

Supervision of The Implementation of UKL-UPL in Medium-Risk Business Licensing based on The Risk-Based Licensing System

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Abstract

The transformation of the licensing paradigm in Indonesia from a permit-based system (license-based) into risk-based business licensing through the enactment of Law Number 6 of 2023 and Government Regulation Number 28 of 2025 has brought fundamental implications for environmental protection instruments, especially for medium-risk business activities that use UKL-UPL documents. In line with the perspective of human trust as *khalifah fil ard* in preserving the earth, integrating ecological values into economic regulations is essential to prevent environmental damage. This normative legal research applies a legislative and conceptual approach with qualitative analysis, aiming to evaluate the effectiveness of supervision of business actors' compliance within the latest regulatory framework that tends to emphasize investment facilitation. The novelty of this research lies in a critical analysis of the problems of post-permit supervision mechanisms integrated into the system. *Online Single Submission Risk-Based Approach* (OSS-RBA), a crucial dimension for environmental legal certainty which has not been explored in depth. The results of the study indicate that the integration of UKL-UPL into the Business Identification Number or Standard Certificate has created a supervisory transformation that encompasses administrative aspects through periodic report evaluations and substantive aspects through field inspections. However, the findings indicate a disconnect between theoretical norms and practical reality due to the ambiguity of sanction parameters, the limited number of Environmental Supervisory Officers (PPLH) compared to business volume, and the dominance of independent reports with minimal physical verification. Therefore, this study concludes that the current legal system is unable to guarantee legal certainty or optimal protection of ecosystem functions. Strengthening institutional capacity and strict synchronization of operational data are needed to ensure that the UKL-UPL instrument is not degraded into a mere administrative formality for the sake of pursuing investment legality alone.

Keywords: UKL-UPL; Risk-Based Licensing; Environmental Monitoring.

INTRODUCTION

In human life, which is inseparable from the environment, natural resources play a very important role in fulfilling daily physical and spiritual needs. These natural resources are the main support for human life and well-being, but at the same time, they are limited in quantity, so

their use must be carried out wisely and responsibly. Improper management of natural resources has the potential to cause environmental damage and threaten the sustainability of human life in the future. Therefore, efforts to manage natural resources in a planned and sustainable manner are very necessary so that their benefits can be felt optimally without ignoring environmental sustainability for future generations (1). The environment is truly interpreted as a complete spatial unity that includes all aspects of objects, energy, conditions, and living creatures, including humans and all their actions, which mutually influence the continuity of life and the shared well-being of humans and other living creatures. Therefore, efforts to maintain environmental stability and balance are a shared responsibility that requires commitment from all parties, from government officials, business actors, to the wider community for the future.

Axiologically, the urgency of environmental protection and management has a strong philosophical basis in Islamic teachings through the doctrine of humans as *khalifah fil ard*. This role necessitates the mandate for humans to become stewards of the earth, capable of harmonizing economic interests with environmental sustainability. Within this framework, preventing environmental damage (facade) and striving for the public good is an imperative moral obligation for every legal entity, including business actors. Therefore, the integration of theological values into business licensing regulations, as stipulated in Law Number 6 of 2023, is essential concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation to become Law (Hereinafter referred to as Law Number 6/2023) and Government Regulation Number 28 of 2025 concerning the Implementation of Risk-Based Business Licensing (Hereinafter referred to as PP Number 28/2025) is no longer merely the fulfillment of bureaucratic administrative instruments, but rather a manifestation of ethical responsibility to realize the principles of sustainable development that maintain ecological balance for future generations..

As a form of the state's commitment to protecting the environment, Indonesia has established various legal instruments that regulate the protection and management of the environment, including humans and all their behaviors that interact with each other and influence welfare. Due to the interdependent nature of maintaining environmental balance, one of the main regulations that serves as the legal basis in this field is Law Number 32 of 2009 concerning Environmental Protection and Management (hereinafter referred to as Law Number 32/2009). This law provides a basis for the government to carry out efforts to prevent, mitigate, and enforce

the law against environmental pollution and damage (2). Through a preventive and repressive approach, this regulation aims to ensure that all development activities continue to pay attention to the principles of sustainability and environmental preservation. One form of preventive effort regulated in this law is the obligation for every business actor to have environmental approval before carrying out their business activities. This environmental approval is obtained through the preparation of environmental documents that function as instruments for controlling the environmental impact of a business activity.

In practice, the environmental document used for medium-risk business activities is the Environmental Management and Monitoring Efforts (UKL-UPL). This document contains a management plan and monitoring of the environmental impacts arising from the business activities carried out. The obligation to prepare the UKL-UPL applies to business actors, both individuals and business entities, who carry out business activities within the jurisdiction of the Republic of Indonesia. The existence of the UKL-UPL document is important because it functions as a guideline for business actors in managing the environmental impacts generated by their business activities (3). With this document, it is hoped that every business activity can run in line with the principles of environmental protection and management, so that negative impacts on the environment can be minimized and environmental sustainability is maintained. To ensure environmental protection, the state has an important role in forming regulations that are able to control the impact of industrial activities on humans and the environment. In the development of modern technology and industrialization, the state is required to create policies and regulations that are able to balance the interests of economic development with environmental sustainability (4). Therefore, environmental regulations are very necessary as a control instrument so that industrial activities do not cause major environmental damage and harm the surrounding community and future generations.

In line with the development of policies in the licensing sector, the government of the Republic of Indonesia has currently implemented a risk-based business licensing system through Law Number 6/2023, This policy change is emphasized hierarchically through Government Regulation Number 28/2025, which is the main technical reference in implementing the latest licensing mechanism.

The presence of this system brings fundamental changes to licensing governance in Indonesia by establishing risk levels as the main indicator for determining the types of permits

that must be fulfilled by business actors. In this scheme, each business activity is classified into several levels, ranging from low to high risk. The implementation of this system aims to simplify bureaucratic procedures, while still placing environmental protection aspects as an integral prerequisite through environmental approval instruments aligned with the level of risk of the business (5). In this system, each business activity will be classified into several specific risk levels, ranging from low to high risk. Especially for business activities classified as medium risk, the preparation and fulfillment of environmental documents in the form of UKL-UPL is one of the important requirements that must be met before the business activity can be carried out. Further regulations regarding this matter have been regulated and explained in Government Regulation Number 22 of 2021 concerning the Implementation of Environmental Protection and Management (hereinafter referred to as PP Number 22/2021), which emphasizes that environmental approval is an integral part of the business licensing process. Thus, UKL-UPL not only functions as an administrative requirement, but also as an instrument for controlling environmental impacts in medium-risk business activities.

However, in practice, various problems still frequently arise, particularly related to the implementation and oversight of the commitments contained in the UKL-UPL document. Documents that serve only as formal requirements have become a prominent issue, with business actors tending to pursue only administrative legality to obtain permits through the *Online Single Submission* (OSS) system will be issued soon. As a result, the substantive obligation to implement consistent environmental management and monitoring is often neglected once business operations are underway. This situation indicates that the paradigm shift from a permit-based licensing system to a risk-based system aimed at promoting ease of doing business and increasing investment also has the potential to create gaps in environmental oversight. The policy focus that places greater emphasis on accelerating permit issuance is often not balanced by strengthening post-permit oversight mechanisms. In addition, there are still issues related to the division of supervisory authority between the central and regional governments, which can lead to unclear norms and legal uncertainty. Therefore, supervision of the implementation of UKL-UPL is a very important element in ensuring that the risk-based licensing system is not only

oriented towards ease of investment, but also continues to guarantee the achievement of environmental protection and management goals effectively and sustainably (6).

Reforming the licensing system through mechanisms *Online Single Submission Risk-Based Approach* (OSS-RBA) is part of a legal reform effort aimed at simplifying the licensing process and increasing the ease of doing business in Indonesia (7). This system places the level of risk of business activities as the basis for determining the licensing requirements that must be met by business actors. However, the implementation of the risk-based licensing system still faces various problems, especially related to legal certainty and institutional accountability due to unclear norms and weak implementation in licensing practices. This condition also has implications for environmental protection aspects, especially in the implementation of environmental document obligations such as Environmental Management Efforts and Environmental Monitoring Efforts (UKL-UPL) in medium-risk businesses.

This non-compliance is clearly evident in the low number of reports on environmental management implementation, which should be submitted routinely every year. For example, a study of clinic operations in Jombang Regency revealed a gap between documented waste management planning and actual practice on the ground. Similar issues were also found in the industrial and energy sectors, such as the oversight of PT Sandabi Indah Lestari and the construction of a hydroelectric power plant by PT Sumatera Energi Lestari. In these cases, environmental commitments were often overlooked due to a lack of intensive oversight from the central and regional governments.

This situation suggests that the paradigm shift toward accelerated investment has the potential to create a widening oversight gap. Many business actors fail to meet technical standards, such as providing adequate waste treatment facilities, despite promises made in environmental documents. Without a robust post-permit oversight mechanism, the UKL-UPL document risks losing its essential function as an environmental protection instrument and becoming nothing more than a pile of administrative paperwork with no real impact on ecosystem sustainability regarding the implementation of a risk-based business licensing system and the role of environmental approvals in business activities. However, most of this research focuses on simplifying licensing and facilitating business operations, while studies on oversight mechanisms for the implementation of environmental commitments, particularly UKL-UPL documents for medium-risk businesses, are still relatively limited (8). In addition, research that specifically

analyzes the relationship between UKL-UPL supervisory arrangements and legal certainty and Synchronization of environmental protection norms within the risk-based business licensing system remains very limited. This paucity of literature indicates a research gap regarding the extent to which this regulatory integration can guarantee environmental protection amidst the push for accelerated investment.

Based on the background outlined above, this study examines two main issues. First, how are the regulations governing oversight of the implementation of Environmental Management and Monitoring Efforts (UKL-UPL) in medium-risk business licensing based on applicable laws and regulations? Second, whether these regulations are capable of providing legal certainty and ensuring compliance with applicable laws and regulations. ensure consistency of environmental protection instruments in a risk-based business licensing system. In line with the problem formulation, this study aims to analyze the legal regulations regarding the supervision of UKL-UPL implementation in medium-risk business licensing and to examine the extent to which these regulations are able to provide legal certainty and ensure the effectiveness of environmental protection in a risk-based licensing system.

The benefits of this research are expected to provide both theoretical and practical contributions. Theoretically, this research is expected to enrich the scientific treasury in the fields of environmental law and state administrative law, particularly related to the concept of supervision in the risk-based business licensing system and the position of UKL-UPL as an instrument for controlling environmental impacts. Furthermore, this research is also expected to contribute to analyzing the extent to which the UKL-UPL supervision regulations based on Law Number 32/2009 and Government Regulation Number 28/2025 have reflected the principles of legal certainty, accountability, and the effectiveness of environmental protection. This is in line with the perspective of the Islamic mandate for humans as *khalifah fil ard* who have a moral responsibility to manage the earth wisely for the benefit of the people and to prevent environmental damage, while deepening understanding of the integration of ease of doing business objectives with sustainable development principles. Practically, the findings of this study are expected to provide evaluation material and recommendations for the government aimed at strengthening oversight mechanisms for the implementation of UKL-UPL, particularly by clarifying the authority, procedural flow, and sanctions aspects of the medium-risk business licensing system.

METHOD

The method used in this study is normative legal research, employing a statutory approach and a conceptual approach. Through this method, an in-depth review of the legal norms contained in statutory regulations and various legal materials relevant to the research object regarding UKL-UPL supervision is carried out. This research is prescriptive-analytical in nature, which aims to provide arguments for the legal issues studied and provide a review of the suitability of norms to the regulation of supervision of UKL-UPL implementation in a risk-based business licensing system. The focus of this research is directed at examining the synchronization and consistency of legal regulations in order to realize legal certainty and environmental protection (9).

The primary data sources used in this study are secondary data, consisting of primary legal materials such as Law Number 32/2009, Law Number 6/2023, Government Regulation Number 28/2025, and Government Regulation Number 22/2021. Secondary legal materials from books, scientific journals, previous research results, and expert opinions were also used, supplemented by tertiary legal materials such as legal dictionaries and encyclopedias. Data collection was conducted through a literature review by tracing, identifying, and reviewing various literature and laws and regulations related to the research. The data obtained were then processed using qualitative analysis methods, which were carried out by interpreting and explaining legal norms systematically and logically to assess the suitability, consistency, and synchronization of regulations regarding UKL-UPL supervision and to test the extent to which the regulatory structure is able to guarantee legal certainty and the integrity of the environmental protection function in a medium-risk-based business licensing system.

RESULTS AND DISCUSSION

A. Supervision Regulations for the Implementation of UKL-UPL in Medium-Risk Business Licensing

1. The Concept of Risk-Based Business Licensing in Environmental Instruments

Legal changes in the licensing system in Indonesia following the enactment of Law Number 6/2023 have changed the paradigm from a permit-based approach (license-based) to a risk-based approach. Normatively, Law Number 6/2023 stipulates that business licensing is implemented through the determination of risk levels and business scale rankings. This provision is further hierarchically elaborated in Government Regulation Number 28/2025,

which emphasizes that risk classification is the primary determinant in determining the types of business permits that must be met by business actors.

Within the environmental protection framework, the integration of UKL-UPL instruments into a risk-based system is specifically regulated through Government Regulation Number 22/2021 concerning the Implementation of Environmental Protection and Management. Referring to this Law, business activities with medium-low and medium-high risk levels are required to have an Environmental Approval in the form of an UKL-UPL. The fundamental difference in this latest regulation compared to Law Number 32/2009 lies in the incorporation of environmental approval directly into Business Permits such as Business Identification Numbers or Standard Certificates(10).

An analysis of Government Regulation No. 28/2025 shows that supervision under the risk-based concept is proportional and adaptive. The intensity of supervision, in terms of both frequency and depth of inspection, is determined based on the risk score generated by the Online Single Submission (OSS) system. For medium-risk businesses, the focus of supervision is no longer solely on initial document verification, but rather shifts to monitoring compliance with actual standards in the field.

This step aligns with the mandate of Government Regulation No. 22/2021, which authorizes Environmental Supervisory Officers (PPLH) to monitor business actors' compliance with the commitments outlined in the UKL-UPL matrix. Thus, legally, this concept shifts the focus from merely bureaucratic licensing procedures to a substantive oversight process of environmental management on the ground.

2. UKL-UPL Position in Medium-Risk Businesses

The implementation of Law No. 6/2023 brought about a fundamental transformation in the status of environmental documents, where the Environmental Management and Planning (UKL-UPL) is now an integral part of business licensing. Under Law No. 6/2023, business licensing encompasses compliance with spatial use activities, environmental approval, and building approval. Under this scheme, the UKL-UPL no longer stands as a separate permit but has instead transformed into an Environmental Approval, which is the

primary prerequisite for issuing business permits, whether in the form of a Business Identification Number (NIB) or a Standard Certificate.

More specifically, Government Regulation Number 28/2025 stipulates that for business activities with a medium-low risk level, the environmental requirements include a statement of commitment to environmental management and monitoring integrated into a Standard Certificate. Meanwhile, based on Government Regulation Number 22/2021, businesses with a medium-high risk category are required to prepare an Environmental Management Implementation Plan (UKL-UPL) document, which is then reviewed by the environmental agency to issue an Environmental Management Commitment Statement (PKPLH). This PKPLH forms the basis for the "Environmental Approval" as referred to in Government Regulation Number 22/2021(11).

Legal analysis shows that the position of UKL-UPL in a risk-based system has legal force as a standard control instrument. This is emphasized in Government Regulation Number 28/2025, which states that a Standard Certificate is an official statement from a business actor that they must meet business standards in carrying out their activities. Therefore, the UKL-UPL is not merely an administrative document, but rather a binding "norm of conduct" for business actors.

If the commitments in the UKL-UPL are not met, the business actor is legally deemed to have failed to meet the Standard Certificate requirements. Under Article 15 of Law Number 6/2023, such violations can result in administrative sanctions ranging from suspension to revocation of business permits. Through this legal framework, the UKL-UPL occupies a central position as a substantive instrument that determines operational legality and serves as a benchmark for compliance for medium-risk businesses.

3. Distribution of UKL-UPL Supervisory Authority in post-Job Creation Law regulations

An analysis of the division of supervisory authority within the risk-based licensing system indicates a significant shift toward centralization regulated in a hierarchical manner. The starting point for this regulation refers to Article 72 of Law Number 32/2009, as amended by Law Number 6/2023, in which the Minister, Governor, or Regent/Mayor retains the formal mandate to oversee business actors' compliance with environmental approvals. However, the

authority of regional governments is currently experiencing a narrowing of their scope due to the enactment of Law Number 6/2023. This provision emphasizes that the Central Government retains full control in establishing Norms, Standards, Procedures, and Criteria (NSPK), which has implications for limited regional discretion in determining independent supervisory measures in the field (12).

The limitations of regional governments in establishing operational standards are emphasized through Government Regulation No. 22/2021. This regulation divides the duties of Environmental Supervisory Officers (PPLH) based on the permit-issuing agency: the central government oversees permits issued through the OSS system on behalf of the Minister, while regional governments oversee permits issued at the local level. Legal issues arise when examining Government Regulation No. 28/2025, which opens the opportunity for the central government to take over supervisory functions if local governments are deemed not to meet NSPK standards. Normatively, this takeover mechanism has the potential to create unclear boundaries of authority. If coordination between agencies is not harmonious, this dualism is feared to facilitate the neglect of environmental obligations by business actors.

This centralization trend culminated in the mandatory digitization of reporting data, as stipulated in Government Regulation No. 22/2021. Legally, all field monitoring findings must be uploaded to the central government's integrated information system to minimize abuse of authority at the local level. However, there is a gap between the ambitions of Government Regulation No. 5/2021 and Government Regulation No. 28/2025, which demand strict, risk-based oversight, and the reality of limited supervisory personnel and budgets in the regions. Therefore, synchronization of regulations between the central and regional governments is essential to ensure that UKL-UPL documents are not merely digital data in the OSS system but truly function as effective control instruments for environmental sustainability.

4. Administrative and Substantive Oversight Mechanism

More detailed regulations regarding the obligation to prepare and implement UKL-UPL are stipulated in Government Regulation Number 22/2021, which emphasizes that every business actor is required to implement environmental management and monitoring in accordance with approved documents. Within this framework, the government, through authorized agencies, is responsible for conducting oversight to ensure that all prepared environmental commitments are actually implemented. Administrative oversight is carried

out through document evaluation, periodic report audits, and verification of business actors' compliance with applicable provisions. This mechanism is essential to ensure that business actors have formally fulfilled the administrative obligations stipulated in laws and regulations (13).

Administrative oversight alone is insufficient to ensure effective environmental protection if it is not balanced with substantive oversight. Substantive oversight is conducted through field inspections aimed at directly observing environmental conditions and assessing the conformity between the UKL-UPL documents and their implementation in the field. Through this oversight, the government can clearly identify the impacts caused by business activities and assess the effectiveness of the management and monitoring measures that have been implemented. The combination of administrative and substantive oversight is crucial in creating a comprehensive oversight system, so that it is not only oriented towards fulfilling formalities, but also able to prevent real pollution and environmental damage (14).

5. Administrative Sanction Mechanism for UKL-UPL Violations in the Risk-Based Licensing Scheme

Law enforcement against violations of UKL-UPL commitments after the enactment of Law Number 6/2023 now emphasizes strengthening administrative sanctions as the main instrument (*administrative penal law*). Normatively, Law Number 6/2023 grants the Government attributive authority to impose administrative sanctions on business actors who violate licensing requirements, including obligations in the UKL-UPL document. This provision is emphasized in Government Regulation Number 22/2021, which establishes a progressive hierarchy of sanctions, starting from written warnings, government coercion, administrative fines, to revocation of business permits. In a risk-based system, administrative fines under Government Regulation Number 22/2021 are an important breakthrough because the calculation is based on lost economic value, thus placing real financial pressure on violators (5).

However, an analysis of Government Regulation No. 22/2021 reveals a legal loophole regarding the application of government coercive sanctions. The regulation requires the criteria of a "very serious threat" to the environment, but the definition of this term often remains unclear, hampering the courage of field supervisors to act swiftly. As a result, cumulative violations often result in administrative warnings without any real coercive force.

This issue becomes more complex in the context of the automatic suspension mechanism in the OSS-RBA system as regulated under Government Regulation No. 28/2025. Legally, this digital system is designed to automatically freeze Standard Certificates in the event of serious violations.

The fundamental problem identified in this study is the gap between the regulatory ambitions in Government Regulations No. 5/2021 and No. 28/2025 and the reality of law enforcement capacity in the regions. The effectiveness of digital sanctions depends heavily on real-time input from monitoring reports (real-time). Without strong synchronization between the physical reports of Environmental Supervisory Officers (PPLH) and the central information system, the administrative sanction mechanism risks losing its instant nature and becoming merely a formality. Therefore, strengthening the aspects of consistency and transparency in the application of administrative sanctions is an absolute requirement so that the UKL-UPL document is truly able to maintain the sustainability of the environmental protection function (15).

B. Legal Certainty and Environmental Protection Adjustments in a Risk-Based Licensing System

1. Implementation of Supervision and Certainty of Norms in Legal Practice

Changes to the licensing system through a risk-based approach as stipulated in Law Number 6/2023 require legal certainty that not only aims to facilitate investment but also guarantee sustainable environmental protection. Legally, Law Number 6/2023, which is related to Government Regulation Number 28/2025, stipulates that risk level is the primary determinant in determining the type of permit and supervision standards. For medium-risk business activities, legal certainty is measured through the UKL-UPL documents currently integrated into the Standard Certificate. This is emphasized in Government Regulation Number 28/2025, which authorizes supervisory officials to conduct inspections after permits are issued to ensure that business actors' self-declarations in the OSS system align with environmental management conditions in the field (16).

However, adjustments to legal protection in its implementation often encounter obstacles due to the multi-interpretable norms in Government Regulation No. 22/2021. Under Government Regulation No. 22/2021, oversight of the implementation of UKL-UPL

commitments is carried out through periodic or ad hoc monitoring. This study shows that the principle of legal certainty for the environment is threatened with weakening if supervision is considered merely a supplement to administrative procedures. Effective legal protection requires responsive measures based on the precautionary principle. In this context, Government Regulation No. 22/2021 empowers supervisory authorities to impose administrative sanctions without waiting for the occurrence of permanent environmental damage. Without consistent enforcement of standards, the ease of doing business offered by the current system risks creating legal uncertainty for ecosystem sustainability.

Furthermore, alignment between Government Regulation No. 28/2025 and the technical supervision standards in Government Regulation No. 22/2021 is key to maintaining the authority of environmental protection. Legal adjustments within this system require shifting the burden of proving compliance from the initial licensing stage to the more substantive supervision stage. Legally, this presents new challenges for supervisory officials to carry out a more in-depth and measurable monitoring function. Therefore, legal certainty in the risk-based licensing system should not be interpreted merely as a guarantee of expedited procedures for investors, but must be accompanied by assurance of upholding UKL-UPL supervision as the final line of defense for environmental protection in Indonesia.

2. Obstacles to Coordination and Legal Certainty in UKL-UPL Supervision

An analysis of the legal framework for oversight indicates potential uncertainty in the division of authority between the Central Government and Regional Governments. This is evident in the overlap between Government Regulation Number 22/2021 and Government Regulation Number 28 of 2025. Normatively, oversight authority rests with the agency issuing the permit, but the mechanism for the Central Government to take over authority if a region is deemed to have failed to meet oversight standards has not been clearly defined. The lack of standard parameters regarding the limits of regional incompetence in these regulations raises legal doubts in implementation on the ground, so that coordination between agencies is often hampered by unclear boundaries of operational responsibility (17).

Furthermore, the accelerated licensing policy within a risk-based system creates new challenges in post-permit monitoring. Under Government Regulation No. 28/2025, supervision of medium-risk businesses relies heavily on self-reporting by business actors through a digital system. Legally, there are gaps in monitoring data accuracy if this is not

accompanied by adequate physical verification. This situation suggests that without technical regulations requiring direct synchronization of reporting data between central and regional systems, UKL-UPL documents risk becoming merely formal requirements in an electronic system without any real guarantee of compliance with environmental standards.

This issue of legal certainty also has a significant impact on the effectiveness of administrative sanctions. According to Government Regulation No. 22/2021, the success of sanctions depends heavily on the accuracy of field officials' oversight. However, the integration of environmental approvals into business permits requires legal action against UKL-UPL violations to be carried out through a single-door coordination mechanism. If the violation criteria and sanctioning procedures are not aligned between environmental agencies and investment agencies, law enforcement will lose its coercive power. Therefore, strengthening environmental protection within this system requires more detailed implementing regulations to eliminate any room for irregularities in oversight procedures.

3. Capacity Gap of Supervisory Officials and Burden of Supervisory Norms

The limited capacity of supervisory officials is a real legal issue when faced with expanding the scope of supervision within the risk-based licensing system. Normatively, Government Regulation Number 22/2021 mandates that environmental supervision must be carried out by Environmental Supervisory Officers (PPLH) who have certain technical competency certifications. However, there is a lack of synchronization between the availability of certified PPLH and the large volume of medium-risk business activities registered in the licensing system in accordance with Government Regulation Number 28/2025. This imbalance in the ratio between supervisory subjects and supervisory objects makes it difficult to implement the mandate of Government Regulation Number 22/2021 regarding routine supervision comprehensively. As a result, actions in the field often only touch on the administrative aspects of documents without providing material evidence of actual environmental facts (18).

The issue of supervisors' technical competence also poses a barrier to understanding the complexity of environmental impacts, particularly in medium-risk business sectors with diverse waste characteristics. Although Law No. 6/2023 calls for more efficient oversight, technical standards for environmental quality monitoring require specialized expertise that is not yet evenly distributed across all levels of local government. The provisions regarding

electronic reporting standards in Government Regulation No. 22/2021 are also not supported by the readiness of a nationally integrated information system. The use of technology, which was expected to address personnel shortages, has not been able to effectively detect potential violations of UKL-UPL commitments quickly and accurately.

Furthermore, limited monitoring facilities and operational budget allocation demonstrate institutional unpreparedness to implement the mandate of the new legislation. In a risk-based licensing system, oversight should be targeted and proportional to the level of environmental risk to business activities. However, without implementing regulations requiring regular strengthening of the number and quality of experts, the goal of protecting environmental functions will be difficult to achieve sustainably. This situation demonstrates that legal certainty in environmental management requires not only clear norms but also guaranteed availability of supervisors capable of translating written regulations into concrete and measurable law enforcement actions in the field.

4. Evaluation of the Effectiveness of Administrative Sanctions

Administrative sanctions are the primary instrument in environmental law enforcement, ensuring business actors' compliance with environmental management obligations, including the implementation of Environmental Management Plans and Environmental Impact Assessments (UKL-UPL). Based on Law Number 32/2009, the government has the authority to impose sanctions ranging from written warnings, government coercion, to the revocation of business permits. In a risk-based licensing system, this instrument is considered strategic due to its speed and efficiency, eliminating the need for lengthy judicial processes. Theoretically, the application of these sanctions aims to create a deterrent effect while encouraging business actors to remain disciplined in implementing the provisions stipulated in environmental agreements (12).

However, in practice, the effectiveness of administrative sanctions still faces real challenges related to their coercive power and success rate. One concern is the importance of consistent enforcement by officials in following up on violations, ensuring they do not stop at the warning stage. Without measurable and scheduled oversight, early detection of environmental document violations is difficult to achieve optimally. This risks fostering the perception among business actors that administrative sanctions are merely a tolerable formality, thus undermining the primary goal of preventing environmental damage.

Therefore, efforts are needed to strengthen the integrity of law enforcement and transparency in the field supervision process. Increasing the capacity and accuracy of officials in monitoring business compliance is key to ensuring that the sanctions imposed have strong weight. With firm and consistent application, administrative sanctions are expected to function optimally as protectors of environmental sustainability and support the realization of sustainable development in Indonesia (19).

5. Implications for Environmental Protection

Supervision of the implementation of the UKL-UPL has very significant implications for the level of environmental protection, particularly in the context of medium-risk business activities. The UKL-UPL as an environmental management and monitoring instrument is essentially designed to control potential negative impacts from the operational stage of business activities. If supervision of its implementation is carried out effectively, then every obligation stated in the UKL-UPL document can be carried out consistently by business actors, so that the potential for pollution and/or environmental damage can be minimized. This is in line with the objectives of environmental protection as stipulated in Law Number 32/2009 which emphasizes the importance of preventive efforts in maintaining the sustainability of environmental functions. Thus, optimal supervision not only functions as an administrative control tool, but also as a strategic instrument in maintaining ecosystem balance and the sustainability of natural resources (20).

Conversely, if supervision of the implementation of the UKL-UPL is ineffective, the implications can be serious for environmental quality. Weaknesses in supervision, whether caused by limited human resources, weak coordination, or the lack of firmness in the application of administrative sanctions, can open up opportunities for businesses to ignore environmental management obligations. As a result, the potential for pollution and environmental damage increases and becomes difficult to control. In the long term, this condition not only harms the environment but also impacts public health and the sustainability of development. Therefore, strengthening the UKL-UPL supervision system is crucial for effective and sustainable environmental protection within a risk-based business licensing framework.

CLOSING

Based on the discussion results, the current regulation regarding supervision of UKL-UPL implementation in the medium-risk business licensing scheme relies on the integration of legal norms between Law Number 6/2023, Government Regulation Number 22/2021, and Government Regulation Number 28/2025. This paradigm shift from license-based to risk-based approach has transformed the UKL-UPL into an integral part of Business Licensing, both in the form of a Business Identification Number (NIB) and a Standard Certificate. Procedurally, the oversight mechanism is carried out through an administrative approach through the evaluation of periodic reports and substantive supervision through field inspections aimed at ensuring business actors' compliance with the agreed environmental management plan. Although authority remains distributed between the Central and Regional Governments, there is a strong tendency for centralization through the standardization of NSPK and digital reporting that must be uploaded to an integrated information system to ensure accountability for oversight across all regions.

Substantially, the current regulatory framework is considered incapable of providing optimal legal certainty or ensuring the effectiveness of environmental protection in risk-based licensing practices. This is due to several crucial factors, including weak cross-sectoral coordination, the limited number and quality of certified supervisory officers (PPLH) compared to the volume of registered businesses, and the inconsistent application of progressive administrative sanctions. Furthermore, legal loopholes in the form of multi-interpretable norms in the criteria for government coercive sanctions and the dominance of self-reports by business actors have the potential to render UKL-UPL documents merely a formal administrative requirement for pursuing investment legality without any real impact on ecosystem sustainability. Therefore, strengthening institutional aspects and synchronizing operational data are key to ensuring the risk-based licensing system remains aligned with the principles of sustainable development.

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