular Letter No. 4/2016 on the Implementation of the Formulation of the Agreement of the 2016 Plenary Meeting of the Supreme Court Chamber as Guidelines for the Implementation of Duties for the Courts states that "final in a broad sense" is a State Administrative Decree that has caused legal consequences even though it still requires approval from superior agencies or other agencies (for example: licensing on investment facilities by the Investment Coordinating Board (BKPM), investment permits, etc.). So, it can be understood that basically a KTUN is final and has legal consequences, meaning in a broad sense that there is approval from other agencies.

Philippus M. Hadjon argues that based on the legal consequences, a license is described as a decision that creates law, with the granting of a license a certain legal relationship arises. (Hadjon, *Pengantar Hukum Administrasi Indonesia (Introduction to the Indonesian Administrative Law)*, 1993, p. 7) In line with Adrian Sutedi, who classifies permits as constitutive decrees, namely decrees that create new rights that were not previously owned by someone whose name is listed in the decree (*beshikkingen welke iets toestaan wat tevoren niet geoorloofd was*) (Sutedi, 2017, p. 180).

Chapter XII of the Investment Law regulates the Coordination and Implementation of Investment Policy, Article 27 paragraph 1 states that the government coordinates investment policy, both coordination between government agencies and Bank Indonesia, between government agencies and local governments, and between local governments. The coordination of investment policy implementation is carried out by the Investment Coordinating Board, in which case the head of BKPM is directly responsible to the President. From the above provisions, it is clear that BKPM is authorized by way of mandate.

BKPM is also regulated in Presidential Regulation No. 64 of 2021 concerning the Investment Coordinating Board, on the basis of which BKPM issued Investment Coordinating Board Regulation No. 3 of 2021 concerning the Electronic Integrated Risk-Based Business Licensing system regarding Online Single Submission after the Job Creation Law, previously OSS was regulated by Government Regulation No. 24 of 2018 which fundamentally changed the system for issuing investment licenses in Indonesia.

Based on the concept of the division of central and regional government affairs, Article 12 paragraph (3) of Law No. 23 of 2014 concerning Regional Government mentions trade and industry as a form of concurrent government affairs in the form of optional government affairs. With the Online Single Submission, it is as if the authority to issue investment licenses has been transferred to the central government entirely, while in Article 13 of Law No. 23 of 2014 concerning Regional Government, the division of concurrent government affairs between the central government and regional governments is based on the principles of accountability efficiency, and externality as well as national strategic interests.

Mandate is the assignment of tasks between mandans (mandate givers) to mandataris (mandate recipients) to on behalf of carrying out state administrative decision actions. Responsibility remains with the mandate giver. As stipulated in Article 1 point 24 of Law No. 30 of 2014 concerning Government Administration, a mandate is a delegation of authority from higher government bodies and/or officials to lower government bodies and/or officials with responsibility and accountability remaining with the mandate giver.

Government agencies and/or officials obtain a mandate if: a) assigned by a higher government agency and/or official; and b) is the implementation of routine tasks. Officials who carry out routine tasks consist of: a) daily executors who carry out routine tasks of definitive officials who are temporarily absent; and b) task executors who carry out routine tasks of definitive officials who are permanently absent. Government agencies and/or officials may give mandates to other government agencies and/or officials who are subordinate to them, unless otherwise specified in the provisions of laws and regulations.



The agency and/or government official receiving the mandate must mention on behalf of the agency and/or government official giving the mandate. The government body and/or official who gives the mandate may use the authority granted through the mandate by themselves, unless otherwise specified in the provisions of laws and regulations. In the event that the exercise of authority based on a mandate causes ineffectiveness in governance, the government agency and/or official who obtains authority through a mandate is not authorized to make strategic decisions and/or actions that have an impact on changes in legal status in the aspects of organization, staffing, and budget allocation. Government agencies and/or officials who obtain authority through a mandate the responsibility for authority remains with the mandate giver.

OSS as an electronic public service resembles E-Services, which is a method of providing services by utilizing information and communication technology where public servants no longer meet directly (seemless) with citizens who use services (Holle, 2011, p. 25). The development of information and communication technology (ICT) has brought great influence, especially for government organizations. The development of information technology has forced government organizations to carry out massive transformations in order to always provide the best service to the community. The changes are not only in service products, but also in organizational structure and management.

In developed countries, e-gov is the result of the transformation of the mechanism of bureaucratic interaction with the public which has become more friendly. Likewise, in developing countries, many policy makers believe that clean, authoritative, and transparent government can be realized through e-government (Indrajit, 2002, p. 34). OSS is present in public services in the licensing sector as well as in investment services to facilitate business actors or investors, both domestic investment and foreign investment. One of the objectives of OSS is to provide quality public services that meet the principles of good governance.

#### 4. Conclusion

The making and issuance of capital investment license provisions is an act of government law. As a legal action, there must be authority granted by laws and regulations or must be based on the principle of legality, the authority of the local government based on Law No. 23 of 2014 concerning Local Government comes from Delegation while BKPM based on Law No. 25 of 2007 concerning Investment is obtained through Mandate, OSS has been categorized as providing an increase in public service but the obstacle is finished when it has obtained a Business Identification Number (NIB). Even though there are still many commitments that must be fulfilled to be able to run the business. If socialization can be improved, OSS services will have a better impact but related to OSS institutions that issue permits will provide legal consequences if there are TUN consequences.

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