

ABSTRACT

Micro, Small, and Medium Enterprises (MSMEs) constitute a vital pillar of the national economy, both in Indonesia and Italy. However, the dynamics of globalization and the COVID-19 pandemic have posed new challenges related to licensing, financing and marketing, as well as protection from the dominance of foreign investors. This study aims to analyze the legal framework and policies concerning the development and protection of MSMEs in Indonesia and Italy, particularly with respect to licensing, financing, marketing, and protection against foreign investors, while also examining the strengths and weaknesses of regulations in both countries before and after the COVID-19 pandemic. The research method employed is normative juridical or literature-based, using a comparative law approach, and incorporates a review of legal instruments, scholarly literature, and relevant research to clarify definitions and classifications of MSMEs. The findings reveal that both Indonesia and Italy have established policies to support the development and protection of MSMEs, albeit with different approaches. Indonesia places greater emphasis on direct empowerment through licensing, financing, and marketing facilities, whereas Italy prioritizes structural protection through strategic regulations and systemic support. The COVID-19 pandemic compelled both countries to strengthen existing policies, although their effectiveness remains highly dependent on practical implementation in the field.

Keywords: MSMEs, Indonesia, Italy.