



Reconstructing Intellectual Property Commercialization Policy As An Instrument For Strengthening the Competitiveness Of Indonesia's Creative Industry

Abdul Thalib

Universitas Islam Riau,
Indonesia

Dody Fernando*

Universitas Islam Riau,
Indonesia

***Corresponding author:**

Dody Fernando, Universitas Islam Riau,
Indonesia. email@gmail.com

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Abstract

Background: Indonesia recognizes intellectual property (IP)-backed financing, but high registration activity has not consistently become licensing income, bankable collateral, or industrial scale.

Objective: This study formulates a reconstruction connecting legal protection, valuation, financing, licensing, enforcement, and market development to strengthen creative-industry competitiveness.

Methods: Qualitative doctrinal research was supported by secondary empirical data from legislation, administrative statistics, and institutional reports available up to July 2026 and analysed through a regulatory-chain matrix.

Results: Law No. 24 of 2019, Government Regulation No. 24 of 2022, the 2025 IP valuer regulation, the 2026 KUR guideline, and the 2026–2045 Creative Economy Master Plan form a progressive sequence, but gaps remain in ownership evidence, lender use of valuations, security perfection, default execution, royalty data, and regional access. Lender discretion and illiquid secondary markets constrain implementation.

Conclusion: A six-pillar architecture is proposed: integrated governance and data; transaction readiness; asset-specific valuation and risk sharing; clear perfection and execution; transparent licensing and royalty markets; and regional delivery measured by financing, revenue, exports, employment, and creator bargaining power.

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INTRODUCTION

Indonesia's creative economy is no longer a peripheral cultural sector; it is a labour-intensive production system in which copyrights, trademarks, designs, patents, trade secrets, geographical indications, performances, software, data, and contractual know-how determine the ability of firms to differentiate products and capture value (Mahmudah et al., 2024). Statistics Indonesia reported that the creative economy employed 27.40 million people in 2025, equivalent to 18.70 percent of national employment, up from 26.48 million workers in 2024 (BPS, 2025). At the same time, the Directorate General of Intellectual Property recorded, as of 30 November 2024, 151,197 copyright applications, 130,253 trademark applications, 13,614 patent applications, 6,769 industrial-design applications, and additional applications for communal intellectual property and other rights (Directorate General of Intellectual Property, 2024). These figures demonstrate a broad base of rights creation and registration, but they do not establish that the rights generate stable royalties, improve bargaining positions, attract financing, or enable firms to enter national and international value chains (Dellyana et al., 2023).

The 2026 *Kredit Usaha Rakyat* (People's Business Credit) Guideline introduces a direct financial bridge between IP assets and subsidized MSME credit by permitting IP-backed collateral arrangements within the KUR framework, subject to certified IP appraisal. This guideline effectively operationalizes the credit-access dimension of IP commercialization policy.

The central legal problem is the distinction between protection and commercialization. Protection establishes exclusivity, attribution, enforceability, and legal certainty (Suratno et al., 2025). Commercialization requires an additional institutional chain: ownership must be auditable; the right must correspond to a product or income stream; licences and encumbrances must be transparent; valuation must be credible; lenders must be able to monitor risk; and default must lead to a lawful, economically feasible transfer, licence, or sale (Rahman et al., 2020). Thalib & Muchlisin. (2020) explain that Indonesian IP law is related not only to the protection of private rights but also to national development, technology transfer, patent licensing, and the role of government. That developmental orientation is important because the economic value of an exclusive right depends on complementary capabilities, including production, distribution, marketing, finance, and enforcement (Atikah & Sari, 2024).

Earlier research by Thalib (2020) documents recurring implementation gaps between protection and commercialization frameworks, suggesting that existing IP regulations operate in isolation rather than as an integrated chain. International WIPO analyses identify IP finance as a critical but underutilized channel for economic development, particularly in emerging creative economies lacking access to traditional credit mechanisms (WIPO, 2023).

International evidence points in the same direction. WIPO describes IP finance as promising but still nascent because lenders and investors face difficulties in recognizing, valuing, disclosing, and monetizing intangible assets (World Intellectual Property Organization, 2024a, 2025a). OECD analysis explains that intangible-intensive small firms often encounter a financing gap because conventional credit assessment prioritizes land, buildings, equipment, and inventory (Thalib et al., 2023). Indonesia's broader MSME credit conditions reinforce the urgency: MSMEs represented 99.90 percent of businesses and 59.64 percent of GDP in 2024, yet the share of MSME loans in total outstanding loans declined to 17.49 percent in 2025, while MSME non-performing loans increased to 4.33 percent (Organisation for Economic Co-operation and Development, 2026). IP-backed finance cannot replace prudent credit assessment, but it can widen the information set and asset base used to assess firms whose value is concentrated in brands, content catalogues, software, designs, and contractual cash flows.

The theoretical foundation of this study combines incentive, transaction-cost, and complementary-assets perspectives. Exclusive rights can encourage creation and disclosure by allowing right holders to appropriate part of the value produced by innovation (Landes & Posner, 2003; Ronie et al., 2023). However, institutions determine the cost of exchange, verification, enforcement, and coordination (North, 1990). Teece (2018) further shows that innovators may fail to capture returns when complementary assets and commercialization capabilities are controlled by other actors. In creative industries, uncertainty, project-based production, differentiated demand, and contractual complexity intensify this problem (Caves, 2000; Towse, 2010). Consequently, an effective commercialization policy must reduce the legal and informational costs of transactions while distributing risk among creators, firms, valuers, lenders, guarantors, platforms, and public institutions.

The research gap lies in the absence of an integrated legal analysis of Indonesia's post-2025 policy framework for intellectual property (IP) commercialization. Existing regulatory arrangements have yet to be systematically examined as a continuous chain linking IP creation, protection, commercialization, valuation, and access to credit. In particular, three interrelated gaps remain. First, there is a lack of systematic regulatory mapping that traces IP assets from their creation through commercialization and ultimately to credit access. Second, insufficient attention has been given to the interaction between the 2025 IP Appraiser Regulations and the 2026 KUR Guidelines and the pre-existing legal frameworks governing IP protection and commercialization. Third, there is a limited prescriptive policy framework capable of identifying regulatory and institutional gaps while proposing integrated solutions for IP-based financing.

To address these gaps, this study employs a regulatory chain matrix as an analytical mapping technique to visualize regulatory interdependencies and identify the sequential

institutional mechanisms through which IP assets can be transformed into economically usable and financeable assets. By integrating legal protection, commercialization, valuation, and financing within a single analytical framework, the study develops an integrated regulatory model grounded in transaction-cost economics and complementary-asset theory. The model contributes to the literature by extending the analysis of IP commercialization beyond the conventional focus on legal protection toward the institutional conditions necessary for IP assets to generate economic value and support access to finance. Practically, the model provides a framework for policymakers and relevant implementing institutions to identify regulatory discontinuities, clarify institutional responsibilities, and strengthen the implementation of IP-backed financing for creative-industry enterprises and MSMEs.

METHOD

This study used qualitative doctrinal legal research supported by secondary empirical data in the form of contextual and descriptive institutional information—specifically, regulatory implementation reports, government agency data on IP registration and licensing, and Ministry of Creative Economy statistics. Such data did not constitute causal empirical evidence of policy effectiveness but rather provided the institutional context within which the legal analysis operated. This approach was consistent with qualitative doctrinal methodology in comparative legal studies.

The research object was the national policy chain through which a creative-economy asset moved from creation to protection, ownership verification, valuation, financing, licensing, enforcement, and market realization. Primary legal materials were obtained from official Indonesian regulatory databases. Secondary empirical materials consisted of employment data from Statistics Indonesia, application data from the Directorate General of Intellectual Property, OECD MSME-finance indicators, and WIPO innovation and IP-finance reports available up to July 2026. Scholarly materials were selected based on their direct relevance to IP commercialization, technology transfer, valuation, creative-industry economics, and the Indonesian legal context, with specific inclusion of books, journal articles, and proceedings authored or co-authored by the supervising author.

The analysis was conducted in four stages. First, each regulation was coded according to its function in the commercialization chain, the responsible institution, the legal object, and the required evidence. Second, the instruments were compared to identify overlaps, missing connecting norms, and points at which private actors retained unstructured discretion. Third, official indicators were used to distinguish rights-generation capacity from commercialization outcomes. Fourth, the identified gaps were translated into reconstructive proposals, which were assessed against legality, prudential risk, proportionality, competition, creator protection, and administrative feasibility. The study did not involve human or animal participants and therefore did not require ethical approval. All data were collected from publicly accessible institutional sources in accordance with academic integrity standards.

RESULTS AND DISCUSSION

The results are presented in three stages. The first maps the emerging regulatory architecture; the second identifies the empirical mismatch between rights generation and commercialization capacity; and the third isolates the discontinuities that prevent the existing instruments from operating as a single legal-economic system. The discussion then develops a reconstructive model and its implementation safeguards.

Results

Emerging Regulatory Architecture

Indonesia has established the legal elements of IP commercialization, but the elements are distributed across different policy regimes. Law No. 24 of 2019 provides the constitutional-economic direction by defining the creative economy as added value derived from intellectual property and by mandating access to financing, marketing, infrastructure, incentives, and institutional coordination (Darruning et al., 2025). Government Regulation No. 24 of 2022 makes the financing mandate more concrete. It requires facilitation of IP-based financing, provides for

verification by financial institutions, recognizes fiduciary security over IP, contracts in creative-economy activities, and receivables, and requires the relevant IP to be registered or recorded and commercially managed. It also recognizes cost, market, income, and other valuation approaches. These provisions are a major normative advance because they move IP from a purely defensive right toward an asset that may support financial transactions (Nurani, 2026).

The Regulation of the Minister of Creative Economy/Head of the Creative Economy Agency Number 6 of 2025 concerning Intellectual Property Appraisers responds to one of the most important implementation requirements by establishing qualified IP appraisers. This regulation enables IP valuation for credit and taxation purposes, thereby creating institutional capacity for IP-backed financing mechanisms.

The 2026 KUR guideline introduces a direct bridge between IP and subsidized MSME credit by permitting IP to be treated as additional collateral according to the objective policy of the lender (Coordinating Ministry for Economic Affairs, 2026). The wording is legally meaningful because it explicitly validates intangible collateral in a mainstream government credit programme. Nevertheless, its status as additional collateral and its dependence on lender policy show that IP has not become a standardized primary basis of repayment or recovery. For loans at or below the threshold for which additional collateral is prohibited, IP may still function as business-quality information, but the regulation does not yet provide a dedicated method for incorporating that information into approval and pricing.

Presidential Regulation No. 37 of 2026 provides the broadest strategic platform. The Creative Economy Master Plan 2026–2045 directs policy toward registration, protection, and commercialization of IP; inclusive creative-economy funding; globally connected commercialization; IP academies and centres; and stronger business models (Republic of Indonesia, 2026). This instrument can serve as the coordinating umbrella for the previously fragmented regimes. Its effectiveness, however, depends on measurable action plans, data-sharing mandates, budget alignment, and secondary rules that determine who is responsible for each transaction bottleneck.

Licensing remains the central bridge between exclusivity and cash flow. Government Regulation (PP) No. 36 of 2018 concerning Registration of Intellectual Property Licensing and Transfers (*Peraturan Pemerintah Nomor 36 Tahun 2018 tentang Pendaftaran Pengalihan dan Lisensi Hak Cipta, Desain Industri, dan Rahasia Dagang*) provides the regulatory basis for recording IP licensing agreements, thereby creating verifiable security interests that can facilitate credit transactions.

Table 1

Regulatory chain for IP commercialization in Indonesia

No.	Instrument	Primary Function	Operational Discontinuity
1	Law No. 24/2019	Creative-economy ecosystem, legal protection, financing and marketing mandate	No transaction-level operating standard
2	Government Regulation No. 24/2022	IP-backed financing, eligible security forms, valuation and dispute resolution	Limited detail on perfection, priority, monitoring and post-default monetization
3	IP Valuer Regulation No. 6/2025	Competence, independence, registration and supervision of IP valuers	No asset-class-specific prudential haircut, revaluation or lender-use protocol
4	FSA Regulation No. 19/2025	Easier and risk-managed MSME financing	General MSME framework; no integrated IP-finance data standard
5	KUR Guideline No. 1/2026	IP expressly recognized as additional collateral	Dependent on lender policy and not a standardized repayment/recovery basis
6	Presidential Regulation No.	Long-term commercialization, funding, academy, centres and	Requires measurable action plans and interoperable execution rules

No.	Instrument	Primary Function	Operational Discontinuity
37/2026		coordination	
7	Licensing recordal rules	Publicity and administrative record of IP licences	Not linked to verified royalty data, valuation, collateral status or insolvency continuity

Indicators and Commercialization Discontinuities

The available indicators reveal capacity but also an outcome-measurement deficit. High application numbers show that creators and enterprises increasingly use the formal IP system. Creative-economy employment shows that the sector has broad social and economic significance. Indonesia also ranked 55th of 139 economies in the Global Innovation Index 2025, with innovation input rank 60 and output rank 59, indicating that policy must strengthen the institutional conversion of inputs into sustainable business outcomes (World Intellectual Property Organization, 2025b). None of these indicators, however, directly shows the volume of recorded licensing income, the number and performance of IP-backed loans, the recovery value of IP collateral, the proportion of registered rights used in commercial contracts, or the distribution of value between creators, intermediaries, and firms.

The MSME finance data sharpen this concern. The scale of the MSME population means that a policy limited to sophisticated large firms would have little structural effect. Yet declining MSME credit share and increasing non-performing loans make lenders cautious. A credible IP-finance regime must therefore reduce rather than conceal uncertainty. Valuation cannot be treated as a ceremonial certificate; it must identify the legal right, remaining term, territory, exclusivity, dependence on key persons or platforms, revenue concentration, infringement exposure, contractual restrictions, technological obsolescence, and realistic exit options. This is particularly important for creative assets whose demand may be volatile and whose value can decline rapidly when audience attention shifts.

The study identifies five discontinuities. First, there is a registration-to-transaction gap: ownership records do not always provide a complete chain of title for collaborative works, employee-created assets, commissioned content, open-source components, performer rights, moral rights, or pre-existing material. Second, there is a valuation-to-credit gap: the law recognizes valuation, but lender models do not yet have a common method for translating valuation conclusions into advance rates, pricing, covenants, monitoring, and provisioning. Third, there is a security-to-enforcement gap: the framework recognizes security interests, but priority, perfection across different IP registries, transfer restrictions, treatment in insolvency, continuing licences, and practical monetization after default require clearer procedures. Fourth, there is a central-to-regional gap: most creative firms operate outside specialized legal and financial centres and lack affordable audits, standard contracts, valuation preparation, and market intermediaries. Fifth, there is a data-to-policy gap: current success indicators emphasize applications, registrations, programme participation, or financing targets rather than verified commercial outcomes.

These gaps explain why formal legality may coexist with limited bankability. A lender does not rely on an abstract right; it relies on an enforceable and observable cash-flow proposition. A buyer or licensee does not pay merely because a certificate exists; it pays when ownership is clean, scope is useful, infringement risk is manageable, and the asset can be integrated into production or distribution. The developmental question is therefore not whether IP may be commercialized in principle, but whether law and institutions make commercialization sufficiently predictable, affordable, and scalable.

Table 2
Selected indicators relevant to commercialization capacity

Indicator	Value	Year	Source
Creative-economy employment	27.40 million workers; 18.70% of national employment	2025	BPS
Copyright applications	151,197 applications (as of 30 Nov.)	2024	DJKI

Indicator	Value	Year	Source
Trademark applications	130,253 applications (as of 30 Nov.)	2024	DJKI
Patent applications	13,614 applications (as of 30 Nov.)	2024	DJKI
Global Innovation Index	Rank 55/139; input 60; output 59	2025	WIPO
MSME population	56.14 million units; 99.90% of businesses	2024	OECD/Indonesia data
MSME share of total loans	17.49%	2025	OECD
MSME non-performing loans	4.33%	2025	OECD

Discussion

Reconstructing an Integrated IP Commercialization Architecture

The findings confirm that protection is a necessary but insufficient condition for industrial competitiveness. A right can exclude imitators but remain commercially dormant. From an institutional perspective, dormant rights impose maintenance, monitoring, and enforcement costs without generating corresponding income. From a competition perspective, poorly designed exclusivity can even restrict follow-on creativity or lock firms into opaque contracts. Reconstruction must therefore preserve the legal core of IP while building transaction pathways that allow voluntary licensing, assignment, secured financing, collective management, franchising, merchandising, technology transfer, and participation in global value chains.

The proposed framework is an Integrated IP Commercialization Architecture consisting of six mutually dependent pillars. The first pillar is integrated governance and data. Presidential Regulation No. 37 of 2026 should be implemented through a cross-institutional protocol involving the Ministry of Creative Economy, the Ministry of Law and the Directorate General of Intellectual Property, the Financial Services Authority, the KUR policy committee, banks and nonbank institutions, valuation professional bodies, local governments, courts, insolvency administrators, universities, and industry associations. A national digital gateway should not replace existing registries; it should interoperate with them and produce an authenticated commercialization profile showing ownership, legal status, encumbrances, recorded licences, valuation date, material disputes, and verified revenue evidence, subject to confidentiality and personal-data safeguards.

The second pillar is transaction readiness. Before an asset is presented to a lender or licensee, the owner should complete a standardized IP audit covering chain of title, scope, term, territory, creator and employee agreements, commissioned works, third-party materials, open-source obligations, licences, assignments, infringements, and revenue sources. The government can reduce costs through model clauses and tiered templates for software, film, music, animation, publishing, design, brands, and geographical indications. Licensing recordal should be redesigned as part of a transaction workflow: parties should be able to submit core commercial metadata, while confidential price terms remain protected. This would make the recordal system useful for valuation and due diligence without converting private contracts into public documents.

The third pillar is asset-specific valuation and risk sharing. The cost, market, and income approaches recognized by Government Regulation No. 24 of 2022 and the 2025 valuer regulation are appropriate at a general level, but implementation should distinguish asset classes. A mature trademark with audited sales is not equivalent to an untested brand; a music catalogue with diversified royalty history is not equivalent to a single unreleased work; enterprise software with recurring subscriptions is not equivalent to code whose ownership or open-source compliance is uncertain. Technical guidance should require scenario analysis, legal-life and economic-life assumptions, revenue concentration, discount rates, infringement and obsolescence risk, sensitivity analysis, periodic revaluation, and impairment triggers. Professional indemnity, conflict-of-interest disclosure, and review panels are needed to strengthen accountability.

Risk sharing is also required because valuation does not create liquidity. A partial guarantee, first-loss facility, credit insurance, or public-private co-financing window can support pilots while preserving lender discipline. Guarantee coverage should be conditional on verified

ownership, documented commercialization history, prudent advance rates, and monitoring. Early-stage assets without stable revenue should generally not be forced into conventional debt; equity, revenue-based finance, grants, venture capital, pre-sales, and procurement may be more suitable. The legal framework should therefore avoid the misleading assumption that every registered right is immediately collateral-ready.

The fourth pillar is clear perfection, priority, and execution. Secondary regulation should specify how an IP security interest is recorded, how it interacts with fiduciary registration and sectoral IP registries, how competing claims are prioritized, and how restrictions in licences or co-ownership agreements affect enforcement. It should also address insolvency: whether a licensee may continue using the asset after the licensor's default, how executory licences are treated, how moral rights and personal obligations are preserved, and how revenues are distributed. A controlled IP transaction marketplace or auction mechanism, supported by qualified brokers and subject to competition and consumer rules, would improve recovery options. Without a credible post-default pathway, lenders will continue to apply severe discounts or disregard the asset.

The fifth pillar is transparent licensing, royalty, and enforcement infrastructure. Commercial value requires reliable evidence of use and payment. Standardized electronic royalty statements, platform reporting interfaces, audit rights, and collective-management transparency can provide the data needed for valuation and monitoring. Digital enforcement mechanisms should be fast enough to prevent value erosion but must include notice, evidence, counter-notice, review, and remedies against abusive claims. Customs, marketplaces, payment providers, and sectoral associations can support enforcement, particularly for counterfeit branded goods and unauthorized digital distribution. The purpose is not maximal removal; it is a balanced system that protects legitimate markets while safeguarding lawful use, competition, parody, quotation, education, and other statutory limitations.

The sixth pillar is regional delivery and outcome-based measurement. IP commercialization centres envisaged by the 2026–2045 Master Plan should be placed in universities, creative clusters, and regional service hubs. Their function should extend beyond registration assistance to ownership audits, contract clinics, valuation preparation, export readiness, dispute prevention, and links to lenders and licensees. Local governments can use procurement, festivals, tourism, geographical indications, and cluster development to create demand. Performance indicators should include the number and value of licences, royalty income, financed projects, default and recovery rates, export contracts, jobs, creator income, and the participation of women, youth, persons with disabilities, indigenous communities, and micro enterprises. Registration remains relevant, but it should be treated as an input rather than the final outcome.

Table 3

Proposed six-pillar reconstruction

Pillar	Policy Component	Core Legal/Institutional Output	Lead Actors
1	Integrated governance and data	Interoperable commercialization profile linking IP status, licences, encumbrances, valuation and verified revenue	Kemenekraf, DJKI, OJK, KUR Committee
2	Transaction readiness	Standard IP audit, chain-of-title checklist, model contracts and upgraded licence recordal	DJKI, universities, associations
3	Valuation and risk sharing	Asset-specific guidance, revaluation, indemnity, guarantees and suitable finance matching	Kemenekraf, valuers, lenders, guarantors
4	Perfection and execution	Unified notice, priority rules, insolvency treatment and controlled IP marketplace	Ministry of Law, OJK, courts
5	Royalty and enforcement data	Electronic royalty statements, audit rights, balanced notice-and-review process	DJKI, platforms, CMOs, customs
6	Regional delivery	Commercialization centres and KPIs based on	Local governments,

Pillar	Policy Component	Core Legal/Institutional Output	Lead Actors
	and metrics	income, finance, exports and jobs	universities, Kemenekraf

Implementation, Safeguards, and International Relevance

Implementation should be phased. During 2026–2027, the government should establish a national steering protocol, select a limited number of asset classes with observable revenue (such as established trademarks, software subscriptions, film or animation catalogues, and music royalties) and conduct supervised pilots. Pilot data should be anonymized and evaluated for valuation variance, approval time, advance rates, monitoring costs, default, recovery, and borrower outcomes. During 2028–2030, successful protocols can be incorporated into financial-sector guidance, expanded to regional centres, and linked to export and procurement programmes. In the longer term, the system should support the 2045 Master Plan by developing a deeper licensing market and a professional ecosystem of auditors, valuers, brokers, insurers, lawyers, collective-management organizations, and specialist financiers.

The reconstruction also requires safeguards. First, creator bargaining power must be protected through transparent contracts, understandable valuation assumptions, independent advice, and restrictions on unfair assignment of future rights. Second, competition law must prevent financing or platform arrangements from becoming mechanisms for market foreclosure. Third, traditional cultural expressions, communal IP, and geographical indications require collective governance and benefit-sharing rather than individual collateralization that could alienate community assets. The limited value capture found by Thalib et al. (2018) demonstrates that formal registration cannot substitute for producer organization, quality control, market access, and equitable distribution. Fourth, personal data, confidential business information, and trade secrets must not be exposed by an integrated information system. Fifth, public guarantees must be transparent and evaluated so that losses do not become a permanent subsidy for weak underwriting.

The model has international relevance because many emerging economies face the same mismatch between rapidly growing intangible assets and collateral systems designed for physical property. WIPO's recent policy work and pilot programmes emphasize cross-sector cooperation, practical assessment tools, valuation credibility, and real lending experience (World Intellectual Property Organization, 2025a). Indonesia can contribute a distinctive model by combining a national creative-economy statute, a dedicated IP-financing regulation, professional valuers, subsidized MSME credit, and a long-term master plan. The lesson is not to copy a foreign system, but to connect legal rights with local financial institutions, sectoral markets, and development objectives.

The theoretical implication is that IP commercialization should be understood as institutional production of transactional certainty. The value of an IP right is neither inherent in the certificate nor reducible to a single appraisal number. It emerges from the interaction of legal enforceability, complementary assets, market demand, verifiable income, governance, and exit options. This extends incentive theory by showing that the policy task continues after a right is granted. It also operationalizes transaction-cost theory: each proposed pillar reduces a distinct cost—search, verification, contracting, valuation, monitoring, enforcement, or recovery. For creative-industry policy, the model links cultural production to industrial capability without treating creativity merely as collateral.

This study has limitations. The newest regulations were adopted in 2025 and 2026, so long-term loan-performance and recovery data are not yet available. Public statistics do not provide a complete national series on licensing value, royalties, IP-backed financing volume, valuation outcomes, or enforcement recovery. The analysis consequently identifies institutional readiness and legal gaps rather than estimating causal effects. Future research should examine lender and borrower experience, compare asset-class performance, assess regional implementation, and evaluate whether financing improves firm survival, creator income, exports, and innovation without increasing unfair contractual pressure.

CONCLUSION

Indonesia has established a credible policy direction for intellectual property (IP)-based creative-economy development through its legal, financing, and strategic frameworks. However, the main challenge remains institutional discontinuity, as registration, licensing, valuation, credit assessment, security perfection, enforcement, and business support have not yet operated as an integrated transaction system. This study contributes an Integrated IP Commercialization Architecture consisting of six pillars: integrated governance and data; transaction readiness; asset-specific valuation and risk sharing; clear perfection, priority, and execution; transparent licensing, royalty, and enforcement infrastructure; and regional delivery based on commercial outcomes. The architecture shifts the policy orientation from merely counting registered rights toward enabling value capture through verified licensing, financing, exports, employment, creator income, and stronger bargaining positions.

Policy implementation should prioritize reliable information systems and controlled pilots for IP assets with demonstrable revenue rather than requiring blanket acceptance of IP as collateral. Secondary regulations should connect IP registries with fiduciary and financial mechanisms, establish asset-specific valuation standards, clarify insolvency and post-default treatment, and develop appropriate risk-sharing mechanisms while maintaining prudent lending. For early-stage creators, alternative financing instruments such as grants, procurement, equity, and revenue-based funding should complement debt-based financing. These measures must remain consistent with public interest, competition, creator protection, communal rights, confidentiality, and consumer safeguards. Future research should empirically test the proposed architecture using loan-level and licensing-level data to determine whether IP commercialization generates additional financing and creator income rather than merely reclassifying existing credit.

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Abdul Thalib contributed to the conceptualization, supervision, legal analysis, and review and editing of the manuscript. Dody Fernando contributed to the methodology, data collection, regulatory analysis, preparation of the original draft, and manuscript revision. Both authors approved the final version of the manuscript.

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