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REDESIGNING INSTITUTIONAL LAW FOR GREEN INVESTMENT TRANSFORMATION IN INDONESIA: INTEGRATING NZE, GREEN CONSTITUTION, AND PROPHETIC LAW

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ABSTRACT

Climate change and the urgency of achieving Net Zero Emission (NZE) require Indonesia to establish a coherent legal and institutional framework for sustainable green investment. However, the current regulatory landscape remains fragmented across ministries, resulting in legal uncertainty and overlapping mandates that hinder effective implementation. This article aims to formulate a grand design of state institutional law that consolidates regulatory coherence and institutional coordination in advancing Indonesia's green economy. The study applies a qualitative legal approach by interpreting constitutional provisions, statutory law, and ministerial regulations through constitutional hermeneutics and value-based jurisprudence. The framework integrates the Green Constitution—which elevates environmental sustainability as a constitutional mandate—and Prophetic Law, which contributes normative values of justice, stewardship, and transcendence to guide institutional reform. The findings reveal that fragmented licensing schemes and regulatory overlaps constitute major barriers for investors, undermining the achievement of NZE. By proposing a one-gate licensing system supported by an omnibus law approach, the study outlines a model that simplifies regulation, enhances institutional accountability, and harmonizes green investment policies with Indonesia's Nationally Determined Contribution (NDC). By bridging constitutional environmentalism with prophetic jurisprudence to design an institutional roadmap that is both normatively legitimate and practically implementable, this paper demonstrates originality in its approach to the issues at hand. The proposed grand design provides a clear legal and governance pathway for Indonesia to accelerate its transition toward a sustainable green economy and fulfil its global climate commitments.

Keywords: Green constitution, prophetic law, institutional reform, green investment.

INTRODUCTION

Climate change is a global challenge that needs to be addressed with the coordination of all parties, namely the Government, the private sector, and civil society. Policy arrangements that support the realization of NZE are increasingly urgent given the worsening impact of climate change. A Green Constitution will integrate environmental principles into the country's constitution so that it can become the legal basis for various policies that support the realization of NZE. One of these policies is a policy on sustainable green investment.

Sustainable green investment refers to the allocation of funds to projects and companies that support environmental and social sustainability. To achieve sustainability goals, it is necessary to consider various political, social, ecological, and justice factors (Chiu et al., 2022). Sustainability is a concept that aims to meet the needs of today's society without sacrificing the ability of future generations to meet their own needs. To achieve this goal, participation and collaboration from various parties are essential. Green investments, such as renewable energy, sustainable agriculture, sustainable waste management, green transportation, sustainable forestry, energy efficiency, and other green technologies, are beneficial to the sustainability of a healthy and clean environment. In addition, green investment also plays a vital role in creating jobs and economic resilience in the country.

This study aims to formulate a grand design of state institutional law that supports Indonesia's transition toward green investment under the framework of NZE. The objectives are as follows: first, to examine the fragmented institutional and regulatory framework governing green investment; second, to propose a harmonised model through integrated licensing and simplified regulation; and third, to ground the reform in the perspectives of the Green Constitution and Prophetic Law.

The Green Constitution mandates environmental protection and sustainable development at the constitutional level, while Prophetic Law contributes normative values—justice, stewardship, humanism—that strengthen legitimacy. Recent empirical research shows that governance effectiveness and supportive regulation are among the strongest drivers of green finance implementation in Indonesia (Simanullang & Simanullang, 2025). Moreover, comparative work on green constitutional paradigms—such as findings from studies in Indonesia, France, and Ecuador—has highlighted how constitutional design can embed sustainability into governance structures (Kusworo & Arsil, 2024). By aligning institutional reform with both constitutional and prophetic paradigms, the study seeks to contribute not only to scholarly theory, but also to policy-practical roadmaps for Indonesia's climate commitment and green investment future.

Various factors determine that this sustainable green investment can run effectively according to its goals. Research conducted in the Arctic region shows that when investment relationships are appropriately managed, implementing sustainable and responsible investment becomes more accessible, which can positively impact the economy (Churilov, 2024). These aspects include trust, transparency, regulation, and shared goals. A well-run investment relationship can encourage sustainable and responsible economic growth. However, the impact can harm all parties involved, if it does not go well.

A study in Vietnam shows that green investment factors affect the success of realizing investment goals. These factors include infrastructure, funding, company understanding, support from the government in accessing funds for green investment, the availability of capital that businesses can use for sustainable investment, and the company's plan to implement crucial green investment projects. In particular, a

group of factors that include the following: awareness of the importance of green investment, understanding of access to green capital, the role of the government, and various instruments for green capital mobilization, significantly influence the implementation of green investment by businesses in Vietnam (Tran et al., 2020). These factors show that the successful implementation of green investment is highly dependent on supportive structural, financial, and policy support. Good awareness and understanding of companies and governments, easy access to green capital, and practical mobilization tools are crucial to driving the growth and sustainability of green investment in Vietnam. Research conducted in 51 countries shows the influence of resource rental and institutional quality on environmentally friendly investment. Resource leasing is detrimental to green investments. On the other hand, political stability, government effectiveness, corruption control, rule of law, accountability, and regulatory quality have increased green investment.

Undoubtedly, policies that regulate green investment are needed to realize the NZE within the framework of a green constitution. Governments have a crucial role to play in regulating and supporting sustainability practices through effective policies and regulations. Sustainability requires a stable political environment to provide certainty for investors and other stakeholders, as political instability can hinder the implementation of sustainability policies. Achieving sustainability goals requires a holistic approach that considers and balances all factors. That way, sustainable investment goals will be achieved.

Research in China also found that to encourage green investment, policymakers should focus on strengthening and developing institutional quality. In China, the institutional environment has a positive effect on green investment from the legal and cultural aspects (Han et al., 2022). The Chinese government has strict environmental policies and regulations to vide legal certainty. Legal certainty provides stability for companies in planning and implementing green investments. Investors feel safe to invest in green projects. The cultural aspects of the country that prioritize the values of sustainability and environmental preservation can encourage companies to invest in green projects. In addition, the culture of the Chinese people as environmentally conscious consumers supports green investment in the form of buying products from companies that commit to environmentally friendly business practices.

Green investment has become a key driving force for China to achieve green and sustainable development. In addition to the two studies above, there is also a study that reviews the impact of green investment and institutional quality on environmental pollution. The result is that green investment has a nonlinear impact on environmental pollution that depends on institutional quality (Ren et al., 2022). The nonlinear impact of green investment on environmental pollution shows that institutional quality plays a crucial role. Therefore, to maximize the benefits of green investment, there needs to be a concerted effort to improve institutions.

The above studies show that effective institutions play a vital role in creating a conducive environment for green investment. In Indonesia itself, in order to contribute to handling global climate change, the Government of Indonesia, together with the Global Green Growth Institute (GGGI), initiated the Indonesia Green Growth Programme (IGGP). The IGGP was formed to develop strategies and approaches for green economic growth in low-carbon Indonesia. The government of Indonesia has also developed the Long-Term Strategies- Low Carbon and Climate Resilience (LTS-CCR), which is a Long-Term Strategy for Low Carbon Development and Climate Resilience. This strategy is a reference for producing as few GHG emissions as possible. The GGGI is under the coordination of the Ministry of National Development Planning/BAPPENAS in coordination with the Ministry of Energy and

Mineral Resources (Ministry of Energy and Mineral Resources), the National Electricity Company (PLN), the Ministry of Environment and Forestry (KLHK), the National Council of Special Economic Zones/National Council of SEZs, the Coordinating Ministry for Economic Affairs, the Fiscal Policy Agency (BKF), the Ministry of Finance, PT. Multi Infrastructure Facilities (SMI), State Administration Institutions (LAN), and Regional Governments (Provincial Governments)(WIT, n.d.).

In 2017, the Government of Indonesia established Low Carbon Development Indonesia (LCDI). The LCDI, which is also under the coordination of the Ministry of National Development Planning/BAPPENAS, is also the first low-carbon development platform in Indonesia designed to integrate low-carbon development principles into national development planning and policy (*Low Carbon Development A Paradigm Shift Towards A Green Economy In Indonesia Full Report 2019 - Google Nggoleki*, n.d.). Under the Ministry of National Development Planning/BAPPENAS, the 'Strategic Coordination Team for the Redesign of Indonesia's Economic Transformation 2045' was also formed, which was inaugurated through the Ministry of National Development Planning/BAPPENAS No. 110/2022. This team is divided into several working groups, one of which is the Green Economy Working Group, which consists of representatives from various ministries and institutions, including the Ministry of Energy and Human Resources, Ministry of Environment and Forestry, Head of the Fiscal Policy Agency, Ministry of Finance, and Ministry of Maritime Affairs and Fisheries.

In 2019, the Government established the Environmental Fund Management Agency (BPDLH), a Public Service Agency (BLU) under the auspices of the Ministry of Finance. The BPDLH manages the Environment Fund to support various sectors, including forestry, energy and mineral resources, carbon trading, environmental services, industry, transportation, agriculture, and marine and fisheries. This management is carried out by the policies set by the Minister of Finance to support environmental conservation efforts (*BPDLH*, n.d.). The BPDLH is directed by a Steering Committee whose membership includes ten ministries related to the environment, namely the Coordinating Minister for the Economy as Chairman, the Minister of Environment and Forestry (as Vice Chairman), the Minister of Finance, the Minister of Home Affairs, the Minister of Energy and Mineral Resources (ESDM), the Minister of Transportation, the Minister of Agriculture, the Minister of National Development Planning/Head of the National Development Planning Agency (Minister of National Development Planning/Head of Bappenas), the Minister of Industry, and the Minister of Marine Affairs and Fisheries (Humas, 2019). The Indonesian Government also established an Investment Management Institution LPI through Government Regulation No. 73/2020 and Government Regulation No. 74/2020(*Atasi Tantangan Pembiayaan Pembangunan, Pemerintah Terbitkan PP Lembaga Pengelola Investasi - Kementerian Koordinator Bidang Perekonomian Republik Indonesia*, n.d.). The LPI was established as an institution tasked with managing investments to increase and optimize long-term investment value to support sustainable development.

In Presidential Regulation No. 98/2021 concerning the Implementation of Carbon Economic Value for the Achievement of Nationally Determined Contribution Targets and Greenhouse Gas Emission Control in national development, a steering committee was also formed and tasked with providing direction related to the implementation of Carbon Emission Value (NEK) policies in order to achieve NDC and Greenhouse Gas Emission GHG control. The Steering Committee consists of various ministries and related institutions. The NDC itself is a national commitment to contribute to the reduction of GHG emissions made by countries that have ratified the Paris Agreement. In the Steering Committee, which is in charge of the substance of the NDC and NEK, is the Minister of Environment and Forestry. The person in charge of regional coordination is the Minister of Home Affairs. The person in charge of fiscal substance and financing is the Minister of Finance. The Steering Committee also

consists of the Minister of National Development Planning/Head of BAPPENAS, Minister of Energy and Mineral Resources, Minister of Industry, Minister of Transportation, Minister of Public Works and Public Housing, Minister of Agriculture, Minister of Marine Affairs and Fisheries, Minister of Trade, Head of the Meteorology, Climatology, and Geophysics Agency, Head of the Peat and Mangrove Restoration Agency.

State institutions play an essential role in the realization of green investment. However, there are various challenges and problems faced in the effort to realize effective green investment. The government is responsible for designing and implementing policies that support green investment. On the other hand, juridical instruments related to green investment in Indonesia are still scattered in various regulations, ranging from the level of the law to the Presidential Regulations and Ministerial Regulations, and Ministerial Decrees. In addition, there are institutional regulations such as the Financial Services Authority Regulation (POJK), which also contain substitutions for green investment. Therefore, the possibility of an overlap between these regulations do exist.

The absence of green investment regulations that can be used as the main guideline, and holistically regulate the implementation of green investment in particular, as well as the green economy in general – causes programs in each relevant ministry to be less directed, inconsistent, and poorly organized, which can lead to the ineffective implementation of green investment and the effort to achieve NZE. Each relevant ministry has its programs and regulations that could be more effective if was harmonized.

Inconsistency in policy is one factor that makes investors reluctant to invest in green projects (Pramana & Dewi, 2023). Consistency in policy and clarity in institutions is essential to give investors the confidence to better plan and manage their investments. The Indonesian government needs to improve the legal framework related to green investment, such as simplifying regulations, reducing bureaucracy, introducing attractive incentives, or other ways to make the investments more attractive to investors. The programs of the relevant ministries must be mutually supportive, integrated, and harmonious in a clear framework. Government policies and institutional structures must be well-directed and coordinated. With that, the implementation of green investment can run effectively and contribute to sustainable development, which will ultimately have positive impact on the environment and society, especially in reducing carbon emissions and achieve the NZE goal.

The realization of green investment in order to realize NZE in Indonesia requires a solid and integrated national institutional law, a grand design based on the Green Constitution. The Green Constitution emphasizes the importance of environmental protection within the framework of a sustainable economy in Indonesia. In addition, integration from input with different perspectives is needed for a more holistic concept.

METHODOLOGY

This research employs a qualitative legal approach, which is appropriate for normative and doctrinal analysis. Primary sources, including the 1945 Constitution, Law No. 32/2009 on Environmental Protection and Management, and Law No. 39/2008 on State Ministries, were selected purposively for analysis based on their direct relevance to institutional design for green investment. Secondary sources such as academic literature, journal articles, and comparative constitutional studies were examined to contextualize Indonesia's fragmented legal framework. The analysis followed interpretive methods of statutory construction and constitutional hermeneutics, focusing on identifying legal gaps, overlaps, and

normative inconsistencies. In interpreting the principles of the Green Constitution, the study applied a constitutional-environmental framework that situates sustainability as a constitutional mandate (Catanzaro & Jeffords, 2025). Meanwhile, Prophetic Law was analysed through value-based jurisprudence, emphasizing justice, stewardship, and transcendence, using a hermeneutic reading of prophetic traditions as a normative compass for institutional reform (Herlin-Karnell, 2023).

RESULTS

Integrating Legal Policy and Institutional Reform for Green Investment through the One Gate System and Omnibus Approach

Like many other countries in the world, Indonesia needs to encourage the NZE commitment in order to reduce its excessive greenhouse gas emissions. Sadhukhan (2022) has provided scientific evidence that these commitments are successful in reducing emissions and that the implementation of NZE-based programs affects decarbonization and helps to address climate change issues. Further evidence support the NZE program found in the study by Robertson et al. (2021), who showed that the development of a green natural climate is highly influential in reducing emissions between 4.3 and 8.8 MMT CO2 per year in Washington state by 2050. Positive progress from the NZE program needs to be a priority for developing countries, including Indonesia. This step is important because research by T.M. Basuki et al. (2022) shows that climate change also threatens Indonesia. If there is no responsive action, the risk of natural disasters such as floods, landslides, soil erosion, and prolonged droughts will increase, which will negatively impact the sustainability of food, water, energy, and environmental health.

The Green Constitution should be understood as a constitutional framework that elevates environmental protection to the highest legal order of the state. Asshiddiqie (2010) emphasizes that it integrates ecological values into governance and legislation as a constitutional mandate. Comparative research also shows how Ecuador and France adopt explicit environmental clauses to guide institutional reform and sustainability (Kusworo & Arsil, 2024). Recent scholarship explains how legal evolution incorporates environmental norms into constitutional law, reinforcing their role in Earth system governance (Buitendag, 2025). Empirical evidence also suggests that adopting constitutional environmental provisions improves sustainability performance and strengthens institutional coherence (Suryawan & Aris, 2020). Thus, defining the Green Constitution as a legal-theoretical foundation clarifies its role in harmonizing fragmented regulations, consolidating institutions, and directing reforms toward achieving Net Zero Emission in Indonesia.

Alleviating climate change problems requires various policy transformations, one of which is participatory green investment policy innovation from the government and the private sector. Green investment is a solution and practical step in reducing emissions in economic sectors that contribute a large amount of emissions (Qalbie & Rahmaniah, 2023). The challenge of implementing green investment can be successful in a participatory manner in a country which has a licensing scheme that can attract diverse investors. For example, in the European Union, environmental-based economics, legal policies, and incentive-based taxes are attractive for investors who want to invest in green economic sectors with low-carbon technologies (Vlahinić Lenz & Fajdetić, 2021). That is the challenge that Indonesia is currently facing in real terms, and it needs to be solved immediately. According to Wiranugraha Rahayu's (2023) research, Indonesia still needs to have adequate legal products to ensure legal certainty in the implementation of green investment. Disproportionate green investment laws certainly affect less-than-ideal licensing schemes. They can create paradoxes where investments are

made carelessly. There is certainly a lack of green technology development and harmonization within the private sector. The sector need more effective participants in supporting the mitigation of climate change threats (Qu et al., 2022).

It is undeniable that the construction of green investment laws that are able to create ideal licensing is one of the factors for the success of the program. Efficient and rigorous components must be integrated into the instrument so as to ensure easy access for investors while maintaining a green commitment in the economic sector (Turken et al., 2020). According to Olsson's (2021) research the licensing scheme needs to be simplified. It is the main obstacle which prevents investors from becoming interested in investing and is a factor hindering the realization of decarbonization in the industrialized economic sector. Complicated green investment licensing makes policy schemes complex. It affects investors' understanding of foreign investment in the country, the impact is a decline in their interest in investing (Luo et al., 2021). In fact, according to a research by Saggi (1996), foreign investors have always been dominant in providing more significant investments than domestic investors.

Complicated investment licensing schemes are regarded as ancient models and they have been abandoned a long time ago in order to attract investors en masse. According to a research by Das (1999), complicated investment licensing is actually a moral hazard for stakeholders. They are used to attract illegal levies from foreign investors to facilitate the issuance of permits. Furthermore, as Clark et al. (2003) have pointed out, complicated investment licensing schemes, by taking advantage of the complexity of existing rules, have the potential to create conflicts of interest and open up opportunities for fraud. To support the success of green investment in Indonesia, we need an ideal licensing scheme to support the success of NZE and a participatory green economy. If there is no green investment law reform in Indonesia, there is no adequate legal basis as the ideal basis for green investment licensing reform. Problematic green investment laws cannot be the legal basis for creating efficient licensing to attract any investor. The problem arises because Indonesia does not yet have a priority scale in the green investment sector and still relies on non-green investment (Sari & Setiyono, 2022).

Another factor that explains why an investment license is complicated is because the licensing scheme is regulated under different rules. This problem is a problem faced by the green investment licensing sector in Indonesia. The legal provisions for green investment licensing in Indonesia are considered to have a relatively high level of complexity because they are regulated separately. Table 1 provide more details on the matter.

Table 1

List of Green Investment Licensing Arrangements in Indonesia

Types of Green Investments	Legal Basis of Licensing	Urgency of Rules
Renewable Energy	ACT. No. 11 of 2020 concerning Job Creation	Regulating the simplification of business licensing in the Renewable Energy sector
	ACT. No. 30 of 2009 concerning Electricity	Regulating the supply of electricity, including renewable energy
	ACT. No. 32 of 2009 concerning Environmental Protection and Management, Government Regulation No. 27 of 2012, & Ministerial Regulation of the Ministry of Environment and Forestry. 4 Year 2021	Regulating environmental permits and AMDAL requirements for renewable energy projects

(continued)

Types of Green Investments	Legal Basis of Licensing	Urgency of Rules
	Government Regulation No. 25 of 2021, Regulation of the Minister of Energy and Mineral Resources No. 12 of 2017 concerning the Utilization of Renewable Energy Sources	Regulate the simplification of permits, feed-in procedures & tariffs and incentives for the development of renewable energy
	Government Regulation No. 5 of 2011 concerning the Implementation of Risk-Based Business Licensing	Regulating risk-based business licensing procedures, including in the Renewable Energy sector
	ACT. No. 28 of 2002 concerning Buildings, PP. No 36 of 2005	Arranging building permits required for the construction of Renewable Energy facilities
Sustainable Transportation	ACT. No. 11 of 2020 concerning Job Creation	Regulating the simplification of business licensing
	ACT. No. 22 of 2009 concerning Road Traffic and Transportation, PP. No. 41 of 1993	Regulating the implementation of road transport traffic, including the development of sustainable transportation
	ACT. No. 30 of 2007 concerning energy, Government Regulation No. 25 of 2021	Establish national energy security policies, simplify licensing, and provide facilities in the field of energy and natural resources, including the use of new energy for sustainable transportation
	ACT. No. 32 of 2009 concerning Environmental Protection and Management, Government Regulation No. 27 of 2012, & Minister of Environment and Forestry No. 4 of 2021	Regulating environmental permits and AMDAL requirements for Sustainable Transportation projects
	Government Regulation No. 55 of 2019 concerning the Acceleration of the Battery Electric Vehicle Program for Road Transportation	Regulating strategies to accelerate the development of battery-based electric motor vehicles along with related incentives and permits
	Regulation of the Minister of Transportation No. 33 of 2018 & Regulation of the Minister of Transportation No. 45 of 2020	Regulating the type testing and certification of motor vehicles, including Electric vehicles and regulating the maintenance and operation of battery-based Electric motor vehicles on highways
	Government Regulations. No. 5 of 2011 concerning the Implementation of Risk-Based Business Licensing	Regulating risk-based business licensing procedures, including in the Renewable Energy sector
	ACT. No. 28 of 2002 concerning Buildings, Government Regulation No. 36 of 2005	Arranging building permits required for the Construction of Sustainable Transportation facilities
Sustainable Waste Management	ACT. No. 11 of 2020 concerning Job Creation	Regulating the simplification of business licensing
	ACT. No. 32 of 2009 concerning Environmental Protection and Management, Government Regulation No. 27 of 2012, & Regulation of the Minister of Forestry and Environment No. 4 of 2021	Regulating environmental permits and AMDAL requirements for Sustainable Waste Management projects
	ACT. No. 8 of 2018 concerning Waste Management, Government Regulation No. 81 of 2012	Regulate comprehensive waste management, including reduction, collection, including licensing
	Government Regulation No. 5 of 2011 concerning the Implementation of Risk-Based Business Licensing	Regulating procedures for risk-based business licensing, including in the waste management sector
	ACT. No. 28 of 2002 concerning Buildings, Government Regulation No. 36 of 2005	Arrange building permits required for the construction of waste management facilities
	ACT. No. 17 of 2019 concerning Water Resources, Government Regulation. No. 121 of 2015	Regulate the licensing of the use of water resources that may be necessary for waste management
Sustainable Agriculture	ACT. No. 11 of 2020 concerning Job Creation	Regulating the simplification of business licensing in the Sustainable Agriculture sector
	ACT. No. 32 of 2009 concerning Environmental Protection and Management, Government Regulation No. 27 of 2012, & Regulation of the Minister of Forestry and Environment No. 4 of 2021	Regulating environmental licensing and EIA requirements for Sustainable Agriculture projects
	ACT. No. 26 of 2007 concerning Spatial Planning	Arrange location permits to ensure land use in accordance with the regional spatial plan

(continued)

Types of Green Investments	Legal Basis of Licensing	Urgency of Rules
	ACT. No. 39 of 2014 concerning Plantations, Regulation of the Minister of Agriculture No. 40 of 2014	Regulating licensing and management of plantation businesses, including obtaining plantation business licenses
	ACT. No. 28 of 2002 concerning Buildings, Government Regulations. No 36 of 2005	Arrange building permits required for the construction of agricultural facilities
	ACT. No. 17 of 2019 concerning Water Resources, Government Regulation No. 121 of 2015	Regulating the licensing of the use of water resources that may be required for Sustainable Agriculture
	Government Regulation No. 5 of 2011 concerning the Implementation of Risk-Based Business Licensing	Regulating risk-based business licensing procedures, including in the Sustainable Agriculture sector
	Government Regulations. No. 7 of 1973, Government Regulation. No. 8 of 2001	Permission to use pesticides and fertilizers
Sustainable Forestry	ACT. No. 11 of 2020 concerning Job Creation	Regulating the simplification of business licensing in the Sustainable Forestry sector
	ACT. No. 32 of 2009 concerning Environmental Protection and Management, Government Regulation No. 27 of 2012, & Regulation of the Minister of Forestry and Environment No. 4 of 2021	Regulating environmental permits and AMDAL requirements for Sustainable Forestry projects
	ACT. No. 26 of 2007 concerning Spatial Planning	Arrange location permits to ensure land use in accordance with the regional spatial plan
	UU. No 41 tahun 1999, Peraturan Pemerintah No. 23 tahun 2021, Peraturan Pemerintah. No. 6 tahun 2007, Peraturan Menteri Kehutanan dan Lingkungan Hidup No. 32 tahun 2007	Regulating forestry licensing such as the use of timber forests in natural forest plants, non-timber forest products, and ecosystem restoration of production forest areas
	ACT. No. 28 of 2002 concerning Buildings, Government Regulation No. 36 of 2005	Arrange building permits required for the construction of Forest Management facilities
	Government Regulation No. 5 of 2011 concerning the Implementation of Risk-Based Business Licensing	Mengatur tata cara perizinan berusaha berbasis risiko, termasuk dalam sektor Pertanian Berkelanjutan

Notes. Authors' Personal Processed Data, 2024.

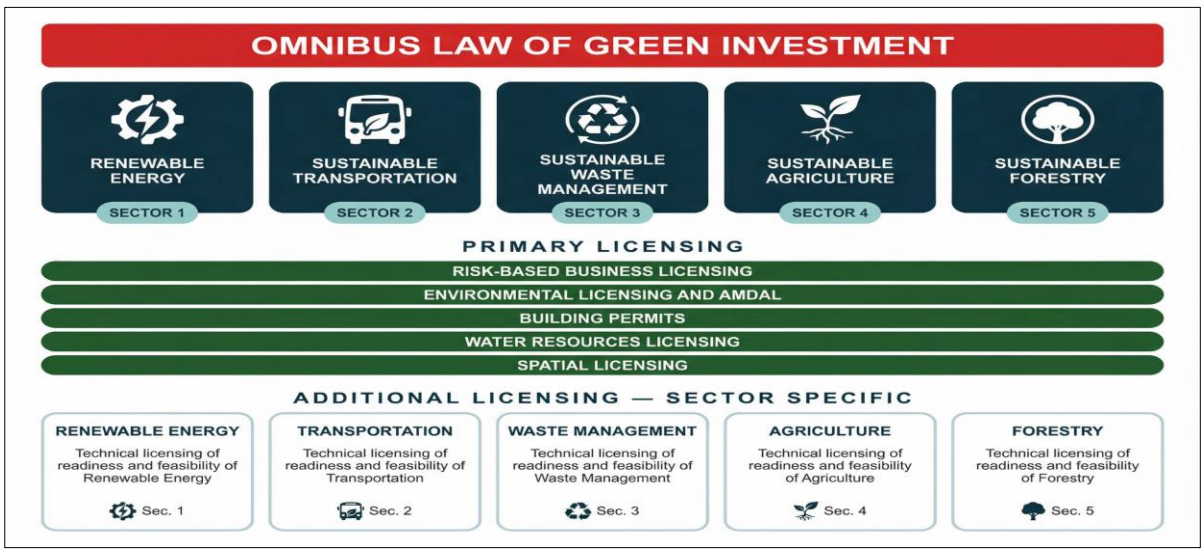
Table 1 comprehensively describes all types of green investment licensing regulated by various laws and regulations in Indonesia. Licensing arrangements using separate rules create an excessive bureaucratic mechanism because it involves various agencies. The intention is to make licensing management more efficient. The legal mechanism for green investment licensing is different from the concept of the OGS, as the basis for bureaucratic reform of a situation which is currently in turmoil. Based on the OGS, licensing bureaucratic reform should be made in 1 door, thereby reducing the involvement of various agencies. With the new system, there is licensing integration that accommodates all requirements without separation (Yusriadi, 2017). Such a model will effectively cut the long-time taken in the licensing bureaucracy that requires requests for licensing be submitted to different agencies. Moreover, the involvement of various agencies separately has the potential of confusing investors about the clarity of procedures (Marneffe & Vereeck, 2011). The results of a study by Aggarwal et al. (2023) show that the licensing of a Solar Power Plant Construction in India involving various agencies did not run efficiently due to the lack of coordination between institutions involved in the process of approval. In addition, separate licensing schemes can actually burden investors with enormous costs when having to meet different requirements (Rahman et al., 2023). The complexity of the scheme actually creates an administrative burden that is difficult for investors—considering that the ease of licensing is one of the main factors to consider why investors are interested in investing their capital. The green investment licensing mechanism rules in Indonesia must be reconstructed to create a single licensing mechanism that has a more efficient regulation in providing a maximum cost-effective service that will attract more investors.

The regulatory mapping presented in the licensing framework demonstrates the complexity of Indonesia's institutional arrangements for green investment. A critical legal assessment reveals that such complexity reflects structural weaknesses in the legislative design. The absence of a strong constitutional anchor for environmental governance allows ministries to issue overlapping regulations without effective coordination, producing legal uncertainty and fragmented accountability. This problem exemplifies the broader challenge of "regulatory fragmentation," where conflicting or duplicative legal instruments undermine coherence and weaken the rule of law. As highlighted by recent scholarship, fragmented regulatory structures across jurisdictions often obstruct environmental governance and conservation outcomes, because contradictory rules dilute institutional responsibility (Camacho & McLachlan, n.d.). In the Indonesian context, investors are confronted with inconsistent licensing requirements across ministries, transforming legal certainty from a guarantee into a compromise, thereby discouraging sustainable long-term investment.

From the perspective of institutional law, the reliance on ministerial regulations to govern strategic sectors of green investment also raises constitutional concerns. Delegating such extensive regulatory authority to ministerial instruments risks displacing parliamentary oversight and eroding the constitutional principle of checks and balances. This condition resonates with critiques of weak environmental constitutionalism, in which constitutional environmental rights remain largely declarative and fail to provide substantive or enforceable guarantees. For instance, *The Unfulfilled Promise of Environmental Constitutionalism* observes that constitutional environmental rights often function as procedural rather than substantive protections, leaving critical gaps in implementation (Polk, 2022). Accordingly, Indonesia's overlapping regulatory framework should not only be described as an administrative inefficiency, but criticized as the manifestation of a deficient legislative design that undermines legal certainty, transparency, and the constitutional mandate of good governance.

Figure 1

The Design to Simplify Green Investment Licensing through the Policy of Legal Integration (Omnibus Law)



Notes. Authors' Creations, 2024.

The illustration in Figure 1 shows the model for a single licensing door as a solution to simplify green investment licensing by integrating licensing requirements regulated by various regulations in Indonesia. The illustrative model is very relevant to be applied to streamline green investment licensing in Indonesia. Currently, licensing is regulated via separate regulations, the proposed reform is the simplification of OGS-based investment licensing. The construction of the licensing law is very relevant if it is prepared with the Omnibus Law approach to integrate more streamlined rules. The use of the omnibus law method will focus on harmonizing and integrating laws and regulations in a coherent manner and spread across various sectors to avoid overlap between regulations (Putra et al., 2023). The omnibus law and the OGS are relevant to designing a coordinated licensing system using only one door. The omnibus law method can play a role in structuring various regulations which need be integrated, so that it can be the basis for making OGS-based green investment permits that are simpler, more efficient, and more effective. Simple legal integration through omnibus law can facilitate investors' understanding of licensing requirements and procedures, which in turn will be useful for increasing the availability of jobs for the country's economic growth (Dewi et al., 2023).

The preparation and implementation of legal policy integration through the omnibus law as the basis for simplifying green investment licensing in Indonesia has several challenges that must be considered. The first is the harmonization of the relevant laws. Harmonization of laws needs to be carried out to unite different regulatory visions into unified regulations to avoid legal inconsistencies (Rijadi et al., 2023). The regulation of green investment licensing in Indonesian laws and regulations needs to be harmonized separately to avoid overlap and so as to align with a consistent licensing vision. Second, is consolidation between stakeholders. The participatory involvement of each party is beneficial as it seeks to accept all aspirations to improve the law democratically and avoid various rejections from the public due to non-uniform perceptions, which may lead to a total rejection of the law (Wardana, 2023). Legislation No. 11 of 2020 concerning job creation (Omnibus law) due to the lack of participatory elements in the preparation can be a valuable lesson. The construction of the Omnibus Law on green investment must involve every party to absorb aspirations so that legal goals truly accommodate common interests and not just specific interests. Third, is the optimizing of law enforcement. The urgency of optimizing law enforcement is a crucial aspect due to the fact that legal compliance is often ignored, such that legal goals to accommodate environmental interests are difficult to achieve (Prasetyaningsih et al., 2022). The implementation of green investment in Indonesia requires strict supervision to ensure that the implementation of policies truly meets environmental and sustainable requisites. Though there is provision for strict sanctions, these should be applied hesitantly so that every investor willingly observes legal compliance in the aspect of green investment.

Designing Indonesia's Grand Institutional Law Framework for Green Investment: Transformation through NZE, Green Constitutional, and Prophetic Law

The latest dynamics related to the green economy and the green investment climate, which have recently become very urgent, have become one of the government's focus areas. The transformation of green investment is expected to be the government's flagship policy program in its quest to rearrange and synchronize the design of sustainable national development. This is the government's important role and strategic steps must be taken to ensure that the investment flowing into the economy and infrastructure can contribute to national development (Ministry of Bpn-Bappenas., 2011). A healthy investment climate is one of the essential elements that encourages economic growth and international economic integration (Ministry of Trade, 2020). Currently, economic complexity comes not only from the international, but also from the domestic economy itself. Therefore, it is essential to highlight the balance between the political economy process and the technocratic process in any future design. The

emphasis on the implementation of the constitutional goals, which contain the spirit of the green constitution, must be recognized as the involvement of public participation or community groups, which is essential in ensuring the legitimacy of sustainable long-term economic planning. Through a grand design model or the proper policy framework, the climate of green investment transformation will be able to improve financial stability, encourage technology adoption, and, most importantly, improve the people's welfare.

In line with that, Indonesia has the goal of achieving its 2045 vision by encouraging green investment and exports as the main drivers to boost economic growth. On the other hand, investment performance in Indonesia has yet to be able to drive economic growth optimally due to economic inefficiencies, as shown by the increase in the Incremental Capital Output Ratio (ICOR) value of around 6.2-6.3 percent in 2022 (*Grand Design Investasi Indonesia: Mendorong Pertumbuhan Ekonomi | ARISE+ Indonesia*, n.d.). Incoming investment has not been boosted, and Indonesia's participation level in the global force value chain has decreased. In addition to global economic uncertainty, due to current geopolitical tensions and protectionist practices, the country faces relatively challenging institutional factors such as less-than-optimal governance, which poses one of the most important challenges ahead. Therefore, to maintain Indonesia's economic growth and even increase its economic potential, while reducing the rate of GHG emissions, a more environmentally friendly and sustainability-based economic growth strategy is needed. Furthermore, it requires the right fighting spirit to promote economic transformation and green investment, which, of course, requires energetic support from all quarter, not only from the government and the private sector, but also from all levels of society in Indonesia.

Prophetic Law should not be viewed only as merely moral aspiration, but as a structured paradigm rooted in justice, humanism, and stewardship. Ash-Shidiqqi (2020) frames it as law grounded in transcendence that strengthens legitimacy in legal reform. This aligns with responsive law theory, where law transforms society toward higher ideals (Nonet & Selznick, 1978). Contemporary scholarship highlights that the *Sunnah* prescribes ecological protection and prohibits destruction of nature, framing environmental stewardship as a legal duty (Abdelaal et al., n.d.). Recent legal theory also expands Islamic ethics through ecological jurisprudence, integrating transspecies rights and *maqāṣid al-sharīʿah* to guide institutional governance (Sargsyan et al., 2025). By defining Prophetic Law in this structured way, its application to green investment governance becomes clearer: it enhances accountability, ensures justice in resource allocation, and embeds ecological responsibility as a binding obligation within institutional reform.

The pace of national development reflects the urgency to create more synergy between economic growth and an investment climate oriented towards improving environmental quality. Humans have the tendency to apply more profit-oriented than sustainable oriented growth strategies, thus encouraging everyone to compete and use all means possible without paying attention and caring about environmental conservation. This paradigm is certainly contradictory to the idea of a green and sustainable investment model because it has the potential to threaten the sustainability of the natural environment and also the survival of humans themselves (Ginting, 2024).

The transformation of the green economy is expected to encourage new job opportunities (green jobs), as well as new investment (green investment). Based on the provisions of Presidential Regulation Number 18 of 2020 concerning the National Medium-Term Development Plan (Perpres RPJMN) for 2020-2024, it is stated that there are three priority programs in the green economy. These priorities are as follows: improving environmental quality; increasing disaster resilience; addressing climate change and low-carbon development (Vinata et al., 2023). Energy demand will continue to increase in line with

economic growth and population growth. The policy paradigm of energy management and utilization is one of the capitals for national development, thus encouraging the development of the energy sector, among others, through the development of new energy and renewable energy derived from new energy sources.

The energy transition to renewable energy is one of the efforts taken in realizing NZE 2060. There is global consensus among countries through the Paris Agreement, and Indonesia has also ratified the agreement as a preventive measure and started its own transition to renewable energy. The utilization and development of renewable energy are expected to stop dependence on fossil energy and can even completely replace it (Hakim et al., 2022). Indonesia, with its vast energy resources can significantly benefit from the potential for very abundant and diverse energy resources; almost all the potential in renewable energy that is currently explored exists and can be found in the country. The country needs to be able to tap into this energy potential and bring great economic benefits to its people and the nation.

Based on data from the Indonesia Sustainable Finance Outlook 2023, the average renewable energy investment only reaches USD 1.6 billion per year, or around 20% of the total investment needed to achieve the new target of 23% in 2025. The prospect of renewable energy growth and investment in 2024 begins with the government's commitment to increase its renewable energy target of 23% by 2025 (*Prospek Energi Terbarukan 2023,* n.d.).

The principle of sustainable policy is related to the utilization of energy resources within the framework of meeting national energy needs; the priority scale is determined based on several factors, which include the following: the availability of types or sources of energy, economy, environmental sustainability, adequacy for sustainable management and geographical conditions as an archipelagic country. The priority of using renewable energy resources must be aligned with the primary goal of Independence and Resilience as spelt out in the 2050 National Economy. National energy independence and security are expected to support the realization of an Advanced Indonesia through strategic cross-sector projects that are in line with sustainable national development programs.

The spirit of economic transformation and sustainable green investment supported by all elements to achieve the expected targets requires an effective, efficient, and balanced monitoring and supervision system. The importance of designing an institutional policy paradigm that can support regulatory instruments under one roof is a necessity. The importance of designing an institutional policy paradigm that can support regulatory instruments under one roof is a necessity. Such an institutional framework may serve as a form of *ius constituendum* based on the principles of the Green Constitution and Prophetic Law. This framework provides a future-oriented legal foundation for sustainable and ethical economic governance. It is vital to have a policy which is more adaptive and beneficial for the economic progress of the nation and state. It needs to be emphasized that the green constitution is an imperative, as it is no longer a luxury but a necessity for a prosperous environment and for the sustainability of life in the future (Asshiddiqie, 2010).

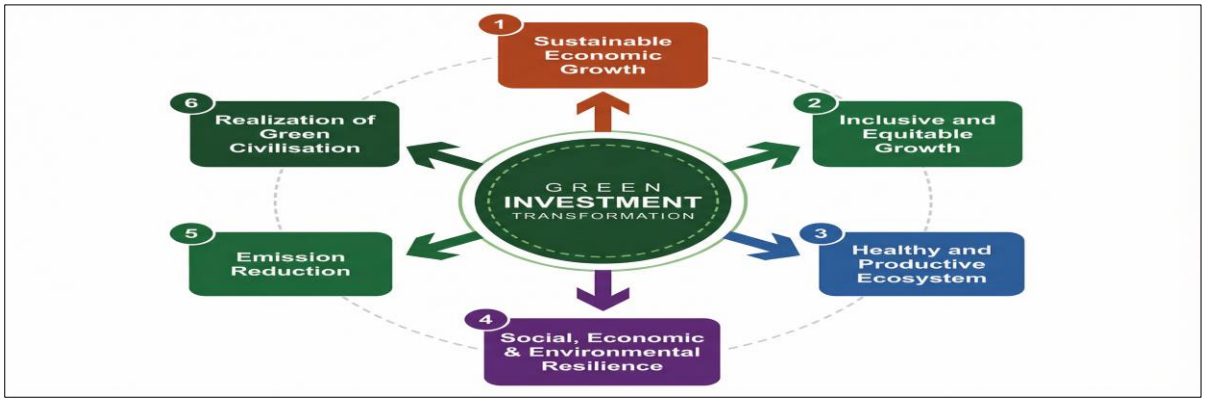
Progress towards a greener Indonesian economy requires institutional monitoring and measurement of performance, so that strong economic growth, as well as social and environmental impacts can be measured (Akerman et al., 2016). The problem is how to revitalize the economy based on the green constitution and include it in laws and regulations such as the Medium-Term Plan (RPJM), the National Long-Term Development Plan (RPJPN), the central and regional government policies, and implement it consistently and systematically. If corrective efforts are not carried out immediately, it will weaken the level of independence and sovereignty of the national economy (Damanhuri & Yustika, 2020).

Investment is a critical factor in supporting the global transformation towards a green economy (Zahan & Chuanmin, 2021). Supportive investments are investments oriented to income growth and job creation that will help reduce carbon emissions and pollution, improve energy and resource efficiency, and prevent the loss of biodiversity ecosystems.

Therefore, a green growth roadmap is needed, and a comprehensive set of indicators is needed to measure this. These indicators will simultaneously include some of the desired outcomes of green growth developed by stakeholders. The following Figure2 illustrates the design of the roadmap for the stages of achievement that aim for the growth of the green environment.

Figure 2

Roadmap for the Stages of Achievement that Aim for the Growth of the Green Environment



Notes. Authors' Creations, 2024.

The institutional grand design study aims to synchronize regulations and harmonize authority between institutions. It is also to identify which one is suitable to be in charge of a particular niche area so that there is no overlap and workload overload. So, between institutions, there is the distribution and strengthening of competent human resources, and no less critical is supporting downstream policies. Down streaming is not just processing raw materials into intermediate goods or finished goods. Undoubtedly, new goods based on technology and innovation should be more environmentally friendly so that domestic business actors can also experience an increase in added value, as well as provide monetary and fiscal incentives to encourage green investment in the country. In addition, this study seeks to recommend strategies and action plans to overcome global challenges. It can be used as a policy roadmap that can be implemented in the 2025-2029 RPJMN period, and the 2026-2045 General Investment Plan (admin, 2024).

An institutional grand design is an effort to strengthen national legal development and is one of the strategic steps in the implementation and enforcement of law in Indonesia (Prasojo, 2020). Therefore, the urgency in providing a progressive national legal development desired by the community is an example of being adaptive to changes and contemporary social dynamics. The effort to prepare the grand design needs to pay attention to the plurality of legal institutions and globalization factors that affect the legal interaction of the Indonesian nation as part of the world's community of nations. The plurality of the legal order in Indonesia is in the form of customary laws. It requires the national laws to be more adaptive, accommodating, and responsive so that the existing legal documents are relevant, valid and of high quality.

The concept of collaboration is essential in the midst of the need for green investment coordination in every institution, whether it be in the government, the market or civil society itself. With alignment in regulations, institutions can coordinate with each other, share information, and work together to achieve common goals. This synergy allows for increased effectiveness and efficiency in policy implementation and can reduce the risk of conflicts of interest between institutions. Regulatory synchronization also provides certainty of consistency and predictability in applicable regulations.

Reform and transformation of legal governance and institutional apparatus are no less critical indeed vital. Reforms and transformations should not be seen as a mere input or a prerequisite for economic development. This is because institutional governance is also a critical development goal in the field of government, a tool, and even a way to carry out development in other sectors (Christopher & Jacob, 2022). In this context, the enthusiasm of political leaders in carrying out governance transformation still needs to be considered a higher priority compared to the political reforms that have been carried out before. Governance transformation still depends on the commitment of the leadership to ensure that there is no inequality in performance achievements between ministries/institutions and local governments (Turner et al., 2022). In fact, governance development indicators are not only limited to law enforcement, but must also consider aspects of regulatory harmonization at each level of the government.

In general, the government needs to carry out institutional optimization involving competent professionals and strengthened institutional design. It needs to develop policy and regulatory designs for the green economy and investment, redesign institutions for the green economy, synchronize the support system for financing, and mitigation systems; to synchronize and harmonize the green economy and investment roadmap with the NDC (*Nationally Determined Contribution* roadmap), and increase investment, while expanding bilateral and multilateral cooperation. What is no less important is that there is community participation, even if community involvement or participation is only limited to providing information and consultation (formalities), as community participation is an important determinant in the implementation of public policy, one thing that is often overlooked. Coordination and collaboration from all development stakeholder institutions are absolutely necessary. The institutional coordination must be carried out in an integrated and sustainable manner. In addition, efforts to transform governance strategically, namely the synchronization and harmonization of adaptive regulations. There is also the need to imbue government bureaucracy with integrity, strengthen law enforcement, fight corruption, and to improve and sustain government relations with non-government actors (Apriliyanti et al., 2020).

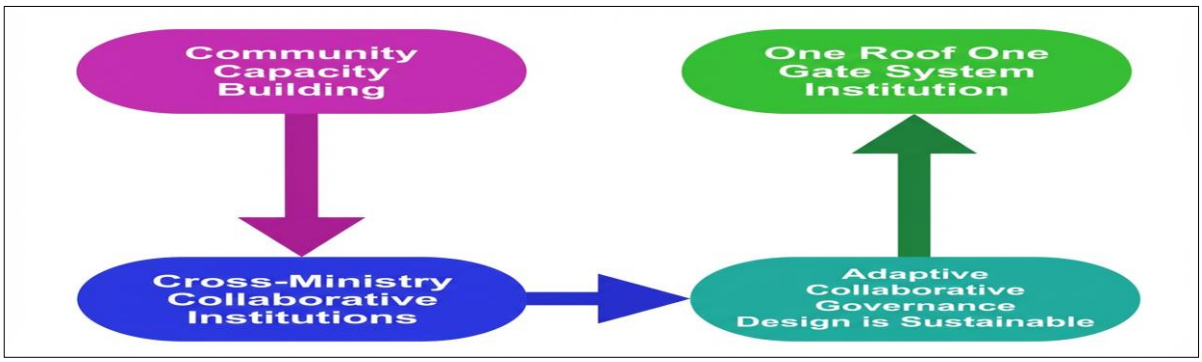
Collaborative governance, which directly involves stakeholders outside the government, is oriented towards consensus and deliberation in collective decision-making. The goal is creating or implementing public policies and programs with an emphasis on achieving a degree of consensus among stakeholders (Ansell & Gash, 2008).This is to ensure that institutions and all government apparatus can work together in harmony. The institution in question can be classified into four categories at the central and local government levels. The first group comprise institutions formed based on the 1945 Constitution and further regulated through laws, government regulations, presidential regulations, and presidential decrees. The second group is an institution formed based on a law that is further regulated through Government Regulations, Presidential Regulations, and Presidential Decrees. The third group is an institution established based on a Government Regulation, or Presidential Regulation, which a Presidential Decree further determines. The fourth group is an institution formed based on a Ministerial Regulation, which is further determined through a Ministerial Decree or a Decree of an Official under the Minister (Jimly Asshiddiqie, 2006).

There is a need for a solid political commitment from institutions to realize substantive justice in facing various challenges ahead, primarily related to the impact of climate change. It is essential that the President of Indonesia also has a solid political commitment in the country's effort to continue and realize climate justice. This in light of Indonesia's position as a member of the G-20 countries and its potential in the future to enter the top five countries with the most robust economies. Indonesia has great potential as it is a sovereign, advanced, just, and sustainable archipelago country with the promise of one of the fastest expanding economies in South-east Asia.

One of the critical goals of the foundation of a sustainable green economy and investment is to formulate a framework that integrates ecological and economic principles to address sustainability challenges. Through coordination between institutions, it is hoped that it can prevent conflicts of interest that will hinder progress in development. In addition, good coordination increases synergy and cooperation between development actors, strengthens coordination relationships among planning institutions, and increases the harmony of institutional regulations both in the central government and local governments. In this context, effective coordination allows government agencies to succeed in governance, policies, and development programs. The importance of coordination between institutions as a critical factor in the success of development in Indonesia negates sectoral egos that can cause overlapping regulations that result in uncertainty in policy implementation. With good coordination, the resources owned by each institution can be optimized more effectively between the existing infrastructure in the ministry, institutions, and regional apparatus work units in accordance with their respective duties and authorities. It includes efforts to maintain ecosystem sustainability, nature conservation, economic development connectivity, and resource management based on economic principles and green investment. This is illustrated in Figure 3, which shows the design of institutional governance transformation in the effort to develop a green investment climate.

Figure 3

Transformation of Green Investment Institutional Governance



Notes. Authors' Creations, 2024.

The steps and stages in the transformation of adaptive collaborative governance begin with capacity building and civil society participation in the first stage; then, the second stage is to realize a cross-ministry collaborative institution. Meanwhile, the next stage, namely the third stage, is the need for an adaptive and sustainable collaborative governance design, so that at this critical final stage, it is of utmost importance to be able to form a one-stop institution (one gate system).

Indeed, collaborative governance transformation indicates the existence of clear indicators based on public services with national integrity. This approach enables government institutions, including local

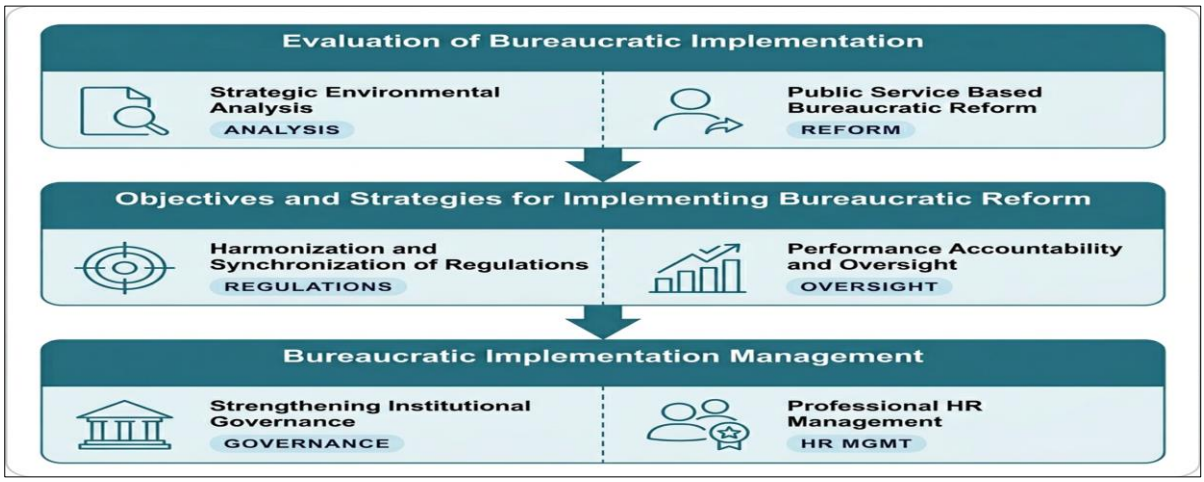
governments (Hamidi & Lutfi, 2001), the private sector, and non-governmental organizations, to collaborate and synergize in achieving social progress and community welfare. Through inter-agency cooperation, all aspects of development, including economic, investment, social, and sustainable environment, can be well integrated for the welfare of the community as a whole (*Kementerian Investasi Dan Hilirisasi/BKPM - Kajian Upaya Pemerintah Indonesia Dalam Mendorong Investasi Global Dan Ekonomi Hijau*, n.d.). Collaborative coordination also opens opportunities for institutions to share experiences and learning. In a collaborative atmosphere, institutions can learn from each other's best practices and create more effective innovations (Syafrudin, 1975) that are efficient and sustainable to face new challenges in development. Strong and synergistic institutional coordination can encourage transparency and accountability and create a positive impact in efforts to achieve sustainable and inclusive development and ecosystem goals (Malihah, 2022).

Institutional regulatory synchronization has a vital role, both in environmental protection and sustainability. The presence of integrated and coordinated rules encourages efforts to preserve nature and more effectively reduce negative impacts on the environment so that the sustainability of natural resources is fair and equitable. Alignment in regulations will encourage institutions to cooperate, coordinate, and share information to achieve common goals, as well as constitutional goals.

These improvement efforts can be carried out through an efficient legal system to achieve legal certainty, namely to improve substitution (material), structure (institutional), and culture. These improvement efforts include improving the national system of laws and regulations and objective supervision, as well as law enforcement and corruption prevention. In the framework of minimization, it is essential to carry out a comprehensive evaluation of the bureaucracy so that synchronization and harmonization can be realized. The illustration in Figure 4 is the design of the Evaluation of Bureaucratic Implementation, which it is hoped will be more effective and efficient.

Figure 4

Evaluation Design of Bureaucratic Implementation



Notes. Authors' Creations, 2024.

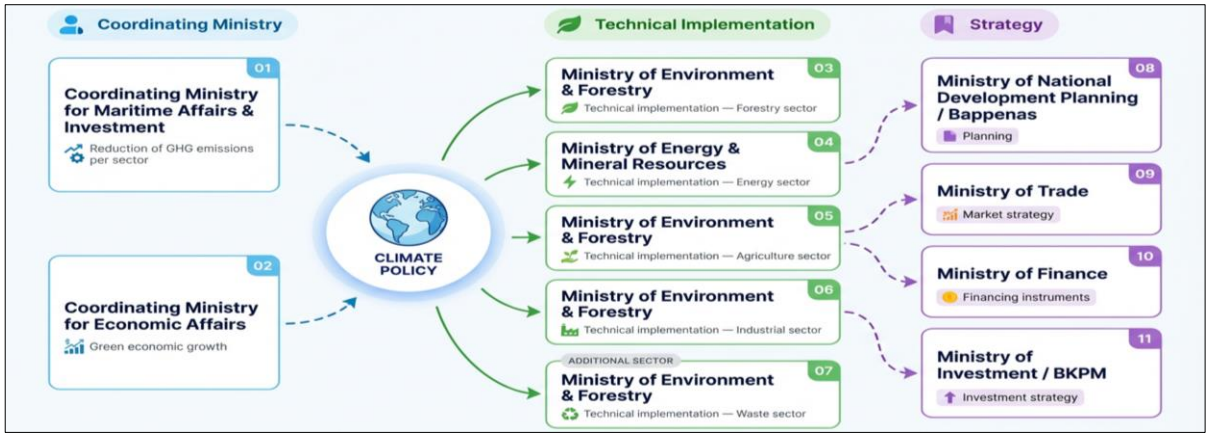
Referring to Figure 4, it is clear that to face the challenges of implementing bureaucratic reform in the future, it is necessary to have quality human resources who have superior skills, both soft and hard skills. Such human resources are competitive and this will encourage the improvement of productive work quality. The assessment of each of these indicators is measured through components that are

considered to represent the human resources and institutional evaluation program. The assessment and evaluation mechanisms related to these indicators are expected to provide an overview of achievements that have an impact on achieving targets.

In relation to the implementation of institutional governance, the government needs to pay attention to institutional choices in management. The institution in question includes actors, regulatory rules, network management, material and immaterial aspects, infrastructure, qualified humanist and transcendent human resources (Ash-shidiqqi, 2020) and they are sustainability-oriented. All of these components are used to support the acceleration of green investment climate transformation in a sustainable manner. Figure 5 is based on an example of redesigning the concept of green investment institutions.

Figure 5

Example of Green Investment Institutional Redesign



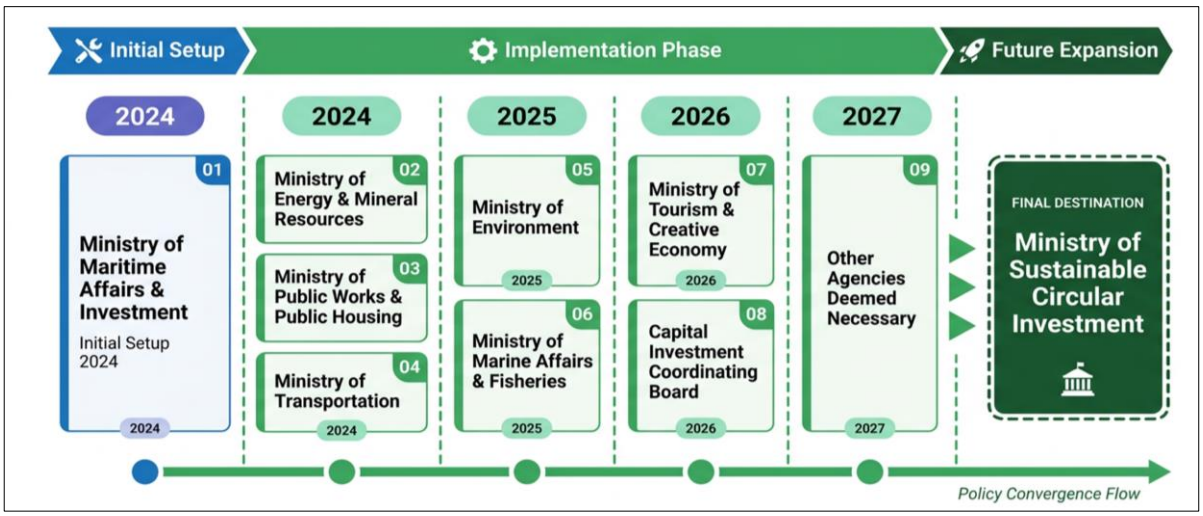
Notes. Authors' Creations, 2024.

For example, in designing the institution, there are at least three aspects of the role of the institution, namely coordination, technical, and strategic. The role of the coordinator can be taken by the Coordinating Ministry, with the Coordinating Ministry for Maritime Affairs and Investment as the coordinator for the context of reducing GHG emissions per sector, and the Coordinating Ministry for Economic Affairs as the coordinator in green economic growth. The technical role is, of course, taken by the following relevant technical ministries: forestry by the Ministry of Environment and Forestry, energy by the Ministry of Energy and Mineral Resources, agriculture by the Ministry of Agriculture, industry by the Ministry of Industry, and waste by all these four ministries. Furthermore, the role, in strategic terms, can be divided into planning strategies, market management, financing instruments, and investments. In the context of planning, the Ministry of National Development Planning/BAPPENAS can take on this role. The Ministry of Trade can take on the role in market strategy. Strategy of financing instruments by the Ministry of Finance. The Ministry of Investment/BKPM can implement investment strategies. Finally, the institutional design as has been forwarded for consideration should be determined by the President directly so that the institution is not sectoral.

More rigidly, the chart in Figure 6 tries to offer a paradigmatic view to the government and all stakeholders the design for each institution to become more effective, a futuristic way that supports the implementation of green investment transformation in Indonesia.

Figure 6

Grand Design of Institutions and State Ministries in Realizing Green Investment Transformation Based on Net Zero Emission



Notes. Authors' Creations, 2024.

The next step that needs to be carried out is to design a vital institution which will tap into the synergies of existing institutions, one with a clear division of roles and functions, one which will not overlap each other's roles and functions. The concept of green economy and investment has encouraged a shared understanding that economic development and environmental conservation can be reconciled in order to maintain and increase economic growth. Various countries in the world, not only Indonesia, are currently also in the process of transitioning to a green economy, some of which are countries in the European Union, the United Kingdom, the United States, Canada, Australia, and even China. One of the keys to achieving a green economy is investment. Indonesia is a leader in bringing in green investment. The government therefore, urgently needs to involve professional and competent parties to strengthen institutional design.

CONCLUSION

Indonesia's ongoing economic transformation and green investment is a complex and challenging journey. Global trends show that countries in the world today have moved towards green economies and investments. In general, Indonesia has also shown its commitment to making a transition to a green economy and investment. The concept map and national policy direction drive the trajectory. A series of regulations, institutions, and support systems have also existed, although significant improvements are still needed. In an effort to achieve economic transformation and green investment, several strategies need to be taken by the Indonesian government, including developing particular policy and regulatory designs for the green economy and investment, redesigning institutions for the green economy so that they are more robust and do not overlap, and synchronizing the green economy and investment roadmap with the NDC roadmap, synchronize the support system, and expand cooperation. All elements of the government, the private sector, and the community must always be able to collaborate solidly to jointly overcome economic inequality, modernize economic sectors, build vital infrastructure, and overcome climate change and environmental problems.

With firm commitment and collaboration, Indonesia has the potential to achieve a higher level of well-being for the entire community. Through a roadmap, sustainable policy and regulatory design, and a door or one-gate system innovatively, green investment transformation can be realized. The role of governance is essential in the development of a country to achieve the welfare of the people. Countries that have an institutional design of regulations that are effective and accountable will be able to regulate the government, private organizations, and civil organizations. These regulatory prerequisites when supported by a stable political climate, quality regulations, and the prevention and eradication of corruption will be able to ensure good performance in terms of welfare indicators. In general, the transformation of institutional governance aims to create an environment with integrity and be adaptive, supported by the design of sustainable institutional regulations that play a role in facilitating social dynamics. The result is governance arrangements become more flexible, responsive, transparent, accountable, humanist and transcendent.

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