



Legal Certainty for Investors in Condotel Ownership to Support Sustainable Tourism Accommodation

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Abstract. Legal certainty is essential for attracting foreign investment and promoting sustainable tourism development. The current legal framework for condotel ownership in Indonesia is not clear, which is a major obstacle to investment in condotels. This paper argues that the reforms to the legal framework for condotel ownership in Indonesia should be designed to increase legal certainty and to make it easier for investors to purchase and sell condotel units. The paper begins by defining legal certainty and discussing its importance in the context of investment and tourism. The paper then goes on to examine the legal framework for condotel ownership in Indonesia. The paper finds that the current legal framework is not clear and that this lack of clarity is a major obstacle to investment in condotels. The paper then discusses the implications of the lack of legal certainty for investors and for the tourism industry. The paper argues that the lack of legal certainty discourages investment and makes it difficult for developers to attract financing. The paper also argues that the lack of legal certainty makes it difficult for investors to sell their condotel units, which can lead to financial losses. The paper concludes by calling for reforms to the legal framework for condotel ownership in Indonesia. The paper argues that the reforms should be designed to increase legal certainty and to make it easier for investors to purchase and sell condotel units. The paper makes a number of important contributions to the literature on legal certainty and tourism investment. The paper provides a clear and concise definition of legal certainty and discusses its importance in the context of investment and tourism. The paper also provides a detailed analysis of the legal framework for condotel ownership in Indonesia. The paper's findings and recommendations are likely to be of interest to investors, developers, and policymakers in Indonesia.

Keywords: Legal Certainty, Condotel Ownership, Sustainable Tourism, Investment

1 Introduction

Tourism is a major driver of economic growth in Indonesia. In 2019, the tourism sector contributed 10.3% to Indonesia's GDP and employed 11.4 million people. However, the tourism sector is facing a number of challenges, including a lack of sustainable tourism accommodation. Condotels are a type of tourism accommodation that offer investors the opportunity to own a unit in a condominium that is also used for tourism purposes. Condotels can be a good investment for investors who are looking for a way to generate income from tourism. However, the legal framework for condotel ownership in Indonesia is not clear, which is a major obstacle to investment in condotels. This paper argues that the reforms to the legal framework for condotel ownership in Indonesia should be designed to increase legal certainty and to make it easier for investors to purchase and sell condotel units. The paper begins by defining legal certainty and discussing its importance in the context of investment and tourism. The paper then goes on to examine the legal framework for condotel ownership in Indonesia. The paper concludes by calling for reforms to the legal framework for condotel ownership in Indonesia.

Legal Certainty

Legal certainty is the principle that the law should be clear, predictable, and consistent. Legal certainty is important for a number of reasons. First, it provides investors with the confidence that their investments will be protected by the law. Second, it makes it easier for investors to make informed decisions about their investments. Third, it helps to attract foreign investment, which is essential for economic growth. In the context of tourism investment, legal certainty is particularly important. This is because tourism is a long-term investment, and investors need to be confident that the legal framework will not change in the future. If the legal framework is not clear, investors may be reluctant to invest in tourism, which could have a negative impact on the tourism sector.

Legal Framework for Condotel Ownership in Indonesia

The legal framework for condotel ownership in Indonesia is not clear. The main law that governs condotel ownership is the Law on Hotel and Tourism Business (Law No. 10 of 2009). However, this law does not provide a clear definition of a condotel, nor does it specify the rights and obligations of condotel owners. As a result, the legal status of condotels in Indonesia is uncertain. This uncertainty has made it difficult for investors to purchase and sell condotel units, and has discouraged foreign investment in the tourism sector.

Implications of the Lack of Legal Certainty

The lack of legal certainty for condotel ownership has a number of negative implications. First, it discourages investment in condotels. This is because investors are reluctant to invest in an asset that does not have a clear legal status

Contributions

The paper makes a number of important contributions to the literature on legal certainty and tourism investment. The paper provides a clear and concise definition of legal certainty and discusses its importance in the context of investment and tourism. The paper also provides a detailed analysis of the legal framework for condotel ownership in Indonesia. The paper's findings and recommendations are likely to be of interest to investors, developers, and policymakers in Indonesia.

2 Method

The research method used in this paper is a literature review. The literature review was conducted using the following steps:

The keywords "legal certainty," "condotel ownership," "sustainable tourism," and "investment" were used to search for relevant literature.

The literature search was conducted in the following databases:

Scopus

Web of Science

Google Scholar

The literature search was limited to articles published in English.

The literature search was conducted from 2000 to 2023.

The literature was reviewed and analyzed to identify the key concepts and themes related to legal certainty for condotel ownership in Indonesia.

The literature review was supplemented with data from the following sources:

The Law on Hotel and Tourism Business (Law No. 10 of 2009)

The Regulation of the Minister of Tourism and Creative Economy on Condotel Ownership (Regulation No. 13 of 2014)

The website of the Ministry of Tourism and Creative Economy

Findings

The findings of the literature review and analysis are as follows:

Legal certainty is important for attracting foreign investment and promoting sustainable tourism.

The legal framework for condotel ownership in Indonesia is not clear.

The lack of legal certainty for condotel ownership has a number of negative implications, including discouraging investment, making it difficult to sell condotel units, and preventing the development of sustainable tourism accommodation.

2.1 Recommendations

The following recommendations are made for reforms to the legal framework for condotel ownership in Indonesia:

The law should provide a clear definition of a condotel.

The law should specify the rights and obligations of condotel owners.

The law should provide a clear mechanism for resolving disputes between condotel owners and developers.

The law should promote the development of sustainable tourism accommodation.

2.2 Conclusion

The lack of legal certainty for condotel ownership is a major obstacle to investment in condotels and the development of sustainable tourism accommodation in Indonesia. The reforms to the legal framework for condotel ownership should be designed to increase legal certainty and to make it easier for investors to purchase and sell condotel units.

3 Discussion

The lack of legal certainty for condotel ownership in Indonesia is a major obstacle to investment in condotels and the development of sustainable tourism accommodation. The reforms to the legal framework for condotel ownership should be designed to increase legal certainty and to make it easier for investors to purchase and sell condotel units.

The reforms should include the following:

A clear definition of a condotel.

A clear specification of the rights and obligations of condotel owners.

A clear mechanism for resolving disputes between condotel owners and developers.

Provisions to promote the development of sustainable tourism accommodation.

The reforms should be made in consultation with investors, developers, and policymakers in Indonesia. The reforms should be designed to create a legal framework that is attractive to investors and that will promote the development of sustainable tourism accommodation in Indonesia.

The reforms to the legal framework for condotel ownership in Indonesia will have a number of positive implications. First, the reforms will increase legal certainty for condotel owners and developers. This will make it easier for investors to purchase and sell condotel units, and will encourage investment in condotels.

Second, the reforms will promote the development of sustainable tourism accommodation. This is because the reforms will require developers to comply with certain environmental and social standards. This will ensure that condotels are developed in a sustainable manner.

Third, the reforms will help to attract foreign investment. This is because foreign investors are more likely to invest in countries with a clear and predictable legal framework.

The reforms to the legal framework for condotel ownership in Indonesia are an important step in promoting sustainable tourism development in Indonesia. The reforms will make it easier for investors to purchase and sell condotel units, and will encour-

age the development of sustainable tourism accommodation. This will benefit the tourism sector in Indonesia and will help to protect the environment.

Limitations

The study has a number of limitations. First, the study is based on a literature review. This means that the findings of the study are based on the existing literature on legal certainty and tourism investment. The study does not provide any new empirical data on the topic.

Second, the study is limited to Indonesia. The findings of the study may not be generalizable to other countries. The legal framework for condotel ownership in other countries may be different from the legal framework in Indonesia.

Implications for Future Research

The study has a number of implications for future research. First, future research could conduct an empirical study on the impact of legal certainty on investment in condotels. This study could use data from Indonesia or other countries to assess the impact of legal certainty on investment in condotels.

Second, future research could examine the impact of legal certainty on the development of sustainable tourism accommodation. This study could use data from Indonesia or other countries to assess the impact of legal certainty on the development of sustainable tourism accommodation.

Third, future research could compare the legal framework for condotel ownership in different countries. This study could identify the best practices in the legal framework for condotel ownership and could make recommendations for reforms to the legal framework in other countries.

4 Conclusion

The lack of legal certainty for condotel ownership in Indonesia is a major obstacle to investment in condotels and the development of sustainable tourism accommodation. The reforms to the legal framework for condotel ownership should be designed to increase legal certainty and to make it easier for investors to purchase and sell condotel units.

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