

LEGAL PROTECTION URGENCY FOR MSMEs ACTORS AS WELL AS PARTNERSHIP PROGRAM WHICH ARE REGULATED ACCORDING TO LAW NUMBER 11 OF 2020 ON JOB CREATION

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ense.

Abstract: The constitution (*UUD 1945*) gives recognition of human rights to develop themselves and exists legal protection of the rights. This article attempts to provide a normative-juridical explanation about how Micro, Small, and Medium Enterprise (MSMEs) gets legal protection through omnibus law and government regulation supporting it. Law number 11 of 2020 about job creation, familiar with omnibus law, is formed to improve and to expand the economic sector. One of the omnibus law aims is to give ease of licensing to MSMEs to enrol the business activities. MSMEs are considered very helpful to create jobs, leading to the rising national economy. Therefore, MSMEs is given the opportunity to be a legal person and to be a private enterprise. The other protections of omnibus law for MSMEs are services of legal aid and legal protection in expanding the business activities by partnership programs with big enterprises. There are about 10 partnership programs among MSMEs and big enterprises. Looking from this form of written laws, this omnibus law is the part of legal protection for MSMEs, either business actors or business enterprises.

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Undang-Undang Dasar Tahun 1945 memberikan pengakuan terhadap hak warga negara untuk mengembangkan dirinya serta perlindungan hukum atas hak tersebut. Artikel ini berusaha memaparkan secara normatif-yuridis terkait bagaimana UMKM mendapat perlindungan hukum melalui UU Cipta Kerja serta peraturan pemerintah yang mendukungnya. Undang-Undang No 11 Tahun 2020 tentang Cipta Kerja atau yang dikenal dengan omnibus law dibentuk dengan tujuan untuk memperbaiki dan memperluas sektor ekonomi. Salah satunya ialah dengan memberikan kemudahan perizinan bagi UMKM dalam mendaftarkan kegiatan usahanya. UMKM dinilai sangat membantu terciptanya lapangan pekerjaan sehingga meningkatkan perekonomian negara. Oleh karena itu, UMKM juga diberikan peluang untuk berbadan hukum dan menjadi perseroan perorangan. Perlindungan lain yang diberikan dari undang-undang ini adalah adanya layanan bantuan hukum bagi UMKM dan perlindungan hukum dalam memperluas kegiatan usaha UMKM melalui program kemitraan, ada sekitar 10 program kemitraan UMKM Bersama usaha besar. Melihat dari bentuk aturannya yang tertulis, maka undang-undang cipta kerja ini adalah bagian dari perlindungan hukum bagi pelaku usaha dan badan usaha UMKM. Artikel ini berusaha memaparkan secara normatif-yuridis terkait bagaimana UMKM mendapat perlindungan hukum melalui UU Cipta Kerja serta peraturan pemerintah yang mendukungnya.

Keywords: Micro, Small and Medium Enterprise, Legal Protection, Omnibus Law

INTRODUCTION

Based on the mandate of the 1945 Constitution of the Republic of Indonesia article 28, there are some regulations related to rights or law

enforcement, as is explained in principle 28 letter A: "Any person is entitled to live and to defend life or his/her prosperity".

As Law number 11 of 2020 on Job Creation was issued, it raises the innovation toward investment in Indonesia, one of which is for Micro, Small, and Medium Enterprises (MSMEs) subjects. Although it is still postponed, up to 2 years and still in betterment progress, by Constitution Court's verdict number 91/PUU-XVII/2020, it is stated in article 77 that stock investment will give legal protection, Ease, and affiliate program to MSMEs. Beforehand, all related to MSMEs are ordered in several such laws as Law 20/2008 on MSMEs, Law 9/1995 on Small Business, Law 40/2007 on Limited Companies, Law 3/1982 on Obligatory Registration of Company, Presidential Regulation 7/2006 on Change of Capital of Limited Company, Presidential Regulation on implementing the provisions of Law number 20 of 2008 on Micro, Small, and Medium Enterprises.

Nevertheless, the progression of small enterprises in Indonesia is considered relatively rapid. At the end of 2020, there were 65 million registered MSMEs spread around Indonesia. Unfortunately, most of them were still informal sections (Prasetyo, 2021). Due to the permit procedure's complexity and its high price, new legal regulations are needed to give legal protection to MSMEs. Its contribution to Indonesian economic growth is also considered quite massive, i.e., 6.1%, not to mention that it has provided a vocation for 117 million people (Sasongko, 2022).

A massive improvement can be observed in the rise in small enterprises' registration to business mother number (NIB), which was noted by the Online Single Submission system in August by 82,2%, equal to

104,240 applicants (Redaksi, 2020). It is also stiffened by 383 small enterprises which affiliate with 89 big enterprises in 2021 (Pawiro, 2021). Hence, clarity and legal certainty from the government are necessary to provide legal protection in business affairs' enlargement for MSMEs. They, which are always coordinated with cooperation, really need a policy on their side. It can be seen from some aspects that need fixing: business permits, affiliation, supportive government regulation, trading chance, and trading promotion. MSME's existence is considered noteworthy a developing country either for economic development or social life. It is the type of its presence, which are to grow and spread around society broadly based on geographical location, to be able to employ a local workforce the same time supporting the local economy and provide the opportunity to develop kinds of businesses and their spirit.

In addition, there are other matters generally affecting MSME's growth, some of which are lack of capital, investments, access to marketing and raw material, distribution, inputs, information on market opportunity, human resource with sufficient technology mastery, communication, a high price in transportation and fuel or due to complex administrative and bureaucracy, and uncertainty of laws and regulations on economic policy (Tambunan, 2000).

The emergence of the Job Creation Law opens the gate for investment ease and provides legal protection for local enterprises. The root of this so-called omnibus law is complex permits, taxation, land acquisition, and other aspects of investing in Indonesia. Hence, it is necessary to analyze legal protection towards MSMEs actors according to Law number 11 of 2020

on Job Creation (UUCK) and Government Regulation number 7 of 2021 on Ease, Protection, and Empowerment of Cooperative and Small and Medium Enterprises.

RESEARCH METHOD

This research is conducted by statutory approach, utilizing Law number 11 of 2020 on Job Creation (UUCK) and Government Regulation number 7 of 2021 on Ease, Protection, and Empowerment of Cooperative and Small and Medium Enterprises. While the data collected in this article is secondary data, document study. In this article, the secondary data are Law number 11 of 2020 on Job Creation, Law number 20 of 2008 on Small and Medium Enterprises, Government Regulation number 7 of 2021 of Company Capital and Establishment, Change, and Revocation Registration of Company Eligible for Small Enterprises. Likewise, secondary legal resources are also used, even other tertiary resources. Looking at the law definition by Soerjono Soekanto, legal research is meant for academic activity based on methods, structures, and specific thoughts aiming to learn something or specific legal symptoms utilizing analytical methods. On the other hand, a review is also launched on affecting legal factors (Ali, 2009). The research is done to obtain the truth. Related to this, the theory of truth is divided into 3: correspondence truth theory which is based on fact or reality; coherent truth theory, which is based on beliefs in mind; and pragmatic truth theory, which is based on consensus (Marzuki, 2005).

DISCUSSION

Legal Protection toward MSMEs actors in Law number 11 of 2020 on Job Creation

A nation's economic growth is one factor in national development. Whether its economy grows or not relies on whether its climate is developing. Thus, one of the fundamental actors in national development is the company. A company or business entity is the legal making money practice, unlike "general human deed" as is thought for many ages. The company is a modern phenomenon in which the culture is from the industrial revolution of the 18th century, strengthened by individualism understanding (Dewi, 2022).

Company, specifically, MSMEs becoming the most business group, have been proven to be a challenging economic pillar in facing the financial crisis of 1998 (Dewi, 2022: 2). Then, as time went by until 2018, they totaled as many as 64,194,057, with the segment of 99.99% of all Indonesian business people, providing occupation of 97% national employees and contributing to 61.07% of Indonesian gross domestic products. It then raised in 2019 to 65,465,497, which equals to 1.98% rise of 2018 (Ministry of Cooperation and Small and Medium Enterprises, 2009).

Before Law 11/2020 has been stipulated, MSMEs have been early governed in Law 20/2008 (MSMEs Law) in which business criteria rely on assets and turnover total the company has. According to the MSMEs Law, it is only formulated that "belong to individual/s or entity/ies" or "which is run by individual/s or entity/ies." The definition, if reviewed on company law, only refers to legal form:

1. Sole proprietorship (*eenmanszaak*) for "individual ownership."
2. Other forms of company, including company having the form of civil partnership (*maatschap*), general partnership company (*vennootschap onder firma*), the company with the form of limited partnership (*commanditaire vennootschap*), which are the company owned by two or more people without legal entity's status, limited liability company, and cooperative which are under legal entities status (Dewi, 2023).

Different from Law 20/2008 (MSMEs Law), the MSMEs criteria in Law 11/2020 (UUCK's Law) is based on capital, turnover, net worth indicator, annual revenue, investment value, incentive and disincentive, eco-friendly technology application, local content, and workers' total following the criteria of each business sector. Those criteria are further governed in Government Regulation 7/2021 on Ease, Protection, and Empowerment of Cooperative and Small and Medium Enterprises.

Raising MSME growth in Indonesia, encouraged by various products produced, obviously needs the protection of legal product safety to guarantee originality, distinctive to competitive products in markets. Up today, the products by MSMEs themselves only enliven local markets with a guarantee because of an absence of a protective legal basis. This condition becomes one of the biggest problems for Indonesian small and medium enterprises actors as they assume that their prominent role is only to produce and be able to distribute their products without thinking further about legal protection such as copyright and so on. It can also hinder Indonesian local small enterprises' products from entering the national markets, not to mention international ones with tight competition. The legality of business is the

fundamental, inevitable matter that can give MSMEs the green light to secure a seat in the market world.

Yet, MSMEs people need to recognize it and understand the legality's urge of either the product or the business itself (Triyono Adi Saputro, 2021). The omnibus law emerges to protect the form of a straightforward business permit (article 91 Law number 11 of 2020 on Job Creation). Related to the permit, in UUCK, its prerequisite is regulated in article 91, explaining that MSMEs enlistment can be done either online or offline only by attaching identity card (KTP) and business reference from the neighborhood chief. MSMEs can obtain the Business Identity Number (NIB) on the website "electronic business permit system", while NIB is the sole permit that remains in effect for all forms of enterprise activities. In addition to this, article 92, it is stated that small and medium enterprises will also gain an advantage of the simplification of taxation administration to propose financial facilities from the central Government. In section 2 of this article, it is also mentioned that another merit they can get is a business permit proposal for free. On another hand, the form of protection towards MSMEs activities is coaching and partnership programs for middle and big enterprises with cooperation and micro and small enterprises (articles 89 and 90 of UUCK).

Followingly, the protection for MSMEs actors is then defined in Government Regulation 7/2021. The abovementioned Government Regulation, through article 48, explains the availability of legal assistance and advocacy services for MSMEs. Article 48 point 1 states that "Central and Local Government should provide assistance service as well as legal advocacy for micro, small and middle enterprises' actors". Then, in article 48 point, it

is explained that "that assistance service and legal advocacy is for free." Furthermore, it is also mentioned in article 48 point 3 that "some of the preferred forms of assistance service and legal advocacy are legal counseling, legal consultation, mediation, legal document drafting, and out-of-court advocacy."

Then the protection for MSME business actors is further explained in PP 7/2021. The PP, through article 48, describes the availability of Legal Assistance and Assistance Services for Micro and Small Enterprises. Article 48 point 1 states, "The Central Government and Regional Governments are required to provide services and legal assistance to Micro and Small Enterprises business actors." Furthermore, article 48, number 2 explains that "The legal assistance and assistance services are free of charge." More clearly, article 48 number 3 states, "The intended forms of legal assistance and assistance services include legal counseling, legal consultations, mediation, preparation of legal documents, assistance outside the court."

Article 49 of PP Number 7 of 2021 Concerning Ease, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises strengthens the statement of assistance and assistance services by listing the requirements that are met for Micro, Small, and Medium Enterprises, including "a. application submitted in writing to the Central Government or Regional Government; b. Have NIB; and c. Submitting documents relating to the case.

Regarding the minimum efforts that the central government and regional governments must make for legal assistance and assistance services for Micro and Small Enterprises, it is explained through article 51 PP

7/2021. The article states that micro and small businesses should do several things: "a. identify legal issues; b. disclosing information regarding forms and methods of accessing legal aid and assistance services; c. maximising legal literacy; d. budget allocation to carry out the program of legal aid and assistance service activities; e. establish cooperation with other relevant agencies such as universities or legal professional organizations".

Apart from providing legal aid services for MSME business activities and business actors, UUCK also adds micro and small business criteria to a company that one person can find. It is confirmed in article 153 A number 1, which states, "Companies that meet the criteria for Micro and Small Enterprises can be founded by 1 (one) person." In connection with the legal status of an individual company, it will be obtained after being registered with the Minister and obtaining an electronic registration certificate, as explained in article 6 paragraph 3 PP 8/2021.

The process of establishing a company for Micro and Small Enterprises is carried out based on a statement of the establishment made in Indonesian (paragraph 2 of article 153A UUCK). More details regarding establishing an individual company are stated in Articles 6-7 PP 8/2021. Then the shareholders of the UMK company are individuals, as in article 153E paragraph 1 of Law no. 11/2020, which explains that "The shareholders of the Company for Micro and Small Enterprises as referred to in Article 153A are individuals". Here it is indirectly presented by paragraph 2 letter of article 13 PP 8/2021 that the shareholders in an individual company are the sole shareholder where the decisions of the individual shareholders have the same legal force as the GMS.

Based on its management, the owner of the Company also plays the role of management or director. UUCK regulates company management for Micro and Small Enterprises by directors in article 153D. Article 153D reads: "(1) The Directors of the Company for Micro and Small Enterprises as referred to in Article 153A, carry out the management of the Company for Micro and Small Enterprises for the benefit of the Company in accordance with the aims and objectives of the Company. (2) The Board of Directors has the authority to carry out the management as referred to in paragraph (1) in accordance with policies deemed appropriate, within the limits specified in this Law, and the statement of establishment of the Company."

Although the founders of individual companies for Micro and Small Enterprises also concurrently serve as directors and shareholders, in terms of their responsibilities, they are known as limited liability, a form of legal protection for business actors with legal entities by separating personal and corporate wealth. At the same time, it is hoped that it will make it easier for business actors to access bank financing. (kemenkumham.go.id, 2021). It is also clarified in Article 153J paragraph 1 of Law 11/2020 "The shareholders of the Company for Micro and Small Enterprises are not personally responsible for the engagement made on behalf of the Company and are not responsible for the Company's losses exceeding the shares owned."

Very different from what is implemented in Indonesia. The United States, Canada, and Singapore say that individual companies with sole Proprietorship, while in England, it is called sole Trader. In Vietnam known by the name Private Enterprise, and in the Netherlands is known as

Proprietorship (kemenkumham.go.id, 2021). In simple terms, in an individual company that applies in this way, the entrepreneur concerned has full authority to manage his Company without the involvement of other people. However, all responsibilities must also be borne alone (Agus Sardjono, 2021). There is no legal entity status in this individual Company (separate legal entity). That way, related to all income and expenses, depending on the owner of the Company, including taxes, can classify as a personal taxpayer. There is no distinction between corporate and private income, so corporate income is also subject to personal income tax. (Goddess, 2022)

With limited working capital, individual companies are often considered unable to develop their companies. A sole proprietorship can grow into a large corporation. If the Company has considerable working wealth or has become significant, the owner of the Company needs employees to help him. According to HMN Purwosutjipto, employees who support the Company are divided into helpers inside and outside. Helpers in the Company are employee relations related to labor law (employment), in which there is a classification of work relations between employers and workers/workers. The employer acts as the giver of power and the helper as the recipient of a power of attorney. Meanwhile, the relationship between the employer and the helper outside the Company, such as a commissioner, freight forwarder, or notary public, is a legal relationship between the granting of power of attorney and periodic service (temporary legal relationship for services or provision of services). (Goddess, 2022)

With third parties, legal actions carried out by the owner of the Company (entrepreneur) or the entrepreneur's assistant can become legal actions and acts against the Law. The Company's owner (entrepreneur) is bound or responsible for legal actions carried out by himself or by his assistants on behalf of the entrepreneur. In this case, the entrepreneur's assistant is domiciled as the recipient of a power of attorney. As a result, all agreements arising from the said legal action must be carried out by the entrepreneur. The engagements occur due to acts against the Law, whether carried out by the owner of the Company (employer) or by his assistant, the person responsible here is the owner of the Company. (Goddess, 2022)

The UMKM Partnership Program with Large Enterprises

Photographing the relationship between MSMEs and investors cannot be separated from the government's role in bridging the relationship between the two. Both directly and indirectly, relationships in business relations based on the principle of reciprocity and mutual benefit involving MSME actors and large businesses encourage the government to make policies. Before UUCK, the government had made a policy to bridge MSMEs with investors through Article 25 of the UMKM Law. From article 25 to article 37 in the law, the government has stated to provide facilities, support, and stimulus to MSME businesses to transfer capital, production, processing, human resources, marketing, and technology development skills.

Not only that, but the government also provides support by developing partnership models. One approach in this partnership model is internal firm Linkage, which means that a partnership's growth is based on the orientation, media, and benefits that benefit both parties. The

relationship between the two parties explains the relationship between sectors, their nature, and their strengths. The magnitude of regional economic growth and opportunities for cooperation between sectors and within the industry also influences it. Vertical Linkage is a linkage that arises because of the collaboration between large companies and MSMEs. The Linkage of consumption and Production links is a linkage that occurs due to an increase in the income of one of the other sectors. It can also create a connection backward and forward Linkage. For example, some investors are willing to invest in the tourism industry to build tourism facilities; the surrounding environment will be affected by increased demand for souvenirs, food, beverages, homestay, local transportation, etc. Then this will also have an impact on sectors that supply raw goods such as materials for making souvenirs, labor, etc. (Utami, 2018)

With the increasingly rapid economic development and the very significant role of MSMEs, the government is increasingly strengthening the empowerment of MSMEs and large businesses through its policies contained in UUCK. This program is intended to reaffirm the importance of investment partnerships carried out by prominent national and foreign entrepreneurs with local entrepreneurs in the regions, including MSMEs in investment areas. According to the head of the Investment Coordinating Board (BKPM), Bahlil Lahadalia, the partnership with UMKM will provide multiplier effects to local communities with an investment in their area. Apart from that, there are also 383 MSMEs partnering with 89 large businesses (in 2021), not to mention if this number increases sharply every year so that the plan to marry MSMEs with large companies through this

partnership program will be beneficial by creating enthusiasm for improving product quality and opening up opportunities for MSMEs to upgrade. (www.bkpm.go.id, 2021).

The reason for the importance of creating a broader partnership program is the significant increase in the number of MSMEs in Indonesia every year. It is proven by the growth of 2.02% for innovative products of various types. MSMEs from each region can produce superior products based on the characteristics of each district/city. These products range from processed foods and handicrafts to food products with regional features. (Saputro, 2021).

In the Job Creation Law, some principles are adhered to; based on UUCK's explanation it is explained that these principles include: First, the principle of equal rights. This principle explains that job creation aims to fulfill people's requests for a decent job and livelihood. Second, the principle of legal certainty. This principle states that jobs are created by creating a conducive business climate through a legal system that ensures consistency between laws and regulations and their implementation. The third is the Principle of Ease of Doing Business. What is meant by "ease of doing business" is the creation of jobs supported by a simple, easy, and fast process of business activities that will encourage increased investment, empower MSMEs to strengthen the economy, and create the broadest possible employment opportunities. The fifth is the Principle of Togetherness. "togetherness" is the creation of jobs that can involve the role of the entire business world; MSMEs and even cooperatives together have no other purpose for the welfare of the people. Sixth, the Principle of Independence.

"independence" is the development of MSMEs, including cooperatives, realized while maintaining and prioritizing the principles and potential of each.

According to article 1 of Law 20/2008, the partnership is defined as "forms of cooperation in business relations, both directly and indirectly, based on the principle of mutual need, trust, strengthening and benefit involving micro, small and medium enterprises (MSMEs) with large businesses." Then in article 104, paragraph 3 PP No. 7/2021, it is explained that the implementation of this partnership program places the parties in equal legal standing, and Indonesian law applies.

Partnerships between Micro Enterprises, Small Enterprises, and Cooperatives with Medium Enterprises and large enterprises are carried out by considering the principles of collaboration and upholding sound business ethics (Article 104 paragraph 1 PP No. 7/2021). The principles in carrying out the partnership include: "a. require; b. trust; c. strengthen; and d. profitable." (Article 104 paragraph 2 PP No. 7/2021). Furthermore, the partnership cooperation pattern with Small Micro Enterprises (UMK) is mentioned in article 87 UUCK.

1. Core-Plasma. Inti Plasma has a partnership pattern, namely: large businesses are positioned as the core, MSMEs are positioned as plasma, or Medium Enterprises are positioned as the core, while Micro and Small Enterprises are positioned as plasma. (Article 107 PP No. 7/2021)
2. Subcontract. The subcontract partnership pattern is regulated in Article 108, paragraph 1 PP No. 7/2021. The article explains the pattern of subcontracting, including large businesses having the status as

contractors and Micro, Small, and Medium Enterprises having the status as subcontractors, or Medium Enterprises having the status as contractors and Micro and Small Enterprises having the status as subcontractors. As for implementing the subcontract partnership pattern, they are referring to article 108, paragraph 2 PP No. 7/2021; large businesses as contractors provide support in the form of ease of working on the part of production or components, ease of obtaining raw materials, increasing technical product knowledge, technology, financing, and payment systems.

3. Franchise. The franchise partnership pattern is regulated in Article 109 paragraph 1 PP No. 7/2021, which includes: large businesses are located as franchisors and MSMEs are located as franchisees, medium-sized companies are located as franchisors, and UMK is found as franchisees. Furthermore, in paragraph 2, it is explained that large businesses that expand their business by way of franchising provide opportunities and prioritize micro, small, and medium enterprises that have the capacity and feasibility of doing business.
4. General trading. Implementation of partnerships with a general trade pattern can be carried out in the form of distribution cooperation, providing facilities in the form of availability of business locations from MSMEs by large businesses, which are carried out openly. Also, to meet basic and non-standard needs in the form of goods and services needed by large companies, MSMEs are prioritized for their production results as long as they meet the standards of quality of goods and services required. On the other hand, payment arrangements must be made

without causing harm to either party. (Article 87 of Law 11/2020 concerning Job Creation)

5. Distribution and agency. Partnerships with distribution and agency patterns have the following forms: "Large businesses give special rights to market goods and services to MSMEs, give special rights to market goods and services to Micro and Small Enterprises."
6. Supply chain. Based on Article 1 number 8 PP 7/2021, a partnership with a supply chain pattern is a cooperation between business actors, both MSMEs and large businesses, which have a mutual symbiosis in dependence on the distribution of goods and services that transform raw materials into products efficiently and economically, including various models of production processes, product and service development, information systems, as well as product packaging or service distribution to consumers.

Then in Article 87 of the UUCK, it is explained that the implementation of partnerships with this pattern at a minimum includes: "management of product transfers carried out by companies with raw material providers; distribution of products from companies to consumers; or managing the availability of raw materials, supply of raw materials and fabrication processes."

In contrast to the franchise partnership pattern, referring to Article 112 paragraphs 2 and 3 PP 7/2021, the supply chain pattern places large businesses as recipients of goods, and MSMEs are positioned as providers of goods. Meanwhile, medium enterprises are set as recipients of goods, and UMK is positioned as a provider of goods.

Concerning the fulfillment of the needs for goods and services required by large or medium enterprises, it is carried out through a supply chain partnership pattern that prioritizes the procurement of products produced by small or micro enterprises as long as they meet the required quality standards of goods and services.

7. Other forms of partnership

- a. Profit sharing. In the profit-sharing partnership pattern, there are provisions: "MSMEs are domiciled as executors who run businesses financed or owned by large businesses, or UMK is domiciled as an executor who runs a business financed or owned by a medium-sized business." Article 113 PP 7/2021 explains that "Parties who partner with a profit-sharing pattern contribute according to the capabilities and resources that are owned and agreed upon by the two partnering parties. The size of the distribution of profits received or losses borne by the parties is based on the approved agreement.
- b. Operational Cooperation. According to Article 114 PP 7/2021, the operational cooperation partnership pattern is carried out between: "MSMEs with large businesses run businesses that are temporary in nature until the work is completed, or MSEs with medium-sized businesses run businesses that are temporary in nature until the work is completed."
- c. Joint ventures. In a partnership pattern-joint venture based on Article 115 PP 7/2021, there are provisions: "Local MSMEs can enter into business partnerships with large foreign businesses; and local MSEs can enter into business partnerships with foreign

medium-sized businesses, by carrying out joint economic activities by establishing new business entities in the form of legal entities by the provisions of laws and regulations. In terms of economic activity, the parties share proportionally in share ownership, profits, risks, and management of the company.

- d. Outsourcing. Article 116 PP 7/2021 explains that in this partnership pattern, there are provisions in the form of First, MSMEs can partner with large businesses to do part or all of the work other than the main work of large companies. In this case, large corporations are in complete control of the ownership of the work, and MSMEs are positioned as providers and implementers of job services. Second, MSEs can partner with medium-sized businesses to do part or all of the main pieces of medium-sized companies. In this case, the full ownership of the work is in the hands of medium enterprises, and MSEs are positioned as providers and implementers of job services.

Considering the broader context, the partnership's essence is not just ordinary Cooperation (Cooperation). Still, in line with Porter's (2011) thinking, a block is a strategic alienation (strategic alliance), i.e., Cooperation between parties that results in equality of position and independence, core competence, risk, and benefit sharing, things that are mutually exchanged.

A partnership concept like this directs the parties involved to mutually benefit, share risks, and ensure business continuity from the collaborating parties. (Suwandi, 2015: 37). The patterns developed by UUCK provide the line with the objectives of empowering MSMEs themselves, including growing and developing the capabilities of MSMEs in

forming solid and independent businesses. It is increasing the role of MSMEs in regional development, such as creating jobs, increasing income for economic growth, and reducing poverty in society. (Wahyuni, 2019)

Besides that, remember again that the primary purpose of UUCK is "Encouraging investment, accelerating economic transformation, harmonizing central-regional policies, facilitating doing business, overcoming overlapping regulatory issues, and eliminating sectoral egos. More specifically, MSME business activities can partner with foreign capital". (bkpm, n.d.) As previously explained regarding the MSME partnership model.

The ease of investment provided by the Job Creation Law, especially for MSMEs, will further strengthen the concept of investment partnership partners, which function as investment partners as absorbers and marketers of output (goods and services) resulting from productive investment partnership activities. The goal is to create a definite market (captive market) to ensure business income and continuity. (Suwandi, 2015).

KUKM manages investments and businesses primarily for production activities in this investment partnership. The investment partners, namely, investors (Large Enterprises or Medium Enterprises), are obliged to provide funding for the agreed investment, absorb all production generated from the investment partnership activities, and carry out marketing activities. Furthermore, Small and Medium Enterprises (SMEs) are business actors who can invite investors to come and cooperate with cooperatives to carry out production activities. This production activity can also be carried out by SMEs alone or in collaboration with other SMEs. The

role of investors as investment partners here is as a party that markets these products. In addition, this investment partnership also allows both parties to utilize supporting institutions or professions such as banks, notaries, or insurance services to provide protection for the investments made and the partnership actors' human resources. (Suwandi, 2015)

The explanation of the Law in accommodating legal protection for MSME business actors shows that there is legal protection which; refers to the Big Indonesian Dictionary (KBBI). Protection is defined as an act that protects. Meanwhile, the Law is a regulation or custom officially considered binding, which the authorities or the government confirms. Legal protection is an effort to provide protection or protection offered by the government to the community through all existing regulations. Indirectly legal protection is a function of the Law itself, namely giving protection. (Hukumonline, 2021).

According to Soekanto, protection law is protection given to subject Law in the form of a document law. Besides the law enforcement role, Soekanto explained five matters affecting the law enforcement process and security: First, Legal or regulatory factors. This Law is a regulation the sovereign government makes in writing and generally applies. Second, Enforcement actor law, meaning the parties involved in enforcement rule, Good personal as well as non-personal/institutional. Third, Factors means or facilities which support enforcement rules, for example, Qualified Human Resources. Fourth-factor public, namely the environment where is the Law happens and applied. Community acceptance of the prevailing regulations is believed to be the key to peace. Final Cultural factors are the result of human creativity, taste, and initiative. (Hukumonline, 2021)

Judging from the presence of UUCK in regulating MSMEs above in providing legal protection and developing economic activities for the community, this is felt to be in line with the nation's ideals and the aims and objectives of the formation of regulations. In line with the theory of legal protection above, the 1945 Constitution, as the nation's constitution, mandates the state to provide rights and law protection.

The 1945 Constitution, specifically in Article 28, explicitly regulates human rights. Article 28A reads: "Everyone has the right to live and has the right to defend his life and existence." Then in, Article 28 C reads: "Everyone has the right to develop himself through meeting his basic needs, has the right to get an education and to benefit from science and technology, art and culture, to improve his quality of life and for the welfare of mankind." Likewise, Article 28 D paragraph 1 reaffirmed that: "Everyone has the right to recognition, guarantee, protection, and legal certainty that is fair and equal treatment before the law."

Thus, business actors as part of legal subjects, and citizens are entitled to the protection of rights and Law in Law. Based on this UUCK, MSMEs have strengthened their legal protection and ease of business. Unfortunately, the Constitutional Court Decision Number 91/PUU-XVIII/2020 concerning the judicial review of the UUCK, whose main points state:

- a. The formation of the UUCK is contrary to the constitution. It does not have binding legal force on a conditional basis unless corrections are made within 2 (two) years of the pronouncement of the decision.
- b. UUCK is valid until repairs are made following a predetermined grace period.

- c. Regulators were ordered to make improvements within two years from the issuance of this decision.
- d. If no corrections are made, then the Law or the articles that have been revoked or changed to the UUCK are declared to apply again

It is. All forms of action/policy which are strategic and have a broad impact are suspended, and it is not permitted to issue new implementing regulations related to UUCK. Here there are multiple interpretations of the application of the Job Creation Law. With the revision required by this PMK, the chapter on MSMEs will also receive more attention so that legal protection is maximized and there are no inconsistencies in the articles that can create legal loopholes.

CONCLUSION

Law No. 11 of 2020 concerning Job Creation protects the form of accessible business permits for MSMEs based on Article 91. Then other facilities are indicated by Government Regulation of the Republic of Indonesia Number 7 of 2021 Concerning Ease, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises. The PP, through article 48, explains the Provision of Legal Assistance and Assistance Services for Micro and Small Enterprises. UUCK also adds the criteria for micro and small businesses into a company that one person can find. In addition, a pattern of partnership cooperation with Small Micro Enterprises (UMK) is included, which is mentioned in article 87 of Law 11/2020 concerning Job Creation, including Inti-Plasma, Subcontracting, franchising, General Trading, distribution, agency, supply chain, forms another venture. This partnership concept opens opportunities for

investment partnerships to expand business activities with the entry of investors and demonstrates legal protection for business actors.

MSMEs are an interpretation of community self-development in the economic sector that should be protected by law. Law 11/2020 concerning work creation has provided maximum legal protection for MSME business actors. The law has clarified the ease of obtaining permits, expanding the criteria for business entities, and providing legal aid services. However, there are certainly controversies and multiple interpretations of the meaning of this law, especially regarding the incentive to allow MSMEs to become individual companies which also have pros and cons in their implementation. Thus, during the revision period of the Job Creation Law, legal protection will be maximized by MSMEs through its articles. More transparent regulations under it must also strengthen its implementation; alias not regulated in general as in law. [W]

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