

# Analysis of licensing law on business services based on the Online Single Submission (OSS) system

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## Abstract

**Purpose:** The purpose of this research is to examine the analysis of business licensing through OSS after the issuance of Government Regulation Number 24 Year 2018 and to analyze the perspective of OSS licensing implementation in the licensing system at PTSP Batam City.

**Research Methodology:** The research method used in this research is normative research method by involving analysis of legal regulations, policies, and legal instruments related to applicable laws and regulations.

**Results:** The result of the research shows that licensing before PP No. 24 Year 2018 was manual and took too long to process, licensing after PP No. 24 Year 2018 is effective can be online and can take place at any time of registration. For legal protection for business actors by adjusting the license to OSS so as not to lose money in order to establish relationships with third parties. Because there are no strict sanctions for business actors who do not make adjustments to OSS.

**Implementation:** The existence of overlapping regulations and the non-realization of certainty of authority governing licensing between the regulations of the Regional Government Law, the Investment Law and PP Number 24 of 2018.

**Keywords:** *Legal Analysis, Business Licensing, Online Single Submission System (OSS)*

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## 1. Introduction

Online Single Submission (OSS)-based licensing has not maximally broken the bureaucratic chain and provided convenience in obtaining business licenses. Convoluting regulations and procedures are the biggest obstacle for business actors in obtaining ease in obtaining licenses. This motivates the author in making thesis research related to licensing of business services based on the Online Single Submission (OSS) system both in terms of norm setting, implementation of licensing law and factors that become obstacles in business licensing, especially at the Batam City One-Stop Investment and Integrated Service Office.

The Government of Indonesia is trying to cut the complicated and long bureaucratic process by issuing Presidential Regulation Number 91 Year 2017 on the Acceleration of Business Implementation. Then followed by the emergence of the Online Single Submission (OSS) system which is regulated in Government Regulation Number 24 of 2018 concerning Electronically Integrated Business Licensing Services. Furthermore, in 2020 Law Number 11 of 2020 concerning Job Creation (UUCK) was enacted,

with the aim of creating a quality business and investment climate for business people, including MSMEs and foreign investors.

The form of licensing must be prepared in such a way that the government does not have to bear a loss caused by uncontrolled community economic activities. Micro, Small and Medium Enterprises (MSMEs) are one of the pillars of the people's economic power that is able to expand employment and play a role in equitable distribution and increase in people's income, encourage economic growth, and realize national stability. As an effort to improve the ability and role of MSMEs, Law Number 20/2008 on Micro, Small and Medium Enterprises was formulated.

The implementing regulations of the Job Creation Law that are directly related to business licensing, namely: Government Regulation No. 5 of 2021 on the Implementation of Risk-Based Business Licensing, Government Regulation No. 6 of 2021 on the Implementation of Business Licensing in the Regions, Government Regulation No. 7 of 2021 on the Ease, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises, and Presidential Regulation No. 10 of 2021 on Investment Business Fields.

A business permit is an official document from an authorized agency, which states the legality/permission of a person or entity to conduct a certain business or activity. Apart from being a formal requirement, a license is a guarantee of legal certainty and strong evidence when MSME business actors experience a legal problem. MSME business actors are required to fulfill these requirements in order to obtain business legality and be able to compete in the free market era, but it is a problem because not a few business actors do not have a business license.

Various problems faced by MSMEs in Indonesia, including: lack of qualified human resources, unfavorable investment and business climate, lack of guidance and coaching from related parties, low technology, lack of capital resources, traditional management, inadequate infrastructure, difficulty in obtaining raw materials, difficulty in obtaining business licenses or legal materials and difficulty in marketing the products produced (Diantha & Sh, 2016)

The government answered this problem by issuing Government Regulation Number 7 of 2021 concerning Ease, Protection and Empowerment of Cooperatives and MSMEs. It is a question for the community, how to obtain the right to ease, protection and empowerment of MSMEs (Mwesigwa, Bogere, & Anastassova, 2021).

In the existing regulations and laws and regulations, there are no legal problems, but there is synchronization and harmonization between these regulations, but on the other hand, it is contrary to social facts. It is an expectation for every public service institution/organization to realize services that can provide public satisfaction in the sense of fast, precise, fair and transparent services. With the development of the world of information technology, which has now developed a lot, many government agencies have improved the quality of their services by utilizing this technology in the governance order (Zabartih & Widhiarso, 2022).

Starting from the local government to the central government has been integrated with the e-government system, one of the objectives is to increase effectiveness and efficiency in the implementation of government tasks and service delivery to the community and existing stakeholders (Waluyo, 2015). including the Batam City Investment and One-Stop Integrated Service Office (DPMPTSP). The Batam City One-Stop Integrated Investment and Service Office (DPMPTSP) is one of the Regional Apparatus Organizations (OPD) of Batam City that contributes to driving the economy and development growth in Batam City in particular and Riau Islands Province in general.

This is reflected in the vision, mission and main tasks and functions of DPM and PTSP of Batam City Government. The establishment of the Batam City Investment and One-Stop Integrated Services Agency (DPM and PTSP) is based on the Local Regulation of Batam City Number 10 of 2016

concerning the Organization Structure and Work Procedures of Regional Technical Institutions and other institutions within the Batam City Government, dated December 09, 2016.

As one of the agencies that acts as an extension of the government in the development of Batam City, it will continue to strive and be committed to providing services to the community and the business world for economic growth and community welfare in this region to increase. as a form of commitment of the Batam City one-stop integrated service and investment office that contributes to the development of Batam city so that the flow of investment into this region continues to increase with transparent and excellent licensing services.

The duties of DPMPTSP are to lead, organize, formulate, guide, control, coordinate and be accountable for technical policies for the implementation of regional government affairs based on the principles of autonomy and assistance tasks in the Field of Investment and One-Stop Integrated Services in accordance with their authority. Function of DPMPTSP Formulation of technical policies in the Field of Promotion, Legal Materials and Information, Control Supervision and Complaints of Investment and Licensing, Economic and Social Licensing, Development and Environmental Licensing Sector Implementation of government affairs and public services in the Field of Promotion, Legal Materials and Information, Control Supervision and Complaints of Investment and Licensing, Economic and Social Licensing Sector, Development and Environment Licensing Division Guidance and implementation in the field of promotion, legal materials and information, supervision of control and complaints of investment and licensing, economic and social licensing, development and environment licensing Division Guidance and implementation in the field of promotion, legal materials and information, supervision of control and complaints of investment and licensing (Hafsah, 2004).

The implementation of Online Single Submission (OSS) is considered to still have many shortcomings. This program was officially launched in 2018, with the hope of providing ease of doing business (Pramono & Nopritama, 2020), especially in terms of licensing to investors who want to invest in all regions of Indonesia. As its legal umbrella, the government issued Government Regulation Number 24 of 2018 concerning Electronically Integrated Business Licensing Services. The concept carried in this PP is to change the previous licensing regime by issuing a Business Identification Number (NIB), Business License, and Location Permit (without commitment) at the beginning. Then basic commitments such as IMB, Environmental Permit (AMDAL), and other permits are fulfilled in stages according to the time period regulated in the PP OSS (Sutedi, 2010).

OSS comes in the form of a platform, meaning that licensing can be handled online. Because the spirit is convenience, business actors only need to enter files and choose the type of business and type of license that is available in OSS, then the files will be distributed to all regions in Indonesia (Hadjon, 1993). But in fact, the implementation of OSS is not as easy as imagined. The OSS application is considered incomplete in providing the types of businesses and licenses available in Indonesia, and the issue of systems that are not fully integrated with the regions (Dokku & Kandula, 2021).

Some of these obstacles were found by the Committee for Monitoring the Implementation of Regional Autonomy (KPPOD). KPPOD conducted a one-year evaluation study of OSS implementation. In KPPOD's findings, the Executive Director of KPPOD that there are at least three main problems in the implementation of OSS, namely from the regulatory aspect, system aspect and governance aspect.

Based on the above background, the author is interested in researching and writing the results in a scientific journal entitled "Analysis of Licensing Law Against Business Services Based on the Online Single Submission (OSS) System". From the background of the problems described above, the problems to be discussed are as follows:

1. How is the implementation of licensing law with the Online Single Submission System (OSS)?
2. What factors are the obstacles that hinder the licensing law with the Online Single Submission (OSS) System?

## 2. Research methodology

The research method is an effort or effort made by researchers by studying, responding, analyzing a problem (Pramono & Pratama, 2020). To produce an answer or solution to the problem to be studied. Then compiled in a scientific data (Marlia, Ridwan, & Priatna, 2018). The research method used in this research is the normative research method (Suriasumantri, 1993) by involving the analysis of legal regulations, policies, and legal instruments related to licensing with the Online Single Submission (OSS) System (Sikder, Rana, & Polas, 2022).

The data sources used in this research are secondary data consisting of primary legal materials which are a collection of related laws and regulations, secondary legal materials consisting of literature books (Parela, 2022), articles, and papers related to the issues studied, and also tertiary legal materials consisting of legal dictionaries, encyclopedias, and so on (Emmanuel, 2022).

The approach method used is empirical juridical which consists of field research conducted through a series of interviews with respondents and informants related to the object of research (Kurikulum). And also library research, which is research that seeks to explore theories that have developed in the field of science related to a problem of methods, as well as research techniques that have been used by previous researchers, obtain a broader orientation in the selected problem and avoid unwanted duplication by leading to the development of existing concepts and facts (Riza, 2023).

The analysis of legal materials used in this research uses research data obtained in the field and then qualitative analysis is carried out. Legal materials analyzed qualitatively will be described in the form of descriptions systematically by explaining the relationship between various types of legal materials, then all legal materials are selected and processed and then analyzed descriptively so that in addition to describing and revealing the legal basis it can also provide a clear picture as a whole and solutions to problems (Parameshwara & Riza, 2023).

## 3. Results and discussions

### 3.1 *Legal Implementation of licensing with the Online Single Submission System (OSS)*

Limited Liability Companies that have obtained authorization from the Minister of Law and Human Rights can register business licenses using the Online Single Submission system (hereinafter abbreviated as OSS). Since 2018, the Central Government has issued new regulations regarding electronic/online integrated business licensing services through OSS based on Government Regulation Number 24 of 2018 concerning Electronically Integrated Business Licensing Services 24 of 2018.

PP Number 24 of 2018 states that company registration, both individuals and non-individuals, must be carried out through the OSS system (Pramono & Indriyani, 2019). So, since the implementation of the electronic integrated business licensing system mentioned above, business actors do not need to take care of company registration or other business licenses manually, but must be done online through the OSS system. Every business actor who carries out business activities within the territory of the Unitary State of the Republic of Indonesia is required to submit applications for licenses and non-licenses through the OSS system.

Business licensing based on Article 1 paragraph (4) of Government Regulation Number 24 of 2018 is a registration given to business actors to start and run a business and/or activity and is given in the form of approval as outlined in a decision letter or fulfillment of requirements and/or commitments (Napitupulu, 2007). The OSS Institution for and on behalf of the minister, head of the Institution, governor, or regent/mayor issues the Business Licenses as intended, in the form of electronic documents in accordance with the provisions of laws and regulations in the field of information and electronic transactions.

According to PP No. 24/2018, the company register must now be done first before applying for a business license and commercial or operational license. Ownership of a Business Identification Number (hereinafter referred to as NIB) is a requirement for the provisions of Article 25 paragraph (1) of

Government Regulation Number 24 of 2018, which states "NIB as referred to in Article 24 is a business identity and is used by Business Actors to obtain Business Licenses and Commercial or Operational Licenses including to fulfill the requirements for Business Licenses and Commercial or Operational Licenses".

So from the information described in the article, it is very clear that in order to obtain a business license and company operational license, the company must first have a NIB, which is obtained by registering in the OSS system. NIB ownership is an obligation as well as an official identity (Putra & Herawati, 2017), which must be fulfilled if the company wants to submit applications related to business licenses and commercial and operational licenses for the certainty of business activities carried out by the company.

In the Online Single Submission system, there are several qualifications for adjusting the articles of association, a Business License is a license issued by the Online Single Submission institution for and on behalf of the minister, head of institution, or regent/mayor after the Business Actor has registered and to start a business and/or activity until before commercial or operational implementation by fulfilling the requirements and/or commitments. Steps to obtain a business license:

- a. State the commitment to complete the prerequisite permits, i.e. Location Permit, Environmental Permit, IMB, or other business license requirements (if required).
- b. OSS issues the Business License.
- c. Receive notification from OSS that the Business License has been activated after the business actor has fulfilled the commitments of Location Permit, Environmental Permit/SPPL, Building Construction Permit, Certificate of Occupancy, and other business license requirements and has made payment (if required).

Business Development is a situation where a Business Actor develops its business by adding capacity or expanding business activities. A new business license is not required if the business actor continues to operate in the same line of business in the context of business development. The changes that occur are more technical in nature and are not related to changes in the company's articles of association. Business Development Provisions:

1. If the business development by adding capacity is still in the same regency/city, the Business Actor only needs to update the business development information in the OSS system.
2. If the business development causes an expansion of the business area either in the same or different regencies/cities, the Business Actor is obliged to fulfill the provisions of the requirements for Location Permit, Environmental Permit, Building Construction Permit (IMB), and Certificate of Good Function (SLF) at the location of the new business development, in accordance with the mechanism described above.
3. Change or Update of company data. Company Data Update is an activity to change the company data components listed in the articles of association. This change process is facilitated by a notary.

Based on the flow of issuing a Business Identification Number (NIB), the Business Actor first logs in to the Online Single Submission system. Then fill in the required data such as company data, shareholders, capital ownership, investment value, and plans for the use of labor, including foreign workers. Next, fill in the business field information in accordance with the 5-digit Indonesian Standard Business Field Classification (KBLI), in addition to the 2-digit Indonesian Standard Business Field Classification (KBLI) information already available at the General Legal Administration.

All Limited Liability Company business activities that require adjustments to business activities from the OSS system are required for the Business Actor to adjust the deed so that the Limited Liability Company continues to exist to carry out business activities. Due to the difference in the number of digits used in the 2020 Indonesian Standard Business Field Classification (KBLI), changes are made to the licenses used by Business Actors.

This can hamper business activities for Business Actors, such as the example described by the notary when a company that wants to carry out a large tender is currently required to register in the OSS system.

Meanwhile, for small business activities that do not require OSS registration or adjustment to date, it does not really affect if the company does not adjust its business activities.

There are problems in the OSS system, one of which is the difference between KBLI 2020 and KBLI before 2020, which lies in the number of digits. Regarding the difference in Limited Liability Company data in the Legal Entity Administration System (SABH) with the OSS System of the Coordinating Ministry for Economic Affairs because the OSS System uses KBLI 2020 while SABH uses KBLI before 2020 which results in data mismatches between the Ministry of Law and Human Rights and the Coordinating Ministry for Economic Affairs so that the impact cannot be processed NIB in the OSS System.

In addition to adjusting the Limited Liability Company Establishment Deed, the process of inputting data into the General Legal Administration system must also be considered. Because this process is within the authority of the Notary making the Deed of Establishment of the Limited Liability Company, business actors must ensure that the KBLI code inputted by the notary is in accordance with the business activities carried out by the company and is in accordance with KBLI 2020..

The lack of synchronization between regulations and technical systems in SABH and the OSS database causes a dilemma for notaries. There are still many revisions and improvements needed in each regulation and technical system in SABH, in order to provide legal certainty for business actors, third parties and provide clarity to notaries in carrying out their positions. Companies or business actors are required to have an NIB in order to carry out export / import activities, are required to register with the Directorate General of Customs and Excise in order to obtain customs access and business actors who want to apply for credit to the Bank, it is required that they have adjusted the articles of association to facilitate credit applications. If business actors do not make adjustments to the new OSS system, the credit application process will stop and cannot be processed (Pudyatmoko, 2009).

It is also direct that if the adjustment of a PT that changes the articles of association is not corrected through SABH because the adjustment of the PT to apply for a license to OSS only needs to withdraw data through SABH, then business actors who run a business in the form of a PT cannot adjust their company's licenses, and PTs also cannot cooperate with third parties, so that such things cause the PT to have no identity and also have no public legality.

Guarantee to the company for the continuity of its business activities The urgency of having legality in a limited liability company includes:

1. Providing legal certainty in business, legal certainty emphasizes concrete regulations (laws and regulations) and governance based on law (in this context, laws and regulations). This is closely related to the principle of legality adopted by Indonesia as a state of law. In the context of the legality of company operations, the principle of legality emphasizes the implementation of business activities by individuals and business entities based on the law. The principle of legality in this context, including the ownership of business licenses and operational permits, proves the legitimacy of the implementation of business activities in accordance with the provisions regulated by law. In relation to the legality of the company, the legality of the PT business provides legal certainty to the company to carry out its business activities based on the provisions of the applicable positive law (in this case the PT Law and other relevant laws and regulations), through the ownership of business licenses which include IMB, SITU, SIUP, TDP, NIB, and others. If a company has legality, of course it reflects that the legitimacy of the company has been officially recognized by the government, in addition to the real business activities carried out by the PT in the field of trade and/or services. The legality of PT also provides validity that the purpose, objectives, and business activities of the company are in no way contrary to the provisions contained in the laws and regulations, public order, and decency.
2. Providing rights and obligations in legal traffic, with the ownership of the company's institutional legality (in this context the ratification of the status of PT as a legal entity), giving PT legal rights and obligations in accordance with its position as a legal subject. Thus, PT has the ability to perform legal acts as long as they do not conflict with laws and regulations, decency, or public interest.

Examples include making agreements with third parties, filing a lawsuit in court in the event of a dispute, and others. The legalization of a PT's status as a legal entity also relates to the competence of which court has the authority to examine, hear and decide in the event of a dispute.

Business actors who already have a business license, for example, retail trade in various kinds of goods, mainly food, beverages, or tobacco, not in supermarkets / minimarkets (traditional) with a valid SIUP license and do not develop their business, do not need to register licensing in OSS to obtain a NIB. However, if the business actor conducts business development, for example adding a liquor sales business that requires an Alcoholic Beverage Trading Business License (SIUPMB), the new business license must be done through the OSS system.

With a note that the business field already exists in the aims and objectives stated in the company's deed of establishment. In addition to business development, in practice, the need for an NIB may be urgent. For example, when the company will expand in the form of export and import of goods. Because, NIB also applies as an Importer Identification Number (API) and customs access rights. To carry out export and/or import activities, business actors must register with the Directorate General of Customs and Excise to obtain customs access. In the customs registration process, business actors must have a NIB.

### ***3.2 Factors that become Legal Obstacles to Licensing with the Online Single Submission (OSS) System***

Article 20 of GR No. 24/2018 states that registration is part of the implementation of business licensing along with the issuance of business licenses and the issuance of commercial or operational licenses based on commitments. As for the granting of commercial or operational licenses based on the provisions of Article 84 paragraph (5) of Government Regulation Number 24 Year 2018, the article must be carried out the process of fulfilling commitments. The fulfillment of commitments is carried out to conduct business and/or activities in accordance with the business license or commercial or operational license that has been issued.

If the license applicant fails to fulfill the commitment, it will cause legal uncertainty for the applicant. The business license issued through the OSS system not only suffers from substance defects (does not fulfill the elements of validity as a government action) as previously explained. That based on the first validity related to the authority of the source of authority obtained by the OSS institution comes from government regulations, this has violated the authority component, especially the legal basis.

The Government Regulation legitimizing the OSS was not made with the approval of the people's representatives. The authority of the OSS institution obtained through the legitimization of the Government Regulation is invalid because it violates the legal basis component of authority. The invalidity of the authority in a license results in the license being null and void. Currently, the local government complies with the OSS mechanism on the basis of the principle of unitary state, but the conditions on the ground show the weakness of Government Regulation No. 24/2018, which contradicts several rules, including the rules in Law No. 23/2014.

The invalidity of the authority in a permit results in the permit being null and void. The dilemma of whether or not the decision issued by the OSS institution through the OSS system is valid causes legal uncertainty for license applicants. Meanwhile, based on GR No. 24/2018, the registration authority owned by the relevant authorities in accordance with the laws governing them is transferred from the relevant ministries to the Ministry of Law and Human Rights.

The issuance of GR No. 24/2018 has also raised legal issues from the aspects of the formation and hierarchy of laws and regulations, namely whether GR No. 24/2018 fulfills the legality of its formation. From the normative aspect, it needs to be studied from the regulatory aspect, namely Law No. 12/2011 on the Formation of Laws and Regulations (hereinafter Law No. 12/2011).

According to Article 1 point 2 of Law Number 12 Year 2011, what is meant as laws and regulations are: Written regulations that contain legal norms that are binding in general and are formed or stipulated by state institutions or authorized officials through procedures stipulated in laws and regulations.

From the hierarchy of laws and regulations, PP No. 24/2018 is a regulation that is below the 1945 Constitution, MPR Decrees, and Laws. In addition to examining the hierarchical aspect, it is also necessary to examine the normative aspects of the formation of laws and regulations in Indonesia. Based on Article 1 point 1 of Law Number 12 of 2011, the formation of laws and regulations is the making of laws and regulations which includes the stages of planning, preparation, discussion, ratification or stipulation, and enactment. The formation of these laws and regulations must pay attention to the principles of the formation of good laws and regulations.

To resolve the norm conflict, it is necessary to refer to Hans Kelsen's Stufenbau Theory. Electronic Registration of Business Entities after the issuance of Government Regulation Number 24 of 2018 also explains that norms (including legal norms) are tiered and layered in a hierarchical arrangement, where a lower norm applies, is sourced and based on a higher norm. Higher norms apply, are sourced and based on higher norms, and so on until a norm that can be traced further and is hypothetical and fictitious, namely the *grundnorm* (basic norm).

All norms that ultimately rest on the same *grundnorm*, will build a system of norms (and in turn also a legal system) that is intact. Specifically related to Government Regulations, Article 12 of Law Number 12/2011 states that the content material of Government Regulations contains material to implement the law properly. The Explanatory Memory of Article 12 explains that what is meant by "running the law as it should be" is "the stipulation of Government Regulations to implement the orders of the Law or to carry out the Law as long as necessary without deviating from the material regulated in the Law concerned".

So it is clear that the meaning of carrying out the law must meet the criteria of carrying out the orders of the law or carrying out the law. This means that if the law is interpreted from the aspect of legal certainty, then the existence of PP No. 24/2018 has violated it. However, if the law is seen from another aspect, namely expediency, then the existence of this Government Regulation still gains legitimacy. Therefore, it can be concluded that the position of Government Regulations is below the Law, which in this case is Law Number 23 of 2014 concerning Regional Government and that the content material of Government Regulations contains material to carry out the law properly, while this Government Regulation does not get the mandate.

Of these principles, the most relevant principles related to the issuance of Government Regulation No. 24/2018 are the principles of order and legal certainty and the principles of balance and harmony. Observing these principles, the issuance of Government Regulations must also pay attention to the principles of order and legal certainty, so that the issuance of Government Regulations can provide order and legal certainty, instead of causing uncertainty and legal uncertainty in its application. In the juridical concept, legal certainty contains two main components, namely consistent legal rules and consistent application of the law. If it is observed that the business license in the OSS system comes from a consistent rule of law, namely getting legitimacy from PP Number 24 of 2018, but the question is whether the business license is a consistent application of law or not. With a system that obtains a permit first and then completes the commitment, there is a form of inconsistent application of the law because if the business license holder does not fulfill the commitment as the deadline has been determined, then the business license can be canceled by the OSS institution as stipulated in Article 40 of PP No. 24/2018.

According to N.M.Spelt, that by setting conditions, certain legal effects are dependent on the occurrence of an event in the future that is not certain. Uncertainty about the moment at which a condition is fulfilled, can be a cause of legal uncertainty. The contradiction referred to according to Fuller's Theory between existing laws and regulations related to the implementation of the OSS Regulatory system, several rules that conflict with PP No. 24 of 2018 include the division of government affairs that has



been rigidly regulated in Law No. 23 of 2014 and its attachments, the issuance of licenses as concurrent affairs is an authority that is not only owned by the central government but also owned by the provincial government and district / city governments, the presence of PP No. 24 of 2018 seems to take over regional authority to be implemented by the OSS Institution.

Then in terms of the use of the mandate principle in Law Number 30 of 2014 clearly states that the authority comes from superiors to subordinates, but in PP Number 24 of 2018 the authority comes from the regional government even though there is no hierarchical relationship between the regional government and the OSS Institution.

And the electronic issuance of business licenses stipulated in the Appendix to PP No. 24/2018 must be carried out through the OSS Institution for and on behalf of the minister, head of institution, governor, or regent/mayor. This provision does not eliminate BKPM's authority to coordinate and implement PTSP. Government Regulation No. 24/2018 has provided a definition of PTSP, but has not regulated it more clearly. This has resulted in confusion in its implementation considering that PTSP is an institution designated in Article 25 paragraphs (4) and (5) of Law Number 25 Year 2007.

The institution that oversees the OSS, regardless of whether the license is processed for operational license or commitment, must be processed by PTSP. If the business actor has not carried out his operational license and commitment after 1 year, the business actor's company will be frozen as referred to in Article 81 of PP No. 24/2018. lower laws and regulations contradict those above, then the regulations can be demanded to be canceled or null and void. This means that lower regulations must not contradict higher-level laws and regulations.

#### 4. Conclusion

Based on the discussion related to the problem, the following conclusions can be drawn:

1. The business licensing system before and after the issuance of PP Number 24 of 2018 concerning integrated business licensing services through Online Single Submission, namely the implementation procedure before the enactment of PP Number 24 of 2018, company registration is carried out manually and is ineffective or takes too long. Meanwhile, after the enactment of PP Number 24 of 2018, business actors can easily register their companies. In addition, business actors also have more effective and efficient time in registering their companies. All required requirements can be accessed on the OSS page so that everything can be done online wherever and whenever business actors are without having to come to the Batam City PTSP license registration office manually.
2. Legal protection of business actors who do not adjust business licensing through Online Single Submission after the issuance of PP No. 24 of 2018 concerning electronically integrated business licensing services, namely weak laws and regulations do not regulate legal protection for business actors who do not adjust. In the amendment to the Articles of Association if it is not ratified by the Minister, the PT cannot move and will not be accepted by third parties, but the impact on the PT is the same as not living even though it is not dissolved.

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