



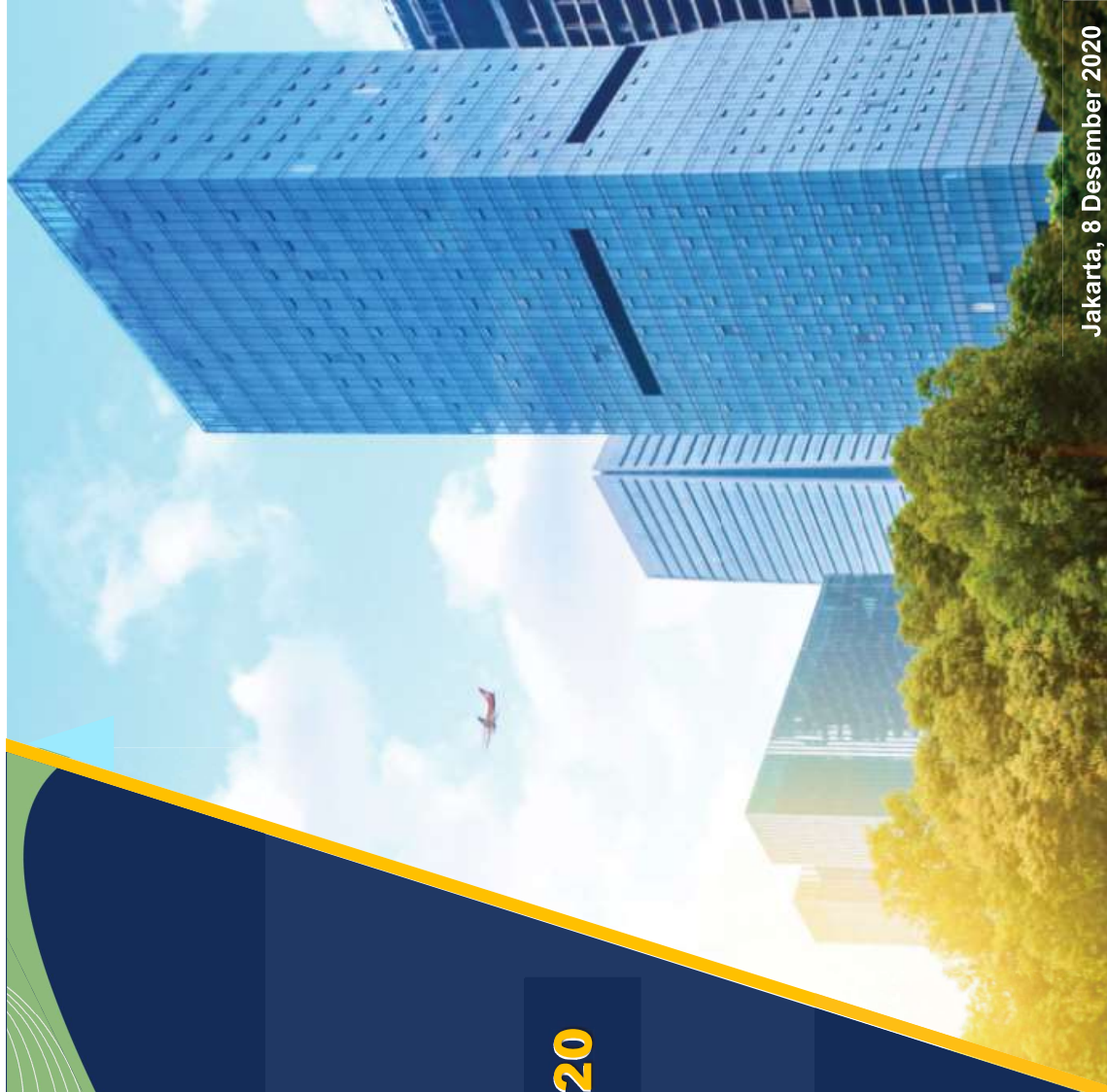
COORDINATING MINISTRY
FOR ECONOMIC AFFAIRS
REPUBLIC OF INDONESIA

PUBLIC CONSULTATION AND OUTREACH REGARDING THE IMPLEMENTATION OF LAW 11/2020 ON JOB CREATION

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Deputy Minister for International Economic Cooperation,
Coordinating Ministry of Economic Affairs

Jakarta, 15 Desember 2020



Jakarta, 8 Desember 2020

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Issues to be discussed

Strategic sectors related to (1) Taxation, (2) Environment, (3) Ease of Doing Business, (4) Investment Priority List, (5) Special Economic Zone, and (6) Sovereign Wealth Fund.

1

Taxation

In line with the objectives of creating jobs. Increased investment, voluntary compliance, legal certainty and better business climate will also increase tax revenue.

2

Environment

The Law stipulates environmental requirement approval for business licensing and ease of investment requirements in the forestry sector.

3

Ease of Doing Business

The Law simplify regulations to create a better and conducive business climate and provide legal certainty. It aims at greater ease of doing business, stronger economy, and more job opportunities by simplifying business licensing.

4

Investment Priority List

The government provides positive sentiment to the business world by establishing a more open business sector regulatory policy. The Government continues to close certain business fields based on international conventions and certain principles

5

Special Economic Zone (SEZ)

SEZ is facilitated for investment. There are 15 operating SEZs dispersed from the West to the East of Indonesia endowed with geo-economic and geo-strategic advantages.

6

Sovereign Wealth Fund (SWF)

SWF regulates public funds and invests them in a wide and varied range of assets for profit. State can form investment institutions where State assets can be optimized to be used as a source of funds for future economic development, particularly by attracting long-term investment.



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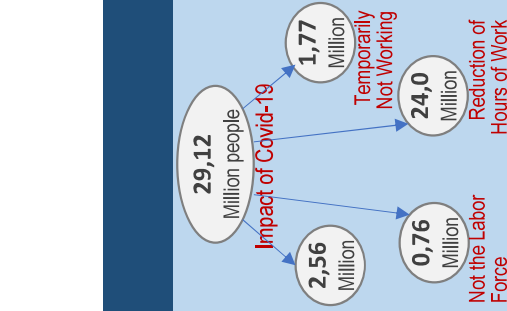


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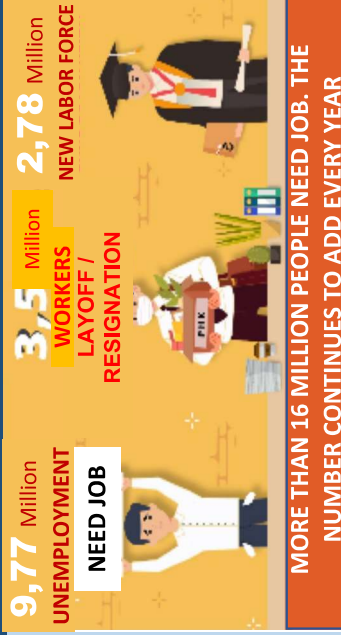


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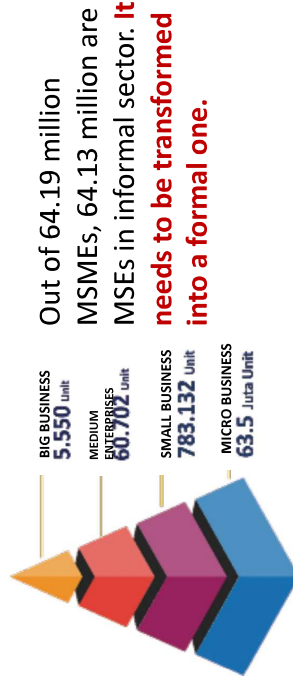
Law on Job Creation: To Encourage Job Creation and Facilitate the Establishment of New Businesses while Encouraging National Economic Recovery



MANPOWER



MSMES



REGULATION

Complicated Licensing, central and regional **hyper-regulations** that lead to overlapping, non-operational and sectoral disharmony

LAW ON JOB CREATION

SUBSTANCE

1. IMPROVING INVESTMENT ECOSYSTEM
2. BUSINESS LICENSING
3. MANPOWER
4. SUPPORTING MSMEs
5. EASY OF DOING BUSINESS
6. RESEARCH & INNOVATION
7. LAND PROCUREMENT
8. ECONOMIC ZONE
9. CENTRAL GOVERNMENT INVESTMENT & PSN ACCELERATION
10. GOVT' ADMINISTRATION
11. SANCTIONS IMPOSITION

BENEFITS

- 1 Encouraging Job Creation through Ease of Doing Business
- 2 Facilitating the Establishment of New Businesses, Empowering MSMEs
- 3 Eradicating Corruption by Simplifying Business Licensing



PRESIDEN
REPUBLIK INDONESIA

SALINAN

UNDANG-UNDANG REPUBLIK INDONESIA

NOMOR 11 TAHUN 2020

TENTANG

CIPTA KERJA

DENGAN RAHMAT TUHAN YANG MAHA ESA

PRESIDEN REPUBLIK INDONESIA,

- Memimbang :
- a. bahwa untuk mewujudkan tujuan pembentukan Pemerintah Negara Indonesia dan mewujudkan masyarakat Indonesia yang sejahtera, adil, dan makmur berdasarkan Pancasila dan Undang-Undang Dasar Negara Republik Indonesia Tahun 1945, Negara perlu melakukan berbagai upaya untuk memenuhi hak warga negara atas pekerjaan dan penghidupan yang layak bagi kemartabatan melalui cipta kerja,
 - b. bahwa dengan cipta kerja diharapkan mampu menyerap tenaga kerja Indonesia yang seluas-luasnya di tengah persaingan yang semakin kompetitif dan tuntutan globalisasi ekonomi;
 - c. bahwa untuk mendukung cipta kerja diperlukan penyesuaian berbagai aspek pengaturan yang berkaitan dengan kemudahan, perlindungan, dan pemberdayaan koperasi dan usaha mikro, kecil, dan menengah, peningkatan ekosistem investasi, dan percepatan proyek strategis nasional, termasuk peningkatan perlindungan dan kesejahteraan pekerja;
 - d. bahwa pengaturan yang berkaitan dengan kemudahan, perlindungan, dan pemberdayaan koperasi dan usaha mikro, kecil, dan menengah, peningkatan ekosistem investasi, dan percepatan proyek strategis nasional, termasuk peningkatan perlindungan dan kesejahteraan pekerja yang tersebar di berbagai Undang-Undang sektor saat ini belum dapat memenuhi kebutuhan hukum untuk percepatan cipta kerja sehingga perlu dilakukan perubahan;

e. bahwa . . .

LAW ON JOB CREATION: CHRONOLOGICAL

BACKGROUND

was promulgated on 2 November 2020. Mandatory public discussion is stipulated in Law 12/2011

1. Bill drafting involved stakeholders and related parties. Its legal making by Omnibus Law Method was in accordance with Law 12/2011 on the Formation of Laws and Regulations.
2. The Job Creation Bill was listed in 2020 National Priority Legislation (Prolegnas).
3. Presidential Letter was submitted to the House of Representatives on 7 February 2020 and was received by the Speaker of the House on 12 February 2020
4. Discussion on the Bill at the Legislation Body of the House had been conducted since 14 April 2020 through 64 meetings broadcasted live on Parliament TV and social media channels, and openly attended by the media.
5. Public participation in discussions was also involved. For example, National Tripartite discussions for the Labor cluster were attended by elements of Labor Unions and elements of employers such as KADIN/Apindo through 9 meetings between 8 July to 23 July 2020.
6. Currently, the Government is formulating 44 Implementing Regulations of the Law consisting of 40 Draft Government Regulations (RPP) and 4 Draft Presidential Regulations (RPERPRES). The drafting of the implementing regulations openly involves relevant stakeholders. The draft RPP & Rperpres can be accessed via website link www.uu-ciptakerja.go.id.

Implementing Regulations Drafting

- Implementing Regulations of the Law:
 - New Government Regulations (GR) and President Regulations (PR).
 - Amendments of the existing GR and PR.
- Integration and simplification of regulations → No more long bureaucracy, administrative barriers and new costs.
- GR of Norms Standard Procedure Provisions for Business Licensing including 18 Ministries or Institutions → integrated into 1 GR (previously partial by each Ministries/Institutions)
- Minimizing delegation of regulations to the Ministers or Heads or Regional Government, to maintain standardization (Regulations of the Minister or Heads of Regional Government are limited to internal technical guidelines)

NO	MINISTRY/INSTITUTION	DGR	DPR	TOTAL
1	Coordinating Ministry of Economy Affairs	6	2	8
2	Ministry of Manpower	4		4
3	Ministry of Environment and Forestry	3		3
4	Ministry of Finance	5		5
5	Ministry of Agrarian Affairs and Spatial Planning	5		5
6	Ministry of Public Works and Housing	1	2	3
7	Ministry of Agriculture	1		1
8	Ministry of Maritime Affairs and Fisheries	1		1
9	Ministry of Energy and Mineral Resources	1		1
10	Ministry of Industry	1		1
11	Ministry of Trade	1		1
12	Ministry of Transportation	1		1
13	Ministry of Health	1		1
14	Ministry of Cooperative and Small Medium Enterprise	1		1
15	Ministry of Law and Human Rights	3		3
16	Ministry of Internal Affairs	1		1
17	Ministry of Villages, Disadvantaged Regions, and Transmigration	1		1
18	Ministry of Religious Affairs	2		2
19	Ministry of Communication and Informatics	1		1
Total		40	4	44

Draft of GR and PR can be downloaded and given input by link below:

www.uu-ciptakerja.go.id/category/draft-rpp/



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The screenshot shows the official website for the Law on Job Creation Portal. At the top, it displays the title 'PORTAL RESMI UU CIPTA KERJA' and 'Informasi Sepuluh UU Cipta Kerja'. Below this, there are several news articles with headlines such as 'Serap Aspirasi atas Kebijakan Pajak Daerah dan Retribusi Daerah Dalam Rangka Mendukung Kemudahan Berusaha dan Layanan Daerah' and 'RPP Penyelenggaraan Perizinan Berusaha di Daerah'. The website also features a 'Useful Links' section with categories like 'Peta', 'Informasi', 'O & A', 'Kontak Kami', and 'Kontak'. At the bottom, there is a copyright notice: 'Copyright © 2020 Portal Resmi UU Cipta Kerja - All Rights Reserved.'

1. Information about the Law

- Copy of Law No. 11 of 2020 on Job Creation
- Academic Paper of Bill on Job Creation
- Infographic on Drafting Stages of Bill on Job Creation

2. List of Draft Government Regulations and Draft Presidential Regulations (RPerpres)

- Already Uploaded: 27 RPPs and 3 Rperpres
- 13 RPPs and Rperpres are either in completion process by respective ministries or in particular situation e.g. 4 RPP of Manpower being discussed in National Tripartite (Labor Unions, Chamber of Commerce/Apindo and Government)

3. Infographics and Flyers about RPP and Rperpres

4. Feedback Channel for Draft RPP and Rperpres

5. Job Creation Secretariat (Halo Cipta Kerja)

RPP and RPerpres Bill can be downloaded and given input through:

www.uu-ciptakerja.go.id/category/draft-rpp/

List of RPP and Rperpres Bill that have not yet uploaded in Portal

Update: 8 Desember 2020

NO	RPP & RPERPRES	Status
1.	RPP on Norms, Standards, Procedures and Criteria of Business Licensing Based on Risk and Supervision	Discussion Process and Compilation of Substantive Matters by 18 Ministries/institutions
2.	RPP on Free Trade Areas and Free Ports	Discussion Process by Ministries
3.	RPP on Foreign Workers Employment	Discussion Process by National Tripartite
4.	RPP on Workhours, Industrial Relations and Work Termination	Discussion Process by National Tripartite
5.	RPP on Remuneration (revision of PP 78 /2015)	Discussion Process by National Tripartite
6.	RPP on Assurance for Job Loss (JKP)	Discussion Process by National Tripartite
7.	RPP on Industry	Discussion Process by Ministries
8.	RPP on Trade	Discussion Process by Ministries
9.	RPP on Halal Product (Additional and Modification of Law 33/204)	Discussion Process by Ministries
10.	RPP on Taxation for Sovereign Wealth Fund (SWF)	Discussion Process by Ministries
11.	RPP on Initial Capital Establishment for Sovereign Wealth Fund	Completed Harmonization requesting initial by Minister of State Secretariat
12.	RPerpres on Investment Business Fields	Discussion Process by Ministries

LIST OF UPLOADED RPP AND RPERPRES BILL ATTACHED BELOW



02 Outreach Team



MENTERI KOORDINATOR BIDANG PEREKONOMIAN
REPUBLIK INDONESIA

SALINAN

KEPUTUSAN MENTERI KOORDINATOR BIDANG PEREKONOMIAN REPUBLIK INDONESIA
NOMOR 332 TAHUN 2020

TENTANG

TIM SERAP ASPIRASI PELAKSANAAN UNDANG-UNDANG
NOMOR 11 TAHUN 2020 TENTANG CIPTA KERJA

DENGAN RAHMAT TUHAN YANG MAHA ESA

MENTERI KOORDINATOR BIDANG PEREKONOMIAN REPUBLIK INDONESIA,

- Menimbang : a. bahwa untuk melaksanakan ketentuan Pasal 185 Undang-Undang Nomor 11 Tahun 2020 tentang Cipta Kerja, perlu menyusun peraturan pelaksanaan Undang-Undang Nomor 11 Tahun 2020 tentang Cipta Kerja berupa rancangan peraturan pemerintah dan rancangan peraturan presiden;
- b. bahwa dalam rangka penyusunan rancangan peraturan pemerintah dan rancangan peraturan presiden sebagaimana dimaksud dalam huruf a, perlu dilakukan penyesuaian dalam rangka memberikan informasi dan/atau memperoleh masukan dari masyarakat dan para pemangku kepentingan, serta untuk meniadakan

An independent Outreach Team was formed to accommodate responses and concerns that are important in formulating RPP and RPerpres

1. Outreach Team for the Implementation of Law 11/2020 on Job Creation was formed by the Decree of the Coordinating Minister for Economic Affairs No 332/2020
2. The Team is independent in carrying out its duties.
3. Duties:
 - a. Public outreach and consultation regarding the Law on Job Creation and its implementing regulations (RPP and Rperpres)
 - b. Receiving and collecting public input and aspirations regarding the substantive matters of the RPP and Rperpres;
 - c. Recommendations for the Government through the Coordinating Ministry of Economic Affairs
 - d. Carrying out other related duties in accordance with the provisions of laws and regulations.
4. The Team can involve line ministries, local governments, stakeholders, community organizations, society and other participants.

CONCLUSION

1. The government actively disseminates and explains the substantive matters of the Law on Job Creation, through various channels and involves Ministries/Institutions, Indonesian Overseas Missions, the Regional Governments, Business Associations, Academics, Media, and other participants.
2. The government openly uploads Draft Regulations for the Job Creation Law (Government Regulation and Presidential Regulations) to be studied and understood by public.
3. The government welcomes input and responses from Communities and Stakeholders, on the Drafts through 4 main Channels:
 - a. Job Creation Law Portal
 - b. Outreach Team
 - c. Job Creation Coordinating Post
 - d. Outreach Events
4. Feedbacks are discussed with ministries/institutions and related parties, to improve the Drafts
5. The involvement of communities and stakeholders is crucial since it will determine the effectiveness of the implementation the Government Regulations and Presidential Regulations derived from the Job Creation Law
6. Indonesian Overseas Heads of Missions are welcomed to collect and accommodate inputs and concerns from investors, international institutions, associations, and businesses in their respective accredited countries/missions.

"Ekonomi Unggul, Indonesia Maju"



THANK YOU

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Jakarta Pusat

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