

RESTORATION OF GOOD NAME (REHABILITATION) OF PERPETRATORS OF ENVIRONMENTAL CRIMES WITHIN THE SCOPE OF THE CORPORATION AFTER THE FREE VERDICT (VRIJSPRAAK)

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Keywords	Abstract
reputation recovery, environmental crime, corporations, not guilty verdict, rehabilitation	Corporations acquitted in environmental crime cases often face challenges in restoring their reputations despite being legally cleared of charges. Even after an acquittal, the damage to their reputation persists, leading to a loss of consumer trust, investor confidence, and overall business sustainability. This research aims to examine the legal mechanisms available for restoring the reputation of corporations post-acquittal, with a focus on environmental crimes. A normative juridical approach is employed, analyzing relevant regulations, case law, and scholarly literature. The study finds that while legal provisions, such as Article 15 of Government Regulation No. 27 of 1983, mandate public announcement of rehabilitation, these rules are inconsistently applied, especially when the defendant is a corporation. The research also identifies the role of Corporate Social Responsibility (CSR) and environmental certifications in the rehabilitation process. The findings emphasize the need for clearer, more comprehensive regulations and a formal mechanism through which the prosecutor's office can execute post-verdict rehabilitation, ensuring the restoration of corporate reputations. This study recommends the establishment of robust legal frameworks for corporate rehabilitation in environmental crime cases to provide legal certainty and promote restorative justice, safeguarding the reputation of corporations and their continued contribution to the economy.



INTRODUCTION

The legal state referred to in Article 1, Paragraph 3 of the 1945 Constitution of the Republic of Indonesia “Indonesia is a rule-of-law state” implies that all national governance is based on law. Geographically, Indonesia is both an agrarian and maritime country, making environmental law enforcement a crucial issue in Indonesian society. In recent decades, the increasing role of corporations in driving the national economy has brought about significant environmental problems, particularly as population growth and corporate activities contribute to environmental degradation.

To ensure legal certainty, Law No. 32 of 2009 on Environmental Protection and Management was enacted to establish a legal framework to address violations. However, enforcement often faces obstacles, especially involving large corporations. Corporate crimes have a broad scope and various forms aimed at achieving organizational goals, making them organizational crimes committed within complex relationships among directors, executives, and managers (Budiman, 2020). In practice, many corporate environmental crime cases result in acquittals (*vrijspraak*), which release the defendant from criminal charges despite environmental harm. Although such rulings may favor corporations legally, they often damage corporate reputations and can lead to sanctions such as fines, suspension of activities, or revocation of business licenses due to lack of sufficient evidence or weaknesses in legal proceedings.

The status of corporations as legal subjects has evolved. Under Law No. 8 of 1981 on Criminal Procedure, through grammatical interpretation of the term “person,” corporations can be construed as legal subjects. In practice, this includes both legal entities and non-legal entities, such as CVs (*Commanditaire Vennootschap*), as demonstrated in Supreme Court Decision No. 6636/K/Pid.Sus-LH/2022. The Supreme Court refers to Regulation No. 13 of 2016, which defines a corporation as an organized group of persons and/or assets, whether or not it is a legal entity. According to Article 13 Paragraph 1 of that regulation, corporations are represented by one of their directors in criminal proceedings.

Given this, the Draft of the National Criminal Code (RKUHP) should be enacted as positive criminal law policy, aligning with the constitutional mandate for a legal state and reflecting the nation’s cultural values (Batubara & Susanto, 2017). Corporations play a vital role in national economic development, often making substantial contributions to the economy. Many industrialized and developing countries, like Japan and Taiwan, benefit from corporate contributions to national growth through various entities such as limited liability companies, cooperatives, foundations, and partnerships. As a result, reputation becomes a critical issue. Corporations involved in environmental violations even if acquitted often face reputational damage, which undermines consumer and investor trust and negatively impacts financial performance (Yulianti & Rahmawati, 2022).

This paper examines corporate acquittals in environmental crime cases, particularly the judicial criteria used by judges to justify such decisions. A case study of Decision No. 237/Pid.B/LH/2021/PN Bdg resulted in an acquittal, prompting the prosecution to file a cassation appeal (Supreme Court Decision No. 6636/K/Pid.Sus-LH/2022). Although the

Supreme Court upheld the acquittal, it had a lasting reputational impact on the corporation. This calls for government and stakeholders to take swift and wise action to rehabilitate the corporate name through legal and social mechanisms.

Rehabilitation, in this context, refers to restoring reputation after an acquittal and is rooted in justice and utility. According to Article 14 Paragraph 1 of the 1945 Constitution, "The President grants clemency and rehabilitation upon the recommendation of the Supreme Court." Restorative justice emphasizes recovery including restoring reputation for individuals or corporations declared not guilty due to unproven charges. Upholding this justice ensures a balance between legal outcomes and societal harmony, much like how truth functions within a conceptual framework of fairness.

Moreover, in cases where public opinion is influenced during investigations or trials, corporations require reputational rehabilitation. Article 97 Paragraph 1 of Law No. 8 of 1981 on Criminal Procedure provides that "a person shall have the right to rehabilitation if acquitted or released from all legal charges by a court decision with permanent legal force." This provision extends to corporations whose reputations suffer from media exposure or police press conferences, despite being declared not guilty. Loss of reputation can reduce trust from consumers, investors, and business partners even after acquittal highlighting the urgency of post-trial reputation recovery (Yulianti & Rahmawati, 2022).

Following an acquittal, rehabilitating a corporation's name becomes critical. A final and binding court ruling (*inkracht*) serves as the foundation for reputation recovery initiatives. If a corporation is declared not guilty, it is entitled to rehabilitation based on the *res judicata pro veritate habetur* principle, which holds that court decisions are presumed true and must be upheld (Rahmawati & Abubakar, 2019). Rehabilitation efforts must include strategic steps to restore public trust and stakeholder confidence (Prasetyo, 2023).

One effective method is through Corporate Social Responsibility (CSR), which plays a key role in restoring corporate reputation. Corporations must demonstrate their commitment to sustainability through CSR programs focusing on environmental protection (Islam et al., 2021; Novitasari & Tarigan, 2022; Putri, 2021; Sarhan & Al-Najjar, 2023; Worokinasih & Zaini, 2020; Yoopetch et al., 2023). CSR not only helps repair public trust but also contributes to environmental restoration. Furthermore, such initiatives incentivize future legal compliance, reducing the risk of environmental violations.

Public stakeholders including local communities, government institutions, and NGOs play a critical role in the rehabilitation process. Corporate management must engage stakeholders to rebuild trust and cooperation. Currently, there is no government agency specifically tasked with providing rehabilitation services or consultancy to acquitted corporations. Rehabilitation remains challenging, particularly as public stigma may persist and efforts can be misinterpreted as mere PR strategies (Gastauer et al., 2018; Kornhaber et al., 2019; Sari, 2020). Therefore, corporations must show sustained commitment to recovery, and state institutions should support efforts to restore the reputation of corporations wrongfully accused and later acquitted.

In Indonesia, corporations that are acquitted in environmental crime cases often face challenges in restoring their reputation despite being legally cleared of the charges. Although corporate criminal liability exists, many companies suffer from the lingering stigma of being

accused, even if found not guilty. This issue is further complicated by the lack of clear, effective mechanisms for post-acquittal rehabilitation, particularly for corporations. This gap in the law leads to the continuation of negative public perception, undermining the corporation's standing with consumers, investors, and the broader community, which ultimately affects their long-term sustainability and business opportunities.

Furthermore, environmental crimes, which often involve complex corporate activities, raise unique challenges in the legal process. Despite an acquittal, the process of reputation restoration remains informal and inconsistent, particularly when corporations are involved. Existing legal frameworks, such as the Criminal Procedure Code and environmental protection laws, provide guidelines for individual rehabilitation but fail to account for the complexities surrounding corporate entities. As a result, corporations continue to struggle in regaining their reputation, even after legal exoneration, highlighting the need for a robust and clear post-verdict rehabilitation framework for corporations in environmental crime cases.

The urgency of this research lies in the increasing importance of corporate reputation in today's business environment, especially for companies involved in environmental crimes. While corporations may be legally acquitted, the ongoing damage to their reputation can severely impact their financial performance and sustainability. This study aims to address the lack of a clear legal framework for the rehabilitation of corporate reputation post-verdict, offering practical insights that can help shape future legal reforms and ensure that corporations can recover from legal stigma effectively. Without clear rehabilitation mechanisms, corporations risk facing long-term reputational harm, which can lead to social and economic instability.

Prior studies have explored the impact of legal verdicts on corporate reputation, particularly in environmental law. Prasetyo (2023) examined the role of Corporate Social Responsibility (CSR) programs in enhancing corporate image after environmental crime cases (Cristobal-Cipriano et al., 2022; Hermanto et al., 2022; Khaeriani & Hasan, 2022; Sri Haryani, 2022; Sugiarto & Sulaiman, 2021). His research suggested that while CSR initiatives can aid in reputation recovery, there is no standardized process for corporations to reclaim their reputation post-acquittal. This study pointed to the need for legal clarity in rehabilitation processes but did not delve into the specific mechanisms needed to restore a corporation's image.

Rahmawati & Abubakar (2019) analyzed the role of restitution and compensation for corporations involved in environmental crimes, highlighting the importance of monetary compensation in reputation recovery. While their research addressed some aspects of corporate rehabilitation, it did not consider the non-monetary steps needed, such as public acknowledgment or public relations campaigns, to restore the corporation's good name.

Furthermore, Yulianti & Rahmawati (2022) focused on how the legal system treats corporations in environmental crime cases, noting that the principle of presumption of innocence is often overshadowed by media exposure. Their study emphasized the need for better legal instruments to rehabilitate corporate reputation but did not propose detailed solutions, leaving a gap in the literature regarding practical rehabilitation methods.

While previous research has highlighted the challenges corporations face in restoring their reputation after an acquittal, few studies have specifically addressed the legal and procedural gaps in corporate rehabilitation, particularly within the context of environmental

crimes. There is a lack of clear, actionable frameworks for rehabilitation in corporate law, particularly when it comes to post-verdict reputation recovery. This study aims to fill this gap by proposing a model for rehabilitation that incorporates both legal and social mechanisms tailored to corporations involved in environmental violations.

The novelty of this research lies in its focus on developing a comprehensive rehabilitation model for corporations acquitted of environmental crimes. Unlike previous studies that focused on CSR or monetary compensation, this research introduces a hybrid approach, combining legal, social, and public relations strategies for corporate rehabilitation. By proposing a structured process for reputation restoration, including certification of environmentally friendly practices and investor reintegration, this study offers new insights into how corporations can recover from legal acquittals in environmental cases.

The objective of this research is to develop a clear and actionable model for the rehabilitation of corporate reputation after an acquittal in environmental crime cases. The study aims to propose practical legal and non-legal measures, including CSR initiatives, public acknowledgment, and environmental certification programs, to help corporations restore their reputation and regain public and investor trust.

This research provides valuable insights for legal practitioners, policymakers, and corporations by outlining effective methods for rehabilitating corporate reputation following environmental crime acquittals. The findings will guide legal reforms to ensure that corporations can recover from reputational damage, while also promoting environmental sustainability through CSR initiatives. The study's implications are crucial for improving the current legal framework, ensuring fairness in post-verdict processes, and ultimately contributing to corporate social responsibility and sustainable business practices.

RESEARCH METHODS

The research model used in this study is Literature Studies with the method used is normative juridical. Normative juridical is a research method by collecting data to understand and study theories from various literature related to this research, then analyzed according to the perspective of laws and regulations and norms that are in harmony with the existing problem (Fajar & Achmad, 2017). The data collected and understood are relevant laws and norms and those that apply in society with various perspectives from several applicable sciences and other sources such as articles, journals, proceedings, large dictionaries, and legal cases. This research focuses on the model of restoring the good name (rehabilitation) of perpetrators of environmental crimes within the scope of the corporation after the free verdict (vrijspraak). Using a statute approach, the researcher then used the approach of the 1945 Constitution of the Republic of Indonesia, Law No. 8 of 1981 concerning the Code of Criminal Procedure, Law No. 32 of 2009 concerning Environmental Protection and Management and Supreme Court Regulation Number 13 of 2016 concerning Procedures for Handling Criminal Cases by Corporations, Case approach With this approach, the research uses Supreme Court Decision number 6636/K/Pid.Sus-LH/2022 and the conceptual approach as a concept in an effective model for the concept of reputation restoration.

RESULT AND DISCUSSION

What are the consequences of environmental crime law in corporate law

Environmental crimes committed by corporations have significant legal consequences, both administratively, civilly, and criminally. In corporate law, corporations can be considered as legal subjects responsible for acts that damage the environment, as stipulated in Law Number 32 of 2009 concerning Environmental Protection and Management (UUPPLH). If a company is proven to have polluted or destroyed the environment, the sanctions that can be imposed include fines, revocation of business licenses, and imprisonment for the responsible management. This aims to provide a deterrent effect while ensuring the restoration of the damaged environment.

Environmental crimes committed by corporations have a significant legal impact in the realm of corporate law. Corporations can be held criminally responsible for acts that damage the environment, either through administrative, civil, or criminal sanctions. This corporate criminal liability includes fines, forfeiture of profits, and revocation of business licenses, depending on the level of error and the impact caused. This confirms that corporations are not only morally responsible, but also legally responsible for actions that are detrimental to the environment and society (Satria, 2017).

In addition to criminal sanctions, corporations can also be subject to civil sanctions in the form of compensation lawsuits by the public or the government due to the losses caused. Article 87 of the Environmental Protection and Management Act (UUPPLH) stipulates that corporations that cause environmental damage are obliged to be responsible for the cost of recovery, either through compensation or direct improvements to the affected ecosystems. Furthermore, this lawsuit can also be filed by environmental organizations based on Article 92 of the Environmental Protection and Management (UUPPLH), which provides legal rights for non-governmental organizations to fight for the interests of a healthy and sustainable environment.

Another legal consequence is the reputational impact for corporations involved in environmental crimes. In addition to facing legal consequences, the company also has the potential to lose the trust of the public and investors, which can have an impact on the sustainability of its business. Therefore, many companies are now starting to apply the principles of corporate social responsibility (CSR) and sustainable business practices to avoid legal risks and maintain business sustainability. With increasingly stringent regulations, corporations are expected to be more responsible in managing their environmental impacts and preventing future environmental crimes.

The consequences of the law are known as what is obtained by the existence of an unlawful act. In the case study, Supreme Court Decision number 6636/K/Pid.sus-LH/2022 that the legal object in this case is a business entity that is categorized as a corporation that is suspected and charged as perpetrator of environmental crimes against B3 waste mismanagement. The defendant named CV PERAJAUTAN SAHABAT in the decision Number: 6366/K/Pid.sus/2024 rejected the cassation application and corrected the decision of the Bandung District Court number 237/Pid.B/LH/2021/PN.Bdg dated November 30, 2021.

That CV PERAJUTAN SAHABAT carries out industrial activities in the field of knitting and refining fabrics (textile) and dyeing, namely by way of the main raw materials in

the form of yarn being knitted then into fabric, then the fabric is dyed according to the consumer's request, then enters the finishing section, then enters the Faking section and is delivered to consumers. In carrying out its industrial activities, CV PERAJUTAN SAHABAT produces liquid and solid waste, including:

- a. Wastewater from the fabric dyeing process whose wastewater is processed in the WWTP Bath.
- b. Solid waste in the form of Sludge Sludge comes from the sludge deposits in the Sludge Tub then is pulled using a machine to the Sludge Pressure Machine and after drying it is put into a sack with a capacity of 2 Kg.
- c. Solid waste in the form of Fly Ash and Bottom Ash comes from the remaining coal combustion in the boiler engine.

Then the processing of waste left over from production activities in the field of knitting and fabric refinement (textile) and the solid waste process turned out to be CV PERAJUTAN SAHABAT applying a mechanism, namely the waste water left over from production entered the reservoir 1, 2 and 3 was given oxygen then flowed to the treatment tank and given PAC, KLOGULAN, HCL, DCA drugs then entered the Klarifayer basin and given anionic polymer drugs to separate the sludge/sludge from the water then the wastewater was drained into the sedimentation tank^{1,2} then the wastewater enters 5 filter units then the water is drained to the last tank and part is used for production activities and part is discharged into sewers/environmental media.

Then for solid waste in the form of sludge/WWTP sludge from the Kalrifayer tub, it is pulled to a mud treatment machine, then given Cationic Polymer medicine, then the sludge is pressed and put into a sack, then stored on top of the tub so that water collects in the tub, then after drying it is taken to the TPS which is in the form of a building that does not enter water / has a lower roof that is not impermeable around the WWTP location, then from the TPS it is transported by a 3rd party, namely PT. CALM DOWN. Then solid waste in the form of bottom ash waste is stored in a room located near the boiler machine, then if there is a lot, it is taken by a third party by PT. CALM DOWN. Furthermore, on September 3, 2019, officers of Unit III Sub-Directorate IV of the Directorate of Criminal Investigation of the West Java Police together with the Bandung Regency Environment Agency visited the CV PERAJUTAN SAHABAT and found that CV PERAJUTAN SAHABAT stored B3 waste in the form of sludge / Sludge at the location of TPS B3 near the WWTP and stored B3 waste in the form of bottom ash in a room near the boiler engine before being transported / handed over to a third party and at the time of the inspection it turned out that CV PERAJUTAN SAHABAT without have/do not show a B3 waste management permit for B3 waste storage activities from the authorized official.

CV PERAJUTAN SAHABAT manage B3 waste or produce B3 waste or dump waste or materials into environmental media without a permit does not have a licensed B3 Waste Temporary Storage Site (TPS) so that B3 Waste in the form of WWTP sludge and B3 Waste in the form of Bottom Ash/coal ash is stored for a long time in open media which causes the resulting B3 Waste to be scattered into environmental media (soil media).

Furthermore, after an examination of the documents, it was later found that the CV. PERAJUTAN SAHABAT until the inspection activity was carried out on September 3, 2019

did not have a Temporary Storage Place for B3 Waste along with its permission, so the defendant CV. KNITTING FRIENDS represented by JOHAN HALIM as Director/Owner, must also be accountable for their actions.

The Defendant's actions are regulated and criminally threatened in Article 102 juncto Article 59 paragraph (4) juncto Article 118 of Law Number 32 of 2009 concerning Environmental Protection and Management and the judge did not consider the alternative indictment, namely the second and third indictments The Defendant's acts are regulated and criminally threatened in Article 103 juncto Article 59 paragraph (1) juncto Article 116 paragraph (1) letter a juncto Article 118 of Law Number 32 of 2009 concerning Protection and the third indictment is Environmental Management and the Defendant's Actions are regulated and threatened in Article 104 juncto Article 60 juncto Article 116 paragraph (1) letter a juncto Article 118 of Law Number 32 of 2009.

In indictment, the examination process in a corporation that commits a criminal act takes a long time, starting from investigation, investigation, prosecution and examination in court. This can be understood because of the evidence that must be collected by law enforcement.

What are the factors that affect the free verdict (vrijspraak) in environmental crime cases involving corporations

Because of this, the proof of Environmental Crimes in the Corporate Scope must look at its distinctive nature, namely: first, the cause is not always from a single source, but comes from multiple sources. Second, involving other disciplines and requiring the involvement of experts outside the law as expert witnesses. Third, often the consequences suffered do not arise immediately, but after a long period of latency. In handling environmental cases, judges are expected to be progressive considering that environmental cases are complicated and there is a lot of scientific evidence. This can strengthen the evidence of the evidence, however, in (Study of Decision No.237/Pid.B/LH/2021/PN Bdg) with the results of being decided free by the district court judge, the prosecutor hereby submits a legal remedy, namely cassation (Study of Supreme Court Decision number 6636/K/Pid.Sus-LH/2022). In carrying out its industrial activities, CV PERAJUTAN SAHABAT produces liquid and solid waste, including:

a. Wastewater from the fabric dyeing process whose wastewater is processed in the WWTP Bath. Solid waste in the form of Sludge comes from the sludge deposits in the Sludge Tub then is drawn using a machine to the Sludge Press machine and after drying is put into a sack with a capacity of 2 Kg. Solid waste in the form of Fly Ash and Bottom Ash comes from the rest of the Coal combustion in the Boiler machine. Then the processing of waste left over from production activities in the field of knitting and mixing the fabric (textile) and the solid waste process turned out to be CV. PEKNITUTAN SAHABAT applies a mechanism, namely the waste water that is left from production enters the reservoir 1, 2 and 3 is given oxygen then flowed to the treatment tank and given PAC, KLOGULAN, HCL, DCA drugs then enters the Klarifayer basin and is given anionic polymer drugs to separate the sludge from the water then the wastewater is drained to sedimentation tanks 1, 2 then the wastewater enters 5 filter units then the water is drained to the last tank and partly used for production activities and Some are discharged into sewers/environmental media.

b. The existence of Article 102 of Law Number 32 of 2009 concerning Environmental Protection and Management can be considered as follows: The defendant was examined and found to not have a permit for B3 waste management activities was on September 3, 2019, then on November 11, 2019 the B3 waste management permit for B3 waste storage activities belonging to the Defendant was issued and on November 29, 2020 the Defendant's case was decided by the Bandung District Court. Among the series of processes, Article 102 of Law Number 32 of 2009 concerning 14 Environmental Protection and Management has been deleted as stipulated in Law Number 11 of 2020 concerning Job Creation at the time the law was promulgated on November 3, 2020.

c. Therefore, the Defendant's act in the form of managing B3 waste without a permit was carried out when Law Number 11 of 2020 concerning Job Creation was not yet in effect, then processed and decided when Law Number 11 of 2020 concerning Job Creation came into effect. Taking into account the provisions in Article 1 paragraph (2) of the Criminal Code, there is a norm "If there is a change in the law after the act is committed, then the most favorable provisions are applied to the Defendant", then the most favorable provision for the Defendant is chosen, namely the provisions in Law Number 11 of 2020 concerning Job Creation.

The defendant named CV PERAJAUTAN SAHABAT in the decision Number: 6366/K/Pid.sus/2024 rejected the cassation application and corrected the decision of the Bandung District Court number 237/Pid.B/LH/2021/PN.Bdg dated November 30, 2021 regarding the amar the defendant was not proven guilty of committing a crime. That based on the deletion of the provisions of Article 102 of Law Number 32 of 2009 concerning Environmental Protection and Management in Law Number 11 of 2020 concerning Job Creation, the Defendant's actions in managing B3 waste without a permit are not a criminal offense so that the Defendant must be declared not proven to have committed the act as in the Public Prosecutor's indictment.

This is in line with the application of the transitory principle or also known as the principle of *lex favor reo* in the context of the transition from Law Number 32 of 2009 concerning Environmental Protection and Management to Law Number 11 of 2020 concerning Job Creation is an important principle in environmental criminal law. This principle stipulates that if there is a change in laws and regulations after an act is committed, then the regulation is more favorable for the perpetrator used. This means that if the provisions in Law Number 11 of 2020 concerning Job Creation provide lighter sanctions or looser terms than Law Number 32 of 2009 concerning Environmental Protection and Management, then perpetrators of environmental crimes whose cases have not been decided *inkracht* are entitled to treatment in accordance with the new regulations.

In the context of Law Number 11 of 2020 concerning Job Creation, there are several important changes in the aspects of environmental sanctions and permits that can be considered more "soft" or provide administrative leeway, such as changes in environmental permit provisions to environmental approvals. This can have an impact on the law enforcement process against environmental violations, as perpetrators can file a defense based on lighter regulatory changes. The application of this principle is a manifestation of the principle of

justice in the legal system, which places protection for the rights of suspects or defendants so that they are not harmed by repressive legal changes.

This principle is also affirmed in Article 1 paragraph (2) of the Criminal Code (KUHP) which states that, "If there is a change in the law after the act is committed, then the most favorable provision for the defendant will be applied." So in the context of the transition of Law Number 32 of 2009 concerning Environmental Protection and Management to Law Number 11 of 2020 concerning Job Creation, the transitional principle provides an opportunity to revise the prosecution or sanctions that have been imposed if there are lighter provisions in Law Number 11 of 2020 concerning Job Creation.

How is the corporate reputation restoration model effective after a free verdict

Modeling in the restoration of good name (rehabilitation) after a free verdict (vrijspraak) is two main categories, namely through the civil litigation process and non-litigation, this is a differentiator in applying for rehabilitation in a free verdict (vrijspraak), however, it is not clear to focus on the restoration of good name because in practice rehabilitation is more burdensome on compensation for former defendants. The restoration of a good name after a person is declared free by the court is a legal right regulated in Indonesian laws and regulations. One of the legal bases that governs this matter is Article 68 of Law No. 8 of 1981 concerning the Criminal Procedure Code, which states that a person who is detained, prosecuted, or tried without a valid reason or because of a mistake regarding his person or the law applied to him, is entitled to rehabilitation. This rehabilitation includes the restoration of a person's good name, dignity, and dignity in the eyes of the law and society. In addition, Supreme Court Regulation (Perma) No. 1 of 2022 concerning Procedures for Submitting Rehabilitation and Restitution Applications also clarifies the mechanism for those who are exempted or released from all lawsuits to get good name restored.

The rehabilitation mechanism for corporations is regulated in Article 97 paragraph (1) of Law No. 8 of 1981 concerning the Criminal Procedure Code, which states that defendants who are declared free are entitled to rehabilitation in order to restore their good name. In the litigation process known as a compensation lawsuit with the intention of compensation in the concept of civil law because the existence of unlawful acts can be divided into two (2) approaches, namely general damages and damages special. What is meant by general damages in this case is compensation that applies to all cases both for cases of default, contract, and cases related to engagement, including due to unlawful acts.

The compensation referred to here is a pre-trial lawsuit filed by the defendant who is declared free (vrijspraak) in the criminal justice process. This former defendant is entitled to restoration of his good name and compensation because of this because of the accusation of being a suspect and a defendant. The legal basis in this lawsuit for restoration of good name is article 1365 of the Civil Code concerning unlawful acts with the postulation of any unlawful act that harms others and gives rise to the responsibility of compensation even though it is criminally free, however, the restoration of good name is the concentration of non-material immaterial damages because a civil court decision can definitively restore the good name of the defendant.

However, in practice, this mechanism is more often applied to individuals, while for corporations there are still legal loopholes. With the method directed to pre-trial Within 14

(fourteen) days from the date of the pre-trial application being examined, the application must be decided. The applicant may withdraw his application before the District Court renders a decision if approved by the respondent.

In Law No. 8 of 1981 concerning the Criminal Procedure Code article 1 number 23 Rehabilitation is the right of a person to have his rights restored in his ability, position and dignity as given at the level of investigation, prosecution or trial because he is arrested, detained, prosecuted or tried without a reason based on the law or because of a mistake regarding his person or the law applied in the manner regulated in the law. invite this. Regarding article 15 of the Government Regulation of the Republic of Indonesia number 27 of 1983 concerning the implementation of the criminal procedure code of the President of the Republic of Indonesia, the content of the decision or determination of rehabilitation is announced by the penitentiary by placing it on the court notice board. Such rehabilitation must be publicly announced by the court and can be used by the individual concerned to remove the social stigma inherent in previous legal proceedings. This restoration is essential in ensuring the protection of human rights and the principle of presumption of innocence upheld in the national legal system.

However, it is not limited to this that in this case the prosecutor's office is the prosecutor's office in accordance with Article 270 of Law No. 8 of 1981 concerning the Criminal Procedure Code The implementation of court decisions that have obtained legal force is still carried out by the prosecutor, for which the clerk sends a copy of the decision letter to him. and the role of the prosecutor's office in an executory and other matters in accordance with the Prosecutor's Law article 30 letter C which is intended to participate and be active in handling criminal cases involving witnesses and victims as well as the rehabilitation, restitution, and compensation process. If there is no role in the execution of the prosecutor's office, there is no notice board and the delay in filing a pretrial, then a civil lawsuit will be filed with compensation in accordance with article 1365 of the unlawful act. Therefore, further research is needed related to the implementation of rehabilitation for corporations in environmental crimes, including through derivative regulations such as Law Number 32 of 2009 concerning Environmental Protection and Management and related regulations.

Then corporate defendants who are acquitted of criminal cases are entitled to restoration of good name and compensation for the suffering and bad accusations experienced during the trial process. With this, the defendant needs to prove that he or she legally feels disadvantaged, such as in the scope of the corporation, namely reputation, declining company performance, and loss of investor and public trust. Then the evidence referred to in the process of restoring good name is in the form of letters, trial recordings to the testimony of witnesses who support him still suffering from a negative stigma even though he has been freed. Then the amount of loss to compensation is determined based on evidence of material and immaterial losses, then the court must be in accordance with the principle of equality before the law indiscriminately regarding the handling of any court, with this the defendant deserves the restoration of his good name and compensation for those suffered because he is considered guilty with this the status of the defendant must not be harmed because he must be equal in getting access to justice to get his rights. The non-litigation process almost has a similarity, however, it has a difference in its handling, namely by doing the mediation method this time it

is easier, faster and the cost of the case is lighter, but there are always obstacles if the principal or the parties do not accept the mediation still to move forward with the litigation process.

In corporations, the principle of independence in the company can be known as the Concept of Corporate Social Responsibility, which is in line with the Triple Bottom Line (TBL) Theory, developed by John Elkington in 1994, emphasizing that the success of a business or corporation is not only measured in terms of economy (Profit), but must also consider social aspects (People) and the environment (Planet). In the context of economic law and corporate law, this theory is relevant in shaping corporate policies that are oriented towards sustainable development and corporate social and environmental responsibility.

The People aspect in economic law and corporate law refers to how the company treats its workforce, the surrounding community, and other stakeholders. This principle is closely related to Corporate Social Responsibility (CSR) as stipulated in Article 74 of Law Number 40 of 2007 concerning Limited Liability Companies, which requires companies in certain sectors to carry out Corporate Social Responsibility to improve social welfare. In addition, labor law also regulates the protection of workers' rights so that companies not only pursue profits, but also ensure workers' welfare and create fair industrial relations.

The Planetary aspect in economic law and corporate law relates to the company's obligation to protect the environment. This is regulated in Law Number 32 of 2009 concerning Environmental Protection and Management, which requires corporations to apply the polluter pays principle and prevent environmental pollution. Companies must also undergo an Environmental Impact Analysis (EIA) as a requirement for obtaining a business license. This concept aims to ensure that a company's economic activities do not cause environmental damage that negatively impacts society and ecosystems.

The Profit aspect remains the main focus of the company, but in the Triple Bottom Line theory, profits should not be achieved in a way that is detrimental to society or the environment. This principle is related to the law of fair business competition, as stipulated in Law Number 5 of 1999 concerning the Prohibition of Monopoly Practices and Unfair Business Competition, as well as tax regulations that ensure that companies contribute to national development. Companies must seek profits while still paying attention to long-term economic sustainability and not engaging in business practices that are detrimental to the public.

In economic law and corporate law, the Triple Bottom Line theory is an important framework in balancing business interests with social and environmental responsibility. The implementation of the principles of People, Planet, Profit in legal regulation ensures that the company is not only profit-oriented, but also contributes to the welfare of society and environmental conservation. This model supports the principles of good corporate governance (GCG) and supports sustainable economic development in Indonesia (Rastuti, 2015).

CONCLUSION

The legal phenomenon following a "free verdict" (vrijspraak) for corporations in environmental crime cases creates a regulatory vacuum that cannot be ignored. Despite being proven innocent, corporations still face significant losses, not only in material terms but also

in terms of their reputation. The restoration of a corporation's good name should be an automatic legal consequence of an acquittal, rather than a mere formality. However, there has been no in-depth study on the mechanism of post-acquittal rehabilitation specifically for corporations in environmental crimes. Normatively, Article 15 of Government Regulation Number 27 of 1983 mandates that rehabilitation must be publicly announced by the court, but this has not been consistently implemented, especially when the defendant is a corporation. This lack of decisive action results in corporations being "socially punished" despite their acquittal, contradicting the principles of justice and legal certainty as guaranteed by Article 28D, paragraph (1) of the 1945 Constitution, and the presumption of innocence. When a corporation is acquitted, it should also legally receive the restoration of its reputation and legal status. However, the lack of a strict execution mechanism from the prosecutor's office hampers the effective implementation of rehabilitation, leaving the corporation's reputation tarnished. Therefore, there is an urgent need for clear technical regulations that outline the prosecutor's office's role in executing rehabilitation decisions to ensure restorative justice and comprehensive legal certainty. Future research should focus on developing these technical regulations and exploring how they can be effectively implemented, alongside studying the long-term impact of corporate reputation restoration on business sustainability and public trust.

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