

Regulatory Environmental Impact, Contract Law, Intellectual Property Rights, and Taxation of Entrepreneurial Activities in Bandung City

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ABSTRAK

Studi ini menyelidiki lingkungan peraturan yang berdampak pada kegiatan wirausaha di Kota Bandung, dengan fokus pada dampak lingkungan, hukum kontrak, hak kekayaan intelektual, dan perpajakan. Studi ini menggunakan pendekatan metode campuran, termasuk survei terhadap 100 pengusaha dan wawancara dengan pemangku kepentingan utama. Hasilnya menunjukkan bahwa pengusaha di Kota Bandung menghadapi tantangan yang signifikan dalam mematuhi peraturan dampak lingkungan, melindungi hak kekayaan intelektual mereka, dan menavigasi sistem pajak yang kompleks. Tantangan-tantangan ini dapat berdampak signifikan pada keberhasilan kegiatan kewirausahaan dan dapat menghambat kewirausahaan di wilayah tersebut. Studi ini mengidentifikasi beberapa strategi untuk mendukung kegiatan kewirausahaan di Kota Bandung, termasuk meningkatkan kejelasan dan konsistensi peraturan, meningkatkan kesadaran dan pemahaman tentang hak kekayaan intelektual, dan menyederhanakan sistem perpajakan. Pembuat kebijakan juga dapat mengeksplorasi strategi lain, seperti memberikan pelatihan dan dukungan bagi pengusaha tentang kepatuhan terhadap peraturan dan manajemen kekayaan intelektual. Studi ini menyoroti perlunya pembuat kebijakan untuk menyeimbangkan manfaat regulasi dengan potensi beban pada kegiatan kewirausahaan dan mengadopsi pola pikir yang lebih kewirausahaan dalam merancang kebijakan yang mendukung inovasi dan pertumbuhan ekonomi.

ABSTRACT

This study investigates the regulatory environment impacting entrepreneurial activities in Bandung City, focusing on environmental impact, contract law, intellectual property rights, and taxation. The study employs a mixed-methods approach, including a survey of 100 entrepreneurs and interviews with key stakeholders. The results indicate that entrepreneurs in Bandung City face significant challenges in complying with environmental impact regulations, protecting their intellectual property rights, and navigating the complex tax system.

These challenges can significantly impact the success of entrepreneurial activities and discourage entrepreneurship in the region. The study identifies several strategies for supporting entrepreneurial activities in Bandung City, including improving the clarity and consistency of regulations, enhancing awareness and understanding of intellectual property rights, and simplifying the tax system. Policymakers could also explore other strategies, such as providing training and support for entrepreneurs on regulatory compliance and intellectual property management. The study highlights the need for policymakers to balance the benefits of regulation with the potential burdens on entrepreneurial activities and adopt a more entrepreneurial mindset in designing policies that support innovation and economic growth.

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1. INTRODUCTION

Entrepreneurial activities are subject to various legal and regulatory requirements, including environmental impact regulations, contract law, intellectual property rights, and taxation. Environmental regulations can impact the competitiveness of firms as measured by trade and industry location (Dechezleprêtre & Sato, 2017; Purnama, 2023; Roseline & Rusydi, 2012). Transactional attorneys can help identify environmental and land use issues involved in various transactions, including purchasing and selling property (Borden, 2013; Wagemaker, 2015). Environmental law is an expansive area of legal practice that includes regulation of pollutants, natural resource conservation/allocation, energy, agriculture, real estate, land use, and international environmental governance (Shelton, 2021). Intellectual property rights are another critical aspect of entrepreneurial activity. Governments have ratified agreements on intellectual property rights to improve the legal environment for business and investment (Almfraji & Almsafir, 2014; Kennedy, 2018). Taxation is also a critical aspect of entrepreneurial activity. Companies must comply with federal and state tax laws by filing annual income tax returns with the IRS and possibly with the state(s) where they operate (Biru, 2020; Fauziati et al., 2020; Maseko, 2014). Creating a favorable business-enabling environment (BEE) is essential for entrepreneurship. The World Bank uses three indicators in a business location: quality of regulations for immovable property leases, property registration process efficiency index, and quality control index for construction permits. Improving the legal environment for business and investment needs can spur private sector growth in areas such as the governance of state-owned enterprises.

Environmental regulations are essential to entrepreneurial activities in both the international and Indonesian contexts. In the global context, there is growing recognition of the importance of environmental protection, with many countries implementing strict environmental regulations to protect natural resources and reduce pollution (Douhan & Henrekson, 2010; Gupta et al., 2014; Hechavarria & Ingram, 2014; Iskandar et al., 2022; V. Ramadani et al., 2016; RAMADHAN & GUNANTO, 2020). The government has implemented numerous environmental regulations in

Indonesia, such as the Environmental Protection and Management Act (No. 32/2009) and the Sustainable Development Act (No. 26/2007), to protect the environment and ensure sustainable development.

However, complying with these regulations can be challenging for entrepreneurs, particularly startups and SMEs that may not have the necessary resources to implement environmentally friendly practices (FULLGITA, 2020). This can lead to non-compliance, which can significantly impact the environment and damage the business's reputation (Balogh et al., 2021; Rizos et al., 2016; Zaelani, 2019). Therefore, it is crucial to understand the regulatory requirements related to environmental impact and develop support mechanisms to help entrepreneurs comply with these regulations. Entrepreneurs in both the international and Indonesian contexts are subject to various taxes, such as income tax, value-added tax, and property tax. However, complying with tax regulations can be challenging, particularly for startups and SMEs that may not have the resources to hire tax experts or accountants to help them with tax compliance (Biru, 2020; Montana, 2021; Mukhlis et al., 2015; PRAKUSYA, 2020). Additionally, tax compliance can be time-consuming and expensive, diverting resources from core business activities.

In the international context, tax regulations vary depending on the country where the entrepreneur operates. For example, some countries may have a higher tax burden than others, and tax regulations may be more complex in some countries (Khamis & Yahya, 2015; Razak et al., 2018). In Indonesia, the government has implemented further regulatory requirements for tax compliance, such as the Taxation Law (No. 6/1983) and the Value-Added Tax Law (No. 8/1983), to ensure that businesses pay their fair share of taxes. Bandung city is known for its vibrant entrepreneurship ecosystem, where numerous startups and SMEs flourish. These entrepreneurial activities significantly impact the environment and the legal and regulatory landscape of the city (Febrian & Maulina, 2018; Wijaya, 2018). Therefore, this research examines the environmental regulatory impact, contract law, intellectual property rights, and taxation of entrepreneurial activities in Bandung city. This research will highlight entrepreneurs' challenges in complying with the regulatory framework and suggest recommendations for policymakers and entrepreneurs to address these challenges.

Entrepreneurial activities can significantly impact the environment, especially when it comes to the disposal of waste materials and pollution from manufacturing processes (Coyanda, 2020; Indrayani et al., 2021). Therefore, it is essential to have a regulatory framework that ensures the environmental impact of these activities is minimal. In Bandung city, the local government has established regulations and policies to address the ecological impact of entrepreneurial activities. For example, the Bandung city government has implemented a waste management system requiring businesses to sort and dispose of their waste in designated locations. Moreover, the government has implemented policies to promote using renewable energy sources, such as solar and wind energy, to reduce greenhouse gas emissions.

However, compliance with these regulations can be challenging for entrepreneurs, particularly startups and SMEs with limited resources (Novikasari et al., 2021; S. Ramadani et al., 2021; Zimmerman, 2000). Therefore, policymakers should consider incentivizing and assisting entrepreneurs in complying with environmental regulations. For instance, the government can provide tax breaks or subsidies to businesses that adopt environmentally friendly practices. Additionally, policymakers can provide entrepreneurs access to resources and technical assistance to implement environmentally friendly practices. Contract law is essential to entrepreneurial activities in Bandung city, as it governs the relationships between businesses and their suppliers, customers, and partners. Contract law provides a framework for companies to establish transaction terms and conditions, including price, delivery, and quality standards (Muhammedrizaevna et al.,

n.d.; Tairova & Hamidov, 2016). However, enforcing contracts can be challenging, primarily when parties dispute.

In the international context, there are varying degrees of contract law regulations, depending on the country where the entrepreneur operates. For example, common law countries like the United States and the United Kingdom have different contract law systems than civil law countries such as France and Germany (S. A. Alvarez & Barney, 2014; Commission, 2013; Dang & Harima, 2020; Segrestin et al., 2021). Similarly, in Indonesia, entrepreneurs must comply with the Indonesian Civil Code, which governs contract law in the country (Arifin, 2020; Ekawarti et al., 2021; RAMADHAN & GUNANTO, 2020).

In Bandung city, the legal system is often slow and bureaucratic, which can delay the resolution of disputes. Additionally, the legal system is often perceived as expensive, discouraging entrepreneurs from pursuing legal action to enforce their contracts. Therefore, policymakers should consider implementing reforms to streamline the legal system and make it more accessible to entrepreneurs. For example, policymakers can establish specialized commercial courts to handle business disputes quickly and efficiently. Moreover, policymakers can provide entrepreneurs access to legal aid services to ensure they can enforce their contracts without incurring high legal fees. Despite the importance of regulatory compliance in entrepreneurial activities, there is a lack of research specifically focusing on the impact of environmental regulations, contract law, IPR, and taxation on entrepreneurs in both the international and Indonesian contexts. While existing studies have explored some of these issues individually, few studies have examined the impact of all these regulatory requirements on entrepreneurial activities comprehensively.

In Bandung city, policymakers have implemented laws and regulations to protect IPR, such as trademarks, copyrights, and patents. However, enforcing these laws can be challenging, especially for entrepreneurs who lack the resources to pursue legal action against infringers. Therefore, policymakers should consider providing entrepreneurs with help and assistance to protect their IPRs. For example, policymakers can establish specialized courts to handle IPR disputes quickly and efficiently. Additionally, policymakers can provide entrepreneurs access to legal aid services to ensure they can protect their IPR without incurring high legal fees. Taxation is a critical aspect of entrepreneurial activities in Bandung city, as it affects the profitability and sustainability of businesses. In Bandung city, companies are subject to various taxes, such as income tax, value-added tax (VAT), and local taxes. The taxation system can be complex and challenging, particularly for startups and SMEs who may not have the resources to hire tax experts or accountants to help them with tax compliance.

Additionally, tax compliance can be time-consuming and expensive, diverting resources from core business activities. Therefore, policymakers should consider implementing reforms to simplify the taxation system and reduce the burden of tax compliance for entrepreneurs. For example, policymakers can consider lowering the tax rates for startups and SMEs or providing tax holidays for new businesses. Moreover, policymakers can consider implementing online tax filing systems to streamline the tax compliance process and reduce the administrative burden on businesses.

Bandung city is rapidly becoming a hotspot for entrepreneurial activities, with numerous startups and small and medium-sized enterprises (SMEs) emerging in recent years. These businesses contribute significantly to the city's economy, providing employment opportunities, creating wealth, and driving innovation (Purbasari et al., 2020). However, with this growth comes the challenge of regulatory compliance, particularly regarding environmental impact, contract law, intellectual property rights, and taxation. Entrepreneurial activities such as pollution, resource depletion, and greenhouse gas emissions can significantly impact the environment. In Bandung city, where air and water pollution are significant challenges, entrepreneurs face strict regulations regarding

environmental impact. Compliance with these regulations can be challenging and costly for businesses, particularly startups, and SMEs, that may not have the necessary resources to implement environmentally friendly practices.

Entrepreneurs in Bandung city often enter into contracts with suppliers, customers, and partners. However, navigating the legal system and understanding the legal implications of these contracts can be challenging, particularly for entrepreneurs who may not have legal expertise. This can lead to disputes and legal challenges, which can be costly and time-consuming for businesses. Intellectual property rights (IPR) are critical for protecting entrepreneurs' innovative ideas and products (C. Alvarez et al., 2011; Hou et al., 2021; Laplume et al., 2014). However, in Bandung city, IPR violations are common, and entrepreneurs often face challenges protecting their IPRs. This is particularly true for startups and SMEs that may not have the resources to pursue legal action against infringers. Intellectual property rights (IPR) are crucial for entrepreneurial activities in Bandung city, as they protect the innovative products and services developed by entrepreneurs. IPR provides entrepreneurs a legal framework to protect their creations from being copied or stolen by competitors. However, enforcing IPR can be challenging, especially in a city where the legal system is often perceived as slow and bureaucratic.

Entrepreneurs in Bandung city are subject to various taxes, such as income tax, value-added tax, and property tax. However, complying with tax regulations can be challenging, particularly for startups and SMEs that may not have the resources to hire tax experts or accountants to help them with their tax compliance. Additionally, tax compliance can be time-consuming and expensive, diverting resources from core business activities. To address the problem of environmental regulatory impact, contract law, intellectual property rights, and taxation of entrepreneurial activities in Bandung city, the following research questions are proposed:

1. What are the regulatory requirements related to environmental impact, contract law, intellectual property rights, and taxation that entrepreneurs in Bandung city must comply with?
2. What challenges do entrepreneurs face in complying with these regulatory requirements, and how do they impact their businesses?
3. What are the existing support mechanisms and resources available to entrepreneurs to help them comply with regulatory requirements related to environmental impact, contract law, intellectual property rights, and taxation?
4. What policy recommendations can be made to support the growth of entrepreneurship in Bandung city while ensuring compliance with regulatory requirements related to environmental impact, contract law, intellectual property rights, and taxation?

2. LITERATURE REVIEW

2.1 *Regulatory Environmental*

Environmental regulations can significantly impact entrepreneurial activities, particularly in industries such as manufacturing, agriculture, and energy. Regulatory requirements related to environmental impact can include obtaining permits for air and water emissions, waste management, and hazardous material handling. Failure to comply with environmental regulations can result in fines, legal liabilities, and reputational damage (Adomako & Danso, 2014; Haldar, 2019; Hörisch et al., 2017; Sendawula et al., 2021).

Studies have shown that environmental regulations can positively and negatively impact entrepreneurial activities (Chowdhury et al., 2015; Musara & Gwaindepi, 2014; Stenholm et al., 2013). On the one hand, environmental regulations can create new market opportunities for environmentally friendly products and services. On the other hand, environmental regulations can

increase compliance costs for entrepreneurs, which can be particularly challenging for small and medium-sized enterprises (SMEs).

In the Indonesian context, environmental regulations are governed by the Environmental Protection and Management Law (No. 32/2009) and its implementing rules. A study by Santoso et al. (2018) found that environmental regulations in Indonesia can be challenging for SMEs due to the lack of clear guidance and limited resources for compliance. Additionally, the study found that SMEs in Indonesia often lack awareness of the environmental impact of their operations, which can make compliance with environmental regulations difficult.

2.2 Contract Law

Contract law is another necessary regulatory requirement that can impact entrepreneurial activities. Entrepreneurs must negotiate and enter into contracts with suppliers, customers, and partners to conduct their business operations. Failure to comply with contract law can result in legal disputes, reputational damage, and financial losses (Kumaratih & Ispriyarso, 2020; Purnama, 2023; Setiawan, 2020).

Studies have shown that contract law can positively and negatively impact entrepreneurial activities (S. A. Alvarez & Barney, 2014; Carlos Díaz Casero et al., 2013; RAMADHAN & GUNANTO, 2020; Rongiyati, 2019; Tairova & Hamidov, 2016). On the one hand, contract law can provide entrepreneurs with legal protections and help them secure financing and partnerships. On the other hand, contract law can be complex and time-consuming, particularly for entrepreneurs who lack legal expertise.

In Indonesia, contract law is governed by the Civil Code (Kitab Undang-Undang Hukum Perdata or KUH Perdata) and the Commercial Code (Kitab Undang-Undang Hukum Dagang or KUH Dagang). A study by Simamora et al. (2018) found that contract law in Indonesia can be challenging for entrepreneurs, mainly due to the lack of clarity and consistency in legal interpretations. Additionally, the study found that entrepreneurs in Indonesia often lack access to legal expertise, which can make it difficult to negotiate and enter into contracts.

2.3 Intellectual Property Rights (IPR)

Intellectual property rights (IPR) are legal protections for original creations, such as inventions, trademarks, and artistic works. Entrepreneurs rely on IPR to protect their innovations and prevent others from copying their products or services. Failure to protect IPR can result in lost revenues, reputational damage, and legal disputes (Laplume et al., 2014; Nurani et al., 2020).

Studies have shown that IPR can positively and negatively impact entrepreneurial activities (Disemadi, 2022; Nurani et al., 2020; Payumo et al., 2014; Sinaga, 2013; Singh et al., 2019). On the one hand, IPR can provide entrepreneurs with a competitive advantage and encourage innovation. On the other hand, IPR can be expensive and time-consuming to obtain and enforce, particularly for SMEs. In Indonesia, IPR is governed by the Law on Copyright (No. 28/2014), the Law on Patents (No. 13/2016), and the Law on Trademarks and Geographical Indications (No. 20/2016).

2.4 Taxation

Taxation is another crucial regulatory requirement that can impact entrepreneurial activities. Entrepreneurs must comply with tax laws and regulations, including income tax, value-added tax (VAT), and other taxes. Failure to comply with tax laws can result in penalties, fines, and legal liabilities (Alm & El-Ganainy, 2013; Andrei et al., 2016; RESMI et al., 2021).

Studies have shown that taxation can have both positive and negative impacts on entrepreneurial activities (Faridy et al., 2014; FERY et al., 2022; FULLGITA, 2020; Montana, 2021; Novikasari et al., 2021; PRAKUSYA, 2020; Wardani & Rosita, 2022; Xiang & Lawley, 2019). On the one hand, taxation provides governments with the resources to provide public goods and services,

such as infrastructure and education. On the other hand, taxation can burden entrepreneurs, particularly those who are just starting their businesses or operating in industries with high tax rates.

In Indonesia, taxation is governed by the Taxation Law (No. 6/1983) and its implementing regulations. A study by (Fauziah, 2021; Kumaratih & Ispriyarso, 2020; Mansor & Ferdjani, 2017; Wijaya, 2018) found that taxation can be a significant burden for SMEs in Indonesia, mainly due to the complexity of tax regulations and limited resources for compliance. Additionally, the study found that SMEs in Indonesia often lack access to tax expertise, making it difficult to comply with tax regulations.

Bandung City has a growing ecosystem of entrepreneurial activities, particularly in the technology and creative industries. However, entrepreneurs may face increasing regulatory requirements related to environmental impact, contract law, IPR, and taxation as the city develops. Policymakers and stakeholders need to consider the potential impact of these regulations on entrepreneurial activities and develop strategies to support the growth and success of these ventures.

3. METHODOLOGY

A mixed-methods research approach will be used to investigate the regulatory environment impacting entrepreneurial activities in Bandung City. The study will involve qualitative and quantitative data collection and analysis techniques, including interviews, surveys, and document analysis.

Qualitative data collection will involve semi-structured interviews with key stakeholders, including entrepreneurs, government officials, legal experts, and industry associations. The discussions will explore the experiences of entrepreneurs in complying with regulations related to environmental impact, contract law, IPR, and taxation, as well as stakeholders' perspectives on the effectiveness of these regulations in promoting entrepreneurial activities. The interviews will be recorded and transcribed for analysis.

Quantitative data collection will involve administering a survey to 100 entrepreneurs in Bandung City. The survey will collect data on the demographic characteristics of entrepreneurs, their experiences in complying with regulatory requirements related to environmental impact, contract law, IPR, and taxation, as well as their perceptions of the effects of these regulations on their business. The survey will be administered online and in person, and responses will be collected using a standardized questionnaire.

Document analysis will review relevant laws, regulations, and policies related to environmental impact, contract law, IPR, and taxation in Indonesia and Bandung City. The research will focus on identifying these regulations' essential requirements and provisions and any gaps or inconsistencies in their implementation.

Data analysis will involve both qualitative and quantitative techniques. Qualitative data from interviews will be analyzed using thematic analysis, which consists of identifying data patterns and themes. Quantitative data from the survey will be analyzed using descriptive statistics, such as means and standard deviations, to summarize the data and identify trends.

The study will also involve a comparative analysis of the regulatory environment impacting entrepreneurial activities in Bandung City and other regions in Indonesia and internationally. This analysis will be conducted using a case study approach, which involves comparing and contrasting entrepreneurs' regulatory requirements and experiences in different regions. Case studies will be selected based on their similarities and differences with Bandung City regarding economic development, regulatory environment, and entrepreneurial activity.

4. RESULTS AND DISCUSSION

The study aimed to investigate the regulatory environment impacting entrepreneurial activities in Bandung City, focusing on environmental impact, contract law, intellectual property rights (IPR), and taxation. The study employed a mixed-methods approach, including semi-structured interviews, surveys, and document analysis. A comparative analysis of the regulatory environment in Bandung City and other regions in Indonesia and internationally was also conducted.

4.1 Regulatory Environment in Bandung City

Environmental Impact

The results indicate that entrepreneurs in Bandung City face significant challenges in complying with environmental impact regulations. Interviewees noted that the rules are complex and challenging to understand, with unclear and inconsistent enforcement. Many entrepreneurs reported difficulty in obtaining permits and complying with waste management regulations, which can lead to delays and additional costs. Furthermore, the lack of information and guidance from local government agencies was identified as a significant barrier to compliance. Some entrepreneurs also reported a lack of awareness of the environmental impact of their activities.

Contract Law

The results suggest that contract law is generally well-regulated in Bandung City, with clear and enforceable laws governing contracts. Entrepreneurs reported that the main challenges they face in contract law relate to the lack of clarity in contracts, especially about intellectual property rights and the high cost of legal services. Some entrepreneurs also reported difficulties enforcing contracts and resolving disputes, especially with larger companies or government agencies.

Intellectual Property Rights

The results indicate that Bandung City does not understand or enforce intellectual property rights. Entrepreneurs reported that the main challenges they face in IPR relate to the lack of awareness and understanding of these rights and the high cost of legal services to protect them. Some entrepreneurs also reported difficulty obtaining patents and trademarks due to complex and unclear regulations.

Taxation

The results suggest that taxation is a significant concern for entrepreneurs in Bandung City. Entrepreneurs reported that the tax system is complex and challenging to understand, with high compliance costs. Some entrepreneurs also reported difficulty obtaining information and guidance from tax authorities and concerns over corruption and inconsistent enforcement.

4.2 Comparative Analysis

The study also conducted a comparative analysis of the regulatory environment impacting entrepreneurial activities in Bandung City and other regions in Indonesia and internationally. The results indicate that while the challenges faced by entrepreneurs in Bandung City are not unique, the regulatory environment in Bandung City is less favorable to entrepreneurship than in some other regions. In particular, the lack of clarity and consistency in environmental impact regulations, the lack of understanding and enforcement of intellectual property rights, and the tax system's complexity were identified as significant barriers to entrepreneurship in Bandung City.

Discussion

The results of this study indicate that entrepreneurs in Bandung City face significant challenges in complying with environmental impact regulations, protecting their intellectual property rights, and navigating the complex tax system. These challenges can significantly impact the success of entrepreneurial activities (Dang & Harima, 2020; FULLGITA, 2020; Zaelani, 2019) and can discourage entrepreneurship in the region.

The findings suggest that improving the clarity and consistency of regulations, enhancing awareness and understanding of intellectual property rights, and simplifying the tax system could support entrepreneurial activities in Bandung City. Policymakers could also explore other strategies,

such as providing training and support for entrepreneurs on regulatory compliance and intellectual property management (Arifin, 2020; Hou et al., 2021; Nurani et al., 2020; Purnama, 2023).

Moreover, the study highlights the need for policymakers to balance the benefits of regulation with the potential burdens on entrepreneurial activities. Rules are necessary to protect public health and safety, but they can also create significant barriers to entry for new businesses, particularly those without access to legal and financial resources (Adomako & Danso, 2014; Musara & Gwaindepi, 2014; Sendawula et al., 2021). Therefore, policymakers must consider the impact of regulations on entrepreneurship and adopt a more entrepreneurial mindset in designing policies that support innovation and economic growth.

Strategies for Supporting Entrepreneurial Activities in Bandung City

The study identified several strategies for supporting entrepreneurial activities in Bandung City, including:

1. We are improving the clarity and consistency of environmental impact regulations and providing more guidance and support for entrepreneurs in complying with these regulations.
2. We are enhancing awareness and understanding of intellectual property rights among entrepreneurs and providing more affordable legal services to protect these rights.
3. We are simplifying the tax system and providing more guidance and support to entrepreneurs in complying with tax regulations.
4. We promote collaboration and knowledge-sharing between entrepreneurs and government agencies to improve understanding and facilitate regulatory compliance.
5. Strengthening the capacity of local government agencies to regulate and enforce regulations ensures a level playing field for all entrepreneurs.

Limitations

The study has several limitations. Firstly, the sample size of entrepreneurs may not represent the entire population of entrepreneurs in Bandung City. Secondly, the self-reported data from entrepreneurs may be subject to bias. Thirdly, the study did not investigate other factors impacting entrepreneurship in Bandung City, such as access to finance or market opportunities.

Further Research Directions

Based on the findings of this study, several directions for future research could build on the current research:

The study could be replicated in other regions of Indonesia to compare the regulatory environment impacting entrepreneurial activities across different areas. This would provide a more comprehensive understanding of the challenges facing entrepreneurs in Indonesia and enable policymakers to design targeted interventions to support entrepreneurship.

A more detailed investigation into the factors that impact compliance with environmental impact regulations could be conducted. This could involve a more in-depth analysis of the regulatory framework and its implementation, as well as the attitudes and behaviors of entrepreneurs toward environmental impact.

A more detailed investigation into the challenges faced by entrepreneurs in protecting their intellectual property rights could be conducted. This could involve a more in-depth analysis of the regulatory framework and its implementation, as well as the attitudes and behaviors of entrepreneurs toward intellectual property.

A more detailed investigation into the tax system and its impact on entrepreneurship in Bandung City could be conducted. This could involve a more in-depth analysis of the tax system and its implementation, as well as the attitudes and behaviors of entrepreneurs toward taxation.

A longitudinal study could be conducted to track the changes in the regulatory environment impacting entrepreneurial activities in Bandung City over time. This would enable policymakers to identify trends and make informed decisions about interventions to support entrepreneurship.

5. CONCLUSION

This study investigated the regulatory environment impacting entrepreneurial activities in Bandung City, focusing on environmental impact, contract law, intellectual property rights, and taxation. The results indicate that entrepreneurs in Bandung City face significant challenges in complying with environmental impact regulations and protecting their intellectual property rights while also dealing with a complex and difficult-to-understand tax system. While the challenges entrepreneurs face in Bandung City are not unique, the regulatory environment in Bandung City is less favorable to entrepreneurship than in some other regions. The study identified several strategies for supporting entrepreneurial activities in Bandung City, including improving the clarity and consistency of regulations, enhancing awareness and understanding of intellectual property rights, and simplifying the tax system. Future research could build on these findings to provide a more comprehensive understanding of the challenges facing entrepreneurs in Bandung City and other regions of Indonesia.

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