



DOI: <https://doi.org/10.38035/jgsp.v3i4>
<https://creativecommons.org/licenses/by/4.0/>

Harmonization of Central and Local Regulations on Building Approval (PBG) in Indonesia: A Case Study of Tangerang City

Miswar Mustari¹, Ahmad Redi²

¹Universitas Borobudur, Jakarta, Indonesia, miswarmustari78@gmail.com

²Universitas Borobudur, Jakarta, Indonesia, ahmad_redi@borobudur.ac.id

Corresponding Author: miswarmustari78@gmail.com¹

Abstract: The implementation of Building Approval (*Persetujuan Bangunan Gedung* – PBG), mandated by Law No. 11/2020 on Job Creation and Government Regulation No. 16/2021, has established a standardized licensing mechanism for construction activities across Indonesia. However, the transition from the former Building Permit (*Izin Mendirikan Bangunan* – IMB) to PBG has presented significant challenges at the local level, particularly in Tangerang City, where local bylaws remain only partially aligned with national legislation. This study aims to examine the harmonization between central and local regulations, identify inconsistencies, and analyze their implications for legal certainty and public service delivery. Utilizing a normative juridical method combined with case study analysis, the research reveals that fragmented regulatory frameworks hinder the efficiency of administrative services, generate overlapping authorities, and weaken legal clarity. The findings underscore the need for coherent regulatory drafting, improved institutional capacity at the local level, and participatory governance mechanisms to ensure effective implementation of PBG. By offering both theoretical insights and practical policy recommendations, this study contributes to the broader discourse on regulatory governance in decentralized systems and highlights pathways for enhancing legal certainty and service quality in Indonesia's building sector.

Keyword: Building Approval, Legal Harmonization, Local Autonomy, Regulatory Governance, Indonesia.

INTRODUCTION

Legal harmonization within decentralized governance is a persistent challenge in Indonesia's post-reform regulatory landscape. Since the enactment of Law No. 11/2020 on Job Creation and its implementing regulation Government Regulation No. 16/2021, the national government has sought to streamline the building licensing process through the introduction of the Building Approval (PBG). The reform aims to simplify bureaucracy, increase transparency, and ensure compliance with technical building standards.

However, in practice, the transition from the Building Permit (IMB) to the PBG has not been accompanied by adequate synchronization at the local level. Many regional governments—including Tangerang City—still operate under local bylaws (Peraturan Daerah) and mayoral regulations (Perwal) that predate or partially contradict the national PBG framework. This disharmony creates legal uncertainty for both administrators and service users, and hampers the achievement of efficient, accountable public service delivery.

The central problem addressed in this study is:

How can central and local regulations on Building Approval (PBG) be harmonized to ensure legal certainty and effective service delivery in the context of Indonesia's decentralized governance?

Accordingly, this paper has three objectives:

1. To analyze the alignment between central and local legal instruments governing PBG.
2. To identify the institutional and administrative challenges faced by local governments.
3. To formulate policy recommendations for achieving regulatory harmonization and improving governance outcomes.

This study contributes theoretically to the discourse on regulatory governance and decentralization, and practically to policy coherence and institutional strengthening in Indonesia's public service reform agenda.

METHOD

This research employs a normative juridical approach, supported by a qualitative case study focusing on Tangerang City.

Data Sources

The normative juridical method is used to analyze laws, regulations, and official policies related to PBG, including:

- a) Law No. 11 of 2020 on Job Creation
- b) Government Regulation No. 16 of 2021 on Building Implementation
- c) Law No. 23 of 2014 on Regional Government
- d) Relevant local regulations (Perda and Perwal) of Tangerang City

Data Collection

The qualitative component involves document analysis, semi-structured interviews, and policy review with officials from the Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu (DPMPTSP), as well as professionals involved in building consultancy and architecture licensing.

Data Analysis

Data was analyzed through content analysis and comparative legal analysis, focusing on normative inconsistencies, procedural overlaps, and institutional implications

RESULTS AND DISCUSSION

Fragmentation of Regulatory Frameworks

The central government's intention to standardize building control through PBG has not been fully matched by local compliance. In Tangerang City, existing local bylaws governing building permits (IMB) have not been comprehensively amended to align with PBG requirements. This has created a dualism of authority—where national online systems (OSS RBA) coexist with local administrative procedures.

Furthermore, the absence of updated local regulations has led to uncertainty in service charges, technical verification standards, and issuance procedures. As a result, applicants and

administrators encounter procedural ambiguity, weakening legal certainty (kepastian hukum) as mandated by Article 1(3) of the 1945 Constitution.

Overlapping Institutional Authority

The re-centralization of authority under the Job Creation Law reduced the discretion of local governments. However, local agencies remain responsible for implementing and monitoring building compliance. This overlap—between central authority in policy and local responsibility in execution—creates confusion and administrative inefficiency.

Officials in Tangerang reported limited clarity on which institution holds final authority in issuing PBG decisions, especially when the Online Single Submission (OSS) system requires verification beyond local capacity.

Impact on Legal Certainty and Public Trust

Fragmented regulations and unclear administrative boundaries have a direct impact on public service quality. Citizens and developers experience longer processing times, inconsistent document requirements, and contradictory interpretations among agencies. Consequently, trust in the licensing system decreases, undermining the government's objective of creating a transparent and efficient investment climate.

This situation aligns with Habermas's theory of communicative action, where legitimacy in governance depends on rational consensus and procedural clarity. When regulatory structures fail to communicate coherently across levels of authority, legitimacy is eroded.

Towards Harmonization: A Regulatory Governance Perspective

From a positive-legal perspective, harmonization is a process of aligning *de jure* (das Sollen) and *de facto* (das Sein) conditions of law.

- a) Das Sollen represents the ideal normative order—the legal framework designed by the central government.
- b) Das Sein represents the empirical realities of local implementation.

In the PBG context, the central regulations (Law 11/2020 and PP 16/2021) articulate *das Sollen*, while Tangerang City's administrative practice reflects *das Sein*. The harmonization process thus requires an integration mechanism to reconcile both dimensions assuring that legal norms are not merely textual, but operationally functional.

Parallels with mining licensing show that harmonization succeeds only when institutional capability and digital infrastructure are aligned with normative mandates.

Harmonization requires both vertical (central-local) and horizontal (inter-agency) coherence. The study identifies three strategic imperatives:

- a) Regulatory Alignment – Local bylaws must be reviewed and revised to conform with the substance and objectives of Law No. 11/2020 and PP No. 16/2021.
- b) Institutional Capacity Building – DPMPTSP and related agencies must enhance their technical and legal capacities to operate the PBG system effectively.

Participatory Policy Formulation – Stakeholder engagement, including professional associations (architects, engineers) and the public, should be institutionalized in the regulatory drafting process to ensure inclusivity and practical enforceability.

CONCLUSION

The harmonization of central and local regulations on Building Approval (PBG) is essential for realizing the principles of legal certainty, efficiency, and accountability in Indonesia's building governance. The case of Tangerang City illustrates that regulatory

misalignment, overlapping authority, and limited institutional readiness significantly hinder the successful implementation of PBG.

To address these challenges, local governments must proactively align their legal frameworks with national policies, strengthen institutional capacity, and foster participatory mechanisms for policy coordination. The central government, in turn, must ensure that regulatory reforms respect the principles of decentralization and local autonomy, as guaranteed by the Constitution.

Ultimately, harmonization is not merely a legal-technical exercise but a political and governance process requiring coordination, communication, and commitment to shared goals between central and local authorities.

Conceptually, harmonization must bridge the gap between *das Sollen* (normative structure) and *das Sein* (practical reality). This requires not only legal revision but also institutional strengthening and communicative governance across administrative levels.

Drawing lessons from the mining licensing regime, it becomes clear that successful regulatory reform depends on three pillars:

- a) Coherent legal alignment between central and local frameworks.
- b) Institutional capacity-building for technical and procedural competence.
- c) Participatory governance to enhance transparency and legitimacy.

Ultimately, harmonization in Indonesia's decentralized system is not purely a juridical exercise—it is a dynamic governance process that demands commitment, coordination, and collaboration between all levels of authority.

REFERENCE

- DPMPTSP Kota Tangerang. (2023). *Annual Report on PBG Implementation and Public Service Performance*.
- Habermas, J. (1984). *The Theory of Communicative Action*. Beacon Press.
- Hadjon, P. M. (2010). *Administrative Law and Legal Certainty in Indonesia*. Airlangga University Press.
- OECD (2021). *Regulatory Policy in Indonesia: Modernising Governance*. OECD Publishing.
- Republic of Indonesia. (2014). *Law No. 23 of 2014 on Regional Government*.
- Republic of Indonesia. (2020). *Law No. 11 of 2020 on Job Creation*.
- Republic of Indonesia. (2021). *Government Regulation No. 16 of 2021 on Building Implementation*.
- Wignjosoebroto, S. (2015). *Politics of Law and Governance Reform in Indonesia*.