

Improvement of Public Service in the Establishment of Digital-Based Individual Limited Liability Companies Through Online Single Submission

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ABSTRACT

Public services for government officials are expected to be able to answer the challenges of global developments, moreover the current issue and civilization move, has bring technology forward limitless and timeless. Thus, the proper public services is highly coveted by the public, including the permitting process (business) as a corporate and individual legal entity. The presence of government policies through several regulations when establishing a company legal entity for (Individual PT) is an acceleration in increasing the capacity of business actors, especially MSE's so that they can compete proportionally and professionally. This study uses a qualitative method with an analytic descriptive approach. Deregulations and convenience in the process of applying permit for companies (Individual PT) by the government through an online system or digitalization (online single submission), making government officials adaptive and responsive in carrying out their duties as public servants, so that the principle of good service has automatically been fulfilled in accordance with the good governance principles. Thus improving the quality of public services which is a priority for the government in increasing the competitiveness of business actors, especially MSE's which has an impact on improving the nation's economy can be accomplished. The existence of a continuity of roles between the government and the society has resulted in acceleration in realizing the concept of a welfare state, as a sovereign, fairness and prosperous country, based on strengthening the people's economy.

Keywords: *Public Service Enhancement, Individual PT, Digitalisation (OSS), & Good Governances.*

INTRODUCTION

The convoluted bureaucracy in government when providing public services significantly shapes the public's perception of the performance of public officials in executing their duties and functions. While it is understood that the responsibilities of the government extend beyond just public service, the prevailing stigma and paradigm focus primarily on this aspect. Administrative functions will be effective and efficient if the community, as the service recipients, receives clear information and a straightforward process or procedural flow.

The issuance of simple and rapid permits has become a cornerstone for the government, through the Ministry of Investment, to provide fast-track services for prospective investors and business actors looking to engage in business activities in Indonesia. (Asikin and Suhartana 2016)¹ The principle of ease of doing business and the emergence of the Job Creation Law serve as the foundation for adopting the Omnibus Law concept, which simplifies and eliminates convoluted bureaucratic processes in each sectoral regulation that governs overlapping requirements, as well as the lack of an integrated provision within a single service between the central government and local governments. The solution lies in its policy; based on digitalization, an integrated licensing system known as the Online Single Submission (OSS) has been established.

According to Law No. 6 of 2023 regarding the Ratification of Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation, commonly referred to as the Job Creation Law, efforts are outlined for simplifying the Business Licensing System by implementing a Risk-Based Business Licensing approach. This standard approach is based on an analysis of the risk levels associated with business activities, aimed at determining the types of business licenses required, as well as establishing the appropriate level of quality and frequency of oversight. Business Licensing and Oversight are tools used by both the central and local governments. The risk-based approach necessitates a change in mindset (management change), a transformation in the operational processes of licensing services (business process change), and a reconfiguration of the business licensing process within an electronic system.²

The spirit underlying the omnibus law concept is not to reduce the authority of local governments (recentralization) within the licensing framework, but rather to strengthen the public service functions of the government and relevant stakeholders by adopting

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²Chewaka, Jetu Edosa. *Introducing Single Member Companies in Ethiopia: Major Theoretical and Legal Considerations*, Hamburg: Anchor Academic Publishing, 2016, h.29.

the concept of “positive fiction.” Thus, when local governments are deemed “slow” in processing applications from the public, the central government will promptly take over the issuance process once all Norms, Standards, Procedures, and Criteria (NSPK) have been met by the license applicant.³ This means that the primary goal of realizing bureaucratic reform in the field of licensing is increasingly becoming a reality.

This concept can simplify and make the issuance of business licenses more effective, as not all businesses are required to have a license. It can also lead to more organized oversight, both in terms of the time required for supervision and the substance being monitored. Based on the licensing framework, risks are categorized into four levels: low risk, moderately low risk, moderately high risk, and high risk. For business activities classified as low risk, only a Business Identification Number (NIB) is needed as a licensing requirement. For moderately low risk activities, an NIB and a declaration of compliance with the Standard Certificate are required. For moderately high risk activities, the prerequisites include an NIB and a verified standard certificate. Finally, for high-risk activities, a verified license is necessary.

The state has a crucial responsibility to fulfill the basic rights and needs of every citizen through public services, as mandated by the Constitution. Efforts to build public trust in these services are vital, aligning with the expectations and demands of all citizens and residents who seek improvements in public service quality. The rights and obligations of every citizen and resident must be affirmed, and it should be understood that the state and public officials bear the responsibility for delivering public services. To achieve this, efforts focused on enhancing public service quality and ensuring its provision in accordance with the principles of good governance are necessary. Additionally, supportive legal regulations are crucial. These regulations aim to protect every citizen and resident from potential abuse of power in the administration of just governance.

Currently, the delivery of public services faces challenges in aligning with the needs and changes occurring across various aspects of community, national, and state life. These challenges may arise from an unpreparedness to face wide-ranging value transformations and the impacts of complex development issues. Broad value transformations encompass significant changes in social, economic, and cultural values within society. The provision of public services must adapt to these value changes to remain relevant and provide optimal benefits to the community.

The new order of Indonesian society in the aftermath of the Covid-19 pandemic is confronted with various expectations and global challenges driven by advancements in fields such as science, information, communication, transportation, investment, and

³ Irujo, J.M. Embid, *The Groups of Companies in Spanish Law*, Chapter inside Eddy Wymeersch (ed), *Group of companies in the EEC: "A Survey Report the Law relating to Corporate Gropus in Various Member States"*, Berlin, 2013, h.123-140.

trade. This rapid change and shift in values (disruption) must be addressed wisely through sustainable development measures across various aspects to build public trust and achieve national development goals. In this context, it is essential to have a conceptual framework for public service systems that includes values, perceptions, and behavioral references that can realize human rights in accordance with constitutional mandates. Public services based on this concept are expected to meet the aspirations and objectives of national goals.

One concept that needs consideration is the ease of obtaining permits for establishing businesses, particularly for individual limited liability companies (PT Perorangan). This initiative aims to enhance the capacity and access of micro, small, and medium enterprises (MSMEs) in navigating the post-Covid-19 economic landscape. During the pandemic, it was evident that MSMEs demonstrated resilience and adaptability in the face of economic downturns. Thus, focusing on this concept will help strengthen the MSME sector, which in turn can positively impact recovery and overall economic development following the Covid-19 pandemic.

Based on the background above, this research will discuss how to enhance the quality of public services based on the principles of good service in the establishment of individual limited liability companies (PT Perorangan). The key to successfully improving service quality lies in having responsive communication and transparent information that is accessible to anyone, anywhere. Thus, the implementation of the licensing concept through Online Single Submission, as a digital reform of the previously sectoral licensing processes in each local government via the One-Stop Integrated Service (PTSP), is still perceived as not optimal. With this renewed concept, it is hoped that the principles of good service can be realized in accordance with the principles of good governance.

RESEARCH METHOD

This research on improving the quality of public services in the establishment of individual limited liability companies (PT Perorangan) through OSS utilizes a qualitative descriptive-analytical approach. The study employs secondary data analysis, which refers to the analysis of data previously collected by others.⁴ (Donnellan & Lucas, 2015). The secondary data used in this research comes from various sources, such as the Ministry of Investment Coordination, the Ministry of Law and Human Rights, the Central Statistics Agency, legislative regulations, and academic papers.

Additionally, the study relies on various references from legal regulations, mass media, relevant journal articles, and other credible and accountable sources. The data analysis in this research adopts the Miles and Huberman approach, which consists of three

⁴ Niwele, Alva Viere, Fioren Mataheru, dan Iqbal Taufik *Penanggulangan Penambangan Emas Illegal, SANISA: Jurnal Kreativitas Mahasiswa Hukum* 1, No. 2, 2021, h.98.

processes: Data Reduction, Data Display, and Verification (Conclusion Drawing). This approach was selected as it is deemed most appropriate and feasible for conducting an in-depth examination of the research problem⁵ (Hamzah, 2019). By using secondary data analysis and the Miles and Huberman method, this study aims to provide a deeper and more comprehensive understanding of the issues being investigated.

RESULTS AND DISCUSSION

In order to expedite and enhance investment and business operations, a revision of the business licenses issued by ministries/agencies and local governments is necessary. This aims to ensure that these licenses support business development and activities rather than hinder them. This reorganization involves changes in the service system and regulations to align with the needs of the business world, technological advancements, and global competition.⁶ In the context of reorganization, particularly regarding the One-Stop Integrated Service (PTSP), changes are made in accordance with the provisions of Article 25 paragraph (4) of Law No. 25 of 2007 on Investment. This law stipulates that companies wishing to invest must obtain licenses in accordance with applicable regulations from the relevant authorities, unless otherwise specified in the law. Furthermore, paragraph (5) states that PTSP is responsible for providing licensing services for these businesses and activities. Therefore, PTSP at both the central and local government levels has been enhanced to be more efficient, responsive, and modern.⁷

One significant change is the introduction of the Electronic Integrated Business Licensing Service System (Online Single Submission). This system aims to simplify the licensing process by integrating various business licenses into a single online platform. With the implementation of this system, it is expected that the licensing process will become faster, more transparent, and more efficient, thereby promoting investment and business growth in Indonesia.⁸

Through the Online Single Submission (OSS) system, business operators can register and manage their business licenses, commercial permits, and/or operational permits in

⁵ Maulana Muhammad, *Peran Pemerintah Dalam Upaya Penanggulangan Tambang Emas Ilegal Di Desa Lamunga Kecamatan Taliwang Kabupaten Sumbawa Barat*, Universitas Muhammadiyah Mataram, 2019, h.89.

⁶ Hendri Raharjo, *Hukum Perusahaan*, Cetakan Ke-1, Penerbit Pustaka Yustisia, Yogyakarta, 2009, h.112.

⁷ Alex Roney, *EC/EU Fact Book*, 6 Edition, London, 2010, h.21.

⁸ Ahmad Yani dan Gunawan Widjaja, *Seri Hukum Bisnis: Perseroan Terbatas*, Raja Grafindo Persada, 2006, h.54.

an integrated manner. OSS provides a unified platform that consolidates these various licenses, facilitating the licensing process for business operators.⁹

The existence of the OSS also facilitates local governments in issuing business licenses submitted by business operators effectively and efficiently. With an integrated and electronic-based process, the time and costs associated with licensing can be reduced, thereby providing a boost to business and investment growth. To support the OSS system, a restructuring of regulations related to investment and business operations is necessary. This restructuring aims to provide the legal basis required for the integrated and electronic issuance of business licenses.¹⁰ Furthermore, this reorganization seeks to consolidate licenses and other requirements that were previously scattered across various regulations for business operators. With a more structured and integrated regulatory framework, it is anticipated that the licensing process will become more transparent, accessible, and efficient for business operators. This can enhance investment attractiveness in Indonesia and promote overall economic growth.

Furthermore, in terms of technical implementation, the refinement of regulations is governed by the issuance of Government Regulation No. 24 of 2018 concerning the Electronic Integrated Business Licensing Service, which stipulates provisions regarding:

1. Types, applicants, and issuers of business licenses;
2. Implementation of business licensing;
3. Business licensing sector reforms;
4. The OSS system;
5. OSS institutions;
6. OSS funding;
7. Incentives or disincentives for the implementation of business licensing through OSS;
8. Resolution of issues and obstacles in business licensing through OSS;
9. Sanctions.

The Covid-19 pandemic that emerged at the end of 2019 had significant global impacts (International Business Publication USA, 2010). Its effects extended to various aspects of community and state life, severely impacting global economic development (World Bank Group, 2020). In Indonesia, the pandemic resulted in an economic contraction of 2.07% compared to 2019, with the Micro, Small, and Medium Enterprises (MSMEs)

⁹Telly Muriany & Ruhunlela, Victor S, *Reformasi Birokrasi Dalam Pelayanan Publik*, Vol.2, No 1. Jurnal Public Policy, DOI: <https://doi.org/10.51135/PublicPolicy.v2.i1.p1-20>, 2021, h.98.

¹⁰ Wulandari Rezki, A.Sri, *Dinamika Sistem Online Single Submission (OSS) Sebagai Solusi Kebijakan Perizinan Usaha Berbasis Risiko Terhadap Terpenuhinya Pelayanan Publik*, Vol.10, No.2. Jurnal Petitum. DOI: <https://doi.org/10.36090/jh.v10i2.1291>, 2022, h.108.

sector being one of the most severely affected. However, in a press release dated October 1, 2022, the Coordinating Ministry for Economic Affairs of the Republic of Indonesia stated that MSMEs play a crucial role in Indonesia's economic growth. MSMEs account for 99% of the total business units in Indonesia, contribute 60.5% to the Gross Domestic Product (GDP), and absorb 96.9% of the national workforce. Despite experiencing a decline in the early years of the Covid-19 pandemic, MSMEs continue to hold a vital role in the nation's economy.

To address the impacts of the Covid-19 pandemic, the government implemented various strategies through strategic policies. Some of the programs initiated include the National Economic Recovery Program (PEN) and the Proudly Made in Indonesia (BBI) program. Additionally, the government has enacted policies through the Job Creation Law and various Government Regulations (PP), such as PP No. 5 of 2021 concerning Risk-Based Business Licensing, PP No. 6 of 2021 concerning Regional Business Licensing Implementation, PP No. 7 of 2021 concerning the Facilitation, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises, and PP No. 10 of 2021 concerning Investment Business Fields. Through these various policies and programs, the government hopes to accelerate economic recovery and support MSMEs as the backbone of Indonesia's economy in facing the challenges posed by the Covid-19 pandemic.¹¹

The policy of easing business operations for all economic actors in Indonesia is actualized through the facilitation of licensing services, particularly for MSMEs in establishing legal entities, exemplified by the individual limited liability company (PT Perorangan). Previously, establishing a legal entity in the form of a Limited Liability Company (PT) required more than one founder and the creation of a Notarial Deed. However, under the provisions of Article 153A and Article 153B of Law No. 6 of 2023 concerning the Ratification of Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation, the individual limited liability company allows for the establishment of a legal entity by a single individual without the need for a notarial deed.¹² Additionally, the digitalization of licensing enables MSME operators to register independently via the website <https://ahu.go.id>, selecting the "Individual Limited Liability Company Registration Application" menu icon, or directly accessing <http://ptp.ahu.go.id>.

In the policy regarding the establishment of individual limited liability companies (PT Perorangan), the facilitation applies only to business operators who meet the

¹¹ Wieky Rusmanto, *Pelayanan Publik Berbasis Digital Pasca Pandemi Covid-19 di Kota Bandung*, Vol. 6, No 4, Jurnal Ilmu Sosial dan Pendidikan, DOI: <http://dx.doi.org/10.58258/jisip.v6i4.3904>, 2020, h.185.

¹² Harijadi Kartodihardjo, *Di Bawah Satu Payung: Pengelolaan Sumber Daya Alam*, Suara Bebas, Jakarta, 2005, h.37.

qualifications as Micro, Small, and Medium Enterprises (MSMEs). According to PP No. 7 of 2021, MSMEs are classified as follows:

1. **Micro Enterprises:** Productive businesses owned by individuals and/or individual business entities that meet the criteria for Micro Enterprises as regulated in the Government Regulation.
2. **Small Enterprises:** Independent productive economic activities conducted by individuals or business entities that are not subsidiaries or branches of enterprises owned, controlled, or directly or indirectly part of Medium or Large Enterprises, and that meet the criteria for Small Enterprises.
3. **Medium Enterprises:** Independent productive economic activities conducted by individuals or business entities that are not subsidiaries or branches of enterprises owned, controlled, or directly or indirectly part of Small or Large Enterprises, with net assets or annual sales figures that meet the criteria for Medium Enterprises.

Therefore, to enjoy the benefits of the policy regarding the establishment of PT Perorangan, business operators must meet one of the three criteria above as MSMEs. Thus, the MSME qualification will serve as the basis for obtaining facilitation in the licensing process for establishing an individual limited liability company.

To determine whether an MSME falls into the category of micro, small, or medium enterprises, MSMEs are classified based on capital or annual sales criteria. According to PP No. 7 of 2021, the criteria for each category of MSMEs are as follows:

Tabel 1. Business Capital Excluding Land & Building

Category	Capital Maximum	Annual Sales
Micro Enterprises	s/d Rp.1.000.000.000,00	s/d Rp.2.000.000.000,00
Small Enterprises	>Rp.1.000.000.000,00 s/d Rp.5.000.000.000,00	>Rp. 2.000.000.000,00 s/d Rp.15.000.000.000,00
Medium Enterprises	>Rp.5.000.000.000,00 s/d Rp.10.000.000.000,00	>Rp. 15.000.000.000,00 s/d Rp.50.000.000.000,00

Source: Government Regulation No. 5 of 2021 concerning Risk-Based Business Licensing Implementation.

The establishment of an individual limited liability company (PT Perorangan) is carried out by a single founder who is an Indonesian citizen, at least 17 years old, and legally competent¹³ (Paul Omar, 2009). The process of establishing an individual limited liability company is based on a declaration of establishment made in Indonesian, which must include the following information:

1. **Company Name:** The declaration must state the name of the individual limited liability company to be established. The name must be unique and not identical to that of any existing company or business entity.
2. **Type of Business:** The declaration must explain the type of business or economic activity that the individual limited liability company will engage in. This type of business must comply with activities permitted by applicable laws and regulations.
3. **Company Address:** The declaration must include the address of the individual limited liability company. This address can be the founder's residence or the business address where the company will operate.
4. **Authorized Capital:** The declaration must specify the amount of authorized capital to be contributed by the founder for establishing the individual limited liability company. This authorized capital will serve as the basis for determining the number of shares to be issued.
5. **Number of Shares:** The declaration must state the number of shares to be issued by the individual limited liability company. These shares will represent ownership and capital in the company.
6. **Share Ownership Plan:** The declaration must explain the plan for share ownership, detailing how the shares will be owned by the founder and how ownership will be distributed if new founders are added in the future.
7. **Founder's Name and Identity:** The declaration must include the full name and complete identity of the founder, including their residential address, identification number, and other relevant information.
8. **Dissolution Procedure:** The declaration must also outline the procedure for dissolving the individual limited liability company if necessary in the future.

All of the above information must be clearly and accurately articulated in the declaration of establishment of the individual limited liability company (PT Perorangan). Once this declaration is prepared and meets all the requirements, the founder can proceed with the registration process and other preparations for establishing the individual limited liability company in accordance with applicable laws and regulations. Subsequently, after the applicant completes the necessary information, the declaration of establishment is registered online through the electronic portal with the Minister of Law and Human Rights (Menkumham) to obtain an

¹³ Aziz, Noor Muhammad. *Urgensi Penelitian Dan Pengkajian Hukum Dalam Pembentukan Peraturan Perundang-Undangan*, Jurnal Rechts Vinding: Media Pembinaan Hukum Nasional 1, No. 1 April 30, 2012, h.17.

electronic registration certificate. Flow of requirements and procedures for establishing an individual limited liability company (PT Perorangan):

1. **Preparation of Declaration:**
 - Gather required information.
 - Draft the declaration in Indonesian.
2. **Review and Finalization:**
 - Ensure all details are accurate and comply with regulations.
 - Finalize the declaration.
3. **Online Registration:**
 - Access the electronic portal (e.g., <https://ahu.go.id>).
 - Submit the declaration of establishment.
4. **Processing by Ministry:**
 - The Ministry of Law and Human Rights reviews the submission.
5. **Issuance of Registration Certificate:**
 - Upon approval, receive the electronic registration certificate.
6. **Additional Requirements:**
 - Complete any further obligations as required by law, such as tax registration or business licenses.

This flow ensures a streamlined and efficient process for establishing an individual limited liability company, facilitating ease of doing business for entrepreneurs.



FIGURE 1: REQUIREMENTS FOR ESTABLISHING AN INDIVIDUAL LIMITED LIABILITY COMPANY (PT PERORANGAN)

Source: www.ahu.go.id



FIGURE 2: FLOWCHART OF THE REGISTRATION PROCESS FOR AN INDIVIDUAL LIMITED LIABILITY COMPANY (PT PERORANGAN)

Source: www.ahu.go.id

Digitalization of licensing is an essential requirement for the government to fulfill its duties and functions in realizing a developed nation, as conceptualized in the welfare state framework¹⁴ (Commission of The European Communities, 2019). The Job Creation Law, which adopts the Omnibus Law concept under the leadership of President Joko Widodo, serves as a booster for government officials to accelerate efforts in reforming bureaucracy amid various dynamics, obstacles, and challenges, all of which are proportionate to opportunities as Indonesia transitions from a developing

¹⁴ International Business Publication USA, *United Kingdom Business Law Handbook* (Volume 1: Strategic Practical Information and Contact). Wahington: International Business Publication USA, 2010, h.198.

to a developed nation¹⁵. With support from his ministers, the Ministry of Investment/Investment Coordinating Board has opened investment channels wide through the portals www.oss.go.id and www.ina.go.id. Downstream industry has become a focal point in enhancing Indonesia's economy, with restrictions on the export of raw materials and minerals aimed at achieving greater self-sufficiency. Additionally, the government is focused on developing the micro, small, and medium enterprises (UMKM) sector. UMKM players are encouraged through various policy facilities such as simplified licensing (PT Perorangan & OSS), tax incentives, and digital promotion assistance for products aimed at international markets (Braun Susanne, 2009).

In carrying out governmental duties and functions, the government must have a legal basis and consider sociological and philosophical aspects.¹⁶ Therefore, it is essential to understand that the presence of bureaucratic reform related to digital-based services is grounded in the principles of good governance, which serve as a foundation for providing timely services, clear procedures, and costs that adhere to established service standards and legal regulations. The principles of good service are articulated in Article 10, paragraph (1), letter h of Law No. 30 of 2014 concerning Public Administration, which outlines the elements of good service principles, including¹⁷:

1. Providing services that are timely, with clear procedures and costs;
2. Adhering to service standards;
3. Complying with legal regulations.

From the elements mentioned above, it can be understood that the principles of good service encompass indicators such as service speed, clarity of procedures, and standardized costs that align with legal regulations. These principles serve as the foundation for delivering effective and efficient public services. Moreover, in the context of governance, good governance or the Principles of Good Governance (AUPB), as defined by L.P. Suetens, are guidelines that must be followed by executive, legislative, and judicial bodies in performing their tasks and functions. The principles of AUPB form part of public law regulations that are regarded as formal sources of law in administrative law. Although these principles often involve unwritten legal aspects, they play a crucial role in the practice of good governance.

In carrying out their governmental duties, state administrative officials (Tata Usaha Negara or TUN) must adhere to the principles of good governance (AUPB). This aims

¹⁵ Soekardono, *Hukum Dagang Indonesia: Jilid I (Bagian Pertama)*, Cetakan ke-9, Jakarta, 2002, h.89.

¹⁶ Siti R. Zuhro, *Good Governance dan Reformasi Birokrasi di Indonesia*, Vol.7 No. 1. Jurnal Penelitian Politik. DOI: <https://doi.org/10.14203/jpp.v7i1.507>, 2010, h.210.

¹⁷ Ahmad Yani dan Gunawan Widjaja, *Loc.Cit*, h.65.

to ensure that governance operates transparently, accountably, efficiently, and responsively to the needs of society. By implementing good governance, the government can more effectively manage state administrative affairs and provide quality public services to the community. In legal doctrine, the principles of good governance are categorized into two groups: procedural principles and substantive principles, as explained by Adrian Sutedi¹⁸ (2005). In relation with Procedural Principles: These focus on the policy-making process and governance management. Some procedural principles in good governance include:

1. **Obligation of Impartiality:** Government officials must act neutrally and without bias in policy-making or decision-making processes.
2. **Right to Defense:** Every individual or party affected by a policy has the right to defend themselves and to express their opinions or protests.
3. **Obligation to Give Reasons:** Policymakers are required to provide clear and rational justifications for the decisions or policies they adopt.

By adhering to these procedural principles, governance can be conducted in a manner that respects individual rights and promotes public trust.

Further more about Substantive Principles: These relate to the content or substance of the policy itself. Several substantive principles in good governance include:

1. **Principle of Equality:** Policies must respect the fundamental rights of every individual and ensure equality before the law.
2. **Legal Certainty:** Policies should be clearly and definitively regulated, allowing the public to understand the consequences of such policies.
3. **Prohibition of Abuse of Power:** Government officials must avoid abusing authority or exceeding the limits of their granted powers.
4. **Duty of Care:** Policymakers should act carefully and consider the impacts of policies on society as a whole.
5. **Principle of Reasonableness:** Policies must be based on rational considerations and sufficient evidence, rather than arbitrary or unfounded reasoning.

By adhering to these substantive principles, governance can be more equitable, transparent, and effective, ultimately fostering public trust and societal well-being.

By implementing these principles, the government can establish a system that is more transparent, accountable, equitable, and responsive to the interests of society as a

¹⁸ Adrian Sutedi, *Buku Pintar Perseroan Terbatas*, Cetakan Ke-1, Raih Asas Sukses, Jakarta, 2005, h.69.

whole. This is essential for ensuring effective governance and the delivery of high-quality public services.

CONCLUSION

Indonesia is currently transitioning from a developing country to a developed nation (welfare state); therefore, several bureaucratic reforms, including licensing reforms, are necessary. The COVID-19 pandemic, as an era of disruption, has become a momentum for the acceleration and enhancement of digital-based licensing. Various policy instruments and regulations have been employed by President Joko Widodo to expedite the government's performance for national economic recovery. The government has been responsive in providing public services to support entrepreneurs, especially micro, small, and medium enterprises (MSMEs), to revive the national economy that had experienced a downturn due to lockdowns during the pandemic. Through the digital portal Online Single Submission (www.oss.go.id), MSME actors are facilitated in establishing a Sole Proprietorship (PT Perorangan) by registering online independently after obtaining an electronic registration certificate from the Minister of Law and Human Rights via www.abu.go.id.

The implications of bureaucratic reform through the implementation of licensing digitization reflect an improvement in the quality of public services in the economic sector. As a rule of law country, this must be based on and conducted in accordance with the principles of good service as stipulated in Article 10, paragraph (1), letter h of Law No. 30 of 2014 on Public Administration, so that the principles of good governance, fundamental to all developed countries (welfare states), can operate within the corridors and objectives for which authority is granted to public officials. Ultimately, this collective hope and aspiration can be realized in a synergistic, harmonious, and sustainable manner.

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