

# Economic Impact of Implementing Government Regulation Number 22 of 2021 on the Environmental Performance of the Sumber Indah Perkasa Limited Liability Company in South Lampung Regency

Thirta Sansanthia<sup>1</sup>, Ketut Seregig<sup>2</sup>

<sup>1,2</sup>Bandar Lampung University; ketut.seregig@ubl.ac.id

Economic Impact of Implementing Government Regulation Number 22 of 2021 on the Environmental Performance of the Sumber Indah Perkasa Limited Liability Company in South Lampung Regency

## Abstract

The Provincial Environmental Service has responsibility for monitoring environmental performance related to industrial activities. This research aims to investigate the implementation of Government Regulation Number 22 of 2021 in the mechanism for monitoring environmental management performance by the Lampung Province Environmental Service for the Sumber Indah Perkasa Limited Liability Company in South Lampung Regency, as well as identifying inhibiting factors in its implementation. The research methods used are normative juridical and empirical, with secondary and primary data collection through literature studies and field studies. Data analysis was carried out qualitatively. The research results show that the implementation of Government Regulation Number 22 of 2021 in the mechanism for monitoring environmental management performance by the Lampung Province Environmental Service for PT. Sumber Indah Perkasa is not yet optimal. The obstacles involve problems in monitoring the implementation of environmental performance, completeness of documents, and licensing of PT's business activities. Sumber Indah Mighty. Inhibiting factors involve a shortage of supervisory team personnel, limited supervisory budget, and lack of transportation. Research recommendations include increasing the number of personnel and adjusting the workload of the Lampung Province Environmental Service to ensure optimal supervision. Apart from that, it is hoped that the government can increase the budget allocation of funds, considering the operational needs required for routine supervision.

**Keywords:** Implementation of PP no. 22/2021, Environmental Performance Monitoring, Inhibiting Factors.

## 1. Introduction

Indonesia has wealth in the form of abundant natural resources on land, water and air. This wealth becomes the basic capital for national development in various sectors (Sari, DAA, 2019). The importance of protecting, maintaining, preserving and optimizing the use of natural resources is an obligation for the welfare of the Indonesian people and the overall quality of human life (Khairina, E., Purnomo, EP, & Malawani, AD, 2020).

Management of biological natural resources and their ecosystems is an integral part of sustainable national development, in accordance with Pancasila values (Sasialang, ROK, 2023). Biological natural resources and their ecosystems have an important role in forming a living environment that cannot be replaced (Sastrawan, GA, 2021). Therefore, conservation of natural resources is the responsibility of every generation.

Development as an effort to increase people's prosperity must be carried out with attention to environmental sustainability. Major changes in development, such as

changes in economic structure, physical areas, consumption patterns, technology and value systems, must be balanced with policies that support the environment (Prihatin, RB, 2015). The development of science and technology needs to be directed to provide benefits for sustainable development (Rosana, M., 2018)(Hartono & Hapsari, 2019)(Rusli et al., 2019).

The importance of preserving the environment requires an understanding that the environment must be maintained in its current state (Hapsari, DR, 2016). Even though it is experiencing changes, the environment must be maintained so that it can still support normal life (Septemuryantoro, SA, 2021). Environmentally sound development is a conscious effort to use and manage resources wisely to improve the quality of life (Rosana, M., 2018) (Nuzulia, 1967).

Environmental law plays an important role in preventing environmental pollution and destruction (Listiyani, N., Hayat, MA, & Mandala, S., 2018). The law must be a means of taking action against actions that are detrimental to the environment (Nisa, ANM, 2020). In this context, Law Number 32 of 2009 concerning Environmental Protection and Management is the basis for environmental protection efforts (Bachri, 2023) (Rusli et al., 2019)(Seregig et al., 2021).

Environmental management and protection, in accordance with the PPLH Law, requires wise control over the use of natural resources. Article 68 of the PPLH Law emphasizes that every business and activity is obliged to maintain the sustainability of environmental functions and comply with quality standards and standard criteria for environmental damage (Bachri et al., 2019) (Miniawati Barusman et al., 2021) (Smith et al., 2019).

The Provincial Environmental Service plays an important role in implementing environmental policy. The functions and duties of this department include policy formulation, policy implementation, evaluation, reporting, administration and guidance of technical implementation units in the environmental sector (Utami, HS, 2017). In this context, monitoring environmental permits becomes the main focus to ensure compliance with environmental regulations (Ompu Jainah et al., 2024)(Enakesda & Ompu Jainah, 2024).

This research will discuss the implementation of Government Regulation Number 22 of 2021 in the mechanism for monitoring environmental management performance by the Lampung Province Environmental Service for PT. Sumber Indah Perkasa in South Lampung Regency. The main problems identified include the mechanism for implementing these regulations and the inhibiting factors. It is hoped that this research can provide theoretical and practical contributions to the development of environmental science and policy in Lampung Province (Ompu Jainah & Sulaiman, 2024)(Jainah et al., 2024).

## 2. Literature Review

Administration is an activity that aims to organize activities so that they are more systematic in achieving predetermined goals. This activity involves every individual and requires administration as a means of achieving goals that are influenced by the implementation of administration.

The definition of administration in the modern context is human activity working together with a high level of rationality (Sonia, NR, 2021). This level of rationality is related to the fact that human cooperation differs in the effectiveness of achieving goals, both formal goals and the goals of the members involved in the collaboration (Fathy, R., 2019). From the description above, it can be concluded that administration is an activity carried out by humans to achieve effectiveness in achieving certain goals.

State Administration is an extension of constitutional law or as a secondary law that is related to the deeper diversity of the public legal order (Zamroni, M., 2021). State Administrative Law is closely related to the power and activities of the ruler (Ibad, S., 2021).

Evidence of the success of law in a country is reflected in the attitudes, behavior, actions, even political or legal decisions of state administrators (Pardede, M. (2016). Good law must pay attention to the principles of the rule of law, including justice, equality, recognition and protection human rights, free justice, welfare and obedience of the people (Astomo, P., 2014) (Rusli et al., 2024).

The concept of the State of Law in Indonesia is stated in Article 1 paragraph (3) of the 1945 Constitution which states that the State of Indonesia is a State of Law. Indonesia as a Unitary State in the form of a Republic has strong local wisdom, is based on Pancasila and respects ethnic, tribal, cultural and customary diversity (Dwintari, JW, 2018).

The rule of law places law as the basis of state power, achieving state, government and social activities that focus on justice, peace and benefit (Timon, A., 2020).

Government is defined as the highest body or apparatus that has governmental authority in a country or region. Government as an organization in the form of a state aims to regulate people's lives to achieve justice and prosperity (Yanto, D., Kristhy, ME, & Kristanto, K., 2022)(Ompu jainah, 2023).

Regional autonomy provides limited freedom to regions to manage their own interests, in line with the principles of decentralization and deconcentration. Regional autonomy can optimize local resources for community progress, encourage empowerment, creativity and increase community participation(Hakim et al., 2020).

The definition of the environment includes everything around life, both inanimate and moving objects (Trisiana, A., 2020). The living environment is divided into natural and artificial, influencing the lives of humans and other living creatures (Sompotan, DD, & Sinaga, J., 2022).

In enforcing environmental law, administrative sanctions, civil sanctions and criminal sanctions can be applied (Wibisana, AG, 2019). Environmental monitoring is carried out to ensure compliance with statutory regulations, with the application of administrative sanctions as the main principle (Syapriallah, A., 2016).

Strategic Environmental Studies (KLHS) is part of the instrument for preventing pollution and environmental damage (Wedanti, IGAJM, 2016). KLHS is the basis for regional development policies, plans and programs. Environmental protection and management involves integrated efforts to preserve environmental functions and prevent damage (Hartono & Ayu Hapsari, 2019).

In a theoretical context, the Legal System includes legal substance, legal structure and legal culture (Santiago, F., 2014). The function of law as a tool of social control can change people's lives (Sudjana, S., 2021). Public Policy Theory states that public policy is the government's choice to carry out or not to carry out.

### 3. Research Methods

This research uses a normative and empirical juridical approach. The problem approach in this research includes normative and empirical juridical approaches. A normative juridical approach is carried out by literature study of legal principles in theory and applicable laws and regulations. Meanwhile, the empirical approach is carried out through direct observation of research objects regarding the Implementation of Government Regulation Number 22 of 2021 on Environmental Performance Monitoring at PT. Sumber Indah Perkasa in South Lampung Regency.

The data obtained is secondary data sourced from literature, legal journals, newspapers, print and electronic media, as well as the results of field research. This type of data involves secondary data consisting of primary legal materials such as statutory regulations, and secondary data from literature and journals. Secondary data is divided into primary legal materials, secondary legal materials, and tertiary legal materials. Primary data was obtained through direct observation and interviews with related sources (Diane Zaini & Hakim, 2019).

Data collection procedures include a literature study carried out to detail the direction of thought and research objectives. The field study involved observations and interviews at the Lampung Province Environmental Service and PT. Sumber Indah Mighty. The data processing procedure is carried out by classifying the data by grouping the data according to the problems discussed. Data inventory aims to determine the completeness, quality and certainty of the data. Data systematization to place data systematically based on the position of the main problem.

Data analysis was carried out qualitatively by describing problems based on research and discussion. The results of the analysis are used to draw up deductive conclusions as answers to the problems studied.

#### 4. Results and Discussion

Poor and unwise environmental management can reduce environmental quality standards. Conversely, good and wise environmental management improves environmental quality, which is crucial for realizing sustainable development (Khairina et al., 2020; Rosana, 2018).

Sustainable development issues require balancing disturbed ecosystems. Development must not focus solely on economic gains while neglecting environmental preservation (Sari, 2019; Hartono & Ayu Hapsari, 2019). Environmental concerns are growing across regions due to escalating industrial and development activities (Miniawati Barusman et al., 2021).

According to Mrs. Emilia Kusumawati, Head of the Lampung Province Environmental Service, while development boosts the economy and welfare, it also risks causing environmental pollution detrimental to nearby communities (Utami, 2017; Smith et al., 2019).

Pollution control efforts rely on monitoring mechanisms. Proper and continuous monitoring leads to reduced environmental pollution. According to Law No. 32 of 2009 on Environmental Protection and Management (PPLH Law), supervision is a law enforcement tool meant to assess the compliance of business entities with environmental regulations (Listiyani et al., 2018; Nisa, 2020).

Article 72 of the PPLH Law states that the government, through technical agencies such as the Environmental Service, conducts supervision. In Lampung Province, this agency monitors environmental pollution prevention (Rusli et al., 2019).

Besides ensuring environmental quality, the government must also safeguard the economic welfare of citizens, as emphasized in Law No. 11 of 2020 on Job Creation. This law seeks to increase investment, job opportunities, and streamline permits, indirectly affecting PPLH implementation (Hartono & Hapsari, 2019; Hakim et al., 2020).

As per Article 71(1)(25) of the Job Creation Law, supervision is carried out by central and regional governments. Government Regulation No. 22 of 2021 enforces environmental protection and aims to balance economic interests and sustainability (Hapsari, 2016; Rusli et al., 2024).

Mr. Murni Rizal, Secretary of the Lampung Province Environmental Service, explained that this regulation covers planning, utilization, supervision, and legal enforcement.

These efforts ensure business activities conform to environmental standards (Hapsari, 2016; Hartono & Ayu Hapsari, 2019).

Article 492 of Government Regulation No. 22/2021 mandates the Minister, Governor, or Mayor to supervise compliance with environmental regulations. Implementation must be integrated and sustainable for greater efficiency (Wibisana, 2019; Rosana, 2018).

Regional governments play a key role, and collaboration with central government is essential. Good management preserves environmental quality, offering long-term benefits for communities and ecosystems (Septemuryantoro, 2021; Sasialang, 2023).

Community involvement is vital. Citizens have the right to environmental information and to participate in oversight. Their engagement fosters a healthy, sustainable environment (Trisiana, 2020; Sompotan & Sinaga, 2022).

Interviews with stakeholders confirm the importance of synergy among government, industry, and the public to achieve sustainable development. Environmental management must be integrated into all development policies to meet current needs without harming future generations (Fathy, 2019; Pardede, 2016).

The Lampung Province Environmental Service plays a central role in this process. Enhancing its capacity and engaging communities will strengthen environmental governance (Zamroni, 2021; Ompu Jainah et al., 2024).

The balance between economic growth and environmental protection must be sustained. Government policies should support green economic practices, and society should contribute by adopting sustainable lifestyles (Sudjana, 2021; Timon, 2020).

Everyone shares responsibility for conservation. With collaborative efforts among government, industry, and society, Lampung Province can progress toward sustainable development where future needs are protected (Santiago, 2014; Rusli et al., 2024).

Environmental management involves structuring, using, restoring, monitoring, and controlling natural systems to preserve their functions. Legal frameworks support these initiatives (Astomo, 2014; Nisa, 2020).

In Lampung, the Environmental Service supervises businesses such as PT. Sumber Indah Perkasa in South Lampung Regency. Supervision includes regular evaluations, waste facility inspections, and community engagement (Ompu Jainah & Sulaiman, 2024).

However, challenges persist in applying Government Regulation No. 22 of 2021. These include limited personnel and minimal funding, which delay routine inspections (Bachri et al., 2019; Diane Zaini & Hakim, 2019).

According to Mr. Murni Rizal, periodic guidance is ongoing. But policies that restrict work beyond core duties hinder performance and staff motivation (Enakesda & Ompu Jainah, 2024).

Thus, the key challenges in executing environmental oversight at PT. Sumber Indah Perkasa are staffing shortages and low budgets. Addressing these requires increased

funding and personnel to ensure sustainability and effective environmental supervision (Rusli et al., 2024).

## 5. Conclusions and Suggestions

### Conclusion

Based on the results of discussion and research on the problem, it can be concluded as follows:

- a. Implementation of Government Regulation Number 22 of 2021 in the Environmental Management Performance Monitoring Mechanism by the Lampung Province Environmental Service towards PT. Sumber Indah Perkasa in South Lampung Regency has been implemented, but has not yet reached the maximum level. This is caused by obstacles in supervision related to structuring the implementation of environmental performance and completeness of documents and licensing of PT's business activities. Sumber Indah Mighty. These factors become obstacles in the monitoring mechanism for environmental management performance.
- b. Factors inhibiting the implementation of Government Regulation Number 22 of 2021 in the mechanism for monitoring environmental management performance by the Lampung Province Environmental Service towards PT. Sumber Indah Perkasa in South Lampung Regency includes a lack of human resources or supervisory team personnel from the Lampung Province Environmental Service. This causes obstacles in carrying out routine supervision and a minimal budget for monitoring funds and transportation equipment. This obstacle affects the schedule for implementing supervision as determined.

### Suggestion

Based on the results of discussion and research on the problem, the following can be recommended:

- a. It is recommended to the Lampung Province Environmental Service to increase the number of supervision personnel and optimize the implementation of supervision according to the workload given. This is expected to increase the effectiveness and efficiency of supervision and ensure its implementation reaches the maximum level.
- b. It is hoped that local governments will increase the budget allocation for the Environmental Service. This increase in funds is needed to support operational activities, including routine supervision. By increasing the budget, it is hoped that the Environmental Service can be more optimal in carrying out its supervisory function.

### References

- Astomo, P. (2014). The Existence of Administrative Justice in the Indonesian Legal State System. *Juridical Journal*, 1(1), 42-56.
- Dwintari, JW (2018). The Urgency of Multicultural-Based Citizenship Education in Fostering the Diversity of Indonesian Society. *Civic-Culture: Journal of PKN Education and Socio-Cultural Sciences*, 2(1).
- Fathy, R. (2019). Social Capital: Concept, Inclusivity and Community Empowerment. *Journal of Sociological Thought*, 6(1), 1-17.
- Hapsari, DR (2016). The Role of Communication Networks in Social Movements for Environmental Conservation. *Communication Journal of the Indonesian Communication Scholars Association*, 1(1), 25-36.
- Ibad, S. (2021). State Administrative Law in Efforts to Implement Good Government. *Hukmy: Law Journal*, 1(1), 55-72.
- Khairina, E., Purnomo, EP, & Malawani, AD (2020). Sustainable Development Goals: Environmentally Friendly Policies to Maintain Environmental Resilience in Bantul

- Regency, Special Region of Yogyakarta. Journal of National Resilience, 26(2), 155-181. 1
- Listiyani, N., Hayat, MA, & Mandala, S. (2018). Norming Supervision of Environmental Permits in Preventing Environmental Pollution and Damage in the Exploitation of Natural Resources. Legal Media Journal, 25(2), 217-227. 2
- Nisa, ANM (2020). Law Enforcement Against Environmental Problems to Achieve Sustainable Development (Case Study of Forest Fires in Indonesia). Journal of Bina Mulia Hukum, 4(2), 294-312. 3
- Pardede, M. (2016). Grand Design for Legal Research Reform of the Ministry of Law and Human Rights of the Republic of Indonesia. Journal of De Jure Legal Research, 16(2), 125-145. 4
- Prihatin, R.B. (2015). Land Use Change in Urban Areas (Case Study in Bandung and Yogyakarta). Journal of Aspiration, 6(2), 105-118. 5
- Rosana, M. (2018). Environmentally Friendly Sustainable Development Policy in Indonesia. Journal of Management: Journal of Social Sciences, 1(1). 6
- Santiago, F. (2014). Corruption Crime Eradication Strategy: Sociological Legal Study. Lex Publica, 1(1). 7
- Sari, DAA (2019). Integration of Sustainable Marine Development Policy Governance. Rechts Vinding Journal: National Legal Development Media, 8(2), 147. 8
- Sasialang, ROK (2023). Investigation of Protected Animals in Accordance with the Conservation of Living Natural Resources and Their Ecosystems. Lex Administratum, 11(5). 9
- Writers, GA (2021). The Role of Consumer Protection Laws in Following Up on Extreme Culinary in the Form of Wild Animals During the Covid 19 Pandemic. Journal of Communication Media, Pancasila and Citizenship Education, 3(2), 100-107. 10
- Septemuryantoro, SA (2021). Potential of Tourist Villages as Alternative New Normal Tourist Destinations. Travel Media, 19(2), 186-197. 11
- Sompotan, DD, & Sinaga, J. (2022). Prevention of Environmental Pollution. Saintekes: Journal of Science, Technology and Health, 1(1), 6-13. 12
- Sonia, N.R. (2021). Total Quality Management in Higher Education Institutions. Southeast Asian Journal Of Islamic Education Management, 2(1), 125-139. 13
- Sudjana, S. (2021). Patent Protection in the Perspective of the Function of Law as Social Control and Social Engineering: Dialogia Iuridica, 13(1), 61-78. 14
- Syapriallah, A. (2016). Environmental Administration Law Enforcement Through Supervision Instruments Environmental Administration Law Enforcement Thro HS Pervisin Instr Ment. Journal of Environmental Law Development, 1(1). 15
- Timon, A. (2020). Responsibility of a Democratic Legal State in Providing Health Services. Soumatara Law Review, 3(1), 18-29. 16
- Trisiana, A. (2020). Strengthening Citizenship Education Learning Through Digitalization of Learning Media. Journal of Citizenship Education, 10(2), 31-41. 17
- Utami, HS (2017). Management of Tourism Areas (Study at the Bromo Tengger Semeru National Park Center). Public Administration Scientific Journal, 3(1), 13-20. 18
- Vedanti, IGAJM (2016). Strategic Environmental Studies as a Form of Integration of Sustainable Development Principles in Regional Spatial Planning. Law Journal, 5(3), 526-542. 19
- Wibisana, AG (2019). About Tails That Are No Longer Poisonous: Conceptual Criticism of Administrative Sanctions in Environmental Law in Indonesia. Indonesian Environmental Law Journal, 6(1), 41-71. 20
- Yanto, D., Kristhy, ME, & Kristanto, K. (2022). Law Number 25 of 2009 concerning Public Services as Values of Law for Public Services Regarding the Implementation of the Issuance of Building Approval Permits (Pbg) in the Perspective of General Principles 21

- of Good Government in Katingan Regency. *Journal of Legal Communication (JKH)*, 8(1), 252-272. 1
- Zamroni, M. (2021). *State Administrative Law*. Equatorial Incandescent Delta. 2
- Bachri, E. (2023). Implementation of Legal Protections of Geographical Indications of Lampung Robusta Coffee in Improving The Economy of West Lampung Coffee Farmers. *PENA JUSTISIA: MEDIA KOMUNIKASI DAN KAJIAN HUKUM*. 3
- Bachri, E., Rusli, T., Ompu Jainah, Z., Safitri, M., & Ritonga, R. (2019). *Competitive Enhancement Efforts of Domestic Agribusiness with Preservation of Plant Variations*. 41–53. 4
- Diane Zaini, Z., & Hakim, L. (2019). *Prevention and Handling of the Crisis of Financial System in Banking Institutions*. 5
- Enakesda, R., & Ompu Jainah, Z. (2024). *Reposisi Peran Justice Collaborator Dalam Upaya Memberantas Tindak Pidana Korupsi*. 4(04), 4396–4408. 6
- Hakim, L., Mulyati, E., Hasan, D., & Murwadi, T. (2020). Legal Aspects of Micro Business Development Institutions in State Purpose of Welfare. *Fiat Justisia: Jurnal Ilmu Hukum*, 14(3), 247–260. 7
- <https://doi.org/10.25041/fiatjustisia.v14no3.1804> 8
- Hartono, B., & Ayu Hapsari, R. (2019). *Policy model for Ethics of Traffic on the basis of human and social value in Indonesian Society*. 9
- Hartono, B., & Hapsari, R. A. (2019). Mutual Legal Assistance Pada pemberantasan Cyber Crime Lintas Yurisdiksi di Indonesia. In *Sasi* (Vol. 25, Issue 1, p. 59). <https://doi.org/10.47268/sasi.v25i1.136> 10
- Jainah, Z. O., Faisal, M., & Kenali, A. S. (2024). *Analisis Yuridis Peran Jaksa dalam Proses Diversi terhadap Anak yang Berhadapan dengan Hukum*. 11
- Miniawati Barusman, T., Rama Putra Barusman, A., Sulfarano Barusman, M. Y., & Puris Redaputri, A. (2021). *Antecedent of Tourists' Behavioral Intentions and the Effect of Travel Companions as Moderating Variable on Nature Based Tourism*. 796–818. 12
- Nuzulia, A. (1967). PENIPUAN MENGGUNAKAN MEDIA INTERNET BERUPA JUAL-BELI ONLINE. *Iqtishaduna: Jurnal Ilmiah Mahasiswa Jurusan Hukum Ekonomi Syariah*, 5, 5–24. 13
- Ompu jainah, Z. (2023). *Implementation of Criminal Sanctions Against Foreign Narcotics Courier Performers*. 14
- Ompu Jainah, Z., Bachri, E., Safitri, M., Saftiniara, N. I., & Rusli, T. (2024). *Economics Analysis of Legal Approach In the Progression of West Lampung Traditional Cultural Expression*. 15
- Ompu Jainah, Z., & Sulaiman, M. S. (2024). *Pertanggung Jawaban Anak di Bawah Umur Telah Terbukti Secara Sah dan Meyakinkan Bersalah Melakukan Tindak Pidana Membawa Senjata Tajam (Studi Putusan Nomor: 48/Pid.Sus-Anak/2023/Pn Tjk) 1*. 8229–8243. 16
- Rusli, T., Bachri, E., Ompu Jainah, Z., & Ritonga, R. (2019). *Corporate Social* 17



- Accountability Model as a Form of Future National Economic Development. 1  
*International Journal of Innovation, Creativity and Change*, 6(10), 247–260. 2  
<https://doi.org/10.36835/rechtens.v8i2.535> 3
- Rusli, T., Ompu Jainah, Z., & Bachri, E. (2024). *Protection And Legal Security System 4*  
*For Digital Signature Users As Consumers In The Indonesian Legal System.* 5
- Seregig, I. K., Hartono, B., & Ndari, Y. (2021). *POLICY ON OVERCOMING VILLAGE 6*  
*BUDGET DEVIATIONS BY THE GOVERNMENT INTERNAL SUPERVISORY 7*  
*APPARATUS IN INDONESIA (CASE STUDY OF TANJUNGSARI VILLAGE, 8*  
*LAMPUNG).* 9
- Smith, N., Surapati, A., Triatna, B., Santoso, J., & Jainah, Z. O. (2019). Penegakan 10  
Hukum terhadap Penyalahgunaan dan Pencegahan Pengguna Narkotika di 11  
Indonesia. *INNOVATIVE: Journal Of Social Science Research Volume*, 8(2), 209– 12  
222. <https://doi.org/10.36835/rechtens.v8i2.535> 13  
14