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ASSISTANCE IN CREATING BUSINESS LICENSES AT KANTOR NOTARIS VIVIN, S.H., M.KN. WITH THE USAGE OF ONLINE SINGLE SUBMISSION - RISK BASED APPROACH (OSS-RBA) SYSTEM

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Abstract

Indonesia is a country with very rich natural resources so this causes investors and business actors to be interested in investing in Indonesia, but to support economic development and current technological developments, the government creates a system, namely the Online Single Submission System - Risk Based Approach. based on Government Regulation Number 5 of 2021 concerning the Implementation of Risk-Based Business Licensing, which was previously the Online Single Submission system with the aim of cutting lengthy, time-consuming bureaucracy and providing the best service to the community. Notary Office Vivin, S.H., M.Kn is a partner in the Community Service Program with the aim of knowing how the processes of making business licenses are through the Online Single Submission – Risk Based Approach system.

Keywords: Online Single Submission – Risk Based Approach, Business Actors, Investors

Introduction

Indonesia is one of the countries with rich natural resources that attract the interest of foreign and domestic investors to invest in Indonesia. (M. Makhfudz, 2016) Investment is to invest money and acquire the profits over a period of time. Investment contributes as one of the factors to enhance a country's economic development. The investments from foreign and domestic investors is expected to improve a country's economic growth. Therefore, countries have to create a sense of security and comfort to attract the interests of foreign and domestic investors to invest in the country The term investor refers to both foreign investors who are commonly known as Foreign Investment (PMA) and domestic investors, or commonly referred to as Domestic Investment (PMDN). Foreign Investment in Indonesia are required to take form of a legal business entity, which in Indonesia is known as Perseroan Terbatas (PT). On the other hand, the Domestic Investment consists of two categories, the non-legal entities and the legal entities. There are

several types of non-legal entities, which are the commanditaire vennootschap (CV), civil partnership, firma, and trading businesses (UD). Conversely, the legal entities consist of limited liability companies (PT), foundations, and cooperatives. Taking in consideration the rapid technology development, Indonesia is implementing an online system that is expected to increase the quality of public services. The implementation is conducted to display support towards the Fourth Industrial Revolution and provide time-efficient as well as accessible public services towards the society and investors. (Wirawan, 2020) The Government of Indonesia supports the Fourth Industrial Revolution specifically in the field of administrative services. The government also intends to improve the efficiency of business licensing management and increase economic growth. Henceforth, the Government of Indonesia validates the Peraturan Pemerintah Nomor 24 Tahun 2018 tentang Pelayanan Perizinan Berusaha Terintegrasi Secara Elektronik (hereinafter referred to as PP No 24 Tahun 2018) in which the regulation was enacted on June 21, 2018. PP No. 24 Tahun 2018 becomes a legal protection for the Online Single Submission system (hereinafter referred to as OSS). The OSS is defined as "an electronically integrated business licensing system issued by the Online Single Submission Institution for and on behalf of the ministers, heads of institutions, governors, or regents/mayors to businessmen through an integrated electronic system". (Subuh et al., 2019) In 2021, the OSS underwent a change to Online Single Submission – Risk Based Approach (hereinafter referred to as OSS-RBA). The OSS-RBA is defined as "a business license granted to the businessmen to commence and operate its activities which are assessed based on the business activity's risk level". Due to the change, the PP No 24 Tahun 2018 is replaced into Peraturan Pemerintah Nomor 5 Tahun 2021 tentang Penyelenggaraan Perizinan Berusaha Berbasis Risiko (hereinafter referred to as PP No 5 Tahun 2021). (Arrum, 2019) The community service activity, which is one the fields in the Student Creativity Program (PKM) will be conducted by providing assistance in creating business licenses at Kantor Notaris Vivin, S.H., M.Kn with the utilization of OSS-RBA system. The main objective in conducting the PKM is to obtain an in-depth understanding on the processes of making business licenses with the OSS-RBA system.

Problem

The people in the society that owns a business and investors that are willing to invest in Indonesia are very enthusiastic about the existence of the OSS-RBA system due to the system's ability to reduce convoluted and time-inefficient bureaucracy. As the OSS-RBA system is relatively new, the partners in this case are willing to provide an opportunity to identify the processes that occur to issue business licenses through the OSS-RBA system.

Methodology

Data Collection Technique

The data that is required for the community service activity will be collected through assistance and interview with Vivin, the partner in this activity who is a notary, and through this collaboration the author had the opportunity to interview employee from Kantor Notaris Vivin, S.H., M.Kn., namely Farhell Rezki, regarding the processes for issuing permits through the OSS-RBA system. The author decides to obtain information through interview as notary plays an important role in the implementation of the OSS-RBA system. Moreover, notaries are authorized to create related deeds pertaining to changes that are needed to issue business licenses through the OSS-RBA system.

Output Planning Process

The output planning process that will be conducted by the author is as follows:

- 1. Conduct interviews with the notary and its employees
- 2. Provide assistance with the notary during consultation hours with clients.
- 3. Provide assistance with notaries, notary employees and clients at the signing of the Extraordinary Meeting of Company Shareholders
- 4. Provide assistance with the notary staff to conduct business license registration through the OSS-RBA system.

PKM Implementation Phase

The author will undergo several phases on the execution of Student Creativity Program (PKM), namely as follows:

A. License Pre-Registration Phase

In this phase, the author assists the notary during consultation hours with the clients to discuss business licenses that are required by the clients. The process begins by checking the company profile and discussing the changes that the client wants to make to the company. As the OSS-RBA system is an online system that is created to facilitate the entrepreneurs and investors in Indonesia, the government synergizes the relevant ministries in the OSS-RBA System. One of the ministries include the Ministry of Law and Human Rights, which is an online public service system owned by the Directorate General of General Legal Administration, Ministry of Law and Human Rights of the Republic of Indonesia. The system is commonly used by a notary to create changes related to business entities such as limited liability companies, foundations, limited partnership (CV), and others. Therefore, notaries consult with clients to make changes, including changes to adapt the company's line of business to the 2020 Indonesia Standard Industrial Classification (hereinafter referred to as KBLI 2020).

B. License Registration Phase

In this phase, the author provides assistance to the notary employees during the license registration process in the OSS-RBA system by accessing the https://oss.go.id/ website. In the situation where the client does not have an account on the website, the notary employee will have to direct the client to register an account. Once the account is registered, the author and the notary employee will carry out several steps to apply for business license, which are as follows:

- 1) Click on the business license menu and select the new application
- 2) Fill in the businessmen data
- 3) Fill in the business field data
- 4) Fill in the details of the business field data
- 5) Fill in the data on business field's products/services
- 6) Recheck the data that has been entered
- 7) Fill in business data such as BPJS, Import Activities and WLKP
- 8) Check the list of business activities
- 9) Check and fill in the environmental approval document permits (essential for certain business fields)
- 10) Approve and comprehend the letter of statement
- 11) Check the business license draft
- 12) Business license has successfully been issued.

C. License Post-Registration Phase

The last stage in the process of business license issuance is the post-registration phase. The author and notary employees have input the required data and issued a business license in the form of Business Identification Number (hereinafter referred to as NIB), Standard Certificate (if the business field is included as medium-low risk category). The issued NIB and Standard Certificate will be the output that are obtained from the community service program that is conducted by the author.

Post PKM Implementation Phase

Once the NIB and Standard Certificate has been issued and printed, the author will conduct the post implementation phase by devising a report and an article based on the implemented activity.

Location, time, and duration of activities

The Community Service Activity will be conducted at Kantor Notaris Vivin, S.H., M.Kn. which is located at Komp Bumi Indah Blok IV No 17, Kota Batam. The activity will be carried out for a month, starting from 01 September 2021 to 30 September 2021.

Discussion

Online Single Submission

Prior to the existence of the OSS-RBA system, business permits application had to be done manually in which the investors had to undergo lengthy processes. This has become a problem in the Fourth Industrial Revolution as the technological advancements and the government's intention to improve the country's economy are obstructed by the inefficient system. Thus, the government decided to create a system where business licenses can be acquired without going through the extensive bureaucracy by utilizing the OSS system. The OSS system was implemented at the end of 2018. By issuing PP No. 24 Tahun 2018, this regulation became the legal protection for the OSS system. In 2021, the OSS system underwent changes to support the Undang-Undang Nomor 11 Tahun 2020 tentang Cipta Kerja, in which the PP No 24 Tahun 2018 becomes the supporting regulation for Undang-Undang Cipta Kerja, and afterwards PP No 24 Tahun 2018 was revoked and PP No 5 Tahun 2021 was enacted. (Izhandri et al., 2018) There are several changes made to improve the quality of the community service through the OSS-RBA system, namely:

- a) Business fields that have covered 16 sectors
- b) There are Norms, Standards, Procedure, and Criteria (NSPK) for risk-based business licensing in each sector; a single reference will be used in business licensing
- There are differences in business licenses according to the risk level and scale effort
- d) There is a standard processing duration to provide certainty to the businessmen
- e) All costs incurred are paid online according to the Non-Tax State Revenue (PNBP)
- f) There is ease towards the Micro, Small, and Medium-sized Enterprises (UMKM) to apply for business licenses.

The changes that are described above are modifications made after the system change to the OSS-RBA system.

Process of Assistance in Applying for Permit

The author has the opportunity to join the notary during consultation with the clients, in which one of the clients requested to obtain a business license in the form of NIB. The author and notary recommended the client to hold an Extraordinary General Meeting of Shareholders with the meeting agenda to discuss the adjustment of the company's business field in accordance with the KBLI 2020. After the consultation, the client agreed to make the necessary adjustments thus the notary and the author proceeded to draft the deed of the Extraordinary General Meeting of Shareholders which is then followed by the signing the deed with the notary. After signing the deed, the author and the notary employee made a copy of the deed to be

inputted into the Online General Law Administration System website https://ahu.go.id/, which is a system created by the Ministry of Law and Human Rights. After inputting to the system, the author and the notary will proceed to register the business license to the OSS-RBA system on the https://oss.go.id/ website and input relevant data in accordance with the procedure stated in the license registration phase.



Figure 1, The Process of Data Input Assistance to the OSS-RBA System.

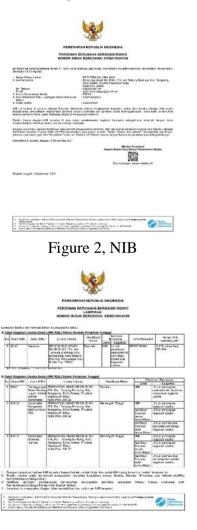


Figure 3, NIB Attachment





Figure 4, NIB Attachment

According to the results obtained from interviewing the notary and the employees, the clients often provided positive feedback in regards to the OSS-RBA system due to its simplicity, lower maintenance cost, and relatively fast period of business license issuance in comparison to the previous system. Therefore, the OSS-RBA system is seen as an advancement in the licensing management bureaucracy and is expected to encourage investors to form businesses in Indonesia. There are several weaknesses that can be identified during the implementation of the OSS-RBA system. Based on the interview with the notary and its employees, there is a lack of awareness from the public that operates UMKM on applying for business permits online, as well as the lack of proper socialization towards the public on the registration procedure in the OSS-RBA system.

Conclusion

Kantor Notaris Vivin, S.H., M.Kn. that is located in Komp Bumi Indah Blok IV No 17, Kota Batam provides legal services such as managing the legalities of companies and individuals. Throughout the Community Service Program, the author assisted the notary in creating business license, commencing from the consultation with client, drafting the Extraordinary General Meeting of Shareholders, inputting data to the Online General Law Administration System, and license registration in the OSS-RBA system.

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