DIJEFA: Dinasti International Journal of Economics, Finance & Accounting
E-ISSN: 2721-303X
P-ISSN: 2721-3021
https://dinastipub.org/DIJEFA dinasti.info@gmail.com +62 811 7404 455

DOI: https://doi.org/10.38035/dijefa.v6i5.5270
https://creativecommons.org/licenses/by/4.0/
Received: 21 July 2025 | **Revised:** 05 October 2025 | **Accepted:** 18 October 2025

Reconstructing Indonesia's Tourism Law: A Strategic Framework for Sustainable and Inclusive Tourism Governance

Lut Mafrudoh[1*], Myrza Rahmanita[2], Lalu Aswadi Jaya[3], Budi Wahjono[4], Faisal[5]
[1]Institut Pariwisata Trisakti, Jakarta Selatan, Indonesia, luthe.mafrudoh@gmail.com
[2]Institut Pariwisata Trisakti, Jakarta Selatan, Indonesia, myrzarahmanita@iptrisakti.ac.id
[3]Institut Pariwisata Trisakti, Jakarta Selatan, Indonesia, laluaswadi.jaya2020@gmail.com
[4]Institut Pariwisata Trisakti, Jakarta Selatan, Indonesia, budi.wahjono@gmail.com
[5]Institut Pariwisata Trisakti, Jakarta Selatan, Indonesia, bugisbandung2015@gmail.com

[*]Corresponding Author: luthe.mafrudoh@gmail.com[1]

Abstract: This article critically examines the urgency to revise Indonesia's Law No. 10 of 2009 on Tourism to address current challenges in the tourism sector. The law, though once progressive, is now outdated amid rapid digital transformation, the need for sustainability, and increased community participation. Through a normative legal and comparative approach, this study identifies critical gaps, such as the lack of digital governance, weak legal protection for tourism workers and MSMEs, and the absence of crisis mitigation mechanisms. The findings recommend integrating principles of sustainable development, digital transparency, and inclusive governance into the revised legal framework. Furthermore, the revision should recognize community-based tourism (CBT), strengthen the role of local governments and BUMDs, and provide legal certainty in post-disaster tourism recovery. A well-formulated legal foundation is essential to ensure that tourism becomes not only a driver of economic growth but also a tool for environmental conservation and social equity. This study contributes to the discourse on tourism legislation reform and supports a more adaptive and inclusive legal framework for Indonesia's tourism sector.

Keywords: Tourism Law Revision, Sustainable Tourism, Digitalization, Legal Protection, Community-Based Tourism.

INTRODUCTION

Law Number 10 of 2009 on Tourism was enacted as the legal foundation for the development of Indonesia's national tourism sector, aiming to promote economic growth, cultural preservation, and equitable welfare distribution. At the time of its enactment, the law served as a significant milestone in guiding tourism policies and regulations across the country. However, in recent developments, the tourism sector has encountered major challenges that are not adequately addressed by the existing legal framework (Undang-Undang Et Al., 2009). Digital transformation has significantly changed how tourists plan and enjoy their journeys, with online platforms now playing a decisive role in determining destination preferences,

accommodations, and travel experiences. At the same time, the urgency of environmental sustainability continues to rise, requiring eco-friendly tourism models focused on preserving natural resources and local cultures. Moreover, the COVID-19 pandemic has highlighted the importance of resilience in the tourism sector in facing global crises, including the need for health protocols, product diversification, and protection for industry players. These conditions underscore the need for substantial legal reform to align the regulatory framework with the new realities of global tourism, in order to ensure the competitiveness and sustainability of the sector going forward (Jordan et al., 2023). The revision of the Tourism Law in Indonesia must consider various aspects related to sustainability, legal certainty, and service quality improvement. Awareness of the importance of effective tourism regulation continues to grow, particularly in the context of halal tourism and environmental sustainability. As recommended by Hamzana, the application of halal tourism service standards is a crucial step in tourism development in West Nusa Tenggara, which has been recognized as one of the world's leading halal tourism destinations (Menon et al., 2021)

Furthermore, the challenges of implementing tourism regulations in Indonesia are often influenced by weak law enforcement and limited public awareness of environmental protection. Research by Javed et al. indicates that the negative impacts of tourism on the environment can be minimized through careful planning and proper management in protected areas (Javed et al., 2024). Therefore, the revision of the law should focus on strengthening the existing legal framework and improving enforcement related to biodiversity protection (Higgins-Desbiolles, 2020). In the context of halal tourism, research by Rahmatullah shows that current policies are shaped by multiple factors, including inconsistent implementation and the impact of the COVID-19 pandemic, which has hindered compliance among tourism actors (Rahmatullah, 2023). Stricter assessments of compliance with halal standards are crucial to ensure that the tourism industry meets visitor expectations while fulfilling social and environmental responsibilities (Hopkins, 2020).

Additionally, sustainable tourism development in areas like Boti requires active participation from local communities and stakeholders in creating strategies that benefit all parties. Suddin highlights the importance of strengthening local legal frameworks and implementing tourism regulations that encompass environmental conservation and infrastructure development for sustainable tourism (Mooney et al., 2022). These efforts ensure that tourism is not only commercial but also responsible and inclusive. Finally, the revised Tourism Law must consider the protection of community rights, including the rights of indigenous peoples, within the tourism context(Indriyati, 2021). This is essential for fostering a more just tourism model aligned with the cultural and social values of local communities, as emphasized by Yuliartini et al. regarding the recognition of community rights in tourism regulations (Carr et al., 2016). Thus, the revised Tourism Law must integrate various perspectives to build a balanced, sustainable, and responsive tourism ecosystem (Sharpley, 2020).

Philosophical, Sociological, and Juridical Foundations

Philosophically, the development of tourism must ensure harmony among economic, social, and environmental interests. Tourism should not solely serve economic growth but must also uphold ecological sustainability and social justice. In this regard, tourism is viewed not merely as a market-driven activity but as a multidimensional instrument to advance national development goals. Philosophical underpinnings of tourism law must reflect values such as justice, balance, and responsibility, ensuring that economic benefits do not come at the expense of environmental degradation or cultural marginalization. Sociologically, tourism must address the real needs and aspirations of local communities. Tourism initiatives must contribute to inclusive growth by creating jobs, enhancing local capacities, and reducing regional disparities.

Tourism development that fails to involve or benefit host communities often leads to social tensions, cultural erosion, and inequality. A people-centered approach, therefore, emphasizes the importance of community participation in planning, decision-making, and benefit-sharing, making tourism not only more just but also more sustainable in the long term. Juridically, Law No. 10 of 2009 has not adequately responded to the growing complexity and transformation of the modern tourism sector. Since its enactment, major legal and institutional changes have taken place, including the introduction of the Omnibus Law (Job Creation Law), Environmental Protection Law, and Electronic Information and Transactions (ITE) Law. These laws have redefined the governance landscape in investment, environmental licensing, and digital business operations—all of which significantly impact the tourism industry(Palacios-Florencio et al., 2021). However, the current Tourism Law remains disconnected from these evolving legal standards, leading to fragmented regulation, overlapping mandates, and legal uncertainty for stakeholders. Hence, a comprehensive revision is essential to synchronize the tourism legal framework with these broader laws, ensuring cross-sectoral coherence, operational clarity, and regulatory effectiveness.

Objectives of the Drafting

The revision of the Tourism Law aims to realign the regulatory framework with both global and national dynamics. It seeks to reaffirm the role of the state in protecting tourism actors and workers through clearer and more inclusive legal instruments. Furthermore, the revised law aspires to foster a tourism sector that is adaptive, sustainable, and inclusive, capable of withstanding future disruptions while promoting long-term development that benefits all stakeholders (Indriyati, 2023). This revision reflects Indonesia's commitment to transform its tourism sector from a vulnerable, fragmented industry into a strategic pillar of sustainable national development. As global trends shift toward environmentally responsible travel, digital service integration, and socially inclusive policies, it becomes imperative for national regulations to provide legal certainty, promote innovation, and mitigate risks. The state is expected not only to regulate but also to empower, ensuring that tourism operators, especially MSMEs and local communities, have access to protection, financing, and capacity-building programs. Moreover, this legal realignment will serve as a foundation for institutional synergy, reducing regulatory overlap and improving coordination among central and local governments, private actors, and community organizations. With stronger legal safeguards and clearer responsibilities, the tourism sector can better adapt to future challenges such as climate change, pandemics, technological disruptions, and shifting global travel preferences. Ultimately, the revised law is envisioned as a living document—responsive to change and grounded in the principles of justice, equity, and national resilience(Kusumastuti et al., 2024).

METHODS

The methodology used in compiling this annex adopts a comparative approach, analyzing existing norms and aligning them with emerging legal needs that reflect the principles of justice, participation, sustainability, and digital innovation in tourism governance. Each article in the draft revision is designed to enhance normative clarity, implementation effectiveness, and legal protection for tourism actors, visitors, workers, and affected communities. In general, the annex covers the following: (1) The addition of new articles, such as provisions on digital information systems, tourism crisis mitigation, and protection for tourism MSMEs. (2) Amendments to existing articles to refine wording, clarify meaning, or harmonize with other relevant regulations. (3) Deletion of articles whose content is no longer relevant or has been incorporated into more appropriate legislation. As an integral part of this academic manuscript, an annex containing a draft article-by-article revision of Law Number 10 of 2009 on Tourism has been prepared. This annex aims to provide a systematic and substantive overview of the

proposed amendments—whether in the form of insertions, replacements, or deletions of legal norms—based on academic evaluations of policy dynamics, societal legal needs, and field practices. This draft is expected to serve as an initial academic reference that remains open to public and stakeholder input throughout the legislative process.

RESULTS AND DISCUSSION

The evaluation of Law No. 10 of 2009 on Tourism reveals several regulatory gaps that hinder the responsiveness and competitiveness of Indonesia's tourism sector in the face of current global and domestic challenges. This section presents the key findings and recommendations for legal reform, focusing on five priority areas: digitalization, sustainable development, crisis mitigation, legal protection for tourism stakeholders, and institutional alignment. First, the existing law lacks specific provisions on digital tourism governance, leaving online platforms, algorithmic practices, and data privacy outside the scope of regulation. This has led to an imbalance in competition between global digital players and local tourism actors, as well as weak consumer protection mechanisms. Second, although the principle of sustainability is mentioned, it is not embedded as a binding legal obligation. The absence of enforceable environmental and socio-cultural responsibilities has contributed to exploitative tourism practices and resource degradation in many destinations. Third, there are no formal mechanisms for responding to tourism-related crises such as pandemics or natural disasters. This regulatory void left tourism workers and MSMEs vulnerable during COVID-19, with little legal support for recovery. Fourth, tourism workers and small-scale enterprises—who constitute the majority of the industry—do not receive adequate legal protection related to employment security, social welfare, and digital inclusion. Lastly, the law fails to clearly define the role of local governments and regional enterprises (BUMDs) in tourism development, resulting in fragmented policy implementation and weak institutional coordination. Addressing these five dimensions is critical to creating a more adaptive, resilient, and inclusive tourism legal framework. The proposed revisions aim to embed these concerns into operational legal norms that enhance accountability, local empowerment, and long-term sustainability in Indonesia's tourism sector.

Evaluation of Key Regulatory Gaps

The current law lacks operational clarity and fails to address the transformation occurring in tourism governance, especially regarding digital platforms, sustainable development goals (SDGs), and disaster risk management. Table 1 summarizes the critical issues identified and the proposed legal responses.

Table 1. Comparison Between Current Legal Gaps and Proposed Revisions in Tourism Law

Legal Aspect	Existing Law (Law No. 10/2009)	Proposed Revision
Digital Tourism Ecosystem	No regulation on e-tourism, online platforms, or data privacy	Addition of articles regulating digital platforms, algorithm transparency, and consumer data protection
Sustainability Principle	General mention, not legally binding	Embedding sustainability as a legal obligation across provisions
Crisis Mitigation	Absent	Inclusion of legal mechanisms for tourism crisis management and recovery protocols
Protection for Workers and MSMEs	Not explicitly regulated	Affirmative legal protection for tourism workers and MSMEs, including access to social security and digital markets
Role of Local Government & BUMDs	Not clearly defined	Strengthening decentralization and involvement of regional enterprises in destination management

Strengthening the Legal Basis for Sustainable Tourism

Sustainable tourism is one of the main principles promoted in the revised framework. In line with UNWTO standards, the revised draft integrates environmental, socio-cultural, and economic sustainability as normative pillars, emphasizing community-based tourism (CBT) as a strategic model. This alignment ensures that tourism development does not degrade natural resources and that local communities benefit directly from tourism activities. The revised law mandates environmental impact assessments (EIA) as prerequisites for tourism projects, promotes the use of renewable energy and waste reduction in tourism operations, and encourages cultural preservation by requiring local cultural representation in tourism planning.

Community-Based Tourism (CBT) is further strengthened by provisions that guarantee the involvement of local stakeholders in decision-making processes, equitable distribution of tourism revenue, and capacity building for local entrepreneurs. This participatory approach shifts tourism from being investor-centric to being community-driven, ensuring that development outcomes align with local values and priorities. Additionally, the law encourages synergy between environmental agencies, tourism authorities, and traditional institutions to ensure integrated landscape and cultural protection. By embedding these sustainability mechanisms into binding legal norms, the revised law aims to institutionalize responsible tourism practices and support long-term socio-ecological resilience in Indonesia's destinations.

Institutional and Juridical Harmonization

The revised legal framework is designed to align with broader national laws such as the Job Creation Law (Omnibus Law), Environmental Protection Law, and the Information and Electronic Transactions Law. This ensures consistency and eliminates overlaps or contradictions in regulatory implementation across sectors**.** By aligning with the Omnibus Law, the revised tourism law promotes ease of doing business while still ensuring that tourism investments are subject to social and environmental safeguards. This includes streamlining licensing procedures without compromising environmental or community interests.

Furthermore, synchronization with the Environmental Protection Law ensures that tourism activities are accountable for their ecological impacts. It requires tourism developers and operators to adopt principles of precaution, prevention, and restoration when managing natural attractions or constructing tourism infrastructure. This harmonization avoids regulatory ambiguity, especially in conflict-prone areas such as conservation zones, marine tourism areas, and cultural heritage sites. In relation to the Information and Electronic Transactions (ITE) Law, the revised tourism law introduces provisions on digital conduct, data security, and ethical promotion within tourism platforms. For example, it mandates transparent advertising, consumer protection in e-booking systems, and mechanisms to resolve disputes arising from online tourism transactions. These alignments collectively contribute to a more integrated, predictable, and enforceable legal framework that supports cross-sectoral cooperation, legal certainty for investors, and stronger protection for consumers and communities.

Digital Transformation and Legal Certainty

Tourism in the digital era requires specific legal tools to govern the rise of e-commerce platforms, online travel agents (OTAs), and consumer data usage. The proposed law includes provisions for regulating online tourism services, mandatory data protection standards, and fair competition principles to safeguard local operators from monopolistic practices. In today's digital landscape, large-scale online travel platforms often dominate the tourism market through algorithmic manipulation, preferential listing, and dynamic pricing strategies that disadvantage smaller, local tourism providers. To address this imbalance, the revised law introduces regulations requiring transparency in algorithmic processes and prohibits anti-competitive behavior such as exclusivity contracts and hidden commission structures. These

measures aim to create a level playing field for micro, small, and medium enterprises (MSMEs) operating in the tourism sector. In terms of data governance, the law mandates explicit user consent for personal data collection and requires tourism platforms to comply with national cybersecurity standards. These provisions align with global data protection norms such as the GDPR, while also adapting to the Indonesian digital ecosystem. The law also promotes the establishment of a national tourism digital registry to monitor the compliance of e-tourism operators and to encourage ethical practices in digital marketing, especially regarding authenticity, pricing accuracy, and consumer rights. Through these mechanisms, the revised framework positions digital tourism not just as a business opportunity but as a regulated space that must uphold transparency, accountability, and inclusiveness. It empowers local actors while protecting tourists from fraud, misinformation, and data misuse—issues that are increasingly relevant in Indonesia's rapidly growing digital economy.

Crisis Resilience and Adaptive Governance

The COVID-19 pandemic underscored the urgent need for legal provisions related to tourism crisis mitigation. The revised draft introduces mandatory disaster preparedness, standard operating procedures for tourism operators, and recovery support schemes to build resilience in tourism destinations during and after crises**.** The pandemic exposed structural weaknesses in the tourism sector's ability to respond to global health emergencies, natural disasters, and socio-political disruptions. Many tourism-dependent communities experienced economic paralysis due to the absence of emergency legal instruments, limited institutional coordination, and lack of social safety nets. In response, the revised law proposes a dedicated chapter on crisis governance in tourism, which mandates the development of Destination Risk Management Plans (DRMPs) and requires all registered tourism entities to implement contingency protocols based on national disaster response frameworks (Duxbury et al., 2021). Moreover, the draft law obliges local governments to allocate a portion of tourism revenue for emergency preparedness, including training for frontline tourism workers, the establishment of evacuation routes, and the provision of health facilities in key destinations. For post-crisis recovery, the law outlines mechanisms such as tax relief, re-skilling programs, financial assistance for MSMEs, and strategic marketing campaigns to restore destination image and tourist confidence. Importantly, the crisis mitigation provisions also emphasize coordination between tourism authorities, health agencies, and disaster management institutions to ensure a coherent and rapid response. By institutionalizing resilience as a legal obligation, the revised framework seeks to future-proof Indonesia's tourism sector against a broad range of shocks, thereby securing both livelihoods and destination sustainability.

CONCLUSION

The revision of Indonesia's Law No. 10 of 2009 on Tourism is not only a legal necessity but also a strategic imperative in the face of dynamic global transformations and domestic challenges. This study finds that the current legal framework lacks the adaptability, inclusiveness, and operational depth needed to govern the complex realities of modern tourism. Therefore, substantial legal reform is required to establish a robust, future-proof foundation for tourism development (Nurhidayati & Fandeli, 2012).The revised legal framework is designed to address five critical areas: digitalization, sustainability, crisis mitigation, stakeholder protection, and institutional alignment. These areas reflect both normative aspirations and practical demands from tourism practitioners, communities, and government institutions. By institutionalizing principles such as environmental accountability, community-based tourism (CBT), digital transparency, and intersectoral coordination, the revised draft not only improves legal coherence but also enhances tourism's contribution to inclusive economic growth and environmental stewardship (Junaid et al., 2021).

Key Points of the Proposed Legal Reform

1. Digital Readiness Establish legal instruments to govern online tourism platforms, ensure data privacy, promote algorithmic transparency, and enhance digital accessibility for MSMEs. Prevent monopolistic behaviors and protect consumer rights in electronic tourism transactions.
2. Sustainability Mandate: Embed environmental, socio-cultural, and economic sustainability as enforceable legal obligations in tourism governance. Promote Community-Based Tourism (CBT) to ensure local participation and equitable distribution of tourism benefits.
3. Crisis Resilience: Introduce legal provisions for disaster risk reduction, emergency preparedness, and structured recovery programs within the tourism sector. Mandate coordination between tourism authorities, health services, and disaster management institutions.
4. Legal Protection for Stakeholders Ensure the rights, welfare, and fair treatment of tourism workers, small business owners, and affected communities. Provide access to training programs, insurance schemes, and financial support, particularly for tourism-related MSMEs.
5. Harmonization and Integration Align tourism legislation with overarching national laws such as the Omnibus Law, Environmental Protection Law, and the Information and Electronic Transactions Law to ensure coherence. Empower local governments and regional-owned enterprises (BUMDs) to take an active role in decentralized, place-based tourism management.

REFERENCES

Carr, A., Ruhanen, L., & Whitford, M. (2016). Indigenous peoples and tourism: the challenges and opportunities for sustainable tourism. Journal of Sustainable Tourism, 24(8–9). https://doi.org/10.1080/09669582.2016.1206112

Duxbury, N., Bakas, F. E., de Castro, T. V., & Silva, S. (2021). Creative tourism development models towards sustainable and regenerative tourism. Sustainability (Switzerland). https://doi.org/10.3390/su13010002

Higgins-Desbiolles, F. (2020). The "war over tourism": challenges to sustainable tourism in the tourism academy after COVID-19. Journal of Sustainable Tourism, 29(4). https://doi.org/10.1080/09669582.2020.1803334

Hopkins, D. (2020). Sustainable mobility at the interface of transport and tourism: Introduction to the special issue on 'Innovative approaches to the study and practice of sustainable transport, mobility and tourism.' Journal of Sustainable Tourism. https://doi.org/10.1080/09669582.2019.1691800

Indriyati, I. (2021). Service Quality Terhadap Loyalitas Pelanggan Online Melalui Kepuasan Pelanggan Pengguna Layanan Aplikasi Grab. Jurnal Manajemen Bisnis Transportasi Dan Logistik. https://doi.org/10.54324/j.mbtl.v6i3.585

Indriyati. (2023). Public Transport Service Quality to Female Transport Users. 040088.

Jordan, E. J., Vieira, J. C., Santos, C. M., & Huang, T. Y. (2023). Do residents differentiate between the impacts of tourism, cruise tourism, and Airbnb tourism? Journal of Sustainable Tourism, 31(2). https://doi.org/10.1080/09669582.2020.1833894

Junaid, I., Sigala, M., & Banchit, A. (2021). Implementing community-based tourism (CBT): Lessons learnt and implications by involving students in a CBT project in Laelae Island, Indonesia. Journal of Hospitality, Leisure, Sport and Tourism Education. https://doi.org/10.1016/j.jhlste.2020.100295

Kusumastuti, H., Pranita, D., Viendyasari, M., Rasul, M. S., & Sarjana, S. (2024). Leveraging Local Value in a Post-Smart Tourism Village to Encourage Sustainable Tourism. Sustainability (Switzerland). https://doi.org/10.3390/su16020873

Menon, S., Bhatt, S., & Sharma, S. (2021). A study on envisioning Indian tourism–Through cultural tourism and sustainable digitalization. Cogent Social Sciences, 7(1). https://doi.org/10.1080/23311886.2021.1903149

Mooney, S., Robinson, R., Solnet, D., & Baum, T. (2022). Rethinking tourism's definition, scope and future of sustainable work and employment: editorial for the Journal of Sustainable Tourism special issue on "locating workforce at the heart of sustainable tourism discourse." Journal of Sustainable Tourism. https://doi.org/10.1080/09669582.2022.2078338

Nurhidayati, S. E., & Fandeli, C. (2012). Penerapan Prinsip Community Based Tourism (CBT) Dalam Pengembangan Agrowisata Di Kota Batu , Jawa Timur. Jejaring Administrasi Publik.

Palacios-Florencio, B., Santos-Roldán, L., Berbel-Pineda, J. M., & Castillo-Canalejo, A. M. (2021). Sustainable Tourism as a Driving force of the Tourism Industry in a Post-Covid-19 Scenario. Social Indicators Research. https://doi.org/10.1007/s11205-021-02735-2

Sharpley, R. (2020). Tourism, sustainable development and the theoretical divide: 20 years on. Journal of Sustainable Tourism, 28(11). https://doi.org/10.1080/09669582.2020.1779732

UNDANG-UNDANG, R. I., 2009....., N. 10. T., TENTANG, & KEPARIWISATAAN. (2009). UU Nomor 10 Tahun 2009. UU No 10 2009.