



The Construction of Corporate Fault related to Corporate Criminal Liability in the New Criminal Code: Implications and Formulation

Ade Sathya Sanathana Ishwara

Faculty of Law, Social and Political Sciences, University of Mataram, Indonesia.

Abstract: On January 6, 2023, President Joko Widodo signed a new Penal Code (Law No. 1/2023) regulating corporate criminal liability in Indonesia, introducing significant changes in corporate criminal law. This regulation alters the definition, subjects, conditions of liability, justifications, and sanctions for corporations. The aim of this research is to identify the implications of the construction of corporate fault in the new Penal Code on corporate criminal liability in Indonesia and to formulate appropriate criminal sanctions based on this construction. The research employs a normative legal method with a legislative approach to analyze the construction of corporate fault in Law No. 1/2023, affecting corporate criminal liability in Indonesia. Data is gathered from legal texts, court decisions, legal literature, and analyzed with a focus on the implications and formulation of suitable sanctions for corporations. The implications of the construction of corporate fault in the new Penal Code (Law No. 1/2023) on corporate criminal liability in Indonesia are highly significant, expanding the accountability of corporations and individuals involved in corporate criminal activities. Despite varying opinions on these changes, the implementation of the new Penal Code reflects the government's commitment to improving corporate governance, promoting legal compliance, and ensuring the protection of public interests. The formulation of appropriate and proportionate criminal sanctions should encompass various aspects, ranging from fines to rigorous monitoring, restitution, and corporate education, to foster a more ethical and sustainable business environment while maintaining fairness and legal certainty.

Keywords: Corporations; Companies; Criminal Offenses; Sanctions; Violations.

1. Introduction

On January 6 2023, President Joko Widodo (Jokowi) signed the new Criminal Code, which later became Law Number 1 of 2023 concerning the Criminal Code (UU No.1/2023) (Priambada & Ishwara, 2023). Significant changes have occurred in Indonesian corporate criminal law, because previously the corporate punishment mechanism was not regulated at the statutory level, but was still regulated at the level of Supreme Court Regulation No.16/2016 concerning Procedures for Handling Corporate Crimes ("Perma No. 16/2016"). With the ratification of Law No.1/2023, criminalization of corporations has now been regulated at the "law" level (Jatmiko, 2023). This marks an important change in corporate criminal law in Indonesia.

As a result of this legal change, various views and reactions emerged from various parties. The Indonesian government, through its representatives, such as Piter Abdullah, Executive Director of the Segara Institute, revealed that the government has considered the business world in creating the substance of the articles in the new Criminal Code (UU No.1/2023) (Pratiwi, 2023). Piter said that corporate crime was not something new, because it had previously been regulated in the law regarding criminal acts of corruption. Furthermore, he stated that companies do not need to be afraid of corporate punishment as long as the company complies with applicable regulations. This view

Correspondence:

Name : Ade Sathya S. Ishwara

Email : adesathya20@gmail.com

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reflects the belief that this new regulation will not damage the investment climate in Indonesia.

However, not all parties have a positive view of this change. The Indonesian Entrepreneurs Association (Apindo), through its General Chair, Hariyadi Sukamdani, criticized the existence of regulations regarding corporate punishment in Law No.1/2023. Hariyadi Sukamdani believes that punishment should only apply to individuals, not to an institution or corporation. He considered it an irony if the person who committed the crime was punished, but the company was also punished together (KlikLegal.com, 2023). This opinion reflects concern over the possible consequences of this regulation on the world of business and investment in Indonesia.

Significant changes in Law No.1/2023, including the definition of corporations as the subject of criminal acts, the definition of corporate criminal acts, the terms of corporate criminal liability, the subjects that can be held responsible, the reasons for justification and forgiveness, as well as the types of criminal sanctions for corporations, will have deep implications in corporate criminal acts in Indonesia (Aisyah, 2023). Therefore, this research aims to dig deeper into the construction of corporate fault related to corporate criminal liability in the new Criminal Code (UU No.1/2023) and analyze the implications and formulas for implementing these regulations.

At a basic level, Law No.1/2023 regulates that corporations are the subject of criminal acts. This is explained in Article 45 Paragraph (1) of Law No.1/2023, which states that corporations are the subject of criminal acts. In addition, the definition of a corporation in Law No.1/2023 includes various legal entities such as PT, foundations, cooperatives, state-owned enterprises, regional-owned enterprises, as well as various associations, including those that are not legal entities, and business entities in the form of firms or limited partnership (Rohman & Sugiharto, 2023). Furthermore, Law No.1/2023 also defines corporate criminal acts as criminal acts committed by management who have a functional position in the corporate organizational structure. Corporate criminal acts can also be committed by people based on employment relationships, based on other relationships who act for and on behalf of the corporation, act in the interests of the corporation, and within the scope of the corporation's business or activities. In addition, criminal acts by corporations can be committed by those who give orders, control holders or beneficial owners of the corporation who are outside the organizational structure but can control the corporation (Rizki, 2022).

For corporate criminal liability, Law No.1/2023 regulates a number of conditions that must be met. Criminal acts by corporations can be held accountable if they fall within the scope of business or activities specified in the articles of association or other provisions applicable to the corporation, benefit the corporation unlawfully, are accepted as corporate policy, the corporation does not take the necessary steps to prevent criminal acts, or the corporation allows criminal acts to occur (Martha & Suartha, 2017). The subject of corporate criminal liability, according to Law No.1/2023, includes the corporation itself, management who have functional positions, givers of orders, control holders and beneficial owners of the corporation. Apart from that, there are justifiable and forgiving reasons that can be put forward by these subjects, as long as these reasons are directly related to the criminal act for which the corporation is accused.

Criminal sanctions for corporations that violate the provisions of Law No.1/2023 consist of basic penalties and additional penalties. The main punishment as regulated in Article 118 of Law No.1/2023 is a fine, while additional punishment can include various types of sanctions, including payment of compensation, reparation for the consequences of criminal acts, implementation of neglected obligations, fulfillment of customary obligations, financing job training, confiscation. goods or profits obtained from criminal acts, announcement of court decisions, revocation of certain permits, permanent

prohibition on carrying out certain acts, closure of all or part of business premises and/or corporate activities, freezing of all or part of corporate business activities, and dissolution of the corporation.

This significant change in Law No.1/2023 has had a major impact on the practice of corporate criminal law in Indonesia. This raises important questions related to the construction of corporate fault, corporate criminal liability, and legal implications for the business world. Therefore, researchers are interested in studying in depth the construction of corporate fault in Law No.1/2023 and analyzing the implications and formulations in implementing this regulation.

Based on the explanation of the background above, the formulation of the problem in this research is: First, "How do the implications of the corporate fault construction in the New Criminal Code affect corporate criminal liability in Indonesia?" And the second is, "What is the appropriate and proportional formulation of criminal sanctions for corporations based on the corporate fault construction in the New Criminal Code?".

2. Materials and Methods

The research method used in this is the normative legal research method. This research method will refer to existing legislation, with a focus on analyzing the concept of corporate criminal liability in Law No.1/2023. This research approach is a statutory approach, which will examine and analyze the relevant legal provisions in Law No.1/2023 and related statutory regulations. The sources of legal material used in this research will involve legal texts, statutory regulations, and court decisions relating to corporate criminal liability. Apart from that, this research will also refer to legal literature, journals, books and articles that discuss similar topics. These sources will become the basis for analyzing the construction of corporate fault in corporate punishment.

The data collection technique in this research will involve searching and selecting relevant documents, such as the text of Law No.1/2023, court decisions, as well as legal literature related to the construction of corporate fault. Furthermore, data analysis techniques will be carried out through comparative studies and interpretation of legal provisions contained in Law No.1/2023, as well as correlation with the concept of corporate fault in legal literature. During the research process, data analysis will focus on how the corporate fault construction in Law No.1/2023 affects corporate criminal liability, as well as the implications arising from this construction on legal and business practices in Indonesia. It is hoped that the results of this research will provide a deeper understanding of the issue of corporate punishment in the context of Indonesian criminal law, as well as provide guidance for improving the formulation of criminal sanctions that are more appropriate and proportional for corporations.

3. Results and Discussion

3.1. *Implications of Corporate Fault Construction in the New Criminal Code Affecting Corporate Criminal Liability in Indonesia*

The construction of corporate fault in the New Criminal Code (UU No.1/2023) has significant implications for corporate criminal liability in Indonesia. With this legal change, corporations now have greater legal responsibilities in carrying out their operations. The New Criminal Code, which was signed by President Joko Widodo on January 6 2023, brings significant changes to criminal law in Indonesia. The New Criminal Code, which is now Law Number 1 of 2023 concerning the Criminal Code (UU No.1/2023), regulates various aspects of corporate criminal acts, including definitions,

subjects, terms of responsibility, and types of sanctions that can be imposed towards corporations.

a. Corporation as a Criminal Subject

One of the main implications of the corporate fault construction in the New Criminal Code is the recognition that corporations can be considered the subject of criminal acts. Article 45 Paragraph (1) of Law No.1/2023 explicitly states that corporations are the subject of criminal acts. This marks a significant change from the previous criminal law where the corporate punishment mechanism was only regulated in Supreme Court Regulation No.16/2016. Thus, corporations can now be prosecuted under the law, reflecting the government's efforts to increase corporate accountability for illegal acts they commit in carrying out their business activities. This has had a significant impact on the formulation and implementation of criminal law in Indonesia, providing a stronger basis for law enforcement against criminal acts involving corporations and the individuals responsible for them (Sekretariat Jenderal Komisi Yudisial Republik Indonesia, 2019).

b. Definition of Corporate Crime

The definition of corporate criminal acts in the New Criminal Code (UU No.1/2023) is a significant expansion in the definition of criminal law in Indonesia. This reflects the recognition that corporations, as legal entities, can be held responsible for the illegal actions they commit, as well as individuals who play a role in implementing corporate policies that harm society, the environment or the economy. This definition includes management who have a functional position within the corporation, as well as other individuals who act for and on behalf of the corporation, with the aim of the corporation's interests and carried out within the framework of the corporation's business or activities (Sriwidodo, 2022). Thus, the construction of corporate fault in the New Criminal Code aims to ensure that law enforcement can achieve broader and more targeted responsibilities for corporate criminal acts, which can protect the public, promote good business ethics, and encourage corporations to operate with integrity and integrity. compliance with the law.

c. Corporate Criminal Liability Requirement

Article 48 of Law No.1/2023 regulates the requirements for corporate criminal liability which is the basis for law enforcement against criminal acts involving corporate entities in Indonesia. To make a corporation criminally liable, three main conditions must be met. First, the corporation must operate within the scope of business or activities that have been regulated in the articles of association or other provisions that apply to the corporation. Second, illegal actions carried out by the corporation must provide unlawful benefits and must be accepted as corporate policy, indicating that the action is not only an individual's fault but also a policy or practice adopted by the corporation. Finally, if a corporation does not take the necessary steps to prevent criminal acts, ensure compliance with applicable legal provisions, or prevent greater impacts, then the corporation can be held accountable, emphasizing the importance of preventive measures and strict legal compliance in corporate activities to avoid criminal sanctions (Anarki, 2023).

d. Subject of Corporate Criminal Liability

Article 49 of Law No.1/2023 clearly emphasizes the subject of corporate criminal liability, including corporations as legal entities, administrators who have a functional position in the corporation, givers of orders, control holders and beneficial owners of the

corporation. This indicates that criminal responsibility does not only fall on the company as a legal entity, but also on individuals involved in corporate criminal acts (Ningrum, 2018). Thus, Article 49 ensures that individuals involved in illegal acts in a corporate context can be personally punished, according to their level of involvement and responsibility in the illegal act.

e. Justifying and Forgiving Reasons in Corporate Crime

Article 50 of Law No.1/2023 which provides the possibility for parties involved in corporate criminal acts to submit justification or forgiveness reasons is important in maintaining the principles of fair law and justice. This provides an opportunity for management who have functional positions, givers of orders, holders of control and beneficial owners of the corporation, as well as the corporation itself, to defend themselves or explain the context in which illegal actions are carried out. In a fair legal system, each party must have the right to defend themselves and explain the factors that may have influenced their actions (Suryani, 2023). This helps ensure that judicial decisions are based on comprehensive information and enables balanced enforcement of the law, which includes the protection of individual rights and the public interest.

f. Criminal Sanctions for Corporations

Criminal sanctions for corporations, in accordance with Article 118 of Law No.1/2023, consist of two main elements: main criminal penalties and additional criminal penalties. The main criminal punishment is a fine, as explained in Article 119 of Law No.1/2023. Additional penalties provide flexibility in determining sanctions that are more appropriate to the characteristics of the violation that occurred. These additional penalties include various actions such as payment of compensation, reparation for the consequences of criminal acts, fulfillment of obligations that have been neglected, financing job training, confiscation of goods or profits obtained from criminal acts, announcement of court decisions, revocation of certain permits, permanent prohibition on carrying out certain acts, closure of all or part of the corporation's business premises and/or activities, freezing of all or part of the corporation's business activities, and even dissolution of the corporation (Wahyuni, 2017).

g. Implications for Corporate Governance

The implication of the corporate fault construction in the New Criminal Code for corporate governance in Indonesia is a significant increase in legal responsibility for corporations. With more explicit provisions regarding corporate punishment, corporations are now required to operate their businesses more carefully and comply with applicable legal regulations. They must ensure that their activities do not violate the law or harm the interests of the public, the environment or consumers. As a result, corporate governance is expected to become more transparent, accountable and ethical. This can also encourage companies to adopt more sustainable and responsible business practices (Setyoningsih, 2021). With stronger law enforcement against illegal corporate actions, it is hoped that the business environment in Indonesia will become healthier and fairer, which will ultimately provide benefits to society and the economy as a whole.

The different views among entrepreneurs and the public regarding the implementation of the New Criminal Code (UU No.1/2023) reflect the diversity of perspectives in understanding the impact of this legal change. Piter Abdullah, Executive Director of the Segara Institute, believes that companies that operate in compliance with applicable regulations do not need to fear corporate punishment, and he sees this change as a positive step in ensuring company compliance with the law. On the other hand, the Indonesian Entrepreneurs Association (Apindo), represented by Hariyadi Sukamdani, believes that corporate penalties should only apply to individuals, not corporate

institutions, and they are worried that this change could have a negative impact on the investment climate and business growth in Indonesia (KlikLegal.com, 2023). These differing views reflect the complexity of the debate surrounding corporate criminal liability and the protection of business interests.

In practice, law enforcement against corporations under the corporate fault construct in the New Criminal Code (UU No.1/2023) will require synergy and cooperation between the government, law enforcement officials and the business sector. The government needs to ensure that existing regulations are implemented fairly and transparently, without discrimination or political interference that could interfere with the law enforcement process. Increasing transparency in corporate law enforcement can also increase public trust in the legal system, which in turn can create a more ethical and integrity business environment (Asril, 2019). On the other hand, the business sector needs to be firmly committed to complying with applicable legal regulations and business ethics. They must conduct their operations with integrity, avoid illegal actions, and invest in legal compliance. Through close collaboration between the government, law enforcement officials, and business, the implementation of Law No. 1/2023 has the potential to improve the business environment in Indonesia, protect consumer rights, and increase public trust in the corporate sector.

However, implementing these legal changes is not without challenges. One of the main challenges is the identification of individuals responsible for corporate criminal acts. In many cases, illegal actions within a company involve multiple individuals, and determining who should be held accountable can be complicated. Therefore, there needs to be a clear and transparent mechanism for determining individual responsibility in a corporate context. In addition, there needs to be a guarantee that companies that operate in a compliant and ethical manner will not be misused by parties who have strong political or economic interests. The importance of maintaining the independence of law enforcement officials in handling corporate cases cannot be ignored, so that law enforcement can take place without unnecessary external intervention (Ningrum, 2018). In the entire implementation process, strict supervision and continuous monitoring of the implementation of Law No.1/2023 is a must to ensure that the law is implemented correctly and that the judicial process runs fairly and transparently.

In conclusion, the corporate fault construction in the New Criminal Code (UU No.1/2023) has a significant impact on corporate criminal liability in Indonesia. This change provides a stronger legal basis for punishing corporations and individuals involved in corporate criminal acts. Although there are differing views, these changes reflect the government's efforts to improve corporate governance, promote compliance with the rule of law, and improve the business environment in Indonesia. Challenges in implementing these changes remain, and there needs to be cooperation between the government, law enforcement officials and the business sector to ensure that these changes have a positive impact on society and the Indonesian economy as a whole.

3.2 Formulation of Appropriate and Proportional Criminal Sanctions for Corporations Based on the Corporate Fault Construction in the New Criminal Code

The criminalization of corporations in the New Criminal Code (UU No.1/2023) reflects efforts to regulate the definition, subject, terms of accountability, and types of sanctions that are appropriate and proportional for corporate criminal acts. Sanctions are an important aspect of criminal law reform (Hadi et al., 2023). Sanctions are one of the instruments in enforcing criminal law so that the subject of criminal law does not repeat their actions (Faisal et al., 2022). Law No.1/2023 provides a relevant legal framework and needs to ensure that criminal sanctions applied to corporations based on the corporate fault construct meet the principles of justice and effectiveness.

In Law No.1/2023, corporations are recognized as the subject of criminal acts, and the definition is very inclusive. The definition of a corporation includes various types of entities, such as legal entities, associations, and business entities, involving private companies, state-owned enterprises, foundations, and others. The involvement of various types of corporations in the subject area of criminal acts reflects the spirit of justice and accountability applied in criminal law (Pujiyono & Susanti, 2019). Article 45 of Law No.1/2023 firmly states that corporations are the subject of criminal acts, while the second paragraph of the article provides further guidance by detailing the various types of corporations that fall within the scope of the subject of criminal acts.

The decision to classify various types of corporations as subject to criminal offenses provides an inclusive legal framework and is in line with the spirit of ensuring fair and comprehensive legal accountability for all types of corporations, regardless of their legal structure or nature (Hikmawati, 2017). This is an important step in maintaining the integrity of criminal law and ensuring that corporate entities are held accountable for their actions in accordance with applicable legal provisions. The following is a view regarding the formulation of appropriate and proportional criminal sanctions:

a. The main penalty is a fine

The basic punishment in the form of a fine, as regulated in Article 119 of Law No.1/2023, is an appropriate and proportional criminal sanction for corporations. Fines are an effective form of sanction in punishing corporations that violate the law, as well as providing financial sanctions that can have a deterrent effect. This reflects the principle that corporations must be held accountable for their illegal actions by paying fines commensurate with the level of violations they commit. The amount of the fine must take into account the losses caused by the illegal act, thereby creating an incentive for corporations to carry out their activities with integrity and compliance with the law. Apart from that, it is necessary to pay attention to the corporation's financial capacity to pay these fines so that the sanctions remain fair and proportional (Dzikroh, 2023).

b. Additional Relevant Penalties

Relevant additional penalties, as regulated in Article 120 of Law No.1/2023, are an important instrument to correct the impact of illegal corporate actions. In this case, compensation payments ensure that parties affected by corporate actions receive appropriate compensation. Furthermore, reparations resulting from criminal acts help address the damage caused to the environment or assets that may have been affected. Meanwhile, fulfilling customary obligations takes into account cultural and traditional aspects in resolving conflicts that may arise as a result of illegal corporate actions. Execution of obligations that have been neglected ensures that corporations fulfill their responsibilities that may have been neglected. Job training financing can provide benefits to communities and workers who may be affected by illegal corporate actions. Finally, confiscation of goods or profits obtained from criminal acts provides significant additional sanctions for corporations that may have obtained unlawful profits (Tawalujan, 2012).

c. Strict Monitoring

A strict monitoring system is one of the key elements in ensuring the application of appropriate and proportional criminal sanctions against corporations. Law enforcement agencies must have sufficient capacity to monitor corporate activities, collect evidence, and assess the extent of legal violations that occur. By having independent audits and regular inspections of corporations, integrity and compliance with legal regulations can be strengthened. This careful monitoring will also help in assessing the effectiveness of

the sanctions imposed and whether they are adequate in preventing future illegal acts (Aston & Magnis-Suseno, 2008).

d. Elimination of Discretionary Policies

The elimination of discretionary policies is an important step in ensuring that criminal sanctions against corporations based on the corporate fault construction in the New Criminal Code (UU No.1/2023) are appropriate and proportional. By eliminating discretionary policies, we can ensure that decisions regarding sanctions are based on clear and objective guidelines, which avoids the possibility of arbitrariness in the determination of sanctions (Santoso et al., 2023). This will provide legal certainty, avoid abuse of power, and ensure that sanctions imposed are appropriate to the level of violations that occur, creating a fair and transparent legal environment in law enforcement against corporations.

e. Recognition of Cooperation and Recovery of Losses

Recognition of cooperation and recovery of losses are two important aspects in formulating appropriate and proportional criminal sanctions for corporations based on the corporate fault construction in the New Criminal Code (UU No.1/2023). In an effort to increase the effectiveness of law enforcement, it is important to provide incentives for corporations to cooperate with authorities in the investigation and prosecution of criminal acts. Recognition of good cooperation can uncover illegal practices, identify the individuals responsible, and ensure that law enforcement operates more efficiently. In addition, recognition of this cooperation can also help in recovering losses suffered by parties affected by illegal corporate actions. Funds obtained from criminal sanctions can be allocated to compensate for these losses, thereby helping to restore the situation and providing compensation to victims (Satria, 2018).

f. The Changes in Organizational Structure and Precautions

The changes in organizational structure and preventive measures are important components in maintaining compliance and preventing illegal actions among corporations. In addition to implementing appropriate criminal sanctions, corporations should be required to make changes to their organizational structures, including improvements in management and tighter supervision. This should also involve more transparent reporting on company actions and policies. Additionally, corporations need to implement robust business ethics training programs to increase employee awareness of what constitutes lawful and responsible action. Implementing effective preventative measures will not only help prevent future illegal acts, but also provide the basis for building a more ethical and integrity corporate culture that can support sustainable business growth (Wilardjo, 2011).

g. Fair Appeal and Trial Mechanism

Appeal mechanisms and fair trials are an important basis in ensuring that criminal sanctions for corporations, based on the corporate fault construction in the New Criminal Code (UU No.1/2023), are applied appropriately and proportionally. The appeal mechanism provides an opportunity for corporations who are dissatisfied with the court's decision to fight for their rights in a higher legal forum. Meanwhile, a fair and transparent trial is the main prerequisite for ensuring that legal decisions are given based on evidence and applicable law, without any political or economic pressure, thereby providing legal certainty and protection of basic corporate rights (Harjono, 2007). With a strong appeal mechanism and fair trials, criminal sanctions can be applied fairly and in accordance with applicable legal principles.

h. Increased Awareness and Education

Increasing awareness and education among corporations about business law and ethics is a key component in maintaining compliance and preventing illegal acts. In addition to possible criminal sanctions, strong training programs and effective education regarding the legal consequences of illegal actions can help establish a corporate culture of greater integrity, reduce the risk of breaking the law, and ensure that stakeholders within the corporation understand their responsibilities to society, environment, and the economy as a whole (Satria, 2020). It can also help create positive incentives for corporations to operate with integrity, support compliance with the law, and promote good business ethics in the corporate environment.

i. Continuous Evaluation

Continuous evaluation is a key element in designing and implementing a system of criminal sanctions against corporations based on the corporate fault construction in the New Criminal Code. By continuously monitoring and evaluating the effectiveness of sanctions, governments and justice systems can ensure that they achieve the goals of preventing corporate crime and fair recovery of losses. Regular evaluation will help in identifying deficiencies or imbalances in the sanctions system, and allow for appropriate corrections and adjustments. This will also allow the legal system to adapt to changes in illegal actions that may occur among corporations (Kusumo, 2008).

Clear guidance in legislation is essential to ensure that criminal sanctions are applied fairly and in accordance with legal principles. This involves the establishment of fair court procedures, in which corporations have the same rights to legal defense and protection as individuals. Clarity in the guidance also provides authorities with confidence that law enforcement actions will not be misused for political or economic interests. In addition, regulations must classify corporate criminal acts based on their seriousness. For example, actions that threaten public health and safety or damage the environment must be subject to heavier sanctions. This provides a strong legal basis for distinguishing between illegal acts of significant harm and more minor administrative violations, ensuring that sanctions are appropriate to the severity of the act.

This approach is a crucial step in ensuring fairness and effectiveness in law enforcement against corporations. A legal framework that classifies corporate crimes based on their seriousness allows courts to impose more severe sanctions in cases involving serious offences, such as environmental abuse or danger to society. On the other hand, less serious administrative violations still require sanctions, but can be given in a lighter form. In this way, the application of the law can better suit the needs of individual cases and ensure that illegal corporate actions are not only punished, but also provide incentives for companies to comply with the law. In carrying out criminal sanctions against corporations, these principles must be followed to ensure that the sanctions are adequate, effective and proportional. This is also important to avoid domino effects that can harm the economy and society at large. With a balanced approach, criminal law can be used as an effective tool to control unlawful corporate behavior and encourage them to operate with ethics and integrity.

4. Conclusions

The implications of the Corporate Fault Construction in the New Criminal Code (UU No.1/2023) for Corporate Criminal Liability in Indonesia are very significant. This construction expands the criminal liability of corporations and individuals involved in corporate criminal acts. Along with broader definitions, strict liability requirements, and diverse criminal sanctions, the implementation of the New Criminal Code reflects the government's commitment to improving corporate governance, promoting compliance with the law, and ensuring the protection of the public interest. While there are differing

views on these changes, there is potential to create a more ethical, transparent and responsible business environment in Indonesia. What needs to be considered is the importance of maintaining a balance between strict law enforcement and supporting sustainable business growth.

The formulation of appropriate and proportional criminal sanctions for corporations based on the construction of corporate fault in the New Criminal Code (UU No.1/2023) must include fines as the main punishment based on the level of the violation, relevant additional penalties such as payment of compensation and reparation for the consequences of criminal acts, monitoring strict measures to assess compliance, elimination of discretionary policies, recognition of cooperation and recovery of losses, changes in organizational structure and preventive measures, fair appeal and trial mechanisms, increased awareness and education within the corporation, as well as continuous evaluation. A balanced approach between strict sanctions and effective education will help create a more ethical, transparent and responsible business environment in Indonesia. This is also important to maintain justice and legal certainty in the application of criminal sanctions.

Suggestions that can be given based on the research results are that the government, law enforcement and the business sector in Indonesia need to work together to implement the New Criminal Code (UU No.1/2023) wisely. In the process, it is necessary to strike a balance between strict law enforcement and supporting sustainable business growth. Additionally, it is important to ensure that these regulations are applied consistently and transparently. Authorities must also provide clear guidance on how corporations can properly comply with the law, so as to avoid criminal sanctions. Education and training on business ethics and applicable regulations need to be improved within corporations to increase awareness and compliance with the law. In addition, close monitoring and regular evaluation of the implementation of the New Criminal Code will help identify problems and necessary improvements. With a mature and sustainable approach, the New Criminal Code can help create a more ethical business environment and support the sustainable development of the Indonesian economy.

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