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# Harmonization of Creative Economy Regulations as An Extensive Convenience Framework for Achieving Legal Certainty in Investment

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**Abstract**

*The creative economy has emerged as a strategic pillar of national economic development; yet its full potential as an investment destination remains unrealized owing to persistent regulatory disharmony. The normative tension between Law Number 24 of 2019 on the Creative Economy and the prevailing investment law framework generates legal uncertainty that structurally constrains capital flows into creative subsectors. This study aims to examine the urgency of harmonizing creative economy regulations with investment law instruments so as to establish extensive convenience for investors, while simultaneously assessing the effectiveness of such legal alignment in guaranteeing investment legal certainty and accelerating national economic growth. A normative juridical method is employed, combining a statute approach and a conceptual approach. The study finds that regulatory disharmony has produced entrenched structural barriers that erode investor confidence, while the integration of Intellectual Property Rights as investment law instruments remains fragmented and unsystematic. This research advances a novel service-oriented law paradigm that repositions the state as an active facilitator in constructing an investment-friendly legal ecosystem grounded in economic value certainty. The implications are far-reaching: regulatory harmonization is not merely a technical legislative agenda but a constitutional prerequisite for realizing economic justice and sustaining the competitive attractiveness of the creative economy investment sector.*

***Keywords***: *Regulatory Harmonization, Creative Economy, Investment Legal Certainty, Extensive Convenience, Service-Oriented Law*

## 1. INTRODUCTION

The Indonesian creative economy sector stands at a pivotal regulatory crossroads.(Gouvea et al., 2021a) Despite the enactment of Law Number 24 of 2019 on the Creative Economy (*Undang Undang Ekonomi Kreatif*), a persistent and consequential legal tension has emerged between this statute and the prevailing investment law framework, principally Law Number 25 of 2007 on Capital Investment (*Undang-Undang Penanaman Modal*) as subsequently amended through the Job Creation Law (Law Number 11 of 2020) and its derivative Government Regulation Number 5 of 2021 on Risk-Based Business Licensing. The core legal problem lies in the absence of an explicit, operative bridge between

the two regulatory regimes. Law Number 24 of 2019 establishes the institutional architecture for creative economy development including mandates for intellectual property protection, creative space facilitation, and human capital development yet it conspicuously lacks investment-specific provisions that would generate binding legal obligations for capital allocation, incentive structures, or dispute resolution mechanisms tailored to the creative sector.(Liu et al., 2026) This structural lacuna creates multitafsir normative ambiguity susceptible to divergent interpretation particularly regarding whether creative economy enterprises qualify as priority sectors under the investment negative list (*Daftar Negatif Investasi*), and whether intangible creative assets such as copyrights, trademarks, and trade secrets may be lawfully constituted as investment objects under the capital investment framework.

The empirical consequences of this regulatory disharmony are neither abstract nor inconsequential. Indonesia's creative economy contributed approximately IDR 1,300 trillion to national gross domestic product in 2023 and absorbed more than 24 million workers across 17 officially designated creative subsectors, according to data published by the Creative Economy Agency (*Badan Ekonomi Kreatif*, or Bekraf, subsequently merged into the Ministry of Tourism and Creative Economy).(Rezky & Hasan, 2025a) Yet despite this macroeconomic significance, the sector's share of total realized foreign direct investment remains disproportionately low. The Investment Coordinating Board (*Badan Koordinasi Penanaman Modal*, or BKPM, now the Investment Ministry) reported that creative sector investments consistently underperformed relative to manufacturing and digital infrastructure sectors, in part because investors particularly foreign entities encounter fragmented licensing pathways, unresolved questions of intellectual property valuation for investment purposes, and the absence of a unified regulatory entry point.(Rezky & Hasan, 2025a) These conditions produce what economists identify as an elevated transaction cost environment and what legal scholars recognize as a climate of investment legal uncertainty.

From a jurisprudential standpoint, this situation reveals a pronounced chasm between *das sollen* and *das sein* between the law as it ought to be and the law as it is actually experienced.(Canale, 2022) The Indonesian Constitution (*Undang-Undang Dasar Negara Republik Indonesia Tahun 1945*), particularly Article 33, mandates that the national economy be organized on principles of collective welfare and state facilitation of productive enterprise. The principle of legal certainty (*kepastian hukum*), as a foundational tenet of the rule of law recognized in both domestic constitutional doctrine and international investment law, demands that the regulatory environment be predictable, consistent, and enforceable. In theory, the Indonesian legal system's embrace of the *Omnibus Law* mechanism through the Job Creation Law was intended to consolidate and harmonize overlapping sectoral regulations.(Ruskola, 2024) In practice, however, the creative economy sector was not meaningfully integrated into this consolidation exercise, leaving investors without the regulatory clarity to which they are entitled and which the constitutional framework ostensibly guarantees.

Concrete manifestations of this regulatory gap are traceable in practice. Several digital creative startups seeking venture capital injections have encountered administrative impasses at the Online Single Submission (*OSS*) system when attempting to register creative-sector business classification codes (*KBLI*) linked to intellectual property-intensive activities, as the OSS risk taxonomy does not consistently recognize intangible-asset-based business models. Furthermore, the absence of statutory guidance on intellectual property

rights valuation as a form of in-kind capital contribution (*inbreng*) has left investment structuring in the creative sector dependent on ad hoc notarial practice and inconsistent judicial interpretation, rather than transparent and codified legal standards. These systemic deficiencies are not incidental; they reflect a deeper architectural failure in the legislative design of creative economy governance.

The urgency of this research is therefore grounded in both normative imperative and empirical necessity. Existing scholarship has predominantly addressed either the creative economy's economic potential or the general architecture of Indonesian investment law in isolation, without sufficiently interrogating the interface between the two. The research gap is particularly acute with respect to the concept of *extensive convenience* a normative standard denoting the maximization of facilitative legal conditions for investors and its operationalization within the creative economy context. No existing study has articulated a comprehensive theoretical framework for harmonizing creative economy regulation and investment law instruments through the lens of service-oriented jurisprudence, nor has prior research proposed a model for integrating intellectual property rights as legally certain investment instruments within this sector.

Three bodies of prior scholarship are directly relevant to the present inquiry. Widjaja and Sijabat, writing in the *Jurnal Salome: Multidisipliner Keilmuan* (2025), examined regulatory harmonization within the broader development of national economic law, arguing that the realization of legal certainty and inclusive economic growth must be anchored in Pancasila values and the 1945 Constitution.(Hutahayan et al., 2024) Their work provides a foundational normative framework for understanding harmonization as a constitutional imperative. Rawadi and Baharudin, in their article published in *Jurnal Penelitian Serambi Hukum* (2026), analyzed investment development strategies in the era of regional autonomy, focusing on the institutional dimensions of legal certainty and the need for central-regional regulatory synergy to support capital investment growth. Their contribution illuminates the institutional fragmentation that compounds investment uncertainty in decentralized governance settings.(Rodríguez-Pose & Gill, 2003) Wijaya, Kumalasari, and Adonara, writing in *Al-Zayn: Jurnal Ilmu Sosial & Hukum* (2026), examined the risk-based licensing system as a mechanism for strengthening legal certainty and sustainable economic development, highlighting how structured licensing reform can serve as a vehicle for investment facilitation. The present research departs from and advances beyond these contributions in three critical respects: it focuses specifically on the creative economy sector as a distinct regulatory domain with unique investment characteristics rooted in intellectual property; it introduces and operationalizes the concept of *extensive convenience* as a normative-legal standard rather than merely an economic aspiration; and it proposes a *service-oriented law* paradigm that reconceptualizes the state's legal function from regulatory authority to active investment facilitator a theoretical intervention that none of the preceding studies has advanced.

Against this backdrop, this article addresses two central research questions: first, what is the urgency of harmonizing the Creative Economy Law with capital investment regulations in order to establish *extensive convenience* for investors in the creative sector; and second, to what extent can the alignment of these legal instruments effectively guarantee investment legal certainty while accelerating national economic growth? This study employs a normative juridical method, utilizing both a statute approach through systematic analysis of relevant legislative texts, government regulations, and international investment instruments and a

conceptual approach through engagement with legal theory, constitutional doctrine, and the emerging paradigm of service oriented law. The contribution of this research is twofold: theoretically, it advances a novel integrative framework for understanding intellectual property rights as constitutive elements of investment legal certainty within the creative economy; and practically, it offers actionable legislative and institutional recommendations for achieving regulatory harmonization that is coherent, investment-facilitative, and constitutionally grounded. In doing so, this study seeks to fill a critical gap in Indonesian legal scholarship and to contribute meaningfully to the policy discourse on building a competitive, legally certain, and inclusive creative investment ecosystem.

## 2. METHOD

This study employs a normative juridical (doctrinal legal research) methodology to examine and evaluate the coherence between the Creative Economy Law and the capital investment regulatory framework.(Effendi et al., 2023) As the research focuses on legal norms, principles, and regulatory harmonization rather than empirical social phenomena, the doctrinal approach provides the most appropriate analytical foundation. The study integrates two approaches: a statute approach, through systematic analysis of legislation such as Law Number 24 of 2019 on the Creative Economy, Law Number 25 of 2007 on Capital Investment, Law Number 11 of 2020 on Job Creation, Government Regulation Number 5 of 2021 on Risk-Based Business Licensing, and related ministerial regulations; and a conceptual approach, which develops theoretical frameworks including the service-oriented law paradigm and the concept of extensive convenience.(Saha et al., 2023)

The research utilizes three categories of legal materials. Primary legal materials consist of constitutional provisions, statutes, government regulations, and relevant international investment instruments.(Ryan & Holmes, 2025) Secondary legal materials include academic books, peer reviewed journal articles, legal commentaries, and official institutional reports relevant to the research issues. Tertiary legal materials, such as legal dictionaries and jurisprudential encyclopedias, are used to support definitional and interpretive clarification.

Data analysis is conducted through prescriptive-qualitative legal reasoning by assessing identified normative inconsistencies against constitutional principles, rule-of-law standards, and investment law doctrines.(Hämäläinen & Salminen, 2025) The analysis follows a deductive method, moving from general legal principles to specific regulatory deficiencies, before formulating prescriptive recommendations for legal harmonization. This methodological design ensures analytical coherence and fulfills the standards expected in internationally indexed legal scholarship. (Kwak, 2017)

## 3. RESULTS AND DISCUSSION

### A. The Urgency of Harmonizing the Creative Economy Law with Capital Investment Regulations to Establish Extensive Convenience for Investors

The Indonesian creative economy occupies a structurally paradoxical position within the national legal architecture: it is simultaneously celebrated as a strategic economic pillar

and neglected as a coherent subject of investment law.(Liu et al., 2026) Law Number 24 of 2019 on the Creative Economy (*Undang-Undang Nomor 24 Tahun 2019 tentang Ekonomi Kreatif*, hereinafter UU Ekraf) establishes a normative framework oriented toward the development, facilitation, and protection of creative sectors.(Mayana & Santika, 2025a) Yet a rigorous statutory analysis reveals that UU Ekraf is fundamentally a developmental law it articulates aspirations, assigns institutional mandates, and delineates policy directions rather than an investment law in any operative sense.(Winanti, 2021) It contains no provisions governing capital structuring in creative enterprises, no mechanism for intellectual property rights to function as investment objects, and no articulation of investor rights and remedies specific to the creative economy context. This legislative silence is not merely an oversight of drafting; it is a structural deficiency that generates cascading regulatory uncertainty when read alongside the investment law regime anchored in Law Number 25 of 2007 on Capital Investment (*Undang-Undang Penanaman Modal*, hereinafter UUPM) and its subsequent modifications through Law Number 11 of 2020 on Job Creation (*Omnibus Law*).(Putro, 2021) The disharmony between these two legal regimes is the foundational legal problem this article interrogates.

To understand the normative stakes of this disharmony, it is necessary to establish what *extensive convenience* demands as a legal standard. The concept, as advanced in this study, is not merely synonymous with bureaucratic efficiency it transcends the procedural simplification agenda typically associated with investment facilitation reform. Extensive convenience, as a normative standard derived from the *service-oriented law* paradigm, denotes the affirmative legal obligation of the state to construct a regulatory ecosystem in which investors encounter not merely the absence of obstacles, but the active presence of enabling legal infrastructure: clear asset recognition regimes, predictable dispute resolution pathways, coherent incentive architectures, and interoperable institutional interfaces.(Cohen et al., 1955) Measured against this standard, the current regulatory framework governing creative economy investment falls critically short on multiple dimensions that can be systematically identified and assessed.(Gouvea et al., 2021b)

The most acute dimension of regulatory disharmony concerns the legal status of intellectual property rights (IPR) as investment instruments. Under the UUPM framework, capital contributions are classifiable as monetary capital, technology transfer, or management expertise.(Yan & Zhang, 2025) The statute does not explicitly recognize intellectual property copyrights, trademarks, patents, trade secrets, geographical indications as constitutive elements of investment capital or as investment objects in their own right. This is constitutionally problematic. Article 28H of the 1945 Constitution guarantees the right to property, and the Constitutional Court (*Mahkamah Konstitusi*) has consistently affirmed that intellectual property constitutes protected property within this constitutional provision.(Chen et al., 2026) UU Ekraf, meanwhile, repeatedly invokes IPR protection as central to creative economy development (see Articles 13–15), yet it does not operationalize IPR as an investment instrument that generates legal rights and obligations for capital allocation purposes. The consequence is a legally fragmented landscape in which creative economy actors whose principal assets are intangible cannot fully avail themselves of the investment law framework because their primary assets lack statutory recognition as investment-qualifying capital.

This fragmentation produces concrete and measurable distortions in the investment environment.(Srofenyoh et al., 2024) The Online Single Submission (*OSS*) risk-based

licensing system, established under Government Regulation Number 5 of 2021, classifies business activities through the *Klasifikasi Baku Lapangan Usaha Indonesia* (KBLI) taxonomy.(Maulana et al., 2025)

Analysis of the KBLI classification reveals that several creative subsectors including independent digital content creation, experience-based services, and IP-licensing businesses lack dedicated KBLI codes that accurately capture their operational model.(Mayana & Santika, 2025b) Investors in these subsectors are therefore compelled to register under approximate or ill-fitting classifications, a practice that introduces downstream legal risks: misclassification can affect tax incentive eligibility, foreign ownership ceiling applicability under the Negative Investment List (*Daftar Negatif Investasi*), and compliance obligations under sector-specific licensing regimes.(Amri et al., 2022) This is not a marginal administrative inconvenience; it is a structural failure of the regulatory interface between creative economy governance and investment facilitation that directly and materially impairs legal certainty.

Table 1: Regulatory gap matrix: UU Ekraf vs. UUPM on investment facilitation dimensions Comparative analysis across key legal dimensions relevant to creative economy investment certainty

| Legal Dimension | UU No. 24/2019 (Creative Economy) | UU No. 25/2007 (Capital Investment) + Omnibus Law | Normative Gap & Implication |
|---|---|---|---|
| **IPR as Investment Capital** | Mandates IPR protection (Arts. 13–15) but does not recognize IPR as an investment object (Partial). | Recognizes monetary capital, technology transfer, and management expertise; IPR not explicitly listed (Absent). | Creative enterprises cannot legally constitute IPR as in-kind capital; investor asset valuation lacks a statutory basis. |
| **Investment Incentive Regime** | General facilitation mandate; no sector-specific tax holiday or fiscal incentive for creative subsectors (Absent). | Tax holidays and allowances governed by Ministry of Finance regulations; creative sector rarely classified as a priority sector (Partial). | Investors in the creative economy lack reliable access to investment incentives; eligibility remains ambiguous and determined on a case-by-case basis. |
| **Foreign Ownership Ceiling** | No provision; silent on foreign participation limits in creative subsectors (Absent). | Negative Investment List (DNI) governs; several creative subsectors are closed or restricted to foreign capital (Present). | Asymmetric regulation: creative economy law promotes investment while investment law imposes restrictions; no reconciliation mechanism exists. |
| **Business Licensing Taxonomy** | 17 creative subsectors defined; no mapping to KBLI codes in the OSS system Absent | OSS/KBLI system operative under PP No. 5/2021; several creative business models lack accurate KBLI classification (Partial). | Misclassification risk; investors register under approximate codes, creating downstream compliance and eligibility ambiguities. |
| **Dispute** | No investment dispute | General dispute resolution | IPR-based investment disputes |

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|---|---|---|---|
| **Resolution Mechanism** | resolution provision for creative-sector conflicts (Absent). | framework available (arbitration, BKPM mediation); no creative-sector adaptation (Partial). | (e.g., royalty streams as ROI) are inadequately covered by generic investment dispute mechanisms. |
| **Institutional Coordination** | Ministry of Tourism and Creative Economy acts as lead agency; no formal investment coordination mandate (Partial). | Investment Ministry (BKPM) functions as investment authority; no dedicated creative economy investment desk (Partial). | Dual-track institutional fragmentation; investors must navigate two bureaucratic regimes without a unified interface or single-window solution. |
| **Legal Certainty Standard** | Aspirational; no binding legal certainty guarantees for investors in creative subsectors Absent | Provides general legal certainty principles (Art. 3 UUPM) but not operationalized for intangible-asset investment models (Partial). | Extensive convenience as an affirmative facilitation standard is unachievable under current fragmented architecture |

The regulatory gap matrix above crystallizes a pattern that is analytically significant: the disharmony between UU Ekraf and the investment law framework is not isolated to a single provision or a discrete interpretive ambiguity (Ortino, 2025) It is systemic. Across all seven critical legal dimensions IPR as capital, incentive regime, foreign ownership, licensing taxonomy, dispute resolution, institutional coordination, and legal certainty the two regulatory regimes operate in parallel without operative intersection.(Ulvydienė, 2014) This is the structural signature of what this article terms a *regulatory archipelago*: a fragmented landscape of legally disconnected islands that investors must navigate without a reliable cartographic guide. The concept of extensive convenience is irreconcilable with such a landscape, precisely because extensive convenience demands not merely the existence of legal provisions but their functional coherence and interoperability as an integrated investment ecosystem.(Anderson et al., 2023)

The constitutional dimension of this disharmony deserves particular analytical attention. Article 33 paragraph (4) of the 1945 Constitution mandates that the national economy be organized on the basis of economic democracy, efficiency, sustainability, and environmental sensitivity principles that collectively imply a duty of legislative coherence in structuring the economic regulatory environment.(OECD, 2018) The *Mahkamah Konstitusi* has, in several landmark decisions including Decision Number 11/PUU-V/2007, articulated that the state bears a positive constitutional obligation to create the legal conditions necessary for productive economic enterprise. Measured against this constitutional standard, the regulatory disharmony between UU Ekraf and UUPM constitutes not merely a policy failure but a constitutional insufficiency a failure of the legislature to discharge its affirmative obligation to ensure that economic law is coherent, accessible, and practically operative for the sectors it purports to govern.(OECD, 2018)

The urgency of harmonization is further amplified by the competitive dynamics of the global creative economy investment market. Countries such as South Korea, through its

*Content Industry Promotion Act*, and the United Kingdom, through its Creative Industries Sector Deal, have constructed integrated legal frameworks that explicitly bridge cultural-creative development mandates and investment facilitation instruments, including dedicated IPR commercialization provisions, government-backed creative investment guarantees, and unified licensing interfaces. Indonesia's regulatory disharmony therefore represents not merely a domestic legal problem but a structural competitive disadvantage in attracting creative economy foreign direct investment a disadvantage that will compound as the global creative economy continues its trajectory toward becoming a principal arena of high-value capital competition. The harmonization agenda articulated in this study is accordingly both a legal imperative and a strategic economic necessity, and it demands a paradigmatic rather than merely incremental legislative response specifically, the adoption of a service-oriented law framework that reconceives regulatory design as an instrument of affirmative investment facilitation rather than passive normative ordering.

### B. The Effectiveness of Legal Instrument Alignment in Guaranteeing Investment Legal Certainty and Accelerating National Economic Growth

The question of effectiveness, when applied to legal harmonization, demands analytical precision that transcends conventional policy evaluation. Effectiveness in the juridical sense is not reducible to whether a regulatory reform has been administratively implemented; it requires assessment of whether the aligned legal instruments achieve their normative objectives in this instance, the generation of genuine, durable, and operationally meaningful investment legal certainty within the creative economy sector. This distinction between formal effectiveness (*formele werking*) and substantive effectiveness (*materiële werking*) is foundational to the analysis that follows.(Hartman-van Der Laan et al., 2026) A legal instrument may be formally operative enacted,

published, and institutionally assigned while remaining substantively ineffective if it fails to alter the behavioral calculus of investors or to resolve the structural uncertainties that deter capital allocation. It is against this dual standard that the current state of legal instrument alignment in Indonesia's creative economy investment framework must be critically assessed.(Gouvea et al., 2021c)

The *service-oriented law* paradigm, advanced as the theoretical cornerstone of this study, provides the normative lens through which effectiveness must be measured.(Zhao et al., 2021) Under this paradigm, the state is not merely a regulator imposing constraints on private economic activity but an active legal architect whose institutional and legislative outputs are evaluated by their capacity to deliver value to their end-users in this context, investors and creative economy actors.(Hermanto et al., 2025a) This paradigm reorients the effectiveness question away from procedural compliance toward outcome-oriented legal performance: does the legal framework, as harmonized, produce the conditions under which investors can make rational, informed, and legally protected capital decisions? Applied to Indonesia's creative economy investment context, this question exposes a fundamental tension between the ambition of legislative reform and the structural conditions necessary for that reform to generate substantive legal certainty.

The integration of intellectual property rights as investment instruments the second

theoretical pillar of this study's novelty represents the most consequential and analytically demanding dimension of this effectiveness assessment. The economic value of creative economy enterprises is overwhelmingly concentrated in intangible assets: a film studio's value resides in its copyright portfolio, a fashion brand's competitive advantage lies in its trademark equity, a software company's market position derives from its proprietary code.(Pereira Dos Santos et al., 2024) Under a legally certain investment framework, these assets must be capable of performing multiple legal functions simultaneously: as collateral for debt financing, as in-kind contributions to joint ventures, as valuation benchmarks for equity investment, and as royalty-generating instruments that constitute the return on investment for capital providers.(Casady & Monk, 2026) The critical analytical finding of this study is that the current Indonesian legal framework even accounting for post-*Omnibus Law* reforms does not adequately enable IPR to perform these functions within the creative economy investment context, because the statutory recognition of IPR as investment-grade legal assets remains fragmented across at least four separate legal regimes: the Copyright Law (UU No. 28/2014), the Trademark Law (UU No. 20/2016), the Patent Law (UU No. 13/2016), and the Capital Investment Law (UU No. 25/2007), none of which contains operative provisions for cross referencing IPR valuation standards with investment law requirements.

Table 2: Effectiveness matrix: IPR integration as investment legal instrument Assessment of current legal capacity vs. service-oriented law standard across IPR investment functions

| IPR Investment Function | Current Legal Basis (Positive Law) | Statutory Recognition | Effectiveness Gap under Service-Oriented Law Standard |
|---|---|---|---|
| **IPR as in-kind capital contribution (inbreng)** | Civil Code Art. 1633; Company Law (UU 40/2007); no explicit provision in UUPM | Partial | Notarial practice fills the statutory vacuum; no standardized IPR valuation methodology recognized in investment law, creating transaction uncertainty. |
| **IPR as debt collateral (fiducia)** | Fiduciary Security Law (UU 42/1999); copyright pledge recognized in UU 28/2014 Art. 16(3) | Partial | Enforcement mechanisms remain weak; no IPR collateral registry linked to investment registration; creditor rights in creative asset liquidation remain legally uncertain. |
| **IPR valuation as investment benchmark** | No statutory framework; PSAK (accounting standards) and KJPP (appraisal) guidelines apply | Absent | Investors cannot reliably value creative assets; the absence of a legally binding valuation standard creates asymmetric information and increases investment risk premiums. |
| **Royalty stream as return on investment** | Copyright Law recognizes royalties (UU 28/2014 Art. 80); tax treatment under Income Tax Law; no investment law linkage | Partial | Royalty-based ROI structures lack recognition under investment law; disputes are resolved under general commercial law rather than a specialized investment arbitration framework. |

| | | | |
|---|---|---|---|
| **IPR licensing as foreign investment vehicle** | Technology transfer provisions (UUPM Art. 10); no creative IPR-specific licensing investment mechanism | Absent | Foreign creative IP licensors cannot structure cross-border creative investments with legal certainty; nationality-of-asset classification remains unresolved. |
| **IPR portfolio as priority sector qualifier** | Priority sector list (PP 78/2019, Ministry of Finance Regulation); creative sector rarely included; no IPR-intensive criteria | Absent | Creative investors are excluded from tax holiday and super-deduction incentives available to manufacturing and technology sectors, creating legal inequality among investment classes. |

**Analysed** by author

The effectiveness matrix above reveals a pattern of systemic legal incompleteness that is analytically decisive: across all six critical IPR investment functions, the current legal framework achieves full statutory recognition in none of them.(Vesa et al., 2025) This finding carries profound implications for the effectiveness of legal instrument alignment as a strategy for guaranteeing investment legal certainty. It demonstrates that the harmonization challenge is not primarily one of resolving conflicting provisions the classic task of regulatory harmonization but rather one of constructing an entirely new layer of operative legal infrastructure that currently does not exist in any of the relevant statutes. This is a qualitatively more demanding legislative task, and it is one that incremental amendment strategies the dominant approach in Indonesian regulatory reform are structurally incapable of accomplishing.(Hermanto et al., 2025b)

The macroeconomic implications of this legal insufficiency are computable and consequential.(Yaqub et al., 2021) Legal certainty scholarship, drawing on the foundational work of the World Bank's Doing Business framework and the OECD's FDI Regulatory Restrictiveness Index, consistently demonstrates that investment legal certainty operates as a structural determinant of foreign direct investment inflows that is independent of, and often more influential than, macroeconomic fundamentals such as GDP growth rate or labor cost competitiveness.(Lin, 2020) Indonesia's creative economy, despite its documented growth trajectory contributing approximately 7.4% of national GDP and employing over 24 million workers as of 2023 systematically underperforms as an FDI destination precisely because the legal infrastructure necessary to convert economic potential into investor confidence does not exist in operationally reliable form.(Rezky & Hasan, 2025b) The relationship between legal certainty and economic acceleration is therefore not merely correlational; it is constitutively causal: capital flows to legal certainty, and in the absence of legal certainty, capital migrates to jurisdictions South Korea, Singapore, the United Kingdom where the legal architecture for creative economy investment has been deliberately and comprehensively constructed.

The service-oriented law paradigm resolves this analytical impasse by proposing a reconceptualization of the state's legislative function that is both theoretically coherent and practically actionable. Rather than treating creative economy law and investment law as parallel regulatory regimes that occasionally intersect, the service-oriented framework mandates their architectural integration into a unified legal service platform a *Creative Economy Investment Code* (*Kodifikasi Investasi Ekonomi Kreatif*) that consolidates IPR recognition, investment incentive design, licensing taxonomy, dispute resolution mechanisms, and institutional coordination under a single legally coherent

instrument.(Ciocchini & Khoury, 2025) This proposal is not merely normatively desirable; it is constitutionally grounded in the state's Article 33 obligation to organize the national economy in a manner that maximizes productive capacity and distributes its benefits equitably. The effectiveness of legal instrument alignment, measured against the service-oriented law standard, can ultimately only be achieved through this integrated codification approach one that treats IPR not as a peripheral intellectual property concern but as the central economic asset around which creative economy investment law must be architecturally organized

## 4. CONCLUSION

The analysis of the first research question establishes that regulatory disharmony between Law Number 24 of 2019 on the Creative Economy and the capital investment legal framework constitutes a structural impediment that systematically undermines the realization of extensive convenience for investors in the creative sector. The absence of operative bridges between the two regulatory regimes spanning intellectual property recognition, investment incentive access, business licensing taxonomy, and institutional coordination produces a legally fragmented environment in which investors bear disproportionate transaction costs and normative uncertainty. This disharmony is not incidental but architectural, reflecting a fundamental failure of legislative design to treat the creative economy as a coherent and distinct subject of investment law. Harmonization is therefore not a discretionary policy option but a constitutional imperative grounded in the state's affirmative obligation under Article 33 of the 1945 Constitution to construct a legal ecosystem that actively facilitates productive economic enterprise and ensures equality of legal treatment across investment sectors.

The analysis of the second research question demonstrates that the effectiveness of legal instrument alignment in guaranteeing investment legal certainty and accelerating national economic growth is presently constrained by the absence of a statutory framework that recognizes intellectual property rights as fully operative investment instruments. Across all critical IPR investment functions in-kind capital contribution, debt collateral, valuation benchmarking, royalty-based return structuring, and foreign investment licensing the current legal architecture achieves no complete statutory recognition, rendering investor confidence structurally fragile and the creative economy's macroeconomic potential chronically unrealized. The service-oriented law paradigm advanced in this study offers the most constitutionally coherent and practically actionable resolution: the codification of an integrated Creative Economy Investment Code that repositions the state as an active legal facilitator and reconstitutes intellectual property as the juridical cornerstone of creative economy investment certainty, thereby creating the conditions necessary for the sector to fulfill its strategic role in accelerating inclusive and sustainable national economic growth.

## NOVELTY

The novelty of this research lies in the development of a *service-oriented law* paradigm within the framework of creative economy regulation, which positions law not merely as an instrument of regulation but also as a mechanism for facilitating and supporting investment. This study offers a novel approach through the integration of Intellectual Property Rights (IPR) as an investment law instrument grounded in the certainty of economic value. In this context, IPR is understood not only as a form of exclusive rights protection but also as an economic asset capable of ensuring legal certainty, enhancing investor confidence,

and strengthening the investment ecosystem within the creative economy sector. Dengan demikian, this research contributes to the development of a legal framework that harmonizes investment interests with the economic valorization of intellectual property in order to achieve sustainable legal certainty and investment growth.

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