TATOHI: Jurnal Ilmu Hukum
Volume 5 Issue 4 June, 2025: p. 190 - 201
E-ISSN: 2775-619X
https://fhukum.unpatti.ac.id/jurnal/tatohi/index
doi : 10.47268/tatohi.v5i4.2992
TATOHI: Jurnal Ilmu Hukum

Comparison of Venture Capital Regulations in Indonesia and ASEAN Countries

Simon Alex Pasaribu[1*], Taufiq[2], Diana Ria Winanti Napitupulu[3]

[1,2,3] Faculty of Law, Universitas Kristen Indonesia, Jakarta, Indonesia.
: simon.alex@rocketmail.com
Corresponding Author*

Abstract

Introduction: *By observing best practices from other ASEAN countries, Indonesia has a significant opportunity to reform its venture capital ecosystem to become more responsive, inclusive, and capable of supporting sustainable digital economic growth.*
Purposes of the Research: *The purpose of this research is to identify the form and content of venture capital regulations currently enforced in Indonesia in comparison with other ASEAN countries, to analyze the similarities and differences in policies and regulatory approaches related to venture capital between Indonesia and ASEAN nations, and to determine the factors influencing the regulatory differences.*
Methods of the Research: *A qualitative method was chosen because this approach enables the researcher to explore the policy context, legal structures, and socio-economic dynamics underlying venture capital regulations in each country.*
Findings of the Research: *A more flexible, inclusive, and cross-sector collaborative regulatory approach will enhance Indonesia's competitiveness in attracting investment and encouraging sustainable startup growth.*

Keywords: Venture Capital; ASEAN Regulations; Digital Economy.

Submitted: 2025-04-09 *Revised: 2025-05-18* *Accepted: 2025-06-28* *Published: 2025-06-30*

How To Cite: Simon Alex Pasaribu, Taufiq, and Diana Ria Winanti Napitupulu. "Comparison of Venture Capital Regulations in Indonesia and ASEAN Countries." *TATOHI: Jurnal Ilmu Hukum* 5 no. 3 (2025): 190-201. https://doi.org/10.47268/tatohi.v5i4.2992

INTRODUCTION

A comparison of venture capital regulations in Indonesia and ASEAN countries shows that there are differences in approaches and policies that reflect economic conditions, business sector needs, and the readiness of each country's financial infrastructure. In Indonesia, regulations regarding venture capital are regulated through the Financial Services Authority Regulation Number: 35/POJK.05/2015 concerning the Business Implementation of Venture Capital Companies. This regulation emphasizes funding support for Micro, Small, and Medium Enterprises (MSMEs) and startups, with a financing model through share participation, convertible bonds, and profit-based financing[1]. The Government of Indonesia through the Financial Services Authority also requires venture capital companies to have a minimum capital structure, risk management system, and compliance with the principle of prudence in investment. The main focus of Indonesian regulations is to direct venture capital as a means of domestic economic empowerment, especially for sectors that have not been able to access conventional banking financing.

When compared to Singapore, venture capital regulations in the country are much more liberal and oriented towards the formation of an investment ecosystem that is friendly to global investors. The Monetary Authority of Singapore (MAS) implements an approach that

[1] Yolota Elgeriza Agustin, "Asas Keseimbangan Dalam Perjanjian Pemberian Bantuan Pinjaman Antara Perusahaan Modal Ventura Dengan Usaha Mikro Kecil Menengah ," *Morality : Jurnal Ilmu Hukum* 4, no. 2 (2018).

encourages venture capital growth through tax incentives, ease of investment fund formation, and simplified licensing processes. For example, MAS issued a Venture Capital Fund Manager (VCFM) regime that provides regulatory relief to venture capital fund managers with a focus on early-stage technology companies and startups[2]. On the other hand, Singapore also provides various co-investment schemes between the government and private investors to support startup growth. This makes Singapore one of the largest venture capital hubs in Southeast Asia, with strong appeal for international investors due to its ease of regulation, strong legal protection, and competitive tax system.

Malaysia also has a fairly progressive approach through regulations managed by the Malaysian Securities Commission. The country encourages venture capital as part of a national strategy in the development of the digital economy and industrial innovation. Through Malaysia Venture Capital Management Berhad (MAVCAP), the Malaysian government is actively investing in various strategic sectors including financial technology, healthcare, and e-commerce. Regulation in Malaysia also emphasizes transparency and reporting on the performance of venture firms' portfolios, as well as providing incentives for local and foreign investors to invest in sectors that are set as national priorities. Malaysia also emphasizes the importance of incubation and mentoring as part of the venture capital investment ecosystem, which is slightly different from Indonesia's approach which focuses more on direct financing.[3]

Thailand, through the Securities and Exchange Commission (SEC), pays special attention to strengthening the startup and SME ecosystem through the establishment of national venture funds. Although regulations in Thailand are still relatively strict, the government has shown a commitment to simplifying the licensing process and providing tax incentives for investors involved in venture capital. One of the prominent initiatives is Thailand 4.0 which is the main framework for modernizing the national economy, where venture capital plays a role in financing innovation and technology research. Thailand also allows strategic cooperation between domestic and foreign venture firms with more flexible supervision in terms of fund structure and investment model.[4]

When compared as a whole, Indonesia still faces several challenges in the development of competitive venture capital regulations. The main obstacles are the relatively complex licensing structure, the lack of attractive fiscal incentives for investors, and the limited synergy between regulations and the needs of start-ups. On the other hand, countries such as Singapore and Malaysia have built more integrated systems with national innovation policies, tax incentives, and regulatory easements that are able to attract significant foreign capital flows. Indonesia needs to carry out more aggressive policy reforms in order to be able to create an investment environment that is conducive and adaptive to global dynamics, especially in the face of a highly competitive digital economy era[5].

Indonesia's advantage lies in the large potential of the domestic market, the increasing number of young entrepreneurs, and the government's focus on strengthening the MSME

[2] Tanti Insani Qiblati, "Makalah Ekonomi Moneter_Fungsi Dan Peranan Bank Syariah Dan Lembaga Keuangan Non-Bank," *OSF Preprints*, 2021.

[3] Nasrullah Hadi Hadi, Ibnu Al Saudi, and Abdul Syahid, "Pengaruh Penyertaan Modal Ventura Terhadap Pendapatan Ppu Di Palangka Raya Ditinjau Dari Perspektif Ekonomi Syariah," *Finansha: Journal of Sharia Financial Management* 1, no. 2 (2021), https://doi.org/10.15575/fsfm.v1i2.10683.

[4] Jafar Sidik, "Peran Strategis Modal Ventura Bagi Umkm Dalam Menunjang Pembangunan Perekonomian Nasional Indonesia," *Jurnal SIKAP (Sistem Informasi, Keuangan, Auditing Dan Perpajakan)* 1, no. 2 (2017), https://doi.org/10.32897/jsikap.v1i2.54.

[5] Edi Wahjuningati, "Analisis Yuridis Terhadap Kontrak Baku Perusahaan Modal Ventura Dengan Perusahaan Pasangan Usaha," *Jurnal Rechtens* 12, no. 2 (2023), https://doi.org/10.56013/rechtens.v12i2.2269.

TATOHI: Jurnal Ilmu Hukum, 5 (4) June 2025: 190- 201
E-ISSN: 2775-619X
Published by: Faculty of Law, Universitas Pattimura

sector. Increasing competitiveness, Indonesia can consider adopting more flexible regulations such as regulatory sandbox schemes for venture capital firms, expanding strategic partnerships between the government and private investors, and simplifying reporting and compliance governance, by looking at best practices from other ASEAN countries, Indonesia has a great opportunity to reform the venture capital ecosystem to be more responsive, inclusive, and able to strengthen growth digital economy in a sustainable manner. This comparison is an important foothold in evaluating Indonesia's position at the regional level while encouraging more progressive financial policy innovations in the future.[6]

METHODS OF THE RESEARCH

The research entitled "Comparison of Venture Capital Regulations in Indonesia and ASEAN Countries" uses a qualitative method because it aims to understand in depth and comprehensively the differences, similarities, and implications of regulations that apply in various ASEAN countries. The qualitative method was chosen because this approach allows researchers to explore the policy context, legal structure, and socio-economic dynamics that underlie venture capital policies in each country. Data collection was carried out through a literature study of regulatory documents, reports of financial institutions, publications from capital market authorities, and semi-structured interviews with economic experts, industry players, and relevant regulators. Data analysis was carried out descriptively and comparatively, with emphasis on the interpretation of the meaning and narrative of the content of the regulation and its application practice. This approach allows researchers to explore the factors that influence the effectiveness of venture capital policies in each country and formulate strategic recommendations for Indonesia based on best practices in the ASEAN region. The qualitative method used in this study not only produces normative comparisons, but also presents a contextual understanding of how the policy is implemented in the framework of digital economy development and strengthening the startup sector.

RESULTS AND DISCUSSION

The form and content of venture capital regulations applicable in Indonesia have their own characteristics that focus on supporting the Micro, Small, and Medium Enterprises (MSMEs) sector and domestic startups. This regulation is formally regulated through the Financial Services Authority Regulation Number: 35/POJK.05/2015 concerning the Business Implementation of Venture Capital Companies. In the regulation, it is stipulated that venture capital companies can provide financing to business partners through share participation, profit-sharing-based financing, and/or convertible bonds. This regulation also regulates provisions regarding minimum capital, corporate governance, financial statements, and the principle of prudence in making investments. The Financial Services Authority also requires venture capital companies to provide regular reports on business activities and comply with the principle of transparency. The main focus of this regulation

[6] B P Jatmika, "Status Hukum Perusahaan Modal Ventura Asing Di Indonesia Dalam Pembiayaan Bagi Perusahaan Startup Berbasis E-Commerce," *Kumpulan Jurnal Mahasiswa Fakultas …*, 2019.

TATOHI: Jurnal Ilmu Hukum, 5 (4) June 2025: 190- 201
E-ISSN: 2775-619X
Published by: Faculty of Law, Universitas Pattimura

is to encourage the growth of MSMEs through access to alternative financing other than banking, while maintaining the stability of the financial services sector[7].

However, compared to other ASEAN countries, venture capital regulations in Indonesia are still considered not competitive enough, especially in attracting foreign investment and supporting the massive growth of the startup ecosystem. Singapore, in comparison, has a much more open and investor-friendly regulatory framework. The Monetary Authority of Singapore (MAS) has introduced the Venture Capital Fund Manager (VCFM) scheme which allows venture fund managers to operate with less licensing requirements than conventional investment managers[8], In this scheme, companies are not required to have long experience or a minimum capital that is too large, as long as they show a commitment to invest in early-stage companies. This regulation is deliberately designed to facilitate startup growth and attract capital from abroad. In addition, the Singapore government also provides tax incentives, ease of fund formation, and strong digital infrastructure support, making the country the largest center of venture capital activity in Southeast Asia.

Malaysia has also shown significant progress in venture capital regulation, particularly through the active role of the Malaysian Securities Commission and government agencies such as Malaysia Venture Capital Management Berhad (MAVCAP). Regulation in Malaysia combines strict oversight of the governance of venture companies with flexibility in financing nationally priority sectors such as information technology, biotechnology, and digital economy. The Malaysian government also implements a public-private partnership financing scheme to encourage venture capital to grow sustainably. In terms of licensing, the process in Malaysia is relatively efficient and integrated, and there are many incubation and acceleration programs that are directly supported by the government and national financial institutions. Fiscal policy is also directed to encourage investment in the form of tax cuts for companies that inject funds into local startups[9].

Thailand has also begun to overhaul its venture capital regulatory system through Thailand's Securities and Exchange Commission (SEC), especially after launching the Thailand 4.0 initiative which aims to change the economic structure to be more innovation-based. Regulation in Thailand is more focused on the establishment of local investment funds and expanding access to financing for startups in the technology and research sectors. The Thai government provides various incentives, including tax holidays and licensing facilities for companies engaged in high-tech and early-stage startups. Although the licensing process is still quite bureaucratic, Thailand's policy direction is increasingly towards the liberalization of the venture capital sector, with more strategic government involvement through national venture funds[10].

Compared to these four countries, the form and content of venture capital regulations in Indonesia tend to still prioritize a conservative approach. The requirements for establishing a venture capital company in Indonesia are quite strict, including the requirements for initial capital ownership and the company's organizational structure. The absence of significant

---

[7] Rachelyana Salsabila Rachmat, *Pengaruh Pembiayaan Syariah Dan Perdagangan Terhadap Pertumbuhan Di Indonesia Tahun 2015-2022, Bachelor's Thesis, Fakultas Ekonomi Dan Bisnis UIN Syarif Hidayatullah*, 2023.

[8] Arief Yanto Rukmana et al., "Dampak Kebijakan Pemerintah Terhadap Ekosistem Kewirausahaan : Studi Kasus Inkubator Bisnis Di Indonesia," *Jurnal Ekonomi Dan Kewirausahaan West Science* 1, no. 03 (2023), https://doi.org/10.58812/jekws.v1i03.527.

[9] Handika Faqih Nugroho, "Analisis Yuridis Penetapan Suku Bunga Obligasi Konversi Perusahaan Modal Ventura Dengan Perusahaan Start-Up Di Indonesia," *Res Judicata* 5, no. 2 (2023), https://doi.org/10.29406/rj.v5i2.4736.

[10] Edi Wahjuningati, "Kedudukan Jaminan Kebendaan Dan Jaminan Pribadi Dalam Perjanjian Modal Ventura Di Indonesia," *PRASADA* 6, no. 1 (2019).

fiscal incentives and limitations in technology-based financing schemes make regulations in Indonesia considered less attractive to global investors. Indonesian regulations have not been fully integrated with the development of the national innovation ecosystem, so the approach is more administrative than strategic. Despite support from the government through institutions such as the Revolving Fund Management Institute for Micro, Small and Medium Business Cooperatives, the financing program is still limited and has not reached all levels of startups in Indonesia[11], Considering these comparisons, it can be concluded that Indonesia needs improvements in venture capital regulations to be able to be on par with other ASEAN countries. Regulatory reform can be directed at easing the requirements for establishing venture companies, simplifying licensing, providing fiscal incentives for investors, and integration with digital transformation policies and technology-based MSME development. Indonesia also needs to encourage collaboration between the government, business actors, and the education sector in building a resilient and adaptive venture ecosystem to the times, by carrying out structured regulatory reforms based on best practices from ASEAN countries, Indonesia has a great opportunity to strengthen the position of venture capital as a driving force for the growth of the digital economy and future entrepreneurship[12].

Regulatory policies and approaches related to venture capital in Indonesia and ASEAN countries have similarities in terms of basic objectives, but show quite striking differences in terms of implementation strategies, regulatory flexibility, and ecosystem support. The similarity lies in the strategic role of venture capital as an alternative financing instrument directed to support the growth of MSMEs and technology startups that are not affordable by conventional financial institutions such as banks. Both Indonesia, Singapore, Malaysia, Thailand, and the Philippines recognize the importance of the presence of venture capital companies as a financing bridge for innovation-oriented small and medium enterprises. In all of these countries, venture capital is being developed to increase financial inclusion, create new jobs, and drive the transformation of the digital economy. Governments in ASEAN countries generally provide a legal framework for the operations of venture companies and place financial services supervisory agencies as regulatory and controlling authorities[13].

Striking differences can be found in the policy approach and regulatory maturity in each country. Indonesia, through the Financial Services Authority Regulation Number: 35/POJK.05/2015, regulates venture capital companies in quite detail, including the form of financing, organizational structure, governance, and reporting obligations. Indonesia's regulatory approach tends to be conservative and administrative, and has not provided many fiscal incentives or convenience for investors. This is in contrast to Singapore which adopts a liberal approach and is very friendly to venture capitalists, especially foreign investors[14]. Singapore, through the Monetary Authority of Singapore (MAS), introduced the Venture Capital Fund Manager (VCFM) scheme which exempts venture fund managers from many of the strict regulations that usually apply to the financial sector, as long as they focus on early-stage investments. This makes Singapore the most active venture investment

---

[11] Awaludin Marwan and Amalia Syauket, "Pengembangan Hukum Perusahaan Modal Ventura Dan Perusahaan Rintisan Digital," *Jurnal Adhikari* 2, no. 3 (2023), https://doi.org/10.53968/ja.v2i3.79.
[12] Myrna Sofia et al., "Modal Ventura Dan Perkembangan UKM Yang Listing Di Bursa Efek Indonesia," *Jurnal Akuntansi Dan Ekonomika* 12, no. 2 (2022), https://doi.org/10.37859/jae.v12i2.4071.
[13] Wahjuningati, "Kedudukan Jaminan Kebendaan Dan Jaminan Pribadi Dalam Perjanjian Modal Ventura Di Indonesia."
[14] S H Permana, "Peran Perusahaan Modal Ventura Bagi Umkm Di Indonesia," *Peran Industri Keuangan Non Bank Terhadap …*, 2019.

hub in Southeast Asia, due to the ease of licensing, legal certainty guarantees, and very strong digital infrastructure support.

Malaysia, on the other hand, adopts a mixed approach between strict supervision and government support, with the involvement of state institutions such as Malaysia Venture Capital Management Berhad (MAVCAP), a regulation in Malaysia designed to strike a balance between financial stability and investment boldness. The country also provides space for a public-private partnership mixed financing scheme as an operational model that supports startup growth. Support for incubation, training, and synergy with the higher education sector makes Malaysia's policies relatively progressive. Unlike Indonesia, Malaysia has already integrated venture capital programs with national digital economy development strategies, so that its regulatory approach is more integrated with the innovation-based economic transformation agenda[15].

Thailand is also starting to move in the same direction by launching the Thailand 4.0 program and strengthening the role of venture capital in the development of the technology industry. Thailand's Securities and Exchange Commission (SEC) has relaxed a number of rules related to venture funds and introduced tax incentives for tech companies that receive funding from venture capital. Thailand is also actively establishing national venture funds to accelerate the growth of startups, particularly in the health, agriculture, and green technology sectors[16]. The difference with Indonesia lies in the direction of more aggressive and integrated policies, as well as more intensive government involvement in the formation of a national innovation ecosystem. In the Philippines, the regulatory approach to venture capital is still in its infancy. The Philippine Securities and Exchange Commission (SEC) has begun drafting supportive policies, but the limitations of legal infrastructure and investor protections have slowed the growth of venture capital in the country[17]. Even so, the Philippine government is intensifying digitalization and encouraging the establishment of a regulatory sandbox for alternative financial technology and investments, including venture capital. Indonesia can learn from these dynamics, especially in terms of building regulatory flexibility and experimentation space for new, more adaptive financing models[18].

Another difference between Indonesia and ASEAN countries lies in the strategy of empowerment and post-investment support. In countries like Singapore and Malaysia, venture capital firms not only provide funding, but also access to business networks, mentoring, and technical training. Regulations in these countries recognize the importance of non-financial support in driving startup success. In Indonesia, despite efforts in this direction, regulations have not explicitly encouraged the active role of venture capital firms in the development of business partner capabilities. Regulation still emphasizes more on administrative, capital, and reporting aspects than building a growth-oriented ecosystem[19].

The difference in venture capital regulations between Indonesia and other ASEAN countries does not arise by chance, but is influenced by various structural, institutional, and contextual factors. The first factor that stands out the most is the difference in the vision and

---

[15] Windy Dwi Zhelsa Fithri and Sirajul Arifin, "Kajian Problematika Perkembangan Perusahaan Modal Ventura Syariah Di Indonesia," *Jurnal Ilmiah Ekonomi Islam* 9, no. 3 (2023), https://doi.org/10.29040/jiei.v9i3.10098.

[16] Edy Nurcahyo, "Hukum Modal Ventura Di Indonesia," *Program Studi Ilmu Hukum, Fakultas Hukum Universitas Muhammadiyah Buton*, 2018.

[17] Ade Onny Siagian, "Financial and Banking Institutions Definition, Purpose, and Function - Ade Onny Siagian - Google Books," *Mar 4 Et*, 2021.

[18] Rachmat, *Pengaruh Pembiayaan Syariah Dan Perdagangan Terhadap Pertumbuhan Di Indonesia Tahun 2015-2022*.

[19] Rukmana et al., "Dampak Kebijakan Pemerintah Terhadap Ekosistem Kewirausahaan : Studi Kasus Inkubator Bisnis Di Indonesia."

TATOHI: Jurnal Ilmu Hukum, 5 (4) June 2025: 190- 201
E-ISSN: 2775-619X
Published by: Faculty of Law, Universitas Pattimura

strategy of economic development in each country. Countries such as Singapore and Malaysia have positioned themselves as centres of knowledge-based and innovation-based economies from the outset, making the approach to venture capital more progressive, flexible, and supportive of a dynamic investment climate[20]. The Singapore government, for example, is strategically positioning venture capital as an integral part of the tech and startup ecosystem. This is seen in lighter regulations, tax incentives, and mature technological infrastructure support. On the other hand, Indonesia, which for decades has focused on conventional sectors such as manufacturing and natural resources, has not placed venture capital as a top priority in national economic policies, so its regulations are more likely to be administrative and less adaptive to technological dynamics and new business models[21].

The second factor is the level of maturity of financial institutions and capital markets in each country. Singapore, with its well-established financial system and the active role of the Monetary Authority of Singapore (MAS), is able to formulate accommodating regulations on alternative financing instruments such as venture capital[22]. MAS provides a special regulatory framework such as the Venture Capital Fund Manager (VCFM) regime that allows venture capital operations without the need to meet strict requirements like conventional investment managers. In contrast, Indonesia through the Financial Services Authority is still more cautious and oriented towards strict supervision, which makes venture capital regulation more bureaucratic and less attractive to global investors. Limitations in institutional capabilities and cross-sector coordination are also the cause of the lack of regulatory innovation in Indonesia[23].

The third factor is the difference in the influence of legal culture and regulatory compliance. Countries such as Singapore and Malaysia are adopting more flexible common law legal systems, allowing for broader and innovative legal interpretations, especially when it comes to investment contracts and investor protection. Meanwhile, Indonesia, which adheres to a more rigid and code-based civil law system, tends to have a more normative and rigid regulatory structure. This affects the way countries structure regulations on alternative financing, including venture capital, which often requires flexibility in the form of agreements and funding structures. This legal culture has a direct impact on the attractiveness of venture capital regulation in the eyes of local and foreign investors[24].

The fourth factor that is no less important is the level of economic openness and global competitiveness. Singapore and Malaysia, as countries with high levels of economic openness, actively invite the participation of global investors in the venture capital sector. They not only provide fiscal incentives and ease of doing business, but also adopt a one-door licensing policy that speeds up the licensing process. Indonesia still faces obstacles in terms of ease of doing business, long bureaucracy, and legal uncertainty, all of which are obstacles in the drafting of regulations that are more friendly to venture investment. This

[20] Nugroho, "Analisis Yuridis Penetapan Suku Bunga Obligasi Konversi Perusahaan Modal Ventura Dengan Perusahaan Start-Up Di Indonesia."

[21] Siti Nurpita Suci et al., "Pengaruh Penyertaan Modal Ventura Syariah Terhadap Pendapatan Umkm Di Kecamatan Medan Timur," *ANSIRU PAI : Pengembangan Profesi Guru Pendidikan Agama Islam* 6, no. 2 (2022), https://doi.org/10.30821/ansiru.v6i2.15926.

[22] Nurul Mu'minati Idris et al., "Analisis Pendekatan Penyelesaian Sengketa Modal Ventura," *Jurnal Pendidikan Tambusai* 6 (2022).

[23] Wahjuningati, "Kedudukan Jaminan Kebendaan Dan Jaminan Pribadi Dalam Perjanjian Modal Ventura Di Indonesia."

[24] Awaludin Marwan and Amalia Syauket, "Pengembangan Hukum Perusahaan Modal Ventura Dan Perusahaan Rintisan Digital."

lag affects Indonesia's competitiveness in attracting foreign capital for the innovation-based startup and MSME sectors[25].

The fifth factor is related to the support of digital infrastructure and innovation ecosystems. ASEAN countries with strong tech ecosystems, such as Singapore and Malaysia, tend to have more advanced venture capital regulations due to the need to accommodate the rapid growth of digital startups[26]. Their regulations are designed in line with the needs of industry players, including aspects of intellectual property protection, exit schemes through IPOs or acquisitions, to sandbox regulations for experimenting with new business models. On the other hand, Indonesia is still in the stage of building an equitable digital infrastructure and has not fully integrated venture capital regulations with the development of a digital ecosystem holistically. This is a serious challenge because regulations that are not responsive to the needs of the tech industry will hinder the growth of local innovation[27].

The sixth factor is the level of state involvement in supporting startup financing. In some ASEAN countries, such as Malaysia and Thailand, the government is actively becoming a strategic partner in startup funding through the establishment of government-backed venture capital funds. This mixed financing model requires more flexible and participatory regulation. In Indonesia, despite similar efforts through State-Owned Enterprises and state financial institutions, this support has not been accompanied by agile regulations and adequate incentives for the private sector[28], This makes the state's role in venture capital development still partial and has not been maximized in creating systemic impacts. The last factor is socio-political conditions and policy stability. Countries with political stability and high policy consistency tend to have a regulatory framework that is more trusted by investors. Singapore, for example, has been able to maintain political stability and economic policies for decades, which makes its regulations predictable and accountable. On the other hand, Indonesia and several other ASEAN countries sometimes experience policy changes due to changes in leadership or domestic political dynamics, which creates uncertainty for business actors, including venture capital companies[29].

The difference in venture capital regulations that apply in Indonesia compared to other ASEAN countries has a significant impact on the investment climate and startup development in each country. Regulation is an important foundation in determining how many opportunities and challenges will be faced by investors and startups. In countries such as Singapore and Malaysia, venture capital regulations are structured progressively and adaptively to the development of the digital economy and the needs of industry players. Singapore, for example, has long established a Venture Capital Fund Manager (VCFM) scheme that simplifies the licensing and oversight process for venture capital managers. This regulation not only provides legal certainty but also encourages the acceleration of the startup financing process without having to go through convoluted procedures. As a result,

[25] Sofia et al., "Modal Ventura Dan Perkembangan UKM Yang Listing Di Bursa Efek Indonesia."

[26] I Gusti Ayu Made Aryastini, I Gusti Ngurah Wairocana, and I Made Sarjana, "Perlindungan Hukum Bagi Usaha Mikro, Kecil Dan Menengah (Umkm) Dalam Penerimaan Bantuan Permodalan Dari Perusahaan Modal Ventura Dengan Surat Pernyataan Jaminan Kepastian Pencairan (SPJKP) Bilyet Giro," *Acta Comitas* 3, no. 1 (2018), https://doi.org/10.24843/ac.2018.v03.i01.p14.

[27] Wahjuningati, "Kedudukan Jaminan Kebendaan Dan Jaminan Pribadi Dalam Perjanjian Modal Ventura Di Indonesia."

[28] Permana, "Peran Perusahaan Modal Ventura Bagi Umkm Di Indonesia."

[29] Fithri and Arifin, "Kajian Problematika Perkembangan Perusahaan Modal Ventura Syariah Di Indonesia."

E-ISSN: 2775-619X
Published by: Faculty of Law, Universitas Pattimura

Singapore has become a major magnet for global investors and is known as the financial hub and most dynamic startup incubator in the Southeast Asian region[30].

Indonesia faces challenges in balancing supervision and ease of venture capital regulation. The Financial Services Authority and other related agencies have indeed established a regulatory framework, such as the Financial Services Authority Regulation Number: 35/POJK.05/2015, which regulates venture capital companies[31]. However, these regulations tend to place more emphasis on administrative aspects and structural compliance than on developing an investment ecosystem that is agile and responsive to market changes. The complicated licensing process, layered financial reports, and lack of digital system integration have made many investors reluctant to enter the venture capital sector in Indonesia. Regulations that have not accommodated the specific needs of digital startups, such as platform-based business models, are often an obstacle to obtaining early-stage funding or follow-up funding[32].

The implications of this difference in regulations are very pronounced in the number of investments and startup growth in Indonesia. Although Indonesia has a huge number of startups and a potential digital market, venture capital flows are still lagging behind compared to Singapore. Many Indonesian startups ultimately choose to establish legal entities in Singapore to gain easy access to funding, legal protection, and connections with global investor networks. This shows that there is a migration of economic values due to weaknesses in domestic regulations. This condition is certainly detrimental to Indonesia because the potential economic benefits, job creation, and technological innovations that should be enjoyed domestically are realized outside the national jurisdiction area[33].

On the other hand, Malaysia as a neighboring country has also shown a significant increase in the venture capital sector thanks to its inclusive and collaborative regulatory approach. The Malaysian government, through the Malaysian Venture Capital and Private Equity Development Council (MVCDC), is actively creating synergies between industry players, regulators, and educational institutions to build a strong startup ecosystem. They also provide fiscal incentives such as tax reductions and access to government funds for venture capital firms investing in priority sectors[34]. This approach encourages the emergence of technology-based startups in various sectors, including agritech, fintech, and healthtech, that are able to compete in the global market. Compare that with Indonesia, which does not have attractive fiscal incentives and policies that encourage the sustainability of venture capital broadly, so that startup growth is still concentrated in certain segments and is not evenly distributed in various regions.

Another impact of the inequality of venture capital regulation is the limited participation of local investors in startup financing. In countries such as Singapore and Malaysia, the participation of institutional and individual investors is high due to legal clarity, transparency in governance, and investment risk protection systems. In Indonesia, regulatory uncertainty and a lack of education on investment potential in the startup sector

---

[30] Nurcahyo, "Hukum Modal Ventura Di Indonesia."

[31] Ahmad Baskam Muhammad and Jumadil Jumadil, "Analisis Perjanjian Antara Perusahaan Modal Ventura Dengan Perusahaan Pasangan Usaha Di Sulawesi Selatan," *Al-Azhar Islamic Law Review* 1, no. 2 (2019), https://doi.org/10.37146/ailrev.v1i2.19.

[32] Mutiah Quraniah and Deannes Isynuwardhana, "Pengaruh Rasio Keuangan Terhadap Pertumbuhan Laba Pada Perusahaan Modal Ventura Syariah (Studi Kasus Pada PT. Investama Ventura Syariah Periode 2009-2016)," *E-Proceeding of Management* 5 (2018).

[33] Zimq Marquiza et al., "Modal Ventura Syariah Dalam Tinjauan Hukum Islam," *Jurnal Ilmiah Research And Development Student* 2, no. 1 (2024), https://doi.org/10.59024/jis.v2i1.569.

[34] Caswati Rasmi Pratiwi, "Modal Ventura Syari ' Ah," *Journal of Islamic Economics* 1, no. 1 (2022).

make local investors tend to be cautious. As a result, most of Indonesia's startup funding comes from foreign investors, who certainly have their own preferences in determining the direction of the company's growth. This dependence on foreign capital also has implications for the potential loss of local control over technological innovation and national strategic data[35].

Differences in regulations also have an impact on the quality of the startup ecosystem. Countries with proactive venture capital regulations tend to have ecosystems that support collaboration between investors, academics, business incubators, and governments. They are also better prepared to provide supporting infrastructure such as technology, market access, and relevant acceleration programs. In Indonesia, despite many initiatives from the private sector and universities in developing business incubators, the role of government regulations in bridging the need for venture capital is still not optimal. Lack of coordination between institutions and overlapping policies make Indonesia's startup ecosystem develop sporadically and not fully integrated[36].

CONCLUSION

The difference in venture capital regulations between Indonesia and other ASEAN countries has a real impact on the investment climate and startup development. Countries such as Singapore and Malaysia have proven that adaptive, progressive, and investor-friendly regulations are capable of creating a dynamic and globally competitive startup ecosystem. Regulations that simplify the licensing process, provide legal certainty, and are supported by fiscal incentives have encouraged the acceleration of investment and innovation. On the contrary, Indonesia still faces various regulatory challenges, ranging from convoluted bureaucracy, limited incentives, to lack of coordination between agencies. This causes the startup ecosystem in Indonesia to develop unevenly, and the flow of venture capital still depends heavily on foreign investors. This inequality also poses a risk of loss of potential economic value and control over local innovation.

REFERENCES

Awaludin Marwan, and Amalia Syauket. "Pengembangan Hukum Perusahaan Modal Ventura Dan Perusahaan Rintisan Digital." *Jurnal Adhikari* 2, no. 3 (2023). Https://Doi.Org/10.53968/Ja.V2i3.79.

Fithri, Windy Dwi Zhelsa, And Sirajul Arifin. "Kajian Problematika Perkembangan Perusahaan Modal Ventura Syariah Di Indonesia." *Jurnal Ilmiah Ekonomi Islam* 9, no. 3 (2023). Https://Doi.Org/10.29040/Jiei.V9i3.10098.

Frimanda Sipayung, Gabriela, Horenta Emawati Br Tobing, And Muhammad Valdi. "Modal Ventura Sebagai Lembaga Pembiayaan Alternatif Bagi Umkm." *Kelompok Riset Dan Debat Fakultas Hukum Universitas Diponegoro*, 2020.

Hadi, Nasrullah Hadi, Ibnu Al Saudi, And Abdul Syahid. "Pengaruh Penyertaan Modal Ventura Terhadap Pendapatan Ppu Di Palangka Raya Ditinjau Dari Perspektif Ekonomi Syariah." *Finansha: Journal Of Sharia Financial Management* 1, no. 2 (2021).

[35] Fernanda Nadhif, "Kepailitan Perusahaan Pasangan Usaha Berbentuk Perseroan Terbatas Terkait Penyertaan Modal Oleh Perusahaan Modal Ventura," *Jurist-Diction* 5, no. 6 (2022), https://doi.org/10.20473/jd.v5i6.40123.

[36] Gabriela Frimanda Sipayung, Horenta Emawati br Tobing, and Muhammad Valdi, "Modal Ventura Sebagai Lembaga Pembiayaan Alternatif Bagi UMKM," *Kelompok Riset Dan Debat Fakultas Hukum Universitas Diponegoro*, 2020.

TATOHI: Jurnal Ilmu Hukum, 5 (4) June 2025: 190- 201
E-ISSN: 2775-619X
Published by: Faculty of Law, Universitas Pattimura

Https://Doi.Org/10.15575/Fsfm.V1i2.10683.

Jatmika, B P. "Status Hukum Perusahaan Modal Ventura Asing Di Indonesia Dalam Pembiayaan Bagi Perusahaan Startup Berbasis E-Commerce." *Kumpulan Jurnal Mahasiswa Fakultas …*, 2019.

Made Aryastini, I Gusti Ayu, I Gusti Ngurah Wairocana, And I Made Sarjana. "Perlindungan Hukum Bagi Usaha Mikro, Kecil Dan Menengah (Umkm) Dalam Penerimaan Bantuan Permodalan Dari Perusahaan Modal Ventura Dengan Surat Pernyataan Jaminan Kepastian Pencairan (Spjkp) Bilyet Giro." *Acta Comitas* 3, no. 1 (2018). Https://Doi.Org/10.24843/Ac.2018.V03.I01.P14.

Mu'minati Idris, Nurul, Jacqueline Leticia Latifa, Hukum Bisnis, Uin Sunan, And Kalijaga Yogyakarta. "Analisis Pendekatan Penyelesaian Sengketa Modal Ventura." *Jurnal Pendidikan Tambusai* 6 (2022).

Muhammad, Ahmad Baskam, And Jumadil Jumadil. "Analisis Perjanjian Antara Perusahaan Modal Ventura Dengan Perusahaan Pasangan Usaha Di Sulawesi Selatan." *Al-Azhar Islamic Law Review* 1, no. 2 (2019). Https://Doi.Org/10.37146/Ailrev.V1i2.19.

Nadhif, Fernanda. "Kepailitan Perusahaan Pasangan Usaha Berbentuk Perseroan Terbatas Terkait Penyertaan Modal Oleh Perusahaan Modal Ventura." *Jurist-Diction* 5, no. 6 (2022). Https://Doi.Org/10.20473/Jd.V5i6.40123.

Nugroho, Handika Faqih. "Analisis Yuridis Penetapan Suku Bunga Obligasi Konversi Perusahaan Modal Ventura Dengan Perusahaan Start-Up Di Indonesia." *Res Judicata* 5, no. 2 (2023). https://Doi.Org/10.29406/Rj.V5i2.4736.

Nurcahyo, Edy. "Hukum Modal Ventura Di Indonesia." *Program Studi Ilmu Hukum, Fakultas Hukum Universitas Muhammadiyah Buton*, 2018.

Permana, S H. "Peran Perusahaan Modal Ventura Bagi Umkm Di Indonesia." *Peran Industri Keuangan Non Bank Terhadap …*, 2019.

Pratiwi, Caswati Rasmi. "Modal Ventura Syari ' Ah." *Journal Of Islamic Economics* 1, no. 1 (2022).

Qiblati, Tanti Insani. "Makalah Ekonomi Moneter_Fungsi Dan Peranan Bank Syariah Dan Lembaga Keuangan Non-Bank." *Osf Preprints*, 2021.

Quraniah, Mutiah, And Deannes Isynuwardhana. "Pengaruh Rasio Keuangan Terhadap Pertumbuhan Laba Pada Perusahaan Modal Ventura Syariah (Studi Kasus Pada Pt. Investama Ventura Syariah Periode 2009-2016)." *E-Proceeding Of Management* 5 (2018).

Rachmat, Rachelyana Salsabila. *Pengaruh Pembiayaan Syariah Dan Perdagangan Terhadap Pertumbuhan Di Indonesia Tahun 2015-2022. Bachelor's Thesis, Fakultas Ekonomi Dan Bisnis Uin Syarif Hidayatullah*, 2023.

Rukmana, Arief Yanto, Yana Priyana, Muji Rahayu, And Evan Jaelani. "Dampak Kebijakan Pemerintah Terhadap Ekosistem Kewirausahaan : Studi Kasus Inkubator Bisnis Di Indonesia." *Jurnal Ekonomi Dan Kewirausahaan West Science* 1, no. 03 (2023). Https://Doi.Org/10.58812/Jekws.V1i03.527.

Siagian, Ade Onny. "Lembaga-Lembaga Keuangan Dan Perbankan Pengertian, Tujuan, Dan Fungsinya - Ade Onny Siagian - Google Buku." *4 Mar Et*, 2021.

Sidik, Jafar. "Peran Strategis Modal Ventura Bagi Umkm Dalam Menunjang Pembangunan Perekonomian Nasional Indonesia." *Jurnal Sikap (Sistem Informasi, Keuangan, Auditing Dan Perpajakan)* 1, no. 2 (2017). Https://Doi.Org/10.32897/Jsikap.V1i2.54.

Sofia, Myrna, Kiki Wulandari, Firwan Tan, Nasri Bachtiar, Febriandi Prima Putra, And Muhammad Hidayat. "Modal Ventura Dan Perkembangan Ukm Yang Listing Di Bursa Efek Indonesia." *Jurnal Akuntansi Dan Ekonomika* 12, no. 2 (2022). Https://Doi.Org/10.37859/Jae.V12i2.4071.

Suci, Siti Nurpita, Tohir Tohir, Erliyanti Erliyanti, And Dewi Sundari Tanjung. "Pengaruh Penyertaan Modal Ventura Syariah Terhadap Pendapatan Umkm Di Kecamatan Medan Timur." *Ansiru Pai : Pengembangan Profesi Guru Pendidikan Agama Islam* 6, no. 2 (2022). Https://Doi.Org/10.30821/Ansiru.V6i2.15926.

Wahjuningati, Edi. "Analisis Yuridis Terhadap Kontrak Baku Perusahaan Modal Ventura Dengan Perusahaan Pasangan Usaha." *Jurnal Rechtens* 12, no. 2 (2023). Https://Doi.Org/10.56013/Rechtens.V12i2.2269.

———. "Kedudukan Jaminan Kebendaan Dan Jaminan Pribadi Dalam Perjanjian Modal Ventura Di Indonesia." *Prasada* 6, no. 1 (2019).

Yolota Elgeriza Agustin. "Asas Keseimbangan Dalam Perjanjian Pemberian Bantuan Pinjaman Antara Perusahaan Modal Ventura Dengan Usaha Mikro Kecil Menengah ." *Morality : Jurnal Ilmu Hukum* 4, no. 2 (2018).

Zimq Marquiza, Liza Septiyani, Muhammad Faqih Fahriza, Dina Aslamiya Anjalina, And Muhammad Taufiq Abadi. "Modal Ventura Syariah Dalam Tinjauan Hukum Islam." *Jurnal Ilmiah Research And Development Student* 2, no. 1 (2024). Https://Doi.Org/10.59024/Jis.V2i1.569.

Conflict of Interest Statement: The author(s) declares that research was conducted in the absence of any commercial or financial relationship that could be construed as a potential conflict of interest,

TATOHI: Jurnal Ilmu Hukum is an open acces and peer-reviewed journal published by Faculty of Law, Universitas Pattimura, Ambon, Indonesia.

OPEN ACCESS