



Optimization of Aceh government's policy towards investment in Sabang free

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Abstract

Aceh is a special and special area, one of its specificities is to develop the Free Trade Zone and the Port of the Sabang Free Zone as stipulated in Article 169 paragraph (1) of Law Number 11 of 2006 concerning the Government of Aceh. So far, investment in the area has not shown significant development, and in addition the internal management problems of the Sabang Regional Business Agency are not running optimally due to ineffective management and leadership changes at both the head and top leadership levels. The problems in this study are how the role of the Government of Aceh in increasing investment in the Sabang Free Zone, what factors are the obstacles for the Government of Aceh to increase investment, and how the Government of Aceh's policy is to increase investment in the Sabang Free Area. The research method carried out is normative juridical, namely using a regulatory approach, supported by primary, secondary, and tertiary data. The data was analyzed qualitatively. The results show that the role of the Aceh Government in increasing investment in the Sabang free zone has not been maximized, the authority for attribution has been given by regulation, and the Aceh Government's policy to increase investment in the free area has been issued several policies by the Governor as the chairman of the Sabang Regional Council, namely the Regulation of the Governor of Aceh as the Chairman of the Sabang Regional Council (DKS) Number 17 of 2014 tThe Organization and Work Procedures of the Sabang Free Trade Zone and Free Port Management Agency which regulates technical matters to accelerate the management of the Sabang area. It is recommended to the Aceh Government to maximize investment authority as stipulated in the Aceh government law, the Aceh government needs policies for the management of BPKS national and international investment programs/planning, and make the licensing policy to invest in Aceh as simple as possible but does not eliminate legal legality.

Keywords: Aceh government, investment, sabang

Introduction

Indonesia as a country that has a variety of cultures, religions, customs, and tribes but remains a whole nation (bhinneka tunggal ika) within the territory of the Unitary State of the Republic of Indonesia (NKRI). In the provisions of Article 18 paragraph (1) of the 1945 Constitution of the Republic of Indonesia (1945 Constitution of the Republic of Indonesia) it is stated that "Indonesia is divided into provincial areas, and the provincial areas are further divided into districts and/or cities, each of which has a regional government regulated by law".

The state, in this case the central government, respects and obeys the provisions stipulated in the 1945 Constitution of the Republic of Indonesia which has been stipulated for the sake of life and/or the implementation of an orderly and dignified government. This aims to provide guarantees, legal certainty, and protection of human rights, government institutions, and regions in carrying out their duties and authorities, especially the regional autonomy system which is special and special.

The definition of autonomous regions based on Article 1 number 12 of Law Number 23 of 2014 concerning Regional Government (Regional Government Law) states that "the unity of a legal society that has territorial boundaries that is authorized to regulate and manage government affairs and the interests of the local community according to its own initiative based on the aspirations of the community in the system of the Unitary State of the Republic of Indonesia".

It should be noted that the concept of autonomy itself comes from the Greek, namely "*autos*" which means own and "*nomous*" which means to organize, so that when combined it means to organize one's own government.^[1] Regional

autonomy is the right of residents living in an area to regulate, manage, control and develop their own affairs in respect of the applicable laws and regulations.^[2]

Local governments in exercising their "autonomy" are based on the principle of decentralization. The principle of decentralization is the principle of handing over part of the affairs of the central government to local governments to manage and manage their own households.^[3] It is emphasized in the provisions of Article 1 number 11 of the Local Government Law that decentralization is the handover of government affairs by the central government to autonomous regions based on the principle of autonomy.

An explanation related to "regional autonomy and decentralization", it can be concluded that the authority of independence is given by the central government to local governments to take care of their own government affairs, but local governments are under the supervision of the central government and are obliged to be responsible to the central government in carrying out its duties in accordance with laws and regulations.

The opposite also applies to the central government, in determining a national policy and especially for the regional level, the central government complies with the provisions of laws and regulations and respects the existence of regions with special and special autonomy as stipulated in separate laws. Basically, the autonomous regions are also assigned certain jobs by the Central Government as a representative/extension of the government in the regions.^[4]

Based on the provisions of Article 18B paragraph (1) of the 1945 Constitution of the Republic of Indonesia, special autonomy is enforced for special and special regions. These basic provisions gave birth to several regions in Indonesia

that have a special status such as the capital city of Jakarta, Papua. Meanwhile, for areas that have special status, namely D.I Yogyakarta. Unlike Aceh, which has both of these characteristics, Aceh has the specificity of applying Islamic sharia in the joints of regional administration, and Aceh has the main privilege of being the center of the spread of Islamic religion and culture since Islamic times, other privileges are also related to culture, education, and the involvement of scholars in the government.

The special autonomy given to the Aceh Region is contained in Law Number 18 of 2001 concerning the Implementation of Provincial Privileges of the Special Region of Aceh which was revoked by Law Number 11 of 2006 concerning the Government of Aceh (UUPA). The underlying thing for the granting of Special Autonomy by the central government to the Aceh Region is related to the distinctive historical character of the struggle of the Acehnese people who have high resilience and fighting power, as well as becoming a capital region for Indonesia in fighting for and defending its independence.^[5]

The authority to administer the Aceh Government is contained in the UUPA. One of them is the authority to implement the Aceh Government to develop the Sabang Free Trade Zone and Port Based on Article 169 paragraph (1) of the UUPA which states "The Government together with the Government of Aceh develop the Sabang Trade Zone as a center of regional economic growth through activities in the fields of trade, services, industry, mining and energy, transportation and maritime, postal and telecommunications, banking, insurance, tourism, processing, Agriculture, Plantation, Fishery, and Industrial Warehouses from the surrounding area".

The Aceh government directly has responsibility for the development of the Sabang trade area. The jurisdiction is the full authority of the Aceh Government to manage, in this management the Aceh Government delegated its authority through the Sabang Regional Council which was then implemented by the Sabang Regional Business Agency as stipulated in Article 170 of the UUPA.

The Sabang Regional Council (DKS) is determined by the President of the Republic of Indonesia, chaired by the Governor of Aceh Province is the leader of the Aceh Government, consisting of the Regent of Aceh Besar and the Mayor of Sabang who have the duty and authority to set general policies, foster, supervise and coordinate the activities of the Sabang Free Trade Zone and Free Port Management Agency as authorized in the regulations.

The authority delegated to DKS includes authority in the field of licensing, namely trade, industry, mining and energy, transportation, tourism, marine and fisheries, investment and other authorities, namely spatial planning, environment, business development and management through cooperation both domestic and foreign, establishment of business entities, and investment, as well as management of fixed assets.

The DKS is filled by the Government of Aceh and the Government of Aceh Besar Regency, the Mayor of Sabang who has full authority in running the Sabang free zone. Looking at this format, the role of the Aceh Government is quite large in the progress of the free area to become a place for the growth of the welfare of the Acehnese people.

The technical implementation of the free zone is carried out by BPKS which is a non-structural State institution that receives delegation of authority from the DKS for the

development of the Sabang Area as stipulated in Government Regulation (PP) Number 83 of 2010 concerning the Delegation of Government Authority to the Sabang Regional Council.

The granting of authority to BPKS is also inseparable from the responsibility of the DKS which has full access to investment development in the Sabang free area, this provision is inseparable from the role of the Aceh Government in organizing and managing the Aceh region based on its jurisdiction.

Since the formation of BPKS since the enactment of the UUPA until now, the Sabang Free Trade Zone and Free Port has not seen significant progress in the development and development of the Sabang Free Zone as stipulated in Article 169 paragraph (1) of the UUPA, namely developing in the fields of trade, services, industry, mining and energy, fisheries, and industries from the surrounding area.

This shows that there are problems that must be solved immediately by the Aceh Government through DKS and BPKS as the technical implementers, one of which is about investment. The decline in investment in the Sabang area can be caused by a decrease in the absorption rate of the State Expenditure Budget (APBN), the change of Governors and Regents/Mayors, and weak communication between institutions to attract investment to the Aceh region.

The Government has given great authority to the Aceh Government through the DKS to carry out the Sabang Area Function. However, its implementation has not been maximized as stipulated in the UUPA and the implementing regulations under it. The organizational structure, especially the management of BPKS, has been regulated in Law Number 37 of 2000 concerning the Stipulation of Government Regulations in Lieu of Law Number 2 of 2000 concerning the Sabang Free Trade Zone and Free Port into Law, and the Governor's Regulation (Pergub) which has been issued several times by several Aceh Governors as the chairman of the DKS.

The provisions in Article 5 paragraph (1) of Law Number 37 of 2000 state that the DKS forms BPKS which is led by a Head and assisted by a Deputy Head and Members. (2) The Head, Deputy Head and Members of the Body as intended in paragraph (1) shall be appointed and dismissed by the Sabang Regional Council after hearing the consideration of the Provincial Regional House of Representatives.

This BPKS is the implementing element of the policies for the management, development and development of the Sabang Area in accordance with the functions of the Sabang Area and is responsible to the DKS whose vision is to make Sabang one of the leading trade, transportation and maritime areas, and fisheries and industries from the surrounding area in the world.

BPKS has a vision, namely *First*, to hold legal products as the operational basis of BPKS. *Second*, it offers investment packages with various conveniences. *Third*, creating institutional efficiency and effectiveness. *Fourth*, promote in order to increase investment and tourist visits to Sabang. *Fifth*, seeking to provide a budget for the development of the Sabang Area. *Sixth*, to build a conducive uisaha climate in the Sabang Area. *Seventh*, coordination and synchronization of the Sabang Area development program.^[6]

Judging from the vision, mission and authority that has been given, the functions carried out are certainly accompanied by greater responsibility because they are directly related to

the implementation of economic development planning in the Sabang Area, the impact of which will be felt by all people living in the area.^[7]

The delegation of authority given by the Government of Aceh to BPKS is effective where the delegation of authority is carried out systematically and consistently, namely the delegation of authority is carried out at the operational level or work unit where the work is carried out.^[8]

The problem that today's investment is not effective in the Sabang area is also influenced by the Aceh Government as a DKS institution which should act as a coach and supervisor for BPKS in maximizing investment in Aceh, especially the Sabang free area. Therefore, the researcher is interested in conducting a more in-depth research study with the problem of how the role of the Government of Aceh in increasing investment in the Sabang Free Area, and how the Aceh Government's policy is towards increasing investment in the Sabang Free Area.

Research Methods

This research is a normative juridical research using a legislative approach, a conceptual approach, and ahistorical approach.^[9] Normative research (library) with the collection of primary, secondary and tertiary data, by reading all literature related to the problems that arise, not only with the library of data obtained. However, with modern technology by searching from various media that present data in a structured manner.^[10]

The research data sources used are secondary data, *the first* is primary legal material, *the second* is secondary legal material, and *the third* is tertiary legal material. Regarding data analysis, namely qualitative analysis, it is data that is not in the form of numbers, but data obtained from written materials.^[11] The legal documents that have been collected through the inventory process are then classified to be further analyzed in depth by exploring the principles, values and main norms contained in them.

Result and Discussion

The Role of the Aceh Government in Increasing Investment in the Sabang Free Zone

The government has a system of exercising authority and power that regulates the lives of the people and is in the form of the highest body that governs a country. Although the government can also be interpreted as an organization that exercises power from the state, the government is not the only organ in 3 (three) countries and is not the maker of all laws and regulations for the community.^[12]

The word "government" is not the same as "government". The term government is broader in scope than government. The government in a narrow sense enforces the laws, while in a broad sense it includes all bodies that exercise executive, legislative and judicial powers.^[13] Thus, it can be concluded that the meaning of government is broader in scope than that of government, because in government there is also a function of legislative power.^[14]

The task of the central government is to handle national affairs and other provisions based on the applicable order, while the local government handles local affairs related to issues of a regional nature (*localities*).^[15]

The government has the power to make investments, investment is a well-known term in the business world, while the term investment is commonly used in legislation. But basically the two sentences have a similar meaning.^[16]

Law No. 25 of 2007 concerning Investment states that Article 1 paragraph (1) can be concluded that the purpose of implementing investment is to "Increase economic growth, employment, sustainable development, competitiveness of the business world, technological capacity and capabilities, development, processing and improving the welfare economy of the community".

Investment is the main step and economic progress, the part of capital participation has a great influence on the high and low economic life system, illustrating the importance of many and low development.^[17] The importance of investment as a development of developing countries began with the invention of growth models, as growth affects the level of the economy and economic growth depends on capital development.^[18]

In the black law dictionary that investment means "an expenditure to acquire wealth or other assets to generate income, or the acquisition of assets, the placement of capital in a manner indicated to secure income or profits from employment".^[19]

The most important thing at this time is licensing, in the provisions of Article 20 paragraph (1) letters a and b of Government Regulation No. 41 of 21 concerning KPBPB that the business entity is authorized to issue all business licenses for entrepreneurs who establish and run a business at KPBPB, and determine the type and quantity of consumer goods and issue their income permits.

The government has provided space for investment in Indonesia, especially in areas that have the potential to be developed, this commitment is made in the Omnibus Law (Job Creation Law) to solve licensing and ease of doing business problems that have an impact on job creation. Therefore, through this law, it is hoped that it can solve this problem to attract investors to invest their capital, which is the government's priority in increasing economic growth.^[20]

Through Government Regulation No. 41 of 2021, the government has determined that the Free Trade Zone and Free Port (KPBPB) area is an area that the government focuses on simplifying and simplifying the entire licensing process through regulations to provide legal certainty in developing regions and managing investments.^[21]

John Dunning stated that there are at least 3 (three) important things that are needed for investment to occur, namely "*Ownership*, a place to invest related to natural resources and beliefs, which are related to the rationale for investors to invest their capital in the place where the investment takes place".^[22]

Sabang has various potentials that can be developed to be able to support the economy of the community, especially the people of Aceh for the realization of a just and prosperous society. Sabang is an area managed by BPKS management which is given the authority to extend the hand of the Aceh Government to issue investment permits in the Sabang area.^[23]

In the management of BPKS, the largest investment is inseparable from the role of the Aceh Government as the administration of government in Aceh and is the embodiment of the DKS as delegated by the central government in Government Regulation No. 83 of 2010 for the implementation of certain government affairs necessary to carry out the business of the Sabang area.

The Government of Aceh has the authority of attribution as stipulated in the provisions of Articles 18, 18A and 18B of the 1945 Constitution of the Republic of Indonesia *in*

conjunction with Law Number 11 of 2006 concerning the Government of Aceh. The Aceh government today has full authority over permits issued directly for investment, therefore, it is necessary to cooperate in certain sectors that can be carried out in the Sabang free area.^[24] The Aceh government to accelerate investment in the free zone of Aceh's jurisdiction with the aim of economic welfare of the community.^[25]

Aceh is given the right to take care of the interests of its own government order to advance the region through the development of adequate superstructure and infrastructure in all aspects. Based on Article 165 paragraph (2) of Law No. 11 of 2006 which is then further regulated in the Investment Qanun.

The problems that occur in the field are political stability and administrative order because it is one factor that greatly affects the success or decline of investment in Aceh, where 2024 is a political year that affects policies in the next five years. Investment must develop directly felt by the community. Investment is an important pillar in the economic growth of a region that is a country, and political stability is a key factor in the investment climate in Aceh.

Special authorities and regulations that have been given by the central government to Aceh from 2006 until now, the Aceh Government has not maximized its role in investment in the Sabang free zone, this needs to be studied/explored both in terms of regulations, economy, politics and communication between agencies vertically and horizontally maximizing special authority in the form of hierarchical attribution as stated in the laws and regulations to attract investment both from domestic and abroad.

Aceh Government's Policy on Increasing Investment in the Sabang Free Zone

The Aceh Region is given privileges based on these specificities and privileges regulated in Law No. 44 of 1999 and the UUPA is the result of an agreement in the Helsinki MoU. One of the special powers contained in the Helsinki MoU is in point 1.3 Economy states that "Aceh has authority over natural resources, Aceh has 70% (seventy percent) of the revenue from hydrocarbons and other natural resources, works on the development and management of all seaports and airports within the territory of Aceh and enjoys free trade in all parts without tax barriers, tariffs or other obstacles".

The current task of the Aceh Government is to use this authority to become a source of regional income and prosper the people. The role of a person in his position determines a process of the sustainability of the region.^[26] Further provisions for the Sabang area are stipulated in Article 167, Article 168, Article 169 and Article 170 of Law No. 11 of 2006.

The government together with the Government of Aceh opened Kawasan SABang as a center for local economic progress, trade and investment as well as the smooth flow of cargo and services unless expressly prohibited by legal provisions. The government provides authority in the field of granting permits and other authorities carried out by BPKS to issue business licenses, investment licenses, and other permits to run the free port trade business in the Serambi Mecca area.

The Sabang City area is located at 95°13'02"-95°22'36" E, and 05°46'28"-05°54'-28" N, is the northernmost administrative area, and is directly adjacent to neighboring

countries and the line bordered by the Strait of Malacca and the Indian Ocean.^[27] Therefore, to build investment, it is important to develop facilities and infrastructure for the welfare of the people and regional development, especially the city of Sabang, where investment for foreign and local companies is located, so the Sabang Regional Council (DKS) is formed which has the task and responsibility for the development and management of the free area to become an investment climate.

Facilities and infrastructure are very important in regional development, especially in one area for investment development. The presence of these facilities is to support progress and increase investment growth later.^[28] The Aceh Government simply provides access to the facility which is then managed by the investors themselves as managers.

In Article 6, the DKS is tasked with "establishing general policy, fostering, supervising and coordinating BPKS activities". Then the head of BPKS is tasked with "carrying out the management, development, and development of the Sabang Area", therefore BPKS has the authority to grant permits as long as it does not conflict with the applicable Regulations. Administratively, BPKS has an important role in the progress of the free zone. Through the existing authority, the Aceh Government, in this case, DKS can draft various regulations at the regional level and propose to the Central Government regarding investment management in Sabang.^[29]

Institutionally, DKS as a supervisory institution, a supervisor to the management of BPKS and has power in terms of granting permits and policies needs to be used for the advancement of Sabang as a Sabang free port that can attract investors to Aceh, especially Sabang City by issuing concrete regulations on facilities in Aceh to be able to attract investors inside and outside the country.

All policies and regulations in the economic sector are sought to be inseparable from realizing social welfare in accordance with the mandate of the constitution. The Government provides various facilities to provide convenience to investors, through the new Investment Law. However, this must also maintain the harmonization of the interests of the state (*strate*), private (*market mechanism*), and society (*society*) through the constitution.^[30]

Regarding financing for the operation of the free port, it is recorded in 3 (tig a) sources or types of income for the operations of the Sabang Area based on Government Regulation Article 17 paragraph (1) Number 8 of 2010 which states "All costs required for the implementation of the Sabang Kawasan business come from sources, *First*, their own income to finance their households, *Second*, income derived from the State Revenue and Expenditure Budget (APBN), the Aceh Revenue and Expenditure Budget (APBA), and/or the Regency/City Revenue and Expenditure Budget (APBK). *Third*, other income that is legal and does not contradict the provisions of laws and regulations." That is why

The purpose of investment in the Sabang Area can have a positive impact on the economy, development, employment and indigenous opinions of the region, in the implementation of investment in the area the local City Government (Pemkot) has the authority to manage based on Law No. 11 of 2006 concerning the Government of Aceh which is called special autonomy.^[31] The government in this case, in running the government and managing the affairs that are its responsibility, especially in the field of

investment in the Sabang free area, must be responsible, fair, transparent, professional, and democratic so as to have an impact on investment in Aceh at large.^[32]

The Sabang area as a place where the Sabang free port has an important and strategic role as stipulated in Article 37 PP No. 61 of 2009 states that "government activities at the port at least include the functions of regulating and coaching, controlling, and supervising port activities, safety, and.". The government, in this case, is also the Aceh Government which has the task of making arrangements in addition to supervision to BPKS so that the free zone can operate properly for investment.

Uniting the interests of investors with the Government of Aceh is not easy, the higher and more concrete the investment regulations made by the government, the more likely the investment will not want to invest in Aceh, and investors who have already invested their capital in the area can relocate investments (projects) to other regions or countries, due to the awareness of investment regulations that are difficult and take so long.^[33]

According to Henc van Maarseven, power without a legal basis is referred to as a "*blote match*", and power based on law is referred to as rational or legal authority, fulfilling a legal system is understood as a rule that has been recognized by society and the State.^[34]

In public law, authority is related to ability.^[35] Ability has the same meaning as authority because Executive, Legislative and Judicial abilities are formal powers. Ability is the most basic element of a country in organizing government in addition to other elements.^[36]

In principle, the entire country is divided in terms of implementing regulations that are technical in nature are the executive realm. The material in the Law requires elaboration at the lower level that regulates concretely not abstractly, so the delegation of the task to the executive or other implementers, must be strictly regulated in the highest norm.^[37]

Regarding state institutions that form laws and regulations based on Article 8 paragraph (1) of Law No. 12 of 2011, Jimly Ashiddiqie said that "delegated authority is in the form of giving, delegating, or transferring one state institution to another party to make decisions on its own responsibility".^[38] This means that the authority given is accompanied by responsibility. For agencies/institutions formed from the Law, the duties and responsibilities of the law automatically come from the law, even though the determination of its members by the President is the highest official of state administration.^[39]

This responsibility can only be enforced on three options, including, *First*, there is a firm order regarding the subject of the implementing institution that is given the authority and the form of the implementing regulation to pour the delegated regulatory material.^[40] *Second*, there is a strict order regarding the form of implementing regulations to pour out the delegated regulatory material. *Third*, there is a strict order regarding delegation from the provisions and law-making institutions to the receiving institutions, without mentioning the form of regulations that receive the delegation.^[41]

Judging from the form of authority that the Government gives to the DKS, the form of delegation of authority that is suitable for the DKS is delegation, based on the provisions of Article 1, Article 8 and Article 9 of Government Regulation No. 83 of 2010 which states that "during the

exercise of its authority, the DKS is supervised by the Government. DKS is obliged to provide a report at the end of each semester to the president, a form of accountability in carrying out his duties".

In principle, investment can be classified, namely *First*, investment based on assets is capital or wealth, there are two types of forms in real form (objects/money) and documents (securities). *Second*, investment based on the influence of investment activities, is divided into two types, namely stand-alone investment has no effect on income and investment is influenced by an increase in demand for goods and services affecting income levels. *Third*, investment based on the source of financing, this form of investment is divided into two types, namely foreign investors and local investors. *Fourth*, investment is based on the form of the investment from the way we see the opportunities that will be generated from the investment, namely investment is made through the capital market and direct investment in the form of development.^[42]

Foreign and local investment is very much needed by Aceh because the existence of these investors (capital owners) has a big impact on the future of the region, especially to foreign companies that own capital certainly bring benefits to the region, namely Banda Aceh, Sabang and Aceh Besar. The project has a great influence on various areas of regional and community life such as labor, the economy of the surrounding community, improving the indigenous opinions of the region, and others.

The provisions of Article 18 of Law No. 25 of 2007 concerning Investment regulate the provision of facilities to Investments, which, according to Article 20, do not apply to Foreign Investors who are not legal entities. Or it is interpreted that the facilities provided based on the provisions of Article 18 are only given to Foreign Investors who are legal entities.

Investment Facilities are provided with consideration of the level of economic competitiveness and financial condition of the country and must be promotive compared to facilities provided by other countries. The importance of certainty of this Investment facility encourages more detailed regulation of the form of fiscal facilities, land rights facilities, immigration facilities and import licensing facilities.^[43]

The provision of Investment facilities is also carried out in an effort to encourage labor absorption, the linkage of economic development with the treatment of the people's economy, export orientation and more favorable incentives to Investment that uses capital goods or machinery or equipment of domestic production, as well as facilities related to the location of Investment in disadvantaged areas and in areas with limited infrastructure.

Investment can develop in the region because it is given access and convenience provided by the local government with various policies that must be followed and complied with by investors. However, investors certainly have considered various analyses both legally, licensing, financial, and other potentials for the development of the investment, because basically the investment made by the investor is to obtain profits alone, if there is no profit, of course the investment will never happen.^[44]

The existence of BPKS and DKS institutions plays a role based on the existence of these institutions determining the high rate of investment of investors in Aceh. The better the service, relations and communication to foreign and local

investors, the higher the investors who invest their capital in the Sabang free port area.

In particular, the government has issued Government Regulation No. 83 of 2010 concerning the Transfer of Government Authority to the Sabang Regional Council as a derivative of Law No. 37 of 2000 concerning the Stipulation of Government Regulation in Lieu of Law No. 2 of 2000 concerning the Sabang Free Trade Zone and Free Port into Law and the consequence of Article 170 of Law No. 11 of 2006 concerning the Government of Aceh.

The delegation of part of the authority is especially given in the implementation of licensing in the fields of trade, industry, transportation, tourism, marine and fisheries as well as fashion planting, as well as the delegation of four other authorities consisting of spatial planning, environment, business development and management and management of fixed assets.

Regarding the licensing, it is then stated in the Governor's Regulation Number 32 of 2017 concerning the Implementation of Licensing which is delegated to the Investment and One-Stop Integrated Services Office to provide licensing services, one of which is licensing services in the tourism sector.^[45] Regarding investment, the Government of Aceh has autonomous authority over licensing to investors both from within and outside the country. Domestic and foreign investment based on the Tourism UUPA and Qanun.

This authority is the basis for the legality of the Aceh Government to seek as many investors as possible to invest in Aceh. The reality today is that the Government of Aceh is not able and maximum for investment and the role of the government is to convince investors to invest their capital in the Mecca Porch.

It should be noted that currently local products made by the community and natural resources in the Aceh region, especially around the investment-free area of Sabang, have good quality, natural products and products can compete outside Indonesia.^[46] Of course, through natural and artificial resources, it can be managed to generate economic growth for the community, of course, through the role of the Aceh Government, in this case, BPKS and DKS open investment and establish extensive cooperation.

Through this investment, BPKS services are needed to be improved and professional so as to provide good and satisfactory services to companies or capital owners, these services can be developed according to the needs of both direct services through the PTSP Unit, as well as the provision of access to electronic-based communication networks with the facilities provided.

Conclusion

The Government of Aceh in increasing investment in the Sabang free area has not been maximized, by regulation it has been given attribution authority, and the policy of the Aceh Government to increase investment in the Sabang free area has been issued several policies by the Governor as the chairman of the Sabang Regional Council, namely the Regulation of the Governor of Aceh as the Chairman of the Sabang Regional Council (DKS) Number 17 of 2014 (The Organization and Work Procedures of the Sabang Free Trade Zone and Free Port Management Agency which regulates technical matters to accelerate the management of the Sabang area.

It is recommended to the Aceh Government to maximize investment authority as stipulated in the Aceh government law and place people in accordance with expertise in the field of management and have knowledge of the investment world, the Aceh government needs to request a BPKS management policy for national and international investment programs/planning that are aligned with the vision and mission of the Aceh Government related to investment, and make a licensing policy to invest in Aceh is simple but does not eliminate the legality of the law.

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