Corporations As Legal Subjects In Environmental Crimes

Nur Khalifah Agustin Sari¹, Ariawan Gunadi²

¹Student at Faculty of Law, Tarumanagara University
²Lecturer at Faculty of Law, Tarumanagara University

*Corresponding Author: Nur Khalifah Agustin Sari
E-mail: araiawangun@gmail.com

Abstract
This study seeks to examine the legal implications of corporate accountability in relation to environmental crimes. To address this difficulty, we rely on theoretical sources written by Philipus M. Hadjon and Tatiek Sri Djatmiati. They contend that under the civil law system, the first approach should be a legal one. The data were gathered in accordance with the relevant legislation and regulations in Indonesia and were subjected to qualitative analysis. This article asserts that legal liability for criminal actions of environmental harm extends beyond people to include legal organizations or companies as entities subject to criminal law. In this scenario, both the board and the business have equal culpability for committing an environmental offense.

Introduction

The environment is a vital component of human existence. Put simply, the environment and human existence are inseparable. Humans seek sustenance and quench their thirst while also satisfying other need. Environmental difficulties refer to challenges that arise from natural processes and occurrences (Kasperson & Pijawka, 2022). This inherent phenomenon transpires without substantial repercussions on the ecological framework and may thereafter be regenerated in a natural manner. Nevertheless, it is no longer accurate to categorize environmental issues as solely natural phenomena (VanLoon & Duffy, 2017). Humans have a crucial and diverse role in causing environmental catastrophes. Human beings, with their many attributes such as physical growth, intellectual development, and the influence of time and historical context on their character and perspective, are more accurately associated with environmental issues (Lerner, 2021). Humans' proclivity to breach agreements or legal regulations extends beyond their own interactions to include other entities, including natural resources (Andriansyah et al., 2021).

In Indonesia itself, approximately 70% of the surface of the country where we live is covered by sea. Maintaining the marine ecosystem, which is a very large living environment, is an important thing for all groups to do because the ocean provides most of the life-supporting environment on this planet (Chakraborty, 2022). The sea holds most of the biodiversity, plays a major role in climate regulation, supports dynamic economies and contributes to food security throughout the world. One example of a problem regarding environmental damage to marine ecosystems is one caused by fishermen who catch fish with bombs or other materials. chemicals that are harmful to marine ecosystems (Hidayati, 2021).

However, in reality, there is a lot of environmental damage and violations in marine ecosystems. This situation causes fishermen to carry out exploitation activities of fish on a large scale using various methods that are not in accordance with the code of ethics for responsible fisheries and damage and pollute the marine environment (Karim et al., 2020). The method generally used by fishermen is illegal fishing, namely a method of catching fish using...
illegal methods such as bombing, using poisonous materials, and using trawl fishing gear (Mufrohim & Setiyono, 2020).

The development of society in the current era, including economic development, cannot be separated from modernization and industrialization in the context of national development in order to realize social welfare (Okikiola, 2022). Corporations have a very strategic role in modernization and industrialization because it is one of the strategic steps in meeting the needs of society so as to increase the economic growth of a country (Tri et al., 2021).

Apart from that, corporations are also one of the pillars of a country's economy considering their contribution to state financial revenues (taxes and so on) and reducing unemployment by providing employment opportunities (Celikay, 2020). Corporations play a significant role in the economic development of society, which has both positive and negative effects. One of the negative impacts is the emergence of deviant behavior by corporations driven by economic motives. These deviant behaviors differ from conventional crimes and require specialized instruments for law enforcement (Skidmore, 2021).

In the case of the Birmingham and Gloucester Railway Co. What happened in 1842 in England positioned corporations as subjects of criminal law. The same thing happened in 1950 in the Netherlands as written in Wet Economische Delicten (WED), although it was limited to certain offenses. However, in 1976, changes to Wetboek van Strafrecht recognized corporations as subjects of general criminal law (commune strafrecht) and determined who was responsible and shared responsibility for crimes committed by corporations (Rahmadia, 2020).

In 1915 through Staatblad No. 732 in the Netherlands, the drafters in drafting the Criminal Code had the view that societas delinquere non potest, namely that corporations cannot commit criminal acts. However, in its development, Indonesia has created statutory regulations outside the Criminal Code which position corporations as being subject to criminal liability. This can be found in several regulations, namely Law No. 32 of 2009, Law No. 41 of 1999, and Law No. 8 of 2010. The practice of positioning the corporation as the party that can be held responsible is not easy to determine who is most responsible for the criminal act. Barda Nawawi explained that the existence of corporate responsibility must be clear first in determining the subject that can be held accountable, so that it starts with determining who the perpetrator or author of the criminal act is and determining the perpetrator or author is not an easy matter (Payne, 2020).

Even though the corporation is positioned as a party that can be held criminally responsible, in carrying out legal actions it is represented by its management, therefore logically it is not the corporation that carries out the action, but its management who can be held criminally responsible. Finding the management who should be responsible is not an easy matter, because the complexity of authority and the correlation of structural management relationships in cooperatives means that efforts are needed to reveal criminal acts committed by corporations (Carrera, 2022).

In practice, one of the negative impacts of the role of corporations is environmental damage. The environment is an absolute part of human life, because humans in fulfilling their needs are very dependent on the environment. It can be seen that humans, animals, plants, water, air and land are a unified ecosystem that cannot be separated from one another. Apart from that, the consequences of environmental damage are not felt immediately, but for years, even hundreds of years later. Therefore, the state is obliged to provide protection for the environment. One of them is by making corporations the subject of criminal law for their actions which deliberately cause environmental damage which can have an impact on life around them. With this problem, the state, through the government, facilitates legal regulations regarding environmental...
protection through Law Number 32 of 2009 concerning Environmental Protection and Management, it is explained that environmental management and protection is a systematic and integrated effort carried out to preserve the function of the environment and prevent the occurrence of environmental pollution and/or damage which includes planning, utilization, control, maintenance, supervision, and law enforcement. Apart from that, there is Law no. 5 of 1990 concerning Biological Natural Resources and Ecosystems, but on the other hand, criminal sanctions for perpetrators who destroy marine ecosystems still have many weaknesses, especially for corporations as legal subjects.

The focus of this research is to review corporate responsibility with the aim of imposing punishment for environmental crimes appropriately on the parties who should be responsible if a corporation commits a criminal act. The aim of this research is to analyze historically and juridically the responsibility of corporations in committing environmental crimes as a legal subject, so that from this study it can be seen who is most criminally responsible if a corporation has committed a criminal act.

**Methods**

This research uses doctrinal legal research or normative juridical methods or library research. Normative juridical research provides an overview of law defined as applicable norms and doctrinally includes prescriptive research that studies the objectives of law, justice. The approach to preparing this research is to approach legislation and the implementing regulations below. The legal material in this research uses statutory regulations, books and articles regarding corporations as legal subjects as the aim of this writing is to solve problems by providing appropriate prescriptions. Collecting legal materials in collecting legal materials is carried out by literature study. The results of the literature review are used to find answers to this research problem using deductive analysis.

**Results and Discussion**

**Corporations as Subjects of Criminal Law**

Legal entities are not living creatures like humans, legal entities cannot carry out legal acts themselves, they must act through ordinary people, but the person acting does not act for themselves, but for and under the responsibility of the legal entity. This is in accordance with article 1655 of the Indonesian Civil Code which states "A legal entity can carry out actions other than through its intermediary, but it cannot itself close the agreement between the principal and its management. These actions and management cannot be equated with ordinary representatives or representatives with a power of attorney, as often happens between ordinary people who are represented by other people." A legal entity is a legal subject that has legal rights and obligations in legal relations.

Discussing corporate responsibility through the concept of criminal law cannot be separated from its pros and cons. This cannot be separated from the criminal responsibility paradigm in the Criminal Code (KUHP) which is individual in nature, that is, it does not provide options other than humans (natural persons) as legal subjects. Nevertheless, it is very interesting to express the views of Wirjono Prodjodikoro in his book "Principles of Criminal Law in Indonesia" which states that with the existence of associations of people, who as legal entities participate in social life, the symptoms of these associations arise. which, if carried out by individuals, clearly constitutes the formulation of various criminal acts. In this case, as representatives, those who are subject to criminal punishment are other individuals, namely people who function as administrators of legal entities, such as a director of a limited liability company, who are held accountable. Meanwhile, it is very possible that a director is just carrying out the decision of the board of directors. So, the idea arose and then spread, that an
association as a separate entity could also be subject to criminal punishment as the subject of a criminal act.

The law does not only regulate natural persons as legal subjects, but also legal subjects other than natural persons. The legal subject in question is a legal entity (rechtspersoon), to which legal rights and obligations are attached like natural persons as legal subjects. Etymologically, the meaning of corporation, which in other terms is known as corporatie (Dutch), corporation (English), corporation (German), comes from the Latin word corporatio. Corporatio as a noun (substantivum) comes from the verb corporare which was widely used by people in the Middle Ages or after that. Corporare itself comes from the word corpus (body), which means to give a body or make a body. Thus, ultimately corporatio means the result of bodily work, in other words a body that is made into a person, a body that is obtained by human actions as opposed to the human body, which occurs according to nature.

According to Subekti, a corporation is basically an entity or association that can have rights and carry out actions like humans, as well as having its own wealth, and can be sued or sued in front of a judge. According to Utrecht, a legal entity (rechtsperson) is a body which, according to the law, has the power (authority) to be a supporter of rights. It is further explained that a legal entity is every supporter of rights that has no soul or, more precisely, is not human. According to Logemann, a legal entity is a personification or bestendigheid (embodiment, incarnation), the legal rights and obligations of an organization (organisatie recht) which determine the internal structure (innerlijkstruktur) of that personification. According to civil law, legal subjects, namely those who can or are authorized to carry out legal actions in the field of civil law, such as making agreements, consist of two types, namely natural persons and legal persons. So, it can be concluded that according to civil law a corporation is a legal entity (legal person). As a legal entity, a corporation has the existence and authority to carry out legal actions recognized by civil law. This means that civil law recognizes the existence of corporations and gives them the authority to act as legal figures. The death of a corporation must also be recognized by law.

Based on the opinions of the experts above, uniform elements can be drawn that can characterize a legal entity, namely: (a) in the form of an organization or group or body or association; (b) has rights and obligations that are separate from those of its administrators and are equivalent to the rights and obligations of an individual (within certain limits); (c) Having assets that are separate from those of the administrators; (d) Legal entities are born because they have a specific purpose; And (e) Born because of the law

Meanwhile, in criminal law, corporations encompass more than only legal organizations, such as limited liability companies, foundations, cooperatives, or groups that have obtained legal recognition as corporate bodies. In accordance with criminal law, corporations include businesses, limited liability companies or CVs, and partnerships or maatschap. According to Law no. 1 of 2023 Article 45 of the recently enacted Criminal Code (KUHP) clarifies that businesses are liable under criminal law. The corporation mentioned in this article encompasses various legal entities such as limited liability companies, foundations, cooperatives, state-owned enterprises, regional-owned enterprises, or their equivalents. It also includes both incorporated and unincorporated associations, as well as business entities in the form of firms. A limited partnership, or a similar arrangement as specified by legislative requirements.

Article 46 of the New Criminal Code defines a criminal act by a corporation as an act committed by a member of the management team who holds a functional position within the organizational structure of the corporation. It can also refer to a person who is employed by or
has a relationship with the corporation and acts on its behalf or in its interests within the scope of its business or activities, either individually or in collaboration with others.

From these provisions it can be concluded that corporations as subjects of criminal law are not limited only to legal entities, but also include administrators who have certain functional positions in the legal entity's organizational structure.

**Corporate Responsibility in Indonesia**

Criminal responsibility is the main core of criminal law which is aimed at finding criminal acts, which also requires the person who committed the crime, either intentionally or by mistake. So that every mistake in the form of an evil act is given a punishment or is termed *Geen Straf Zonder Schuld*. To see the current conditions, the provisions of the *Geen Straf Zonder Schuld* have undergone changes in their designation to suit human needs, shifting from the initial objectives of the principle. There is a contextual condition that changes society's paradigm in understanding crime and responses to crime which always develops according to the dimensions of space and time. Civilization is the result of changes in social culture from a dynamic way of relating to society, so that it has shifted normative laws according to society's needs for the purpose of making it easier to carry out its interests.

*Geen Straf Zonder Schuld* in German terms is called *Keine Strafe Ohne Schuld* which can also be interpreted as *Nulla Poena Sine Culpa*. In law, it is known as a punishment that requires the perpetrator to be guilty. The error must fulfill both elements, namely mens rea and actus reus. This doctrine is used by criminal law to determine the person responsible for the commission of a crime or it could also be said that whoever commits the crime is the one who must be given criminal punishment.

There is an element of mens rea, which means the will or desire that exists within the perpetrator as a natural human being, where the perpetrator realizes that the action to be carried out is an act that violates the law and consciously and with his will the perpetrator carries out the evil act, so that normatively if seen From the perspective of *Geen Straf Zonder Schuld*, the perpetrator's actions fulfilled both elements of criminal responsibility. However, it becomes a problem, if the perpetrator is not a natural human being who has the will to determine the mens rea element and of course a different approach is needed by making an exception to the *Geen Straf Zonder Schuld* provisions to reach corporations as perpetrators of crimes.

Corporations are the result of social changes that change the perspective of criminal liability. The existence of crime in corporations falls into the category of white-collar crime, if seen from the modus operandi of the perpetrator in carrying out the act by taking advantage of his intelligence and appearance so that the perpetrator of the crime can take refuge in the face of the corporation. There are deviant corporate actions aimed at economic motives and having an impact on the wider community, such as environmental pollution crimes.

If you look at the current laws in Indonesia, you cannot find any regulations that explain corporations. In criminal law, humans are only recognized as *natuurlijk persons*, which comes from the principles of university *delinquere non potest* and *societas delinquere non potest*, which can be interpreted as meaning that corporations cannot possibly commit crimes and corporations cannot be punished.

Corporation is taken from Latin which comes from the word *corporatio*, with the suffix *tio* as a noun (*substantivum*) and *corporate* as a verb, while *corporare* comes from the word *corpus* which means body, this term has often been used since the Middle Ages and after. If we look at the explanation of the etymology, a corporation is an entity that is legally legalized, for a body/corpus that has a physical structure and recognition in law using the animus element to
create a legal entity that has a personality. In short, corporations are created by law, so except for their creators, their death or dissolution is determined by law. Rudi Prasetyo, as quoted by Muladi, explained that the use of the word corporation has become a common term for criminal law experts, which can also be known as rechtsoon or legal entities.

Based on the discussion regarding the definition of a corporation, a corporation is a legal subject created by law that originates from a combination of people to achieve a goal. Talking about corporations themselves cannot be separated from civil law, because the concept of corporations is often taken from civil law. However, the definition of corporation in criminal law has a broader meaning when compared to the definition of corporation in civil law, which is limited to legal entities only.

**Corporate Criminal Liability Capability**

In order for a person to be convicted, he or she must be able or able to be held responsible and it is impossible if someone is not capable of being held responsible to be held criminally responsible. According to Simons, the capacity for responsibility can be interpreted as a psychological condition that justifies the request for criminal responsibility in the view of the general public and that person. The regulation of criminal responsibility capacity is contained in Article 44 of the Criminal Code which is the basis for classifying someone who can be held criminally responsible.

Sudarto explained that the ability to be responsible is if the person is mentally healthy with the classification, the perpetrator is able to know and/or realize that the act committed violates legal provisions and the perpetrator is conscious and willing to commit the criminal act. Meanwhile, according to Van Hamel, normal circumstances to be held criminally responsible must meet 3 criteria, namely: (a) can know the consequences of his actions; (b) can realize that his actions are contrary to the views of society; And (c) can consciously choose to commit the act.

It can be seen from the opinion above that the ability to be responsible is determined by two things, namely reason and will. Where with reason a person can differentiate between good and bad or prohibited actions, while the will or desire creates awareness or realization of the evil actions he has committed. In contrast to Roeslan Saleh, reason is the first element in determining the ability to be responsible, but will is not an element of this ability because will is only a continuation of reason. So that with the presence of reason a person can act with awareness of his actions, meaning that if a person has common sense, he will be able to determine his will according to the law, whereas if a person who is mentally ill cannot be aware of his actions so he cannot act according to his awareness.

The Criminal Code does not contain a definition regarding the ability to be responsible and only provides the qualifications of someone who can be held accountable as contained in Article 44 paragraph (1). Likewise, the direction of the criminal reform policy stated in the RKUHP does not formulate responsibility capacity but rather provides qualifying criteria for those who can be held responsible and those who cannot. So, the issue of the ability to be responsible is a psychological aspect that is naturally inherent in humans.

However, corporations are formed with definite goals and the process of achieving these goals is realized through the actions of natural persons. So, it is natural that the corporate responsibility capacity is taken over from those who act for and on behalf of the corporation, as chosen people chosen by the corporation and who have the ability to be responsible in accordance with civil legal relations.
Regarding corporate responsibility, it can be seen from the actions of the management who have the statutory objectives of a corporation or it can also be seen from company policies (bedrijfspolitiek). In principle, it is easier to just know that the action is in accordance with the scope of work (feitelijke werkzaamheden) of the corporation. The concept of functional behavior will not be understood properly if the actual actions carried out in the community are not seen as corporate actions.

**Criminal Liability for Environmental Damage**

The fundamental challenge of environmental issues is in identifying and implementing measures to ensure that the Earth and its natural environment remain a livable place conducive to a harmonious and successful existence. Hence, activities that contaminate the environment are tantamount to extinguishing life itself.

The primary purpose of the legal system is to address and safeguard human rights and interests. Consequently, the law has the utmost power in determining and overseeing the human interests that need regulation and protection. Legal protection arises from legal provisions and regulations established by society. These regulations serve as an agreement within society to govern the behavioral interactions between its members and between individuals and the government, which acts as a representative of societal interests. One way that the state fulfills its duty to manage and preserve the environment is by creating and enforcing laws and regulations.

An essential attribute of absolute responsibility is the absence of any requirement for fault. This means that there is no need to provide evidence of fault, and it is enough to demonstrate that the offender has committed an actus reus, which is an action prohibited by criminal law. Put simply, an individual is accountable for any potential harm caused to another individual due to their conduct. However, if the corporation can demonstrate its commitment to preventing forbidden or unreliable occurrences from affecting individuals outside of the organization's scope, it may be able to avoid legal responsibility.

Environmental law enforcement may be conducted via proactive and reactive measures. Preventive law enforcement involves proactive monitoring of conformity with rules, even in the absence of specific incidences that raise suspicion of legal violations. This endeavor may be accomplished by closely observing and using supervisory power. Law Number 32 of 2009 on Environmental Protection and Management is enforced to uphold environmental functions and prohibit any kind of environmental pollution or harm. The environmental preservation and management are regulated in a more thorough way by UU no. 32 of 2009. The enhancements in this legislation are rooted in the concepts of environmental conservation and are founded on good corporate governance. This involves all stages of designing and deploying technologies to mitigate environmental pollution and harm.

According to Article 88 of Law no. 32 of 2009, it is evident that severe accountability is imposed as a new paradigm in terms of environmental responsibility. The responsibility for pollution and environmental damage should be assigned to the party responsible for causing the harm, regardless of their legal status or the scale of the damage. This applies to individuals, governments, companies, and any other entities involved. This legislation governs non-criminal penalties, namely administrative penalties. Article 76, paragraph (2) outlines the components of administrative sanctions: (a) Written warning. (b) Government Coercion. (c) Suspension of environmental permits. (d) Revocation of environmental permits.

Article 80 paragraph (1) Government coercion as intended in article 76 paragraph (2) letter b
in the form of: (a) Temporary cessation of production activities. (b) Transfer of production facilities. (c) Closure of waste water or emissions channels. (d) Demolition. (e) Confiscation of goods or tools that have the potential to cause violations. (f) Temporary suspension of all activities.

Criminal regulations are contained in Law no. 5 of 1990 concerning Biological Natural Resources and Their Ecosystems which regulates criminal acts that threaten the preservation of Indonesia's natural resources and marine ecosystems, which in this case are coral reefs. Article 21 of the law states: "Every person is prohibited from: (1) taking, cutting down, possessing, damaging, destroying, maintaining, transporting and trading in protected plants or their parts whether alive or dead; (2) removing protected plants or their parts, alive or dead, from one place in Indonesia to another place inside or outside Indonesia."

And the sanctions that regulate the provisions of article 21 are stated in Article 40 paragraph (2), namely "Anyone who intentionally violates the provisions as intended in Article 21 paragraph (1) and paragraph (2) and Article 33 paragraph (3) shall be punished by imprisonment. a maximum of 5 (five) years and a maximum fine of Rp. 100,000,000.00 (one hundred million rupiah). Other actions aimed at stopping violations and actions to restore environmental functions"

In connection with the determination and accountability of corporate crime, there are three things that need attention in the context of the functionalization of criminal law for corporate criminal acts, namely: (1) When a corporation is declared to be the perpetrator or has committed a criminal act and when a criminal act has been committed in the name of a corporation, must be clearly formulated in the statutory regulations. (2) A corporation can only be held criminally liable if there is an element of error or mens rea in the form of intent or negligence without any excuse and the criminal act was committed for the interests of the corporation and is still within its scope. (3) Criminal sanctions in the form of fines need to be added to other criminal sanctions to be imposed on corporations.

In the opinion of Sutan Remi Sjahdeini, namely that the management and the corporation are both perpetrators of criminal acts and both must bear criminal responsibility, which is correct because here the corporation is not only placed as a subject of criminal law, meaning it can commit an offense, but there is also an element of mens rea in it. , which as a consequence, if the corporation is guilty, can be punished. Because the corporation can only act with the "hands" of other parties, in this case its management, the management concerned must be held criminally responsible. Thus, corporate criminal acts have two structures, namely the imposition of responsibility and the imposition of sanctions, both on the management and on the corporation concerned.

This system must be implemented because apart from being based on the considerations above, it is also based on other reasons. Firstly, if only the management is burdened with criminal responsibility, it will be unfair to the victims of the crime in question, who have suffered losses because the management carried out their actions for and on behalf of the corporation and was intended to provide benefits or avoid losses for the corporation. Second, if only the corporation can be held criminally responsible, while the management does not have to bear responsibility, this system provides a great opportunity for the management to hide behind the body of the corporation so that they will always be free from the entanglement of responsibility.

Third, corporations can also be held accountable based on identification theory, where the management’s rea is considered the heart of the corporation. The management is considered the same as the corporation. So, apart from the corporation, the management must also be responsible. This will close the opportunity for the management of a corporation to act without
taking into account the possibility of being held criminally liable. Thus, it can be concluded that every person and corporation can be the subject of environmental crimes and can be held accountable.

**Conclusion**

Environmental sustainability is very important for human life, environmental damage which can result in damage to environmental quality, will certainly reduce the carrying capacity of the environment. Reduced environmental carrying capacity results in reduced environmental benefits for humans. Therefore, legal protection for the environment is very important, to be able to prevent all forms of threats and actions that could result in environmental damage. Every individual legal subject or legal entity can be held legally responsible for committing environmental crimes. If the person responsible for the criminal act is the manager or giver of orders in the activities of the corporation (in this case an individual) they can be sentenced to prison and a fine. The entity is also entitled to confiscation of profits from criminal acts, closure of all or part of its place of business, compensation for the consequences of criminal acts.

**References**


