IMPLEMENTATION OF INVESTMENT LICENSING IN MATARAM CITY
(STUDY AT THE INTEGRATED SERVICE DEPARTMENT OF ONE STOP SERVICE OF MATARAM CITY)

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Abstract: This study aims at investigating the investment licensing activity in Mataram city, a potential place for the investors to do investment. It is due to the large number of businessmen making their investment license in the mentioned city. Not the entire investment license is well and smoothly processed by the One-door Integrated Services of Investment Coordinating Board of Mataram city, however. It is because of some constrains in the investment licensing services. The present study, thus, aims to explain such constrains and the way the government of Mataram uses to have the businessmen understand about the importance of making investment license on their business legality. This study is expected to be used as reference and to be beneficial of the development of the related field. It is also hoped to contribute to the understanding about the implementation of licensing activity. The method of this study is normative empirical method. Primary and secondary data are the source of the data used in this study. The result of this study explains about the implementation of the investment licensing activity, the classification of license according to the types of business, the constrains in the investment licensing services (e.g. the assumption of businessmen about the existence of the technical coordinator team making the bureaucracy take too long, the pander activity, the limitation of facilities, and the mutation of functionary leading to the making of different policies), and the government’s effort in getting the businessmen interested in making the legality of their business such as the launching of One-day Service program and of Permit Package program, and the making of the Standard Operating Services.

Keywords: implementation, service, licensing, investment
I. INTRODUCTION

Law Number 25 Year 2007 regarding Investment as the main legal basis for the implementation of investment in Indonesia and its implementing regulations with the scope of the material also provides various incentives such as services, facilities, facilities and investor guarantee.

Thus the improvement and refinement of policies in the field of investment in the end is expected to create legal certainty so as to create a more secure and conductive business climate so as to attract investors in investing.

The policy of decentralization and regional autonomy is expected to be able to realize a more democratic system of regional government, accelerating the achievement of welfare and prosperity of the people. In the investment activity, it is of course necessary that the role of public service which is a state institution which is authorized to manage the licensing process as regulated by Government Regulation No. 38/2007 concerning the Division of Government Affairs between the Provincial Government and Regency / City Government. Certainly in the implementation of licensing for the interests of investment activities need improvement through the openness and ease of procedure, clear and affordable tariff setting by the community, professionalism of the apparatus in the service and the availability of complaints and complaints of the community and the availability of supervision system on the implementation of the procedure.

With the growth of economic level in social life in Mataram City, and the strategic location in investment activities which is the access point of promising investment activity, making it possible that there will be many investment activities in Mataram City. This is evidenced by the inclusion of investment in 2015 to 2017 in the city of Mataram, from the investment activity has managed to absorb the workforce of about 30,749 (thirty thousand seven hundred forty-nine employees) with a total investment value between 2014-2017 successfully poured the total funds 15,536 T (Fifteen point five hundred thirty six trillion rupiah).

Of course the success is not separated from the participation of the Office of Investment One-door Integrated Services Mataram as public service offices that process licensing as an institution that formulates procedures timing and investment permit fees based on Regulation of the Chairman of the Investment Coordinating Board RI No. 6 of 2016 on Changes on the Regulation of the Head of BKPM Number 14 Year 2015 on Guidelines for Procedure of Permit of Capital Investment Principles. As the organizer of licensing activities of course have obstacles and barriers in carrying out licensing activities in the city of Mataram.

The research that has similarities with the Implementation of Investment Licensing in the City of Mataram, among others:

1. Title of Research: Relevance Concept of State Pancasila Law With Welfare State In Its Implementation With Public Service in Indonesia.

   Name of Researcher: I Ketut Cahyadi Putra.

   This study focuses more on the provisions of the form of a modern welfare state law that is to impose the state to provide the best service through public service, whereas in my research more specifically review the form of implementation of capital investment licensing process, discuss about the constraints and innovation licensing services in Mataram City.

2. Regional Innovation (Reflection and Local Innovation Arrangement in Indonesia)

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Name of Researcher: Made Gde Subha Karma Resen

This study discusses the formation of a regulatory policy (beleidsregel) based on the existence of a beoordelingsruimte (space of consideration) provided by lawmakers to officials or government bodies with their own initiative to take public legal action in the form of determinations or concrete positive action arrangements in order to solve the problem— the problem of governance faced at a certain time. So the scope of this study is very wide whereas in my research the scope of the research is only the policy that involves the innovation of the area used in order to facilitate the activities of the process of investment services in the city of Mataram.

Based on the above description of this paper reviewing the activities that are more focused on the study of the implementation activities of the rules of investment law and implementation of public service laws in the City of Mataram, this study discusses obstacles that hinder the implementation of licensing, led to licensing service programs that can used to facilitate the licensing activities in the city of Mataram.

II. RESEARCH METHODS

Based on the problems studied by the author, the research method used in this study is the method of empirical normative legal research. Normative legal research is a method that examines the principles of law and legislation, books, documents and others. While empirical legal research is one type of legal research that analyzes and examines the workings of the law in the life of the community.

III. RESULTS AND DISCUSSION

3.1 Implementation of Investment Licensing In Mataram City

In the legal perspective of the implementation of public services based on the state of modern law (democratic constitutional state) which is a combination of the concept of state law (rechstaat) and the concept of welfare state (welfare staat). The legal state is simply a country that places the law as the highest reference in the administration of a state or government (rule of law).

One Stop Integrated Licensing Service is the activity of licensing service whose process starts from the stage of application to the stage of issuance of document permit done in an integrated manner. One Stop Investment Service is a policy mandated by Law Number 25 Year 2007 regarding Capital Investment based on the rules intended to assist investment activities in obtaining services.

One Stop Service is a service pattern that is organized in one place for various types of services that have linked the process served through a single door, in this case is the business license services of investment or business.

“According to Utrech Permit (Vergunning) is an agreement of a ruler under the provisions of law or government regulation to in certain circumstances deviate from the provisions of the prohibition of legislation in this case the permit can also be interpreted as a release or exemption from a ban”

Based on the analysis of the author of course the Department of Investment Services Integrated One Pintu City Mataram basically been trying to go to a goal that is improving the implementation of services although in the actual conditions there are obstacles and disruptions mainly related to the still discrimination services, brokers permits, promotion and mutation by using a kinship system and proximity or not according to expertise.

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5 Adrian Sutedi, Op, Cit, p. 1
6 Utrecht, Introduction In Indonesian Law, (Jakarta:Ictiar 1957) p. 187
An important role that is owned by the Integrated Service Department of One Stop Service of Mataram City is as an institution issuing the investment licensing provisions is certainly an implementation of the provisions of the rule of Law Number 25 Year 2007 on Investment which is a business in terms of creating conditions that appeal to investors for conduct investment activities in the region and strive to realize a conducive security and investment climate, order in investment activities so that investment activities will run smoothly and maximally in the city of Mataram.

3.2 Investment License Constraint in Mataram City

3.2.1. Technical Team Coordination Meeting Which Makes Bureaucracy Considered Old by Investors in Mataram City

Inefficient bureaucracy that is certainly marked by the length of the bureaucratic chain of licensing process this will result in high costs which can ultimately hamper the rate of investment. Coordination constraint is certainly a very serious obstacle especially after the implementation of regional autonomy.

Coordination team implemented by DPMPTSP Mataram City is an implementation of the provisions of the Regulation of the Minister of Home Affairs Regulation No. 24 of 2006 on Guidelines for the Implementation of One Stop Integrated Services. The existence of the coordination team, it is related to the risk of decision taken has a heavy responsibility considering that it is closely related to environmental disturbance problems, security and comfort of society and spatial area of course the existence of coordination team according to the author is the right action.

Problems in this issue arise due to the coordination team meeting schedule due to the provisions of the meeting resulted in delayed licensing services because it must determine the schedule of meetings deliver a letter of invitation meeting of course all these activities take time and process. The author sees that the existence of the technical team is the entry gap from the discriminatory services so entrepreneurs who use the formal channels without going through the help of the related technical team will be harmed because in the meeting there will be shortages that often we encounter that are administrative such as writing the type of business, the extent of his business, his business activities because of the files through formal channels without the presence of the technical team no escort from the person.

So based on the problems described above the authors assume that for the better and to reduce complaints from the community related to the coordination team coordination team technical meeting of the Investment Service Office of Integrated Licensing Services One Door of Mataram City through the Head of the Department should increase supervision and down directly even involved in the activities the technical team meeting is certainly useful to evaluate the technical team meeting activities so that the future can be better.

Integrated Service Department of Integrated Service of One Door of Mataram City is only able to implement the provisions of the Regulation of the Minister of Home Affairs No. 24 of 2006 on Guidelines for Implementation of One Stop Integrated Services namely the implementation of the routine functions only while the success of the implementation through the smoothness of the routine turned out to cause complaints and new problems encountered, according to the authors this illustrates the ineffectiveness of the existence of the technical team because it raises the problem the longer the process of licensing services this is certainly contrary to the principle of non-discriminatory treatment and speed in public service.

3.2.2. The emergence of License Agents and Illegal Levies Inhibiting Licensing Activities

A broker is a person who mediates and provides his services to sort things out based on wages. A broker work as an alternative service provider or shortcut for someone unofficially. A broker will try to make a profit by doubling the original cost of a product or service, offering a large fee and certainly different from the actual cost.
Illegal charges, hereinafter referred to as *Pungli*, are acts committed by a person or Civil Servant or State Official by requesting payment of an unsuitable amount of money or not under the rules relating to the payment. This is often equated with extortion.\(^7\)

Activities to eradicate the existence of brokers and illegal levies of the City Government of Mataram and Ombudsman who have the tasks among which are doing the steps to follow up reports or information about the occurrence of irregularities by the state organizers in carrying out the duties and functions in providing public services.\(^8\)

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The authors assume that in the activities of brokering and illegal fees are unlawful so with the presence of brokers in licensing according to the authors this reflects and illustrates the ineffectiveness of messages from the provisions of Law. 25 of 2007 on Investment. The presence of brokers and levies will lead to opinion in the community that taking care of permits in the city of Mataram expensive and complicated.

### 3.2.3. Mutations and Promotions Create Barriers to Service

Mutation of civil servants is part of coaching to provide work experience, improve performance and responsibilities of civil servants. The implementation of decentralization is often illustrated by the increased authority of regional heads including in the field of personnel management as referred to in Article 55 of the Civil State Apparatus Act, one of which is mutation. Mutation is the movement of a person's work in a SKPD that has the same level of previous job position.\(^10\) Law Number 5 Year 2014 on State Civil Apparatus is a basic legal source for central and local governments in implementing employee management policies, especially in the process of mutation of ASN employees. The implications and meanings contained in the provisions of this rule are employees will be encouraged to work optimally and maximally in carrying out duties as Civil State Apparatus.

Promotion is also a tool that can encourage employees to be better or more eager in doing a job, by looking at these facts then the job assessment that leads to promotion of positions must be done effectively in order to be accepted by all parties without any feel disadvantaged. Promotion has an important meaning for an agency because with the promotion will be able to improve employee morale. If the promotion is realized to employees who excel high it will cause stimulation for employees to improve morale. Implementation of promotion policy and civil servant mutation until now we still use system that is appointment and placement of an employee still based on background of personal relationship between one party or party raised and party appointed (Patronage System).

The existence of promotion and mutation agenda in Environment Officials of Municipal Government employees of Mataram very impact to the performance of employees, especially employees in public service agencies for causing less maximum performance of these employees. The existence of promotional agenda of officials will make existing programs and policies become fluid and this often leads to confusion of employees at the Office of Investment Services Integrated one door of the city of Mataram.

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Supposedly the promotion and mutation policies of ASN employees can create a high neutrality and based on the merit system (employee appointment based on skills possessed). In this concept mutations and promotion of employees are expected to encourage and create the implementation of bureaucratic reform and reform of local governance.

So the author's analysis of the definition of understanding above that between promotion and mutation has an important meaning for the government, because with the regulation will make stable activities and balance of employees in carrying out their duties and obligations will be guaranteed but what happened instead and not in accordance with actual expectations.

One of the functions of the law both as a rule and as an attitude of regular conduct or behavior is to guide human behavior. In this case of course illustrates the ineffectiveness of the provisions of the rule of Law No. 5 of 2014 on ASN regarding the implementation of mutations and promotion within the government of Mataram.

3.3 The Effort of the Integrated Service Investment Office One Door of Mataram City Speeding Up the Licensing Process

3.3.1 Sehati Program (A Day Must Be So)

Based on the provisions of Government Regulation No. 38/2007 concerning the Division of Central Government Affairs, Provincial Governments, City Local Governments and in implementing the provisions of the Law No. 25/2009 concerning Public Service in relation to the principle of public services, namely the principles of public interest, the speed, ease, and affordability of the SEHATI program are undertaken by the One Stop Service Office of Mataram City Integrated Services which was launched on May 2, 2016.

Unfortunately the SEHATI permit cannot be applied to the type of special business license request, requiring the review of the technical teams and the evaluation of integrated teams such as IMB permits and the like because before the permit is issued a technical team review is required. Of course, permission included in the SEHATI category can be processed if the administrative requirements are complete and there is no shortage of any one then this can be guaranteed if the permit will be issued in a day.

Basically SEHATI program (one day must be) is the implementation of program provisions in order to attract and raise public awareness of the importance of business licenses that can be used as collateral and business legality, especially to encourage micro business sector. SEHATI permit is one way from the City Government of Mataram in an attempt to eliminate the impression, especially on micro entrepreneurs that licensing procedures are difficult to penetrate and expensive.

Based on the above description the authors assume that this same program is still not effective apply in the Investment Service Department of One-door Integrated Services City Mataram because of the constraints with the available facilities, in fact with this innovation will only lead to opinion in the community that is less good because in fact with this innovation will only make the public service personnel burdened, because this innovation the author assess is a very forced innovation when we see the available work facilities in the Office of Investment Services Integrated one door of the city of Mataram. Because basically innovation should have to adjust to the ability especially related to existing facilities rather than impose that will make other permit process is disrupted.

3.3.2 License Package

Implementation of the provisions of the principle of Law no. 25 Year 2009 on Public Service is the principle of speed, convenience and affordability of this matter responded by the City Government of Mataram because of the many demands from the people of Mataram that licensing services should prioritize the efficiency in terms of service both the time side and also from the cost.

Based on the background, the inception of an innovation in the Investment Service Department of Integrated One-Stop City of Mataram Parallel Licensing Service (package) is a parallel licensing service
with parallel system that makes the timing and licensing process becomes shorter. Because with this incorporation the applicant can incorporate multiple permissions and can be registered in a single course and processed concurrently and simultaneously as well as administration-based administration, data input is sufficient once and administration can be performed simultaneously or simultaneously.

The objective of this innovation in general is to carry out bureaucratic reform in the field of public services with the aim of improving the quality of public services in the City of Mataram in the hope of increasing public awareness to manage permits and create a good investment climate in the city of Mataram.

According to the author's analysis, the existence of a package permit which aims to simplify the licensing process is still not visible if we review from the extension process of the permit which still requires the applicant who has applied for the previous application to apply for the same permit with the application of new permit, it will certainly take a long time and reflects the ease of handling the permit is no longer visible, according to the authors instead showed the weakness of the Office of Investment One-door Integrated Services Mataram City because there is no updating of data owned by the Office of Investment One-door Integrated Services Mataram. According to the author before launching the package permit innovation would be nice if updated data from in the past so that the applicant will feel the ease of innovation, especially those who take care of extension permit.

3.3.3 Creating Service Operational Standards

Standard Operational Procedure hereinafter abbreviated to SOP is a document relating to procedures performed chronologically to complete a job aimed at obtaining the most effective work of the workers with the lowest cost and the shortest time.

The purpose of the SOP itself is to explain the details or fixed standards concerning repetitive work activities organized in this case is the One Stop Service Office of the Integrated Services of Mataram City. Good SOP must be able to make the work flow better and maximal, can also be used as a guide or guidance and can be used as a tool that can facilitate the activities of supervision, in this case the SOP should also be able to bring a good coordination between the parts but remain in one service office.

According to the author's analysis is a reference to what they will do can work if the communication goes well, so every policy and regulation and implementation decisions must be communicated. In addition, the Communicated Policy must be accurate, accurate and consistent. Communication is needed for decision makers and implementers to be more consistent.

Such a complex policy calls for the co-operation of many people, when the bureaucratic structure is not conducive to the available policy, it will cause the resources to be ineffective and hinder the course of the policy. The bureaucracy as the implementer of a policy must be able to support the politically-decided policy by coordinating well.

The application of SOP in the Investment Service Office of One-door Integrated Services of Mataram City if we associate with the effectiveness of the influence of the law on the activities of society is certainly not effective. This is due to the inadequate facilities provided by the Integrated Service Office of One Stop Service of Mataram City so according to the author of SOP implementation must be examined from the past that if the facility is adequate what not yet, not directly apply the provisions of this SOP would certainly add a burden for employees because SOPs are actually implemented under forced conditions.

IV. CONCLUSION

Public Service Provider Agencies of the Integrated Service Office of One Stop Service of Mataram City as a government institution issuing types of business licenses and non-business licenses and including the requirements of those licenses. It aims to conduct activities of supervision and control and protection in public activities for the public interest and also in order to improve the quality of
licensing service provision which promotes the conformity of general principles as good governance. Integrated Service Office of One Stop Service of Mataram City which is a public service institution that serves the licensing process of both business license and non-business in conducting licensing service activities encountered obstacles in the service process which are among others obstacles such as coordination team considered to inhibit the process licensing, licensing brokers and illegal fees, limited work facilities. Promotion of position and employee mutation that still use patronage system (kinship). One of the efforts undertaken in conducting licensing service activities by the Integrated Service Office of One Stop Service of the City of Mataram are SEHATI Permit (one day must be), package permit, creating Standard Operating Service that also serves as a measure of the achievement of the smoothness of activities and the realization of coordination.

REFERENCES