

## TABLE OF CONTENT

<b>ENDORSEMENT .....</b>	<b>II</b>
<b>APPROVAL .....</b>	<b>III</b>
<b>STATEMENT OF ANTI-PLAGIARISM.....</b>	<b>IV</b>
<b>PREFACE .....</b>	<b>V</b>
<b>ACKNOWLEDGEMENTS.....</b>	<b>VI</b>
<b>TABLE OF CONTENT .....</b>	<b>VII</b>
<b>ABSTRACT .....</b>	<b>XI</b>
<b>INTISARI .....</b>	<b>XII</b>
<b>CHAPTER I INTRODUCTION.....</b>	<b>10</b>
A. BACKGROUND .....	10
B. RESEARCH QUESTION.....	13
C. GUARANTEE OF ORIGINALITY .....	14
D. RESEARCH GOALS .....	18
E. RESEARCH PURPOSES .....	19
<b>CHAPTER II THEORETICAL FRAMEWORK.....</b>	<b>21</b>
A. INTERNATIONAL CARBON TRADING FRAMEWORK .....	21
1. Paris Agreement .....	21
2. Kyoto Protocol .....	21
B. INDONESIAN CARBON TRADING FRAMEWORK .....	25
1. Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector .....	25
2. Law Number 7 of 2021 concerning Harmonization of Tax .....	26
3. Presidential Regulation Number 98 of 2021 concerning the Economic Value of Carbon and Regulation of the Ministry of Environment .....	28
4. Ministry of Environment and Forestry Regulation of the Republic of Indonesia Number 21 Year 2022 concerning the Implementation of Carbon Economic Value and Other Sustainable Investment Opportunities.....	34
C. EUROPEAN UNION AND CHINA’S EMISSION TRADING SYSTEM .....	38
1. European Union Emission Trading System (EU ETS) .....	38
2. China Emission Trading System (China ETS).....	39
D. POLLUTER PAYS PRINCIPLE .....	40
E. OTHER LEGAL RELATIONSHIP CONCERNING CARBON TRADING .....	40
1. Capital Market and Carbon Trading.....	40
2. Development of Economic Law.....	43
<b>CHAPTER III RESEARCH METHOD .....</b>	<b>45</b>
A. TYPE OF LEGAL RESEARCH .....	45
B. TYPE OF DATA .....	45
C. DATA COLLECTION METHOD .....	47

D. DATA ANALYSIS.....	47
<b>CHAPTER IV RESEARCH RESULT AND ANALYSIS .....</b>	<b>49</b>
A. INDONESIA'S WEAKNESSES ON CARBON TRADING LEGAL FRAMEWORK ...	49
1. Presidential Regulation Number 98 Year 2021 concerning the Economic Value of Carbon and Regulation of the Ministry of Environment .....	49
2. Law of the Republic of Indonesia Number 7 Year 2021 concerning Harmony of Tax Regulations .....	54
3. Ministry of Environment and Forestry of the Republic of Indonesia Number 21 Year 2022 concerning the Implementation of Carbon Economic Value and Other Sustainable Investment Opportunities.....	57
4. Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector .....	59
B. WHAT INDONESIA CAN LEARN FROM THE EU AND CHINA'S LEGAL FRAMEWORK ON CARBON TRADING .....	60
1. European Union.....	63
2. China .....	72
3. Future Improvements in Indonesia's Legislation .....	80
<b>CHAPTER V CLOSURE .....</b>	<b>93</b>
A. CONCLUSION .....	93
B. RECOMMENDATION .....	94
<b>BIBLIOGRAPHY .....</b>	<b>97</b>