



MANTRI PAMONG PRAJA AUTHORITY AND NORMATIVE DISHARMONY IN BOARDING HOUSE LICENSING UNDER OSS-RBA

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ARTICLE INFO

Keywords:

Authority; Disharmonization; Licensing; Mantri Pamong Praja; Risk-Based OSS.

ABSTRACT

The implementation of the Online Single Submission Risk-Based Approach (OSS-RBA) has transformed Indonesia's business licensing system from a conventional administrative model into an integrated risk-based regime, requiring regional licensing regulations to conform to the new legal framework. This study aims to analyze the legal construction of the authority of the Mantri Pamong Praja in boarding house licensing following OSS-RBA and to examine normative disharmony and its juridical implications. This study employs normative juridical research using statutory and conceptual approaches. Legal materials were collected through library research, analyzed qualitatively using statutory interpretation and legislative harmonization. The findings indicate that the authority of the Mantri Pamong Praja, previously exercised through delegated regional licensing authority under Yogyakarta City Regional Regulation Number 1 of 2017, has undergone institutional repositioning following Law Number 6 of 2023, Government Regulation Number 5 of 2021, Government Regulation Number 28 of 2025, and Yogyakarta Mayor Regulation Number 51 of 2023. Incomplete harmonization between regional and national regulations creates overlapping authority, inconsistent licensing mechanisms, and legal uncertainty. The study concludes that the Mantri Pamong Praja's authority has shifted from licensing issuance toward supervisory, verification, coordination, and regulatory compliance functions, requiring regulatory harmonization to ensure legal certainty within the OSS-RBA framework.

A. INTRODUCTION

The governance of business licensing in Indonesia has undergone a fundamental transformation following the enactment of Law Number 11 of 2020 concerning Job Creation, which was subsequently amended by Law

Number 6 of 2023 concerning the Enactment of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law. This regulatory reform has fundamentally reshaped Indonesia's licensing architecture by shifting the regulatory paradigm from a conventional administrative licensing model toward a risk-based business licensing system (*risk-based regulation*).¹ The reform is currently implemented through the Online Single Submission Risk-Based Approach (OSS-RBA), as regulated under Government Regulation Number 28 of 2025 concerning the Implementation of Risk-Based Business Licensing, which replaced Government Regulation Number 5 of 2021 and further strengthened Indonesia's risk-based licensing framework. The primary objective of this system is to simplify licensing procedures, reduce bureaucratic barriers, strengthen legal certainty, improve public service efficiency, and create a more competitive investment climate through an integrated national electronic licensing platform². Under this framework, the level of business risk constitutes the principal basis for determining the applicable licensing requirements, thereby replacing the previous administrative licensing regime that relied on multiple approvals from different governmental authorities.

The transformation of the national licensing regime has inevitably affected the validity and implementation of numerous regional regulations that were enacted under the previous administrative licensing paradigm. Regional regulations conferring licensing authority upon local government institutions and officials must now operate within a nationally integrated licensing framework established under OSS-RBA.³ Such circumstances present significant legal challenges within Indonesia's legal system, which is founded upon the hierarchy of laws and regulations as stipulated in Law Number 12 of 2011 concerning the Formulation of Laws and Regulations, as most recently amended by Law Number 13 of 2022. Consequently, the effectiveness of licensing reform depends not only on the enactment of national legislation but also on the harmonization of regional legal norms with the newly established national regulatory framework governing the same legal subject matter.⁴

This issue becomes particularly significant in the context of boarding house licensing in the City of Yogyakarta. As one of Indonesia's leading educational, cultural, and tourism destinations, Yogyakarta experiences a consistently high demand for temporary accommodation, driven by the continuous influx of university students, workers, domestic migrants, and

¹ Craig Paul, *Administrative Law*, 9th Edition, (London: Sweet & Maxwell, 2021), 34.

² Wiranti, "Juridical Analysis: Online Single Submission (OSS) System for Dynamic Risk-Based Business Licensing," *Jurisprudentie 10*, no. 3 (2023): 34.

³ Arifin Firdaus, and Ihsanul Maarif, "Pengawasan Preventif Melalui Harmonisasi Pembentukan Peraturan Daerah Terhadap Eksistensi Regulasi Muatan Lokal Dalam Otonomi Daerah," *ADLIYA: Jurnal Hukum dan Kemanusiaan 18* (2024). See too, Triwahyuningsih, Siti Zuliyah, Uni Tsulasi Putri, Hanifah Febriani, and Zulfiani Ayu Astutik, "Constitutional Perspective of Human Rights Values in Local Wisdom in the Special Region of Yogyakarta (Study of Constitutional Court Decision No. 88/PUU-XIV/2016)," *Jurnal Jurisprudence, 28*, (2023): 149.

⁴ Arifin Firdaus, and Ihsanul Maarif, "Pengawasan Preventif Melalui Harmonisasi Pembentukan Peraturan Daerah Terhadap Eksistensi Regulasi Muatan Lokal Dalam Otonomi Daerah," *ADLIYA: Jurnal Hukum dan Kemanusiaan 18* (2024).

tourists.⁵ The rapid expansion of boarding house businesses has consequently generated not only economic opportunities but also legal and administrative challenges relating to spatial planning, environmental management, public order, population administration, and community security.⁶ Accordingly, the regulation of boarding house businesses extends beyond purely economic considerations and represents an essential component of the local government's regulatory responsibility to maintain urban governance and public welfare.⁷

Within the regional legal framework, boarding house administration in the City of Yogyakarta is principally governed by Regional Regulation of the City of Yogyakarta Number 1 of 2017 concerning Boarding House Administration. This regulation assigns specific administrative responsibilities to the *Mantri Pamong Praja*, a governmental official unique to the institutional structure of the Special Region of Yogyakarta.⁸ The existence of the *Mantri Pamong Praja* reflects the historical and administrative distinctiveness of Yogyakarta's regional governance. Functionally, this official performs governmental coordination, administrative services, and supervisory responsibilities at the *kemantren* level, thereby serving as one of the principal actors in implementing regional governmental functions and delivering public services.

The implementation of OSS-RBA has subsequently prompted significant adjustments within regional licensing governance. One manifestation of this adaptation is reflected in Yogyakarta Mayor Regulation Number 51 of 2023 concerning Licensing and Non-Licensing Administration, which integrates regional licensing services into the nationally coordinated OSS-RBA framework. The enactment of this regulation demonstrates the commitment of the Government of the City of Yogyakarta to aligning regional licensing administration with national licensing policy. Nevertheless, the continued existence of earlier sectoral regulations governing boarding house licensing raises an important legal question regarding whether the authority previously exercised by the *Mantri Pamong Praja* remains consistent with the new national licensing architecture.

Normatively (*das sollen*), Law Number 6 of 2023 and Government Regulation Number 28 of 2025 require business licensing to be administered through a nationally integrated electronic system based upon business risk

⁵ Imaawan Wahyudi, Triwahyuningsih, and Muh. Syah Quddus, *Monarki dalam Sistem Republik: Studi Perbandingan Daerah Istimewa Yogyakarta dan Monarki di Negara-Negara Lain*, (Yogyakarta: CV Linkar Edukasi Indonesia, 2026), 32.

⁶ Rachmawati N. A. O, 'Kebijakan Legislatif Dalam Peraturan Daerah Nomor 1 Tahun 2017 Tentang Penyelenggaraan Pondok Di Kota Yogyakarta Melalui Sarana Penal (Skripsi Sarjana, Fakultas Hukum, Universitas Muhammadiyah Yogyakarta), Universitas Muhammadiyah Yogyakarta, 2018.

⁷ Rachmawati N. A. O, 'Kebijakan Legislatif Dalam Peraturan Daerah Nomor 1 Tahun 2017 Tentang Penyelenggaraan Pondok Di Kota Yogyakarta Melalui Sarana Penal (Skripsi Sarjana, Fakultas Hukum, Universitas Muhammadiyah Yogyakarta), Universitas Muhammadiyah Yogyakarta, 2018.

⁸ Sukirno, and Teguh Budi Prasetya, "Pengendalian Usaha Pondokan bagi Terwujudnya Pondokan Sehat di Yogyakarta," *Jurnal Cakrawala Hukum* 13, no. 2 (2017).

classification. Under this legal framework, business legality is principally obtained through the OSS-RBA system based on risk assessment rather than through separate administrative approvals issued by regional governmental officials.⁹ Empirically (*das sein*), however, Regional Regulation of the City of Yogyakarta Number 1 of 2017 and several implementing regional regulations continue to recognize the administrative involvement of the *Mantri Pamong Praja* in the licensing process for boarding house businesses. This discrepancy demonstrates that regional regulatory arrangements established under the conventional licensing regime have not been fully synchronized with the national risk-based licensing framework, thereby creating uncertainty concerning the legal validity, scope, and continuity of the authority exercised by the *Mantri Pamong Praja* following the implementation of OSS-RBA¹⁰.

Accordingly, the principal legal issue examined in this study concerns whether the authority of the *Mantri Pamong Praja* in boarding house licensing, as regulated under Regional Regulation of the City of Yogyakarta Number 1 of 2017 and its implementing regulations, remains legally compatible with the licensing regime established under Law Number 6 of 2023 and Government Regulation Number 28 of 2025. This issue extends beyond administrative procedural reform because it directly concerns the legality of governmental authority, the validity of delegated powers, legislative harmonization, and the realization of legal certainty within Indonesia's administrative law system.

From the perspective of administrative law, every governmental action must derive its legitimacy from lawful attribution, delegation, or mandate.¹¹ Consequently, where different regulatory regimes simultaneously govern identical legal subject matters through inconsistent mechanisms, normative disharmony becomes unavoidable. Such disharmony may create uncertainty not only for boarding house operators in determining the applicable licensing procedures but also for government officials responsible for implementing licensing policies. This situation potentially undermines the primary objectives of OSS-RBA, namely simplifying licensing procedures, strengthening legal certainty, improving administrative efficiency, and promoting ease of doing business.¹²

The urgency of this research therefore lies in the necessity of examining whether the transformation of Indonesia's national licensing regime has been adequately accompanied by the harmonization of regional regulations governing boarding house licensing. Clarifying the legal position of the *Mantri Pamong Praja* following the implementation of OSS-RBA is essential for ensuring legal certainty, maintaining consistency within the hierarchy of laws

⁹ Annas Rasid Musthafa, Satriya Aldi Putrazta, Caesar Dimas Edwinarta, and Nur Alifia Fitriani, 'Keabsahan Penggunaan One Single Submission Risk-Based Approach (OSS RBA) Sebagai Sistem Perizinan Berusaha', *Jurnal Legislasi Indonesia* 20, no. 4 (2024): 78.

¹⁰ Ardiputra Muhammad Agung, *Hukum Administrasi Negara*, (Makassar: Get Press Indonesia, , 2025), 232.

¹¹ Ridwan HR, *Hukum Administrasi Negara*, Edisi Revisi. Depok: RajaGrafindo Persada, 2020), 88.

¹² Kusdarini Eny, *Asas-Asas Umum Pemerintahan yang Baik dalam Hukum Administrasi Negara*, (Yogyakarta: UNY Press, 2020), 34.

and regulations, strengthening the legality of governmental action, and supporting the effective implementation of risk-based business licensing at the regional level.

Scholarly discussions concerning the implementation of the *Online Single Submission Risk-Based Approach* (OSS-RBA) have expanded considerably in recent years. Research conducted by Ida Ayu Kade Febriyana Dharmayanti and Putu Gede Arya Sumerta Yasa in 2022 examined the implementation of OSS-RBA within the industrial sector following the enactment of the Job Creation Law. Their study concluded that risk-based licensing constitutes a significant instrument for bureaucratic reform in business licensing, although its implementation continues to encounter various institutional and administrative challenges.¹³ Similarly, Triambodo Andi Kristantiya, Sudarmo, and Desiderius Priyo Sudibyo (2023) analyzed the adaptation of public services to OSS-RBA and emphasized that the system represents an important component of Indonesia's digital government transformation by promoting greater efficiency, transparency, and administrative integration.¹⁴

Further attention has been directed toward the legal validity of OSS-RBA within Indonesia's legal system. Annas Rasid Musthafa and his colleagues (2024) examined the constitutional and legal legitimacy of OSS-RBA as a national business licensing mechanism, emphasizing the importance of legal certainty following the Constitutional Court's review of the Job Creation Law.¹⁵ Meanwhile, Wulan Puspita Puri and Muh Azis Muslim (2023) investigated the implementation of risk-based licensing in the issuance of compliance standards for home-based food production businesses. Their findings demonstrated that the digitalization of licensing services improves administrative efficiency while simultaneously creating coordination challenges among governmental institutions responsible for licensing implementation.¹⁶ More recent studies likewise indicate that OSS-RBA has significantly contributed to improving the ease of doing business and strengthening legal certainty for business actors, although challenges relating to regulatory synchronization, institutional readiness, and intergovernmental coordination remain unresolved.¹⁷

¹³ Dharmayanti Ida Ayu Kade Febriyana, and Putu Gede Arya Sumerta Yasa, "Penerapan Sistem Perizinan Berusaha Online Single Submission Risk-Based Approach (OSS-RBA) Di Bidang Industri Pasca UU Cipta Kerja," *Jurnal Komunikasi Hukum (JKH)* 8, no. 1 (2022): 526.

¹⁴ Triambodo Andi Kristantiya, Sudarmo Sudarmo, and Desiderius Priyo Sudibyo, "Online System Adaptation Single Submission Risk Based Approach (OSS-RBA)", *International Journal of Multidisciplinary: Applied Business and Education Research* 4, no. 8 (2023): 2757.

¹⁵ Annas Rasid Musthafa, Satriya Aldi Putrazta, Caesar Dimas Edwinarta, and Nur Alifia Fitriani, "Keabsahan Penggunaan One Single Submission Risk-Based Approach (OSS RBA) sebagai Sistem Perizinan Berusaha," *Jurnal Legislasi Indonesia* 20, no. 4 (2024): 68.

¹⁶ Wulan Puspita Puri, and Muh Azis Muslim, "Analisis Faktor-Faktor yang Mempengaruhi Implementasi Kebijakan Perizinan Berusaha Berbasis Risiko melalui Sistem Online Single Submission (OSS) dalam Penerbitan Standar Pemenuhan Komitmen Produksi Pangan Industri Rumah Tangga (SPP-IRT) Pangan," *Jurnal Administrasi dan Kebijakan Publik* 8, no. 2 (2023): 150.

¹⁷ Wiranti, "Juridical Analysis: Online Single Submission (OSS) System for Dynamic Risk-Based Business Licensing," *Jurisprudentie* 10, no. 3 (2023): 35.

Although these studies have substantially enriched the literature concerning OSS-RBA, they primarily examine the licensing reform from the perspectives of policy implementation, digital governance, public service transformation, investment facilitation, and regulatory effectiveness. Existing scholarship has devoted only limited attention to the normative implications of OSS-RBA for governmental authority established under regional legislation. More specifically, no previous study has comprehensively examined the normative disharmony between the authority of the *Mantri Pamong Praja* under Regional Regulation of the City of Yogyakarta Number 1 of 2017 and the nationally integrated licensing framework introduced through OSS-RBA. Consequently, the relationship between regional administrative authority and the transformed national licensing regime remains insufficiently explored within Indonesian administrative law scholarship.

This study therefore addresses that research gap by examining the legal construction of the authority of the *Mantri Pamong Praja* following the implementation of OSS-RBA and by analyzing the forms of normative disharmony arising between regional and national licensing regulations governing boarding house businesses. Unlike previous studies that predominantly emphasize policy implementation and administrative effectiveness, this research focuses on legislative harmonization, governmental authority, legal certainty, and the consistency of legal norms within Indonesia's hierarchical legal system.

The significance of this research is twofold. Theoretically, it contributes to the development of Indonesian administrative law by enriching scholarly discourse concerning governmental authority, delegated administrative powers, legislative harmonization, and risk-based business licensing within the framework of regulatory reform. Practically, this study provides legal recommendations for harmonizing regional regulations governing boarding house licensing with the OSS-RBA regime, thereby supporting legal certainty, improving regional licensing governance, and strengthening the implementation of nationally integrated business licensing policies.¹⁸

Accordingly, this study aims to analyze the legal construction of the authority of the *Mantri Pamong Praja* in boarding house licensing following the implementation of the *Online Single Submission Risk-Based Approach* (OSS-RBA) and to examine the forms of normative disharmony arising from the interaction between regional licensing regulations and the national OSS-RBA regime, including their juridical implications. To achieve these objectives, this study addresses the following research questions:

1. How is the authority of the *Mantri Pamong Praja* in boarding house licensing legally constructed following the implementation of the *Online Single Submission Risk-Based Approach* (OSS-RBA)?
2. How has the implementation of the OSS-RBA regime created normative disharmony regarding the authority of the *Mantri Pamong Praja* in boarding house licensing, and what are its juridical implications?

¹⁸ Sunstein Cass R., *Administrative Law in the Digital State*, (Cambridge: Harvard University Press, 2023), 45.

B. RESEARCH METHODS

This study employs normative legal research (normative juridical research) using a statute approach and a conceptual approach to examine the legal construction of the authority of the Mantri Pamong Praja in boarding house licensing following the implementation of the Online Single Submission Risk-Based Approach (OSS-RBA). The statute approach is used to examine the relevant provisions of national and regional laws and regulations governing business licensing, governmental authority, regional administration, and boarding house administration, while the conceptual approach is employed to analyze the concepts of governmental authority, delegation, legality, legal certainty, risk-based licensing, and legislative harmonization relevant to the research problem. The research relies exclusively on secondary legal materials comprising primary, secondary, and tertiary legal materials.

The primary legal materials consist of Law Number 6 of 2023 concerning the Enactment of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation into Law, Government Regulation Number 28 of 2025 concerning the Administration of Risk-Based Business Licensing, Law Number 23 of 2014 concerning Regional Government, Law Number 12 of 2011 concerning the Formulation of Laws and Regulations as last amended by Law Number 13 of 2022, Regional Regulation of the City of Yogyakarta Number 1 of 2017 concerning Boarding House Administration, and Yogyakarta Mayor Regulation Number 51 of 2023 concerning Licensing and Non-Licensing Administration. Secondary legal materials consist of scholarly journal articles, books, and previous research relevant to administrative law, governmental authority, business licensing, risk-based regulation, and legislative harmonization, while tertiary legal materials include legal dictionaries and other supporting references.

Legal materials were collected through library research by identifying, inventorying, classifying, and examining legal materials relevant to the research problem. The collected legal materials were analyzed using qualitative legal analysis through systematic, grammatical, conceptual, and harmonization-based interpretation of laws and regulations. Systematic interpretation was used to examine the relationship between national and regional legal norms within the hierarchy of laws and regulations; grammatical interpretation was applied to determine the meaning and scope of provisions governing governmental authority and business licensing; conceptual interpretation was employed to clarify the legal concepts of governmental authority, delegation, legality, and risk-based licensing; and harmonization-based interpretation was used to assess the consistency of regional licensing regulations with the national OSS-RBA framework.

Through these analytical stages, the study identifies the juridical construction of the Mantri Pamong Praja's authority before and after the implementation of OSS-RBA, determines whether the authority to administer boarding house licensing remains legally attributable to the Mantri Pamong Praja or has been functionally repositioned toward supervision, verification, coordination, and compliance functions, and identifies the resulting forms of normative disharmony between the regional boarding house licensing framework and the current national risk-based licensing regime, including their implications for the legality of governmental authority, legal certainty, and regulatory harmonization.

C. DISCUSSION

1. Legal Construction of Mantri Pamong Praja Authority in Boarding House Licensing

The legal construction of the authority of the *Mantri Pamong Praja* in boarding house licensing must first be understood within the institutional framework of the Special Region of Yogyakarta, which possesses a distinctive governmental structure recognized by Indonesian constitutional law. The special status granted through Law Number 13 of 2012 concerning the Special Region of Yogyakarta permits the preservation of local governmental institutions and terminology that differ from those applied in other regions. Consequently, the *kemantren* functions as the territorial administrative unit equivalent to the *kecamatan*, while the *Mantri Pamong Praja* performs governmental functions equivalent to those exercised by a *camat* within Indonesia's general regional government system.¹⁹ The use of this institutional nomenclature therefore reflects constitutional recognition of Yogyakarta's historical and cultural distinctiveness rather than the establishment of an autonomous governmental institution outside the national administrative system.

From the perspective of administrative law, governmental authority (*bevoegdheid*) constitutes the legal foundation of every administrative action. According to Philipus M. Hadjon, every governmental authority must originate from attribution, delegation, or mandate established by legislation.²⁰ Consequently, the legality of every administrative decision depends upon the existence of a valid legal basis conferring authority upon the governmental organ exercising such power. Accordingly, the authority of the *Mantri Pamong Praja* in boarding house administration must be examined through the legal

¹⁹ Triwahyuningsih. . *Bentuk Pemerintahan Campuran Daerah Istimewa Yogyakarta: Perspektif Konstitusional*, (Yogyakarta: Laksbang Akademika, 2024), 12.

²⁰ Philipus M. Hadjon, *Pengantar Hukum Administrasi Indonesia*, (Yogyakarta: Gadjah Mada University Press, 2015), 45.

instruments regulating the delegation of the Mayor's authority within the governmental structure of the City of Yogyakarta.

Institutionally, the *Mantri Pamong Praja* forms an integral component of the regional governmental apparatus rather than an independent licensing authority. Technical arrangements concerning the organization and functions of the *kemantren* remain governed by Yogyakarta Mayor Regulation Number 121 of 2020 concerning the Position, Organizational Structure, Duties, Functions, and Work Procedures of *Kemantren* and *Kelurahan*. This regulation designates the *Mantri Pamong Praja* as the head of the *kemantren*, accountable to the Mayor through the Regional Secretary, while exercising delegated governmental functions within the territorial administrative structure. Such institutional arrangements demonstrate that the authority exercised by the *Mantri Pamong Praja* derives from delegated executive authority rather than direct statutory attribution.

Table 1. Comparison Between the Positions of Camat and Mantri Pamong Praja Within the Regional Government Structure

Aspect	Camat under the Regional Government Law	Mantri Pamong Praja in Yogyakarta City
Legal Basis	Law Number 23 of 2014	Law Number 13 of 2012 and Yogyakarta Mayor Regulations
Administrative Area	<i>Kecamatan</i>	<i>Kemantren</i>
Institutional Status	Regional Apparatus	Regional Apparatus
Accountability Relationship	Regent/Mayor	Mayor through the Regional Secretary
Source of Authority	Attribution and Delegation	Attribution and Delegation
Main Function	Coordination of territorial governance	Coordination of territorial governance and special affairs

Source: Prepared by the author based on Law Number 23 of 2014 concerning Regional Government, Law Number 13 of 2012 concerning the Special Status of the Special Region of Yogyakarta, and Yogyakarta Mayor Regulation Number 121 of 2020 concerning the Position, Organizational Structure, Duties, Functions, and Work Procedures of *Kemantren* and *Kelurahan* (2026).

Table 1 demonstrates that the *Mantri Pamong Praja* is functionally comparable to the *camat* as a territorial governmental official, but its nomenclature and institutional arrangement reflect Yogyakarta's special governmental structure. The comparison nevertheless should not be interpreted as establishing an identical scope of authority. The decisive element is the legal instrument through which particular governmental powers are attributed or delegated. Thus, the *Mantri Pamong Praja* possesses

territorial governmental competence, but the exercise of licensing authority remains dependent upon the existence and scope of a valid delegation.

The distinction between institutional position and specific governmental competence is important for determining the legal status of the Mantri Pamong Praja in the licensing framework. Institutional recognition as the head of the kemantren establishes the official's position within the territorial structure of local government, but it does not by itself constitute a sufficient legal basis for exercising every form of administrative authority within that territory. In administrative law, territorial competence and subject-matter competence must be distinguished because the existence of authority over a particular geographical area does not automatically confer authority over every legal matter occurring within that area. The same principle applies to boarding house licensing. The fact that boarding houses are located within the territorial jurisdiction of a kemantren does not, by itself, establish that the Mantri Pamong Praja possesses the legal competence to determine the business legality of those activities. Such competence must be traced to the applicable statutory and regulatory framework and, where derived through delegation, to the precise scope of the delegated authority.²¹

This distinction becomes increasingly relevant after the restructuring of business licensing through OSS-RBA. The legal status of a governmental official and the legal mechanism for determining business legality are two separate normative questions. The first concerns who is institutionally authorized to perform governmental functions within the kemantren, whereas the second concerns which governmental organ or system is legally empowered to determine whether a business activity satisfies the applicable licensing requirements.²² Maintaining this distinction prevents the analysis from assuming that the territorial role of the Mantri Pamong Praja automatically entails continuing licensing authority. It also provides the appropriate legal basis for examining whether the licensing authority historically exercised at the territorial level remains compatible with the subsequent national restructuring of business licensing.

The delegated character of the authority becomes clearer through Peraturan Wali Kota Yogyakarta Number 19 of 2023 concerning the Delegation of Certain Mayoral Authorities to the Mantri Pamong Praja, as amended by Perwal Number 65 of 2023 and subsequently by Perwal Number 52 of 2025. The current regulatory chain demonstrates that the Mayor has delegated certain governmental authorities to the Mantri Pamong Praja, but such

²¹ Luís De Sousa, Nuno F. Da Cruz, and Daniel Fernandes, "The Quality of Local Democracy: An Institutional Analysis", *Local Government Studies* 49, no. 1 (2023): 19.

²² Van Der Heijden Jeroen, "Risk as an Approach to Regulatory Governance: An Evidence Synthesis and Research Agenda," *SAGE Open* 11, no. 3 (2021): 215.

delegation is neither general nor unlimited. Its scope is determined by the matters expressly included within the applicable delegation regulation. Perwal 52/2025 remains the latest amendment to this delegation framework.

Accordingly, the authority of the Mantri Pamong Praja should be understood as delegated administrative authority whose exercise is conditioned by the scope of the delegation. This principle is particularly relevant where the regulatory object is business licensing. A delegation relating to territorial administration cannot automatically be interpreted as delegation to determine the legal status of every business activity. The authority must remain connected to the legal competence of the delegating organ and to the regulatory regime governing the particular licensing object.²³

The historical construction of boarding house licensing demonstrates why this distinction matters. Regional Regulation of the City of Yogyakarta Number 1 of 2017 concerning Boarding House Administration was enacted within a conventional licensing paradigm. The regulation treats boarding house administration as a matter involving not only economic activity but also public order, population administration, security, and social governance²⁴. The regulatory objective therefore extends beyond the legality of commercial activity and incorporates the government's responsibility to manage the social consequences associated with the growth of boarding houses in Yogyakarta

Under this earlier regime, licensing functioned as an instrument of administrative control. The requirement to obtain a boarding house permit preceded or accompanied the lawful operation of the activity, while administrative verification, fulfilment of requirements, issuance of permits, supervision, and sanctions formed part of the regulatory mechanism.²⁵ The legal construction of the authority was therefore relatively straightforward: the regional regulation established the obligation to obtain a permit, identified the competent official, and provided the territorial administrative mechanism through which the permit could be issued. The camat, as the territorial official under the prevailing framework, exercised licensing functions pursuant to delegated authority.²⁶

The pre-OSS construction can consequently be formulated through three normative layers. First, Law Number 13 of 2012 provided the institutional

²³ Sukirno, and Teguh Budi Prasetya, "Pengendalian Usaha Pondokan bagi Terwujudnya Pondokan Sehat di Yogyakarta," *Jurnal Cakrawala Hukum* 13, no. 2 (2017): 122.

²⁴ Ariyani, "Penegakan Hukum Terhadap Peraturan Daerah Kota Yogyakarta Nomor 1 Tahun 2017 Tentang Penyelenggaraan Pondokan: Studi Terhadap Izin Pemonudukan @Hom Timoho (Skripsi Sarjana, Fakultas Hukum, Universitas Islam Indonesia, 2019)".

²⁵ Soeprapto Maria Farida Indrati, *Ilmu Perundang-Undangan: Jenis, Fungsi, dan Materi Muatan*, (Yogyakarta: Kanisius, 2020), 11.

²⁶ Solechan, and Edgar Wilardi, "Harmonisasi Kewenangan Lembaga Penyelenggaraan Pelayanan Perizinan Terpadu," *Administrative Law and Governance Journal* 2, no. 1 (2019): 158.

context for the distinctive governmental structure of Yogyakarta. Second, mayoral regulations concerning delegation supplied the legal mechanism through which certain governmental powers could be exercised at the *kemantren* level. Third, Regional Regulation Number 1 of 2017 and its implementing regulation operationalized the licensing of boarding houses. The three layers collectively constructed a territorially based licensing model in which the local government possessed a direct administrative role in determining the legality of boarding house operations.

The legal architecture changed substantially following the implementation of risk-based business licensing. Government Regulation Number 5 of 2021 initially established the OSS-RBA framework, while Government Regulation Number 28 of 2025 subsequently replaced it and now constitutes the principal implementing regulation for risk-based business licensing. PP 28/2025 expressly regulates business licensing, licensing requirements, the OSS system, supervision, evaluation, dispute resolution, and sanctions, and has been effective since 5 June 2025.

Under this framework, the legal character of business licensing shifts from a predominantly permit-centred model toward a risk-based system in which the legal requirements applicable to a business activity are determined according to its risk profile. NIB, business standards, and risk-based approvals operate within the integrated OSS architecture.²⁷ Consequently, the transformation is not merely technological. It changes the relationship between business actors and government by repositioning licensing from a fragmented territorial approval mechanism toward an integrated regulatory system based on standardized risk assessment.²⁸

The shift from a license-based to a risk-based regulatory model also requires a corresponding distinction between licensing authority and regulatory supervision. Under the earlier model, the issuance of a permit could simultaneously function as an instrument for establishing business legality, administrative control, and territorial supervision. These functions could therefore appear institutionally concentrated in the same governmental structure. The OSS-RBA framework separates these functions more clearly. Business legality is established through the nationally integrated licensing mechanism according to the applicable risk classification, while governmental supervision is directed toward ensuring compliance with the standards and

²⁷ Solechan, and Edgar Wilardi, "Harmonisasi Kewenangan Lembaga Penyelenggaraan Pelayanan Perizinan Terpadu," *Administrative Law and Governance Journal* 2, no. 1 (2019): 158.

²⁸ Sarah Marella and Fahmi Ramadhan Firdaus, "Implications Oh The Relationship Between The Central Government And Local Governments As A Result Of Disharmonization Of Local Regulations: Implikasi Hubungan Pemerintah Pusat Dan Pemerintah Daerah Akibat Disharmonisasi Peraturan Daerah", *Constitutional Law Society* 4, no. 2 (2025): 358.

obligations attached to the business activity²⁹. This functional differentiation does not remove the role of regional government; rather, it changes the legal basis and institutional form through which regional authority is exercised.

For the Mantri Pamong Praja, this differentiation is particularly significant because the official operates at the intersection between territorial governance and sectoral regulatory implementation. Territorial proximity may make the Mantri Pamong Praja an important governmental actor in monitoring activities occurring within the kemantren, but territorial proximity should not be equated with licensing competence. The official may remain relevant in facilitating administrative services, coordinating regional institutions, monitoring compliance with locally applicable requirements, and communicating governmental policies to business actors, provided that such functions are supported by a valid legal basis³⁰. The determination of business legality, however, must remain attached to the licensing mechanism established by the prevailing regulatory framework. Accordingly, the post-OSS-RBA question is not whether the Mantri Pamong Praja remains relevant, but how its territorial governmental functions are legally differentiated from the authority to determine business legality. This distinction provides the normative basis for assessing the continuing relevance of the Mantri Pamong Praja without treating the OSS-RBA reform as an institutional abolition of territorial government authority.

Table 2. Comparison of Business Licensing Paradigms Between License-Based Regulation and Risk-Based Regulation

Aspect	License-Based Regulation	Risk-Based Regulation
Regulatory Basis	Type of business activity	Level of business risk
Focus of Assessment	Administrative requirements	Risk level of the activity
Main Instrument	License	NIB and risk-based business standards/approvals
Procedure	Multi-tiered and manual	Electronic and integrated
Role of Regional Government	Direct licensing administration	Implementation, facilitation, supervision, and functions according to competence

²⁹ Amrita Saha, Kelbesa Megersa, and Keir Macdonald. "Business Licencing Reform and Gender Equality: Evidence from Indonesia." *The Journal of Development Studies* 59, no. 8 (2023): 1283–1307.

³⁰ Yhannu, Setyawan, Anna Erliyana, Edmon Makarim, Fitriani Ahlan Sjarif, Lia Riesta Dewi, and Ahmad Novindri Aji Sukma. "Digital Government Post-Reform in Indonesia: Normative Developments and Implementation by State Organizing Institutions." *Law Reform* 21, no. 1 (2025): 155–179.

Source: Prepared by the author based on Law Number 6 of 2023 concerning Job Creation and Government Regulation Number 28 of 2025 concerning the Implementation of Risk-Based Business Licensing (2026).

The transformation becomes particularly significant when examined against the current regional licensing framework. Peraturan Daerah Kota Yogyakarta Number 13 of 2021 concerning Business Licensing establishes the regional framework for business licensing, while Peraturan Wali Kota Yogyakarta Number 51 of 2023 concerning Licensing and Non-Licensing provides the administrative framework for licensing and non-licensing services. The latter regulation recognizes the OSS system as an integrated electronic system for risk-based business licensing and distinguishes between delegated and non-delegated licensing. Delegated licensing is implemented through the regional apparatus responsible for investment and integrated one-stop services, while non-delegated matters are handled by the relevant technical regional apparatus.

This regulatory arrangement produces an important juridical consequence. The existence of a general function to issue licensing or non-licensing documents at the Kemantren level cannot by itself be interpreted as continuing authority of the Mantri Pamong Praja to issue a boarding house business license. The competence must be reconciled with the specific licensing architecture established by the newer regulations. In other words, the legal issue is no longer whether the Mantri Pamong Praja exists as a lawful governmental official, but whether the specific authority historically exercised by the territorial official remains legally available after the licensing function has been reorganized through the OSS-RBA and regional PTSP framework.

This distinction also explains the significance of the continuing validity of Regional Regulation Number 1 of 2017. The regulation was enacted under a licensing model in which boarding house permits were issued by the Mayor or an appointed official, with the Camat authorized to issue permits for specified categories of boarding houses. The regulation therefore reflects a territorial licensing architecture that preceded the current OSS-RBA framework. Its continued existence alongside subsequent business licensing regulations creates the possibility of overlapping normative commands concerning who determines the legality of boarding house activities and through which administrative mechanism.

The authority of the Mantri Pamong Praja after OSS-RBA should therefore be constructed more precisely as a repositioned territorial administrative authority rather than an automatically continuing licensing authority. The Mantri Pamong Praja remains a lawful governmental organ within the kemantren structure and retains functions relating to public

services, territorial coordination, supervision, and the implementation of delegated governmental affairs. The current institutional regulation even recognizes the issuance of licensing and non-licensing documents insofar as such authority belongs to the Kemantren. Nevertheless, the exercise of a particular licensing power requires a specific normative basis that must be consistent with the national and regional licensing framework.

From this perspective, OSS-RBA does not abolish the Mantri Pamong Praja or eliminate the territorial role of the Kemantren. Rather, it changes the legal environment within which territorial authority operates. The authority that previously could be exercised through direct issuance of a boarding house permit is now subject to a layered system involving risk-based business licensing, OSS, regional licensing administration, technical requirements, and supervision. The resulting authority is therefore functional and complementary: the Mantri Pamong Praja may perform territorial administrative and supervisory functions where legally delegated, but the determination of business legality must remain within the licensing mechanism prescribed by the prevailing national and regional regulations.³¹

The practical functions of the Mantri Pamong Praja can consequently be understood through coordination, facilitation, territorial supervision, administrative verification where authorized, public service delivery, and monitoring of compliance with regional requirements.³² These functions do not necessarily constitute the issuance of business legality itself. This distinction is essential because it prevents the analysis from equating territorial supervision with licensing authority and provides a more accurate basis for assessing whether the old boarding house licensing regime remains compatible with the current OSS-RBA system.

From an administrative law perspective, the implementation of OSS-RBA therefore reconstructs the legal character and scope of the authority rather than eliminating the institutional position of the Mantri Pamong Praja. The official remains part of the regional governmental apparatus, but the content of authority must now be interpreted within the principle of legality, the specific delegation from the Mayor, and the nationally integrated licensing framework. The authority previously associated with direct licensing approval

³¹ Triambodo Andi Kristantiya, Sudarmo Sudarmo, and Desiderius Priyo Sudibyo, "Online System Adaptation Single Submission Risk Based Approach (OSS-RBA)", *International Journal of Multidisciplinary: Applied Business and Education Research* 4, no. 8 (2023): 2757. See too, Praise Hillary Abigail, Adrian E. Rompis, and R. Adi Nurzaman, "Risk-based licensing as licensing reform in indonesia based on government regulation number 5 the year 2021," *Jurnal Poros Hukum Padjadjaran* 3, no. 2 (2022): 210.

³² Dharmayanti Ida Ayu Kade Febriyana, and Putu Gede Arya Sumerta Yasa, "Penerapan Sistem Perizinan Berusaha Online Single Submission Risk-Based Approach (OSS-RBA) Di Bidang Industri Pasca UU Cipta Kerja," *Jurnal Komunikasi Hukum (JKH)* 8, no. 1 (2022): 528.

has consequently been differentiated from functions of coordination, supervision, verification, facilitation, and compliance monitoring³³.

The legal construction can thus be summarized as follows: before OSS-RBA, the boarding house licensing regime constructed a territorial model in which local government officials could directly exercise licensing authority through delegation. After OSS-RBA, the licensing function is embedded within a national risk-based system, while the regional government retains implementation, facilitation, supervision, and other functions according to its legally defined competence. The Mantri Pamong Praja therefore continues to possess legitimate governmental authority, but the existence of that authority cannot be equated with an unrestricted power to issue boarding house business licenses³⁴. The historical authority to issue boarding house permits must instead be distinguished from the present authority to administer, supervise, coordinate, or facilitate boarding house activities within the post-OSS-RBA regulatory framework³⁵.

Accordingly, the legal construction of the Mantri Pamong Praja after OSS-RBA is best characterized as a functional repositioning from territorially based licensing toward territorially based governance, supervision, and implementation of delegated governmental functions. The institutional position of the Mantri Pamong Praja remains legally valid, but the specific content of its licensing authority is conditioned by subsequent national and regional regulatory developments. The continued operation of Regional Regulation Number 1 of 2017, together with newer regulations governing business licensing and OSS-based administration, consequently creates a potential normative overlap concerning the authority, procedure, and legal effect of boarding house licensing. This overlap constitutes the juridical foundation for examining the normative disharmony and its implications in the following section.

2. Normative Disharmony and Juridical Implications under OSS-RBA

The implementation of the Online Single Submission Risk-Based Approach (OSS-RBA) has fundamentally transformed Indonesia's business licensing system by reconstructing the distribution and exercise of

³³ Dharmayanti Ida Ayu Kade Febriyana, and Putu Gede Arya Sumerta Yasa, "Penerapan Sistem Perizinan Berusaha Online Single Submission Risk-Based Approach (OSS-RBA) Di Bidang Industri Pasca UU Cipta Kerja," *Jurnal Komunikasi Hukum (JKH)* 8, no. 1 (2022): 529.

³⁴ Ariyani, "Penegakan Hukum Terhadap Peraturan Daerah Kota Yogyakarta Nomor 1 Tahun 2017 Tentang Penyelenggaraan Pondok: Studi Terhadap Izin Pemonudukan @Hom Timoho (Skripsi Sarjana, Fakultas Hukum, Universitas Islam Indonesia, 2019)".

³⁵ Ariyani, "Penegakan Hukum Terhadap Peraturan Daerah Kota Yogyakarta Nomor 1 Tahun 2017 Tentang Penyelenggaraan Pondok: Studi Terhadap Izin Pemonudukan @Hom Timoho (Skripsi Sarjana, Fakultas Hukum, Universitas Islam Indonesia, 2019)".

governmental authority in licensing administration.³⁶ Unlike the previous licensing regime, which relied predominantly on administrative approvals issued by regional government institutions, the OSS-RBA establishes a nationally integrated electronic licensing system in which business legality is determined according to the level of business risk and the fulfilment of risk-based requirements. Consequently, the transformation affects not only licensing procedures but also the normative framework governing the exercise of licensing authority by regional institutions. This becomes particularly significant where regional regulations enacted under the previous licensing paradigm continue to assign administrative licensing functions to local governmental officials. In the City of Yogyakarta, this condition is reflected in the continuing interaction between Regional Regulation of the City of Yogyakarta Number 1 of 2017 concerning Boarding House Administration and the national licensing framework established through OSS-RBA.³⁷

The normative disharmony identified in this study originates from the coexistence of two regulatory paradigms governing the same legal object. Regional Regulation Number 1 of 2017 was enacted when business licensing remained substantially based on a conventional license-based regulation model. Within this framework, governmental approval constituted an important legal instrument for controlling business activities, including boarding houses. The regional government therefore occupied a central position in determining whether a boarding house business could operate in accordance with applicable administrative requirements. By contrast, Law Number 6 of 2023 and the implementing framework of OSS-RBA reconstruct business licensing around risk classification, electronic registration, and nationally standardized licensing requirements. The subsequent enactment of Government Regulation Number 28 of 2025 further strengthens the national framework for risk-based business licensing and reinforces the integration of licensing administration through the OSS system.

The difference between these regulatory models is not merely procedural. It concerns the legal basis upon which business legality is established and, consequently, the manner in which governmental authority is exercised. Under the conventional licensing model, legality was closely associated with administrative approval issued by the competent regional authority. Under OSS-RBA, business legality is principally established through a Business Identification Number (Nomor Induk Berusaha or NIB), applicable

³⁶ Solechan, and Edgar Wilardi, "Harmonisasi Kewenangan Lembaga Penyelenggaraan Pelayanan Perizinan Terpadu," *Administrative Law and Governance Journal* 2, no. 1 (2019): 158.

³⁷ Ofis Rikardo, Silvi Aulia Purwadini, and Sekar Fuad Maharany, "Peranan peraturan daerah dalam hierarki peraturan perundang-undangan di Indonesia," *Jurnal Hukum Sasana* 10, no. 1 (2024): 162.

business standards, and risk-based requirements administered through the nationally integrated electronic system.³⁸ The transformation therefore changes the regulatory function of government from primarily determining whether a business should receive a permit toward managing business risks through registration, verification, supervision, and compliance mechanisms.

This transformation is expressly reflected in Article 7 paragraph (1) of Government Regulation Number 5 of 2021, which provides that:

"Risk-Based Business Licensing shall be conducted based on the determination of the level of Risk and the classification of business-scale activities, including micro, small, and medium enterprises and/or large-scale enterprises."

The provision demonstrates that the contemporary licensing framework places risk determination at the centre of business licensing. The legality of business activities is consequently no longer constructed exclusively through an individual administrative approval issued by a territorial official. Instead, the licensing process is integrated into a national system that determines applicable requirements according to the characteristics and level of risk associated with the business activity. This development has direct implications for regional regulations that continue to conceptualize licensing through the earlier administrative approval model.

Within the regional context, Regional Regulation Number 1 of 2017 remains important because boarding house activities generate regulatory concerns that extend beyond the economic dimension of the business. The regulation addresses matters associated with public order, environmental management, population administration, community security, and the broader governance of boarding houses in Yogyakarta as an educational and cultural city.³⁹ These regulatory objectives remain legitimate within the authority of regional government. The problem therefore does not arise because the regional government lacks a legitimate interest in regulating boarding house activities. Rather, the problem concerns the legal mechanism through which such interests are implemented after the transformation of the national licensing system.⁴⁰

³⁸ Rachmawati N. A. O, 'Kebijakan Legislatif Dalam Peraturan Daerah Nomor 1 Tahun 2017 Tentang Penyelenggaraan Pondok Di Kota Yogyakarta Melalui Sarana Penal (Skripsi Sarjana, Fakultas Hukum, Universitas Muhammadiyah Yogyakarta), Universitas Muhammadiyah Yogyakarta, 2018.

³⁹ Wulandari Andi Sri Rezky, Andi Rahmah, and Nurmiati Nurmiati, "Renewal of Business Licensing Policy through OSS Implementation: Perspective of the Job Creation Law," *Amsir Law Journal 5*, no. 1 (2023): 48.

⁴⁰ Wulandari Andi Sri Rezky, Andi Rahmah, and Nurmiati Nurmiati, "Renewal of Business Licensing Policy through OSS Implementation: Perspective of the Job Creation Law," *Amsir Law Journal 5*, no. 1 (2023): 49.

The distinction is important because OSS-RBA does not eliminate the regulatory responsibilities of regional government. Regional authorities continue to possess governmental responsibilities concerning spatial planning, public order, environmental protection, supervision, and other matters within their respective spheres of authority. However, these responsibilities must now operate within the national architecture of risk-based business licensing. Consequently, regional regulations governing boarding houses must distinguish between business legality and regional regulatory control. The former is principally integrated into the OSS-RBA system, while the latter may continue to be exercised by regional institutions insofar as it is supported by valid legal authority and does not contradict the national licensing framework.

The normative disharmony therefore does not originate from contradictory governmental objectives. Both national and regional regulations pursue legitimate public interests, including orderly business activities, public protection, regulatory compliance, and effective governmental administration. The inconsistency arises from the use of different legal mechanisms to achieve those objectives. Regional Regulation Number 1 of 2017 reflects a licensing structure in which regional administrative approval has a central position, whereas OSS-RBA reconstructs business licensing as a nationally integrated risk-based mechanism. The persistence of both regulatory orientations without comprehensive harmonization creates uncertainty concerning which provisions remain applicable and how the authority of regional officials should be exercised.

Table 3. Comparison of Boarding House Licensing Frameworks Before and After OSS-RBA

Aspect	Regional Regulation of the City of Yogyakarta Number 1 of 2017	OSS-RBA (Law Number 6 of 2023, Government Regulation Number 5 of 2021, and Government Regulation Number 28 of 2025)
Regulatory Paradigm	License-Based Regulation	Risk-Based Regulation
Legal Basis of Business Legality	Regional business licensing mechanism	NIB, risk-based licensing, and business standards
Principal Licensing Authority	Regional Government	Nationally integrated OSS system
Position of the <i>Mantri Pamong Praja</i>	Administrative involvement in licensing	Technical support, supervision, and compliance functions
Licensing Orientation	Administrative approval	Risk management and regulatory supervision
Main Objective	Administrative control	Ease of doing business and regulatory integration

Source: Compiled by the author based on Regional Regulation of the City of Yogyakarta Number 1 of 2017, Law Number 6 of 2023, Government Regulation Number 5 of 2021, and Government Regulation Number 28 of 2025 (2026).

Table 3 demonstrates that the transformation concerns the legal construction of governmental authority rather than merely the technical procedure for obtaining a license. Under the regional framework, administrative licensing is closely connected to the exercise of territorial governmental authority. Under OSS-RBA, business legality is integrated into a national electronic system based on risk. Accordingly, the role of the Mantri Pamong Praja must be interpreted within the new allocation of licensing functions. The official does not lose institutional legitimacy, but the exercise of authority that directly determines business legality must be distinguished from regional functions concerning supervision, coordination, and enforcement of regional regulatory requirements.

The issue becomes more complex when the hierarchy of Indonesian legislation is considered. Regional Regulation Number 1 of 2017 remains formally part of the applicable regional legal framework. Nevertheless, its provisions cannot be interpreted independently from subsequent national legislation that has fundamentally altered the legal architecture of business licensing. The legal question is therefore not simply whether the regional regulation has been formally revoked. The more important question is whether provisions within that regulation remain substantively compatible with the higher-ranking national licensing framework. This distinction is essential because formal validity does not necessarily mean that every provision can continue to be applied in its original normative context after a subsequent change in higher-level legislation.

The relationship between national and regional norms is governed by the principle of hierarchical consistency. Regional regulations must operate within the authority granted by higher legislation and may not establish licensing mechanisms that contradict the national framework. The existence of a regional regulation therefore does not provide an autonomous basis for maintaining a licensing requirement that has been fundamentally displaced by the national OSS-RBA system. This principle is reinforced by the broader requirement that regional regulations remain within the legislative hierarchy and conform to higher legal norms.⁴¹

⁴¹ Anggono Bayu Dwi, *Perkembangan Pembentukan Undang-Undang di Indonesia*, (Jakarta: Konstitusi Press, 2014), 77. See too, Nurwigati, "Harmonization of State Administrative Court Law and Other Laws Concerning the State Administrative Courts' Exclusive Authority," *Prophetic Law Review* 4, no. 2 (2022): 241; Noviani Nyoman Ayu Fitri, Neti Prahita Handayani, Rosalina Putri Robin, and Kadek Dwi Yunita Indrayani, "Problematika Pembentukan Peraturan Perundang-

From the perspective of *Stufenbau des Recht*, the validity of a lower legal norm depends upon its conformity with the superior norm from which its validity is derived.⁴² Hans Nawiasky's development of the hierarchical theory similarly places regional regulations within the category of *Verordnung und Autonome Satzung*, requiring their consistency with higher state norms⁴³. Applied to the present case, Regional Regulation Number 1 of 2017 must therefore be interpreted consistently with Law Number 6 of 2023 and the government regulations implementing the OSS-RBA regime. The consequence is not necessarily the automatic invalidation of the regional regulation as a whole, but the necessity of restricting or reinterpreting provisions that are incompatible with the current national licensing framework.

Table 4. Hierarchy of Norms Governing Boarding House Licensing

Level of Norm	Regulation
Law	Law Number 6 of 2023 concerning Job Creation
Government Regulation	Government Regulation Number 5 of 2021 concerning Risk-Based Business Licensing; Government Regulation Number 28 of 2025
Implementing Regulations	Relevant OSS-RBA implementing regulations
Regional Regulation	Regional Regulation of the City of Yogyakarta Number 1 of 2017 concerning Boarding House Administration
Mayor Regulation	Relevant Yogyakarta Mayor Regulations concerning licensing and delegation

Source: *Compiled by the author based on Law Number 12 of 2011 as amended by Law Number 13 of 2022 and the applicable national and regional regulations (2026).*

The hierarchy demonstrates that the continuing application of Regional Regulation Number 1 of 2017 must be understood through the current national regulatory framework. A provision that merely regulates boarding house administration, public order, or regional supervision may remain relevant insofar as it falls within legitimate regional authority. Conversely, a provision that treats local administrative approval as the independent basis of business legality must be reconciled with the OSS-RBA system. The legal problem therefore lies in the incomplete differentiation between regional regulatory authority and business licensing authority after the national licensing reform.

Undangan di Bawah Undang-Undang: Antara Kebutuhan Regulasi dan Kepatuhan terhadap Asas-Asas Pembentukan Peraturan," *Jurnal Pacta Sunt Servanda* 5, no. 1 (2024) :44.

⁴² Kelsen Hans, *Introduction to the Problems of Legal Theory*, (Berkeley: University of California Press, 1992), 54.

⁴³ Nawiasky Hans, *Allgemeine Rechtslehre als System der Rechtlichen Grundbegriffe*, (Einsiedeln: Benziger Verlag, 1948), 23.

The same problem is visible within the regional regulatory framework. Mayor Regulation Number 19 of 2023 regulates the delegation of certain mayoral authorities to the Mantri Pamong Praja, while Mayor Regulation Number 51 of 2023 integrates regional licensing and non-licensing administration with the OSS-RBA framework. At the same time, Regional Regulation Number 1 of 2017 continues to reflect the earlier sectoral regulatory paradigm. These instruments do not necessarily constitute direct contradictions in every provision, but their coexistence creates an incomplete normative transition because the delegation of authority and the substantive licensing framework have not been comprehensively synchronized.

Table 5. Regulatory Relationship of Boarding House Licensing Authority After OSS-RBA

Regulation	Regulatory Orientation	Position of the <i>Mantri Pamong Praja</i>
Regional Regulation Number 1 of 2017	Boarding house administration and administrative control	Administrative involvement in boarding house governance
Mayor Regulation Number 19 of 2023	Delegation of certain mayoral authority	Exercises delegated governmental authority
Mayor Regulation Number 51 of 2023	Integrated regional licensing administration	Supporting regional technical functions within OSS-RBA
Government Regulation Number 5 of 2021	Risk-based business licensing	Business legality through OSS
Government Regulation Number 28 of 2025	Strengthening integrated OSS implementation	Reinforces nationally integrated licensing administration

Source: *Compiled by the author based on applicable legislation (2026).*

Table 5 confirms that the principal difficulty is not institutional conflict between the Mantri Pamong Praja and the OSS system. Rather, the difficulty results from the coexistence of regulatory instruments established at different stages of licensing reform. The Mantri Pamong Praja continues to possess legitimate delegated governmental authority, but the scope of that authority must follow the current legal framework. Accordingly, the principle *lex superior derogat legi inferiori* requires regional licensing provisions to be interpreted consistently with higher-ranking national legislation. This principle does not automatically eliminate Regional Regulation Number 1 of 2017; instead, it limits the application of any provision that conflicts with the current national licensing architecture.

The issue is particularly significant because delegated authority cannot exceed the legal scope of the authority possessed by the delegating institution. Philipus M. Hadjon explains that delegation transfers the exercise of

governmental authority from one governmental organ to another while remaining dependent upon the existence and scope of the original authority of the delegating organ.⁴⁴ Consequently, when the national licensing framework changes the legal construction of the Mayor's licensing authority, the authority delegated to the Mantri Pamong Praja must also be interpreted within the transformed framework.⁴⁵ The implication is that the Mantri Pamong Praja may continue exercising delegated governmental functions, but those functions cannot be understood as an independent power to determine business legality outside the OSS-RBA system.

The juridical implications of this normative disharmony are consequently significant. First, it generates legal uncertainty for boarding house operators. Business actors may be uncertain whether fulfilment of the OSS-RBA requirements and possession of an NIB are sufficient for business legality or whether additional administrative requirements derived from earlier regional regulations remain necessary. Such uncertainty undermines the objective of licensing reform to simplify administrative procedures and strengthen legal certainty.⁴⁶ A risk-based licensing system cannot achieve its intended regulatory efficiency if business actors remain confronted with overlapping requirements whose legal status is unclear.

Second, normative disharmony affects the legality of governmental action. The principle of legality requires administrative action to be supported by lawful authority, an appropriate legal basis, and legally prescribed procedures.⁴⁷ Where an official continues to impose a licensing requirement derived from an earlier regulatory framework without reconciling it with the OSS-RBA regime, the legality of that administrative action may become questionable. The issue is therefore not merely administrative inefficiency but the possibility that governmental authority is exercised beyond the scope permitted by the current legal framework.

Third, overlapping regulatory mechanisms create the possibility of maladministration and excessive administrative burdens. Where regional

⁴⁴ Wijayanti Sri, Zeti Nofita Sari, Safrin Salam, and Arif Ananda Firdaus, "Norm Clash in Lex Superior Derogate Legi Inferiori Principle's Implementation on Circular Letters and Laws," *Reformasi Hukum* 28, no. 3 (2024): 234.

⁴⁵ Marlan Hutahaeen, Budiman Sinaga, and Widia Kartika Sari Sianturi, "Deregulation as an Effort to Improve Public Services in Indonesia", *Perspektif* 13, no. 1 (2024): 135. See too, Radbruch Gustav, *Gesammelte Rechtsphilosophische Schriften*, (Tübingen: Mohr Siebeck, 1950), 44; Sukirno, and Teguh Budi Prasetya, "Pengendalian Usaha Pondokan bagi Terwujudnya Pondokan Sehat di Yogyakarta," *Jurnal Cakrawala Hukum* 13, no. 2 (2017): 122; Annas Rasid Musthafa, Satriya Aldi Putrazta, Caesar Dimas Edwinarta, and Nur Alifia Fitriani, "Keabsahan Penggunaan One Single Submission Risk-Based Approach (OSS RBA) sebagai Sistem Perizinan Berusaha," *Jurnal Legislasi Indonesia* 20, no. 4 (2024): 72.

⁴⁶ Nor Asdar, *Asas-Asas Hukum Kontemporer*, (Sukabumi: CV Jejak, Anggota IKAPI, 2023), 23.

⁴⁷ Craig Paul, *Administrative Law*, 9th Edition, (London: Sweet & Maxwell, 2021), 34.

officials interpret earlier sectoral regulations as authorizing additional licensing requirements, business actors may encounter multiple layers of administrative obligations despite the national reform being designed to simplify licensing procedures. Such circumstances are inconsistent with the objectives of deregulation and administrative efficiency.⁴⁸ The potential problem is particularly serious where additional requirements are imposed without a clear distinction between legitimate regional regulatory obligations and licensing requirements that have already been integrated into OSS-RBA.

Fourth, continued normative uncertainty may increase the potential for administrative disputes. Business actors who have fulfilled the requirements established through OSS-RBA may challenge additional administrative requirements if those requirements lack a sufficiently clear legal basis under the current licensing framework.^{49 50} (sitasi di sini ini 2). Disputes may ultimately concern the validity of administrative decisions or actions taken by regional officials and may therefore develop into administrative objections or litigation before the Administrative Court.

These implications demonstrate that the disharmony should not be addressed by eliminating regional governmental functions altogether. Such an approach would disregard the legitimate regulatory interests of the City of Yogyakarta in maintaining public order, environmental standards, population administration, and community security. The appropriate legal response is instead regulatory harmonization and functional differentiation. Business legality should remain integrated within the OSS-RBA framework, while regional governmental institutions, including the Mantri Pamong Praja, should exercise clearly defined functions of supervision, coordination, technical verification, guidance, and compliance monitoring insofar as these functions possess a valid legal basis.⁵¹

Accordingly, the principal finding of this study is that the implementation of OSS-RBA has not abolished the authority or institutional position of the Mantri Pamong Praja. It has, however, changed the legal context within which that authority may lawfully be exercised. The continuing recognition of administrative licensing functions under older regional norms creates

⁴⁸ Soeprapto Maria Farida Indrati, *Ilmu Perundang-Undangan: Jenis, Fungsi, dan Materi Muatan*, (Yogyakarta: Kanisius, 2020), 13.

⁴⁹ Altamimi Hala, Qiaozhen Liu, and Benedict Jimenez, "Not too much, not too little: Centralization, decentralization, and organizational change," *Journal of Public Administration Research and Theory* 33, no. 1 (2023): 176.

⁵⁰ Setiawan Arif, Prijono Tjiptoherijanto, Benedictus Raksaka Mahi, and Khoirunurrofik Khoirunurrofik, "The impact of local government capacity on public service delivery: Lessons learned from decentralized Indonesia," *Economies* 10, no. 12 (2022): 323.

⁵¹ Arthur Josias Simon Runturambi, Abdul Rivai Ras, and Margaretha Hanita, "Omnibus Law on Job Creation and Resilience Prospects of Indonesian Migrant Workers," *Journal of Social and Political Sciences* 4, no. 4 (2021): 101.

normative disharmony because those functions must now be reconciled with a national system in which business legality is principally administered through OSS-RBA. The problem therefore lies in the incomplete harmonization of the regulatory framework, rather than in the existence of the Mantri Pamong Praja itself.

The juridical solution is consequently to harmonize Regional Regulation Number 1 of 2017 and its implementing regulations with the current OSS-RBA framework, particularly by clearly distinguishing between the authority to establish business legality and the regional authority to supervise compliance with local regulatory requirements. Such harmonization would preserve legitimate regional governance while ensuring that the exercise of delegated authority by the Mantri Pamong Praja remains consistent with the hierarchy of laws, the principle of legality, legal certainty, and the contemporary risk-based licensing framework. In this construction, OSS-RBA should be understood not as eliminating the territorial role of regional government, but as requiring that role to be legally repositioned within an integrated national licensing system.

D. Conclusion

This study concludes that the implementation of the Online Single Submission Risk-Based Approach (OSS-RBA) has fundamentally reconstructed, rather than abolished, the authority of the Mantri Pamong Praja in boarding house governance in the City of Yogyakarta. In answering the first research question, the authority of the Mantri Pamong Praja remains legally grounded in delegated mayoral authority within the regional governmental structure; however, its legal function can no longer be constructed as an independent authority to determine the legality of boarding house businesses because business legality is now principally established through the nationally integrated, risk-based OSS system. In answering the second research question, this study finds that the principal normative disharmony arises from the coexistence of Regional Regulation of the City of Yogyakarta Number 1 of 2017, which retains elements of the conventional license-based regulation model, with the subsequent national OSS-RBA framework, resulting in uncertainty concerning the scope of delegated authority, overlapping administrative requirements, and potential challenges to the legality of governmental action.

The finding demonstrates that digital licensing reform is not merely a procedural transformation but also reconstructs the legal boundaries of delegated administrative authority within a hierarchical regulatory system. Practically, the finding requires the Yogyakarta City Government to harmonize Regional Regulation Number 1 of 2017 and its implementing regulations with the current OSS-RBA framework, clearly distinguish licensing authority from

territorial supervision, and establish an integrated administrative guideline specifying the permissible functions of the Mantri Pamong Praja so that regional officials do not impose licensing requirements beyond their lawful authority. Such regulatory reform is necessary to ensure legal certainty for business actors, prevent maladministration, and preserve the legality and effectiveness of regional governance. Future research should empirically examine the implementation of this reconstructed authority across boarding house administration and other regionally regulated business sectors to assess whether regulatory harmonization effectively eliminates overlapping administrative requirements and strengthens the coherence of Indonesia's risk-based licensing system.

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