



## Tri Hita Karana Forum Partners Dialogue “Indonesia Omnibus Law for a Better Business Better World”

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Jakarta (02.12.2020) – On Monday November 30<sup>th</sup>, the Tri Hita Karana Forum Partner Dialogue closed with high optimism on the discussion of Indonesia’s Omnibus Law covering the environment and food and land-use, job creation and labor, investment climate including SMEs, technology, education and healthcare, as well as taxation.

More than 180 senior executives from 30 countries participated in a vigorous discussion with the Vice Speaker of the House of Representatives, five Ministers and several senior government officials. The Government of Indonesia was represented by the Coordinating Ministry of Maritime Affairs and Investment, the Coordinating Ministry of Economic Affairs, the Ministries of Environment and Forestry, Agrarian and Spatial Planning, Finance, Labour, Research and Development and the Indonesia Investment Coordinating Board.

Coordinating Minister for Maritime Affairs and Investment Luhut Binsar Panjaitan said the implementation of recently passed Omnibus Law, is slated for February 2021. According to Coordinating Minister Panjaitan, the government has so far completed drafts for 44 implementing regulations for the law. "The government is still identifying other derivative rules so that they can be implemented according to the target", he said when delivering an Opening Speech at the Tri Hita Karana Forum Partner Dialogue on the Omnibus Law.

At the forum, Minister of Environment and Forestry, Siti Nurbaya highlighted the continued importance of the AMDAL (Environmental Impact Analysis) and that the Omnibus Law combines the processing of AMDAL permits with the processing of business permits. The ability to revoke the business permit with immediate effect makes it easier for the government to sanction companies that damage the environment. "The Omnibus Law imposes criminal sanctions as a last resort, administrative sanctions will take precedence," Minister Nurbaya said.

"The central government will also impose a standard method for evaluating AMDALs, which will replace the different standards currently used by local governments. Evaluation standards and flexibility in forming the assessment team must be faster and the quality of results is better," she said, adding. "We will welcome you to Indonesia with an environmentally friendly economic spirit."

For the international business community, the Omnibus Law is an invitation and an opportunity to rebuild on *Better Business Better World* pathway. The International Chamber of Commerce, the world’s largest business organization who was the co-host of the THK Dialog, Secretary General John Denton said, “It is great to hear first-hand the Indonesian government’s commitment to enable the private sector to drive a resilient rebuild from Covid-19.”

According to Paul Polman, Chairman of IMAGINE, Honorary Chair of International Chamber of Commerce, and member of the Tri Hita Karana Forum Steering Committee, Indonesia knows that high-quality international capital will only invest into high-quality opportunities that are good for both people and planet. “Accelerating sustainable investment in Indonesia is critical to reduce climate risk, create resilient jobs, protect nature and tackle inequality. We need to move from business as usual to business unusual” he said, adding “With its leadership on sustainable development, Indonesia can attract high quality international capital seeking net-zero, nature-positive investment opportunities.”

Commenting on Indonesia’s Omnibus Law, VP Sharma, Group CEO of MAP said, “The omnibus law is a breakthrough which will enhance the investment ecosystem and increase business activities in Indonesia, boosting investment and job creation in Indonesia. The reforms signal that the Indonesian government remains focused on long term economic development, and will put Indonesia in a better position to capitalize on shifts in global manufacturing supply chains.”

Apart from the Deputy Chairman of the MPR Lestari Moerdijat, the other Ministers who participated were Minister of Manpower Ida Fauziyah, Minister of Agrarian Affairs and Spatial Planning Sofyan Djalil, Minister of Research and Technology Bambang Brojonegoro as well as senior representatives of the World Bank, ambassadors, multinational corporation across sectors, investors, financial institutions and international conservation agencies, and leading academia from the host country of COP26.

Distinguished speakers from the international community at the event also included Lord Nicholas Stern, Professor and Chair of the Grantham Research Institute on Climate Change and Environment from the London School of Economics / New Climate Economy; Jorge Moreira da Silva, Director of DCD OECD; Satu Kahkonen, Country Director Indonesia and Timor Leste for World Bank; and Richard Jeo, Senior Vice President Asia of Conservation International.

The Tri Hita Karana Forum Partners Dialogue is held with support from the International Chamber of Commerce (ICC), UN SDSN, United In Diversity Foundation, KADIN and APINDO.

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### **About the Tri Hita Karana Forum**

The Tri Hita Karana Forum’s mission to accelerate global action by aligning global partners to support the incubation of innovative financing and mobilizing private funds with the use of public and philanthropic funds for inclusive business and the SDGs. “Tri Hita Karana” means harmony of people, nature and spirit.

The Tri Hita Karana Forum on Sustainable Development is recognized as a pathbreaking Forum since its launch in APEC 2013 by former Indonesia President Susilo Bambang Yudhoyono. The Tri Hita Karana Forum on Sustainable Development held in 2018 at the time of the IMF World Bank Meeting in Bali was the largest blended finance event in the world.

Under the patronage of President Joko Widodo, the event attracted global partners and established Indonesia as the champion of blended finance for the Sustainable Development Goals (SDGs). The high impact SDG forum launched over 30 initiatives and mobilised at least \$10 billion for priority SDGs

sectors including green infrastructure, sustainable food and land use, healthy ocean, ecotourism, health and women.

For more information, please visit [www.thkforum.org](http://www.thkforum.org)

#### **About the International Chamber of Commerce (ICC)**

The ICC is the institutional representative of more than 45 million companies in over 100 countries with a mission to make business work for everyone, every day, everywhere.

The ICC promotes international trade, responsible business conduct and a global approach to regulation, in addition to providing market-leading dispute resolution services. Its members include many of the world's leading companies, SMEs, business associations and local chambers of commerce.

The ICC represents business interests at the highest levels of intergovernmental decision-making, including the World Trade Organization, [the United Nations](#) or the G20 – ensuring the voice of business is heard. The ICC plays a vital role in scaling widespread action on Sustainable Development Goals and has a long history of formulating the voluntary rules by which business is conducted every day – from internationally recognised Incoterms® rules to the UCP 600 Uniform Customs and Practice for Documentary Credit that are widely used in international finance.

For more information on International Chamber of Commerce (ICC), please visit <https://iccwbo.org>