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Legal Politics of the Nickel Export Ban Policy in Natural Resource Management Post-Job Creation Law

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Abstract

The nickel export ban policy is a legal instrument adopted by the government to realize downstreaming as part of natural resource management in accordance with the mandate of Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia. This study aims to analyze the legal politics of the nickel export ban policy in natural resource management after Law Number 6 of 2023 concerning Job Creation and examine its implications for natural resource management, legal certainty, and the investment climate. The study uses a normative legal method with a statutory regulatory approach and a conceptual approach. The results of the study indicate that the nickel export ban is a manifestation of the state's legal politics in exercising the state's right to control through a downstreaming policy to increase the added value of minerals, strengthen national industrialization, and realize the prosperity of the people. After the Job Creation Law, the government continues to maintain the downstreaming policy by simplifying business licensing through a risk-based Online Single Submission system to increase investment competitiveness. This policy has a positive impact on increasing investment and the development of the mineral processing industry, but still faces challenges in the form of legal certainty, environmental protection, and consistent implementation of regulations so that sustainable and equitable governance is needed.

Keywords: Legal Politics , Nickel Export Ban , Natural Resources.

Introduction

Indonesia is blessed with abundant natural resources, both renewable and non-renewable. Nickel is one of the strategic natural resources crucial for national development. Indonesia's position as one of the world's largest nickel reserves positions this commodity as a strategic asset in supporting national economic growth, particularly amidst the growing global demand for raw materials for electric vehicle batteries and the development of clean energy. This situation makes nickel management viewed not only as an economic activity but also as part of state policy to achieve public welfare through sustainable natural resource management (Santoso et al., 2023).

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The Constitution has provided a clear foundation for the direction of natural resource management in Indonesia. Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia stipulates that the land, water, and natural resources contained therein are controlled by the state and used to the greatest extent possible for the prosperity of the people. The concept of the state's right to control has been emphasized in various Constitutional Court decisions, which define state control not only as ownership but also as the authority to regulate, manage, administer, supervise, and establish policies regarding the utilization of natural resources. Consequently, the state has a constitutional responsibility to ensure that the utilization of nickel provides added value to the national economy and does not stop at the mere exploitation of raw materials (Fadlillah & Wahyuni, 2023).

For years, Indonesia's nickel management model has been dominated by the export of raw ore, resulting in the economic value-added primarily accruing to importing countries, which undergo further processing. This model is considered inconsistent with the constitutionally mandated objectives of natural resource management. Therefore, the government is shifting its mineral management policy direction through a downstream strategy aimed at increasing added value, strengthening national industrialization, expanding employment opportunities, and boosting state revenue from the mining sector.

The downstreaming policy gained legal legitimacy through Law Number 3 of 2020 concerning Amendments to Law Number 4 of 2009 concerning Mineral and Coal Mining. Articles 102 and 103 require mining business permit holders to increase the added value of minerals through domestic processing and refining activities. This policy was then reinforced through Regulation of the Minister of Energy and Mineral Resources Number 11 of 2019 concerning the Second Amendment to Regulation of the Minister of Energy and Mineral Resources Number 25 of 2018 concerning Mineral and Coal Mining Business, which accelerated the cessation of nickel ore exports, and Government Regulation Number 96 of 2021 concerning the Implementation of Mineral and Coal Mining Business Activities as an implementing regulation of the Mineral and Coal Law. The presence of these various regulations demonstrates the government's legal political orientation to shift the paradigm of natural resource management from the sale of raw materials to the development of a national processing industry (Wulandari et al., 2023).

The implementation of the nickel export ban has resulted in various legal and economic consequences. On the one hand, the policy has successfully encouraged the development of mineral refining and processing facilities, increased investment in the downstream sector, and strengthened Indonesia's position in the global electric vehicle supply chain. On the other hand, the policy has drawn criticism from business actors, who believe the relatively short regulatory changes have impacted legal certainty and business continuity. The conflicting interests between optimizing natural resource utilization and ensuring business certainty have become a persistent issue in the implementation of the nickel export ban (Jason et al., 2024).

These dynamics have become increasingly interesting to study following the enactment of Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law. The Job Creation Law brought changes to investment governance through the simplification of risk-based business licensing, strengthening of the *Online Single Submission system* , and harmonization of various provisions related to business activities in the mining sector. This policy direction is aimed at increasing national investment competitiveness without changing the downstream orientation as the primary strategy for mineral management. This situation raises questions about the consistency of state policy in balancing investment interests with the constitutional mandate of natural resource management (Alam et al., 2026).

Another issue arises in the context of legal certainty due to changes in mineral export policies and the emergence of international trade disputes related to the nickel export ban. Gradual regulatory changes require businesses to adjust their obligations to process minerals domestically. This situation demonstrates that natural resource management policies are not only related to national legal aspects, but also relate to international trade interests and investment climate protection. This issue demonstrates the importance of legal policy that maintains a balance between national interests, legal certainty, and sustainable natural resource management.

Various previous studies generally focused on discussions of international trade disputes, the economic aspects of downstreaming, and the implications of the nickel export ban policy on Indonesia's trade relations with other countries. Studies linking this policy to the legal politics of natural resource management following the enactment of Law Number 6 of 2023 concerning Job Creation are still relatively limited. Based on this, this study is directed at analyzing the legal politics of the nickel export ban policy as an instrument of natural resource management and examining its implications for legal certainty, natural resource management, and the investment climate in order to realize the objectives of Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia.

Research methods

This research is a normative legal research, namely research conducted by examining the law as a norm or rule that applies to find, understand, and provide legal arguments for a problem. In this research, a statute approach and a conceptual approach are used. The statutory regulatory approach is an approach carried out by examining and analyzing provisions in various laws and regulations related to the legal problem being studied. This approach is used to analyze the provisions of Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia, Law Number 3 of 2020 concerning Amendments to Law Number 4 of 2009 concerning Mineral and Coal Mining, Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation to Become Law, as well as its implementing regulations (Rahayu et al., 2020).

The conceptual approach is used to understand and analyze legal concepts related to the research problem, based on the perspectives and doctrines developed in legal science. This approach is used to examine the concepts of legal politics, state control rights, legal certainty, and natural resource management. The legal materials used in this research consist of primary, secondary, and tertiary legal materials. All of these legal materials are analyzed prescriptively using interpretation and legal argumentation techniques to obtain answers to the legal problems under study (Ali, 2021).

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Result and Discussion

A. Legal Policy on the Nickel Export Ban Policy in Natural Resource Management Following the Enactment of Law Number 6 of 2023 concerning Job Creation

The management of natural resources in Indonesia is constitutionally legitimized through Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia, which affirms that the land, water, and natural resources contained therein are controlled by the state and used to the greatest extent possible for the prosperity of the people. This formulation shows that the constitution does not position natural resources as economic objects that are fully subject to market mechanisms, but rather as national wealth whose management must be directed to fulfill the public interest. Consequently, the state bears the constitutional responsibility to formulate legal policies that are able to guarantee the utilization of natural resources in a fair, sustainable manner and provide added value to national development. In this context, the management of strategic mineral commodities, including nickel, cannot be separated from the state's goal of realizing general welfare as mandated in the Preamble to the 1945 Constitution of the Republic of Indonesia (Jamil & Sholeha, 2026).

The phrase "controlled by the state" in Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia cannot be interpreted as the state's right of ownership over all natural resources. This meaning has developed through constitutional interpretation by the Constitutional Court. Constitutional Court Decision Number 001-021-022/PUU-I/2003 emphasized that the state's right to control is a constitutional mandate that gives the state the authority to implement policies, regulate, manage, administer, and supervise production branches that are important to the state and natural resources that affect the lives of many people. This interpretation was then reaffirmed in Constitutional Court Decision Number 36/PUU-X/2012 which positions the state's right to control as an instrument to ensure that natural resource management remains within the corridor of maximum prosperity for the people. This interpretation shows that the state does not act merely as a business actor, but as a holder of a constitutional mandate responsible for determining the direction of natural resource management policy (Lubis, 2026).

The state's right to control essentially gives rise to five main functions that must be carried out in an integrated manner: policy formulation (beleid), regulatory function (*regelendaad*), administration function (*bestuursdaad*), management function (*beheersdaad*), and oversight function (*toezichthoudensdaad*). These five functions illustrate that the state has discretion to determine the model for managing natural resources as long as it remains oriented towards national interests. The policy formulation function authorizes the government to determine the direction of development in the mining sector. The regulatory function is realized through the formation of laws and regulations governing mining governance. The administration and management functions are carried out through the granting of business permits, controlling mining activities, and managing state assets. The oversight function aims to ensure that the utilization of natural resources is carried out in accordance with the principles of sustainability, environmental protection, and public prosperity. All of these functions demonstrate that state control is a public law concept that positions the state as both a regulator and a guarantor of public interests (Giling et al., 2026).

The concept of the state's right to control aligns with Indonesia's character as a welfare state . In a welfare state, the government is not only tasked with maintaining legal order but also obligated to intervene in economic activities when necessary to protect the public interest. This intervention gains constitutional legitimacy when directed toward creating equitable prosperity and preventing the control of natural resources by certain interests that could potentially reduce benefits for the wider community. The management of strategic mineral resources is one sector that requires an active state presence because it is related to national economic resilience, industrial development, state revenues, and the sustainable use of natural resources for future generations. Therefore, policies that limit or direct the pattern of natural resource utilization cannot be assessed solely from the perspective of freedom of business, but must be placed within the framework of implementing the state's constitutional obligations.

This policy direction, when examined using Mahfud MD's legal politics theory, can be understood as the state's official policy regarding laws to be enforced or maintained to achieve the state's goals as formulated in the constitution. This theory demonstrates that the creation or amendment of regulations is never neutral because it always reflects the state's policy choices toward specific goals. Legal politics serves as an instrument that connects legal ideals with national development needs through the formation of norms capable of addressing social, economic, and political challenges. From this perspective, every legal policy governing natural resource management must be understood as a manifestation of the state's will to realize constitutional goals, not merely a response to market dynamics or short-term economic interests (Talitha & Nurkhaerani, 2026).

According to Mahfud MD, legal policy is a legal policy that will be or has been established by the state as a guideline for achieving state goals. Legal policy determines the direction of the formation, change, and implementation of laws in accordance with national ideals reflected in the constitution. This theory demonstrates that laws are not formed neutrally, but rather are the result of state policy choices regarding the desired development goals. Every regulatory change in the natural resources sector is essentially a manifestation of the legal policy direction chosen by the government together with lawmakers. In the context of mineral mining management, the nickel ore export ban policy is a concrete example of state legal policy. The government uses legal instruments to shift the pattern of natural resource utilization from previously relying on raw material exports to developing domestic processing and refining industries. This choice demonstrates the use of law as an instrument of economic development aimed at increasing the added value of minerals, strengthening the national industrial structure, and reducing dependence on primary commodity exports. This legal policy also demonstrates a shift in the orientation of mining policy from resource exploitation to natural resource-based industrialization (Yessie et al., 2026).

The nickel ore export ban policy was born in response to mining management practices that for years have positioned Indonesia as the main supplier of mineral raw materials for foreign industries. Exports of raw ore have resulted in most processing being carried out in the export destination countries, resulting in greater economic value added, technological mastery, and employment opportunities being enjoyed by other countries. This situation indicates that the utilization of natural resources has not fully reflected the objectives of Article 33 paragraph (3) of the 1945

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Constitution of the Republic of Indonesia because the economic benefits obtained domestically are still relatively limited. Based on this, the government is changing the paradigm of mineral management through a downstream policy that requires processing and refining minerals before being traded.

This policy transformation is legally based on Law Number 4 of 2009 concerning Mineral and Coal Mining, as amended by Law Number 3 of 2020 concerning Amendments to Law Number 4 of 2009 concerning Mineral and Coal Mining. Article 102 requires holders of Mining Business Permits (IUP) and Special Mining Business Permits (IUPK) to increase the added value of minerals through domestic processing and refining activities. This obligation is further emphasized in Article 103, which requires IUP and IUPK holders to process and refine mining products in accordance with statutory provisions. This regulation demonstrates that downstreaming is not merely a government economic policy but has become a legal obligation binding on all mining business actors. Therefore, the ban on nickel ore exports is a legal consequence of the obligation to increase the added value of minerals, which has been stipulated by lawmakers as part of the legal policy for national natural resource management (Nugroho & Haryanto, 2026).

The implementation of the obligation to increase mineral added value was strengthened through Regulation of the Minister of Energy and Mineral Resources Number 11 of 2019 concerning the Second Amendment to Regulation of the Minister of Energy and Mineral Resources Number 25 of 2018 concerning Mineral and Coal Mining Business. This regulation accelerated the cessation of low-grade nickel ore exports, requiring mining businesses to direct their production to domestic processing and refining facilities. This policy not only changed the mechanism of mineral commodity trading but also emphasized that increasing added value is a legal obligation that must be fulfilled by every mining business permit holder. This policy direction demonstrates the government's consistency in making downstreaming the primary instrument for mineral resource management (Sabila et al., 2026).

The strengthening of this policy continued through Government Regulation Number 96 of 2021 concerning the Implementation of Mineral and Coal Mining Business Activities, issued as an implementing regulation of Law Number 11 of 2020 concerning Job Creation, which was then declared to remain in effect and enacted into law through Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law. Government Regulation Number 96 of 2021 regulates the governance of mining business activities more comprehensively, including licensing, processing and refining, mineral marketing, and guidance and supervision. These regulations demonstrate that the export ban policy is part of an integrated mining legal system, not a stand-alone policy (Ismail & Kase, 2026).

Legally, the ban on nickel ore exports cannot be understood as a mere restriction on international trade. This policy represents a form of state intervention based on constitutional authority to control the use of natural resources. The state uses legal instruments to shift the orientation of economic development from dependence on raw material exports to the development of natural resource-based processing industries. This shift in orientation demonstrates that law functions as *a tool of social engineering* , aimed at creating a more productive and competitive national economic structure.

This legal and political choice has far-reaching consequences for national economic development. The presence of a processing and refining industry (*smelter*) is expected to increase the added value of minerals, expand employment opportunities, encourage technology transfer, boost state revenue, and create downstream industries linked to the manufacturing sector. On the other hand, this policy also poses challenges in the form of significant investment requirements, infrastructure readiness, energy availability, and regulatory certainty. The effectiveness of the export ban is ultimately determined not only by the existence of legal norms but also by the country's ability to build an industrial ecosystem capable of supporting sustainable downstreaming.

Following the enactment of the Job Creation Law, the legal policy direction in the mining sector continues to maintain downstreaming as a national strategic policy. Changes have been directed at improving investment mechanisms through streamlining risk-based business licensing, implementing the *Online Single Submission* (OSS) system, and harmonizing various sectoral provisions that previously created overlapping regulations. These reforms demonstrate the government's efforts to eliminate administrative barriers without reducing the obligation of businesses to process and refine minerals domestically. Thus, the legal policy post-Job Creation Law does not change the substance of downstreaming, but rather improves governance to facilitate the realization of policy objectives (Salim & Wiyono, 2026).

From the perspective of the state's right to control as stated by Bagir Manan, the state has the authority to regulate (*regelendaad*), manage (*bestuursdaad*), administer (*beheersdaad*), supervise (*toezichthoudensdaad*), and establish control policies regarding the utilization of natural resources. This authority provides a constitutional basis for the government to establish a ban on nickel ore exports as an instrument for managing mineral resources. This policy is not a form of state monopoly on mining activities, but rather the implementation of a regulatory function so that the utilization of natural resources does not stop at exploitation activities, but produces greater economic benefits for the community. From this perspective, state intervention is actually a requirement so that the mandate of Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia can be realized in real terms (Aulia et al., 2026).

Based on this, the legal policy of the nickel ore export ban demonstrates continuity between the constitutional mandate, downstreaming policies, and regulatory reforms following the Job Creation Law. The state not only restricts the export of raw minerals but also establishes a legal framework that encourages natural resource-based industrialization through mandatory processing and refining, simplified licensing, and increased investment. This analysis demonstrates that Indonesia's legal policy orientation is shifting from a management model focused on commodity exploitation to a development model that prioritizes added value, industrial competitiveness, and public prosperity. The success of this policy depends on consistent law enforcement, oversight of the implementation of downstreaming obligations, and the state's ability to maintain a balance between investment interests and control of natural resources as mandated by the constitution.

B. The Implications of the Nickel Export Ban Policy on Natural Resource Management, Legal Certainty, and the Investment Climate in Indonesia

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The nickel ore export ban has brought significant changes to natural resource management patterns in Indonesia. This policy shifts the orientation of mineral management from the extraction and export of raw materials to the development of domestic processing and refining industries. This change is a consequence of the downstreaming policy, which requires that all mineral mining products have added value before being traded. From a natural resource management perspective, the export ban serves not only as a trade restriction instrument but also as a national industrial development policy oriented towards increasing economic benefits.

One of the most obvious implications is the increased construction of processing and refining facilities (*smelters*) in various nickel-producing regions. The presence of processing industries adds value to mineral commodities previously exported only as raw ore. This added value contributes to increased industrial activity, the development of mineral-based industrial areas, and increased job opportunities in the processing sector. This condition indicates that downstreaming has successfully driven the transformation of the economic structure from the extractive sector to an industrial sector with higher productivity. The increase in mineral added value also has implications for state revenue. Processing and refining activities generate a greater contribution to state revenue through taxes, royalties, and Non-Tax State Revenue (PNBP). In addition to increasing fiscal revenue, downstreaming activities create a multiplier effect on supporting sectors such as transportation, construction, energy, and services. From a national economic perspective, the export ban policy expands the benefits of natural resource utilization, which previously primarily benefited countries importing raw materials (Hayati, 2026).

On the other hand, increased processing industry activity is inseparable from the consequences of increased exploitation of mineral resources. Demand for raw materials for the smelter industry drives increased mining production, which has the potential to accelerate the depletion of mineral reserves if not balanced with sustainable management. The increasing intensity of mining activities also increases the risk of environmental damage due to land clearing, landscape changes, and increasing volumes of mining waste. Environmental issues are one of the main challenges in implementing downstreaming policies. Nickel mining activities in several areas have given rise to issues of deforestation, water sedimentation, environmental pollution, and suboptimal implementation of reclamation and post-mining processes. These conditions demonstrate that the success of downstreaming cannot be measured solely by investment growth or increased export value of processed products. Natural resource management must continue to adhere to the principles of sustainable development to ensure that economic benefits are not obtained at the expense of environmental quality and the rights of communities surrounding mining areas (Attamimi, 2026).

The implementation of the export ban policy demonstrates the existence of relatively rapid regulatory dynamics. Changes to the export ban schedule, refinements to provisions regarding processing and refining, changes to licensing mechanisms, and adjustments to various implementing regulations demonstrate that the government is attempting to accelerate the implementation of downstreaming. These regulatory dynamics are part of the government's policy in response to national and global economic developments. However, regulatory changes that occur in a relatively short time can impact business actors' business planning because they require adjustments to investment, technology, and production strategies. The aspect of legal certainty also received attention in the international trade dispute filed by the European Union at the World Trade Organization (*WTO*). The lawsuit arose as a result of the nickel ore export restriction policy, which was deemed to affect access to industrial raw materials. From a national legal perspective, the state still has the constitutional authority to regulate the use of natural resources for the national interest, as guaranteed in Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia. This issue demonstrates that natural resource policy is not only related to national law but also interacts with the international trade legal regime (Tomio et al., 2026).

According to Gustav Radbruch, one of the objectives of law is to achieve legal certainty. Legal certainty requires clear, consistent, predictable norms that are consistently implemented. Frequently changing public policies can potentially create uncertainty for both the public and businesses, making them difficult to use as a basis for long-term planning. In this context, legal certainty relates not only to the existence of regulations but also to the stability of government policies. Based on this theory, the nickel ore export ban policy essentially has constitutional legitimacy as a form of exercising the state's right to control natural resources. Problems arise when policy changes are implemented in a relatively short period of time without adequate transition periods for businesses. This situation can increase compliance costs, impact investment certainty, and create the perception that regulations in the mining sector are unpredictable. Therefore, policy consistency is a determining factor in the effectiveness of downstream legal policies (Setiawan et al., 2026).

The nickel ore export ban also has significant implications for the investment climate in the mining and mineral processing sectors. The obligation to process and refine domestically drives a shift in investment patterns from raw material exploitation to downstream industry development. This shift demonstrates that investment orientation is no longer focused solely on mining activities but is directed toward developing the mineral industry value chain, which produces products with higher economic value. In this context, the export ban serves as a legal instrument that directs investment flows toward the goal of downstreaming natural resources.

This strengthening of the investment climate is supported by regulatory reforms implemented following the enactment of Law Number 11 of 2020 concerning Job Creation, which was subsequently enacted as Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law. One important change is the simplification of the business licensing mechanism through the Risk-Based *Online Single Submission* (OSS) system. This system aims to accelerate the licensing process, increase transparency in public services, and provide procedural certainty for investors wishing to invest in the mining and mineral processing sectors. This simplification is part of the government's efforts to create a more competitive business climate without eliminating the obligation to implement downstream processes (Medina, 2026).

The positive impact of this policy is evident in the increased investment in the construction of processing and refining facilities (*smelters*) in various nickel-producing regions. The development of nickel-based industrial estates has also experienced rapid growth as a consequence of the growing demand for mineral processing. This investment not only strengthens national production capacity but also creates intersectoral linkages through the development of logistics, energy, construction, and other supporting services. This

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multiplier effect demonstrates that the downstreaming policy is capable of broadening the basis for national economic growth. The development of the electric vehicle industry *has* also strengthened the attractiveness of investment in the nickel downstream sector. Indonesia's position as one of the countries with the largest nickel reserves in the world is a strategic factor in attracting investment in the electric vehicle battery industry, cathode raw materials, and other derivative products. The nickel ore export ban policy provides certainty regarding the availability of raw materials for the domestic processing industry, thus increasing investor interest in building integrated production facilities. This situation demonstrates that the downstreaming policy has a strategic dimension in strengthening Indonesia's competitiveness in the global industrial supply chain (Letsoin et al., 2026).

On the other hand, downstreaming obligations do not always provide equal benefits to all mining businesses. The obligation to build processing and refining facilities requires substantial capital, adequate technology, and strong managerial skills. These requirements are relatively easier to meet for large-scale companies or those with foreign capital support. Conversely, small-scale mining businesses face limitations in meeting downstreaming obligations, requiring them to rely on partnerships with processing companies or selling their products to industries that already have smelters. This situation has the potential to create a gap in business capabilities among mining businesses. Increased compliance costs are also an implication that requires attention. The obligation to meet processing and refining standards, environmental requirements, business permits, and government oversight results in higher operational costs compared to when raw ore exports were permitted. From an economic perspective, these costs are a logical consequence of the shift in natural resource management models toward value-added. However, if not balanced with regulatory certainty and infrastructure support, increased compliance costs could reduce investment attractiveness, particularly for domestic investors with limited capital.

Lawrence M. Friedman explains that the effectiveness of a legal system is influenced by three elements: legal structure , legal substance , and legal culture . Legal structure encompasses the institutions that implement and oversee policies; legal substance relates to the quality of governing norms; and legal culture relates to the level of public and business compliance with applicable laws. These three elements are interrelated in determining the success of a public policy's implementation. From Friedman's legal system theory perspective, the effectiveness of the nickel ore export ban policy is not solely determined by the existence of laws and regulations. The policy's success also depends on the institutional capacity of government oversight, the consistency of law enforcement against violations of downstreaming obligations, and business compliance with all applicable provisions. An imbalance in any of these elements will reduce the effectiveness of the legal policy designed by lawmakers (Siregar & Shu'Udin, 2026).

Based on the overall description, the nickel ore export ban policy has complex implications for natural resource management, legal certainty, and the investment climate. The policy has successfully encouraged increased mineral added value, industrialization, state revenue, and investment in the downstream sector. On the other hand, increased natural resource exploitation, environmental protection challenges, the dynamics of regulatory changes, and rising compliance costs for some business actors demonstrate that the effectiveness of downstream legal policy requires a balance between economic interests, legal certainty, and the principles of sustainable development. Therefore, the success of the export ban policy is measured not only by investment growth or exports of processed products, but also by the state's ability to realize equitable and sustainable natural resource management and provide legal certainty for all stakeholders.

Conclusion

The legal policy of the nickel export ban policy is an implementation of the state's right to control as stipulated in Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia, which is realized through the downstreaming policy in Law Number 3 of 2020 concerning Amendments to Law Number 4 of 2009 concerning Mineral and Coal Mining. Following the enactment of Law Number 6 of 2023 concerning Job Creation, the direction of this legal policy is maintained by reforming investment governance through simplifying business licensing, implementing a risk-based *Online Single Submission system* , and harmonizing regulations to support the acceleration of natural resource-based industrialization. The nickel export ban policy has positive implications for increasing mineral added value, developing the processing industry, growing investment, and state revenue. On the other hand, this policy still faces challenges in the form of dynamic legal certainty due to regulatory changes, increasing demands for environmental protection, and the need to maintain a balance between investment interests and sustainable natural resource management. Therefore, the success of the downstreaming legal policy is not only determined by the existence of regulations, but also by the consistency of implementation, effectiveness of supervision, and legal certainty in its implementation.

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