Custody of Compensation in Land Acquisition for Development in the Public Interest
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Abstract

The aim of this research is to analyze and find regulations regarding the maintenance of compensation for land acquisition for development in the public interest that are not based on justice. To analyze and find weaknesses in current regulations regarding the maintenance of compensation for land acquisition for development in the public interest. This research uses a sociological juridical approach. The specification of this research is qualitative research, namely legal research using empirical interviews with several informants. The interview aims to dig deeper into what the researcher wants to know by digging deeper into information from existing sources with dialectical exchanges between researchers and informants regarding Custody compensation for land acquisition for public development. The research results found that the provision of compensation for land acquisition for development in the public interest was not based on justice as regulated in Article 68 Paragraph (1) letter f, Article 69 Paragraph (2), Article 85 A and Article 89 paragraph (1), paragraph (2) and paragraph (3) Government Regulation Number 39 of 2023 concerning Amendments to Government Regulation Number 19 2021 concerning the Implementation of Land Acquisition for Development in the Public Interest, and Article 132 paragraph (6) Regulation of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency of the Republic of Indonesia Number 19 of 2021 concerning Provisions for Implementing Government Regulation Number 19 of 2021 concerning the Implementation of Land Acquisition for Development for the Public Interest, and Article 42 paragraph (3) of Law Number 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation into Law.

Keywords: Custody of Compensation, Land Acquisition, Development, Public Interest.

The social function of land basically states that whatever land rights a person has, it cannot be justified that the land will be used or not used only for his personal interests, but must be adjusted to the circumstances and nature of his rights so that they are beneficial for the general interests of society and the state [1]. One of the problems that currently arises is related to meeting community needs in the concept of social function, namely the procurement of land for development in the public interest [2].

The issue of land acquisition for development in the public interest is indeed a dilemma because it

A. INTRODUCTION

The existence of land not only has economic value and welfare for its owner, but also concerns social, political and cultural issues which are of course closely related to the interests of other people. This is what caused Jean Jacques Rousseau to finally place aspects of people’s land ownership as part of the social contract theory [1]. Living together naturally requires the freedom of each person to be limited for the sake of the equal rights and freedoms of every other person, and also by the demands of living together [2]. So that land in itself holds a social function.

2Frans Magnus Suseno, Political Ethics; Basic Moral Principles of Statehood Modern, Gramedia, Jakarta: 2003, page. 258
3https://jdih.kemenkeu.go.id/ fulltext/1960/5 Tahun ~1960UU Ilmu.htm accessed on 27 November 2023

involves two dimensions where both must be placed in a balanced manner [5].

Article 43 of Law Number 2 of 2012 concerning Land Acquisition for Development in the Public Interest explains that:

“At the time the granting of Compensation and Relinquishment of Rights as intended in Article 41 paragraph (2) letter a has been carried out or the granting of Compensation has been entrusted to the district court as intended in Article 42 paragraph (1), the ownership or Rights to the Land of the Entitled Party becomes annulled and the evidence of rights is declared invalid and the land becomes land directly controlled by the state”.

As mandated in Article 43 of the Land Acquisition Law, when the award of compensation has been deposited in the district court, the ownership or rights to the land of the entitled party are forfeited and the evidence of their rights is declared invalid and the land becomes land directly controlled by the state.

In procuring land for development in the public interest, a universal approach is needed through legal approach, prosperity approach, security approach and humanity approach. The legal approach means that legal principles and provisions remain the basis in accordance with the principle that the Indonesian state adheres to the rule of law. Meanwhile, the Prosperity approach means that we are obliged to pay attention to the principles of order and security, so that national stability will be maintained [6].

The consignment mechanism as an alternative for resolving land acquisition conflicts has actually given rise to arbitrary actions by the government in terms of taking rights over community land. This abuse can be seen by consigning the compensation money to the district court and considering its obligations in land acquisition as complete and having the authority to carry out construction on the site. This also reflects the lack of legal protection for the entitled party, because after the award of compensation has been deposited in the district court, immediately the ownership or rights to the land of the entitled party are erased and the evidence of their rights is declared invalid and the land becomes directly controlled land by country.

B. RESEARCH METHODS

This research uses a sociological juridical approach [11]. This research is a qualitative research, the type of data used is primary and secondary data [4]. Data collection techniques through literature and field studies, interviews and questionnaires) [7]. The data collected were analyzed through descriptive analytic [10].

C. DISCUSSION

1. Regulations on Safeguarding Compensation for Land Acquisition for Development in the Public Interest

According to Yudi Latif [11], the commitment to justice according to Pancasila thinking has broad dimensions. The role of the State in the realization of social justice, at least within the framework of: The realization of fair relations at all levels of the system (society); The development of structures that provide equality of opportunity; The process of facilitating access to necessary information, necessary services and necessary resources, and Support for meaningful participation in decision making for everyone.

And the aim of this idea of justice is not limited to fulfilling economic welfare, but is also related to emancipation efforts within the framework of liberating humans from idolatry of objects, restoring human dignity, fostering national solidarity, and strengthening people’s sovereignty.

The custody of compensation for land acquisition for public purposes is also regulated in Law Number 6 of 2023 concerning the Determination of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation into Laws and Article 42 explains


7 Anis Mashdurohatun, Gunarto & Oktavianto Setyo Nugroho Concept of Appraisal Institutions In Assessing The Valuation Of Intangible Assets On Small Medium Enterprises Intellectual Property As Object Of Credit Guarantee To Improve Community’s Creative Economy,


10 Anis Mashdurohatun, N Kamaliya, Legal protection of consumer reviews in social media based on local wisdom values International Journal of Advanced Science and Technology, 2020, 29(6), pp. 1511–1519

(1) In the event that the Entitled Party rejects the form and/or amount of Compensation based on the results of deliberations as intended in Article 37, or the decision of the district court/Supreme Court as intended in Article 38, the Compensation will be entrusted to the local district court.

(2) Compensation deposits other than those referred to in paragraph (1) are also made to:
   a. The whereabouts of the party entitled to receive compensation are unknown; or
   b. Land Acquisition Objects that will be given Compensation:
      1. Is being the object of a case in court;
      2. Ownership is still disputed;
      3. Placed confiscated by an authorized official; or
      4. As collateral in the bank.
(3) The District Court must, within a period of 14 (fourteen) days, receive the deposit of Compensation as referred to in paragraph (1) and paragraph (2).

Article 42 Paragraph (3) of Law Number 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation into Law, slows down the process of procuring Land for Development in the public interest. There is a need for clarity regarding the status of land rights for which compensation has been entrusted to the court.

The provision of compensation for land acquisition for public purposes is usually due to a mismatch in the price of compensation received by the land owner. Implementation of compensation for land acquisition for public purposes or as it is better known is regulated in several different regulations, which are based on Article 68 Paragraph (1) letter f Government Regulation No. 39 of 2023 concerning Amendments to Government Regulation Number 19 of 2021 concerning Implementation of Shared Land Acquisition Development for the Public Interest explains that:

(1) Appraisers, Public Appraisers or Government Appraisers are tasked with assessing the amount of Compensation for each parcel of land, including: (1) Appraisers, Public Appraisers or Government Appraisers are tasked with assessing the amount of Compensation for parcels of land, including:
   a. Land;
   b. Aboveground and Basement Spaces;
   c. Building;
   d. Plant;
   e. Objects related to land; and/or
   f. Other assessable losses.

Article 68 Paragraph (1) letter f Government Regulation No. 39 of 2023 concerning Amendments to Government Regulation Number 19 of 2021 concerning the Implementation of Land Acquisition for Development in the Public Interest, does not explain the meaning of other losses that can be assessed, so it is subject to multiple interpretations.

Article 69 paragraph (2) Government Regulation No. 39 of 2023 concerning Amendments to Government Regulation Number 19 of 2021 concerning the Implementation of Land Acquisition for Development in the Public Interest explains that "The amount of Compensation value as intended in paragraph (1) is a single value for plot by plot of land".

Article 69 Paragraph (2) Government Regulation No. 39 of 2023 concerning Amendments to Government Regulation Number 19 of 2021 concerning the Implementation of Land Acquisition for Development in the Public Interest, does not explain standard assessment methods whose results can be trusted and accounted for, often the Appraisal Team does not calculate non-physical compensation, namely in the form of business belonging to the entitled party, carefully so as to result in losses for the entitled party.

Article 85 A of Government Regulation No. 39 of 2023 concerning Amendments to Government Regulation Number 19 of 2021 concerning the Implementation of Land Acquisition for Development in the Public Interest explains "In the event that the Entitled Party which has been invited 3 (three) times is not properly present at the time of granting Compensation, the Entitled Party is deemed to reject the form and/or amount of Compensation.

Article 85 A Government Regulation No. 39 of 2023 concerning Amendments to Government Regulation Number 19 of 2021 concerning the Implementation of Land Acquisition for Development in the Public Interest, greatly slows down the process of land acquisition for development in the public interest, because government agencies have notified or invited 3 times the entitled party, but there is no good faith from the entitled party and this hampers the process of land acquisition and development for the public interest.

Article 89 of Government Regulation No. 39 of 2023 concerning Amendments to Government Regulation Number 19 of 2021 concerning the Implementation of Land Acquisition for Development in the Public Interest which explains:

(1) The Agency that Needs the Land submits a request for safekeeping of Compensation in the form of money to the chairman of the District Court in the area where the development is for the Public Interest.

(2) The application for custody of Compensation as referred to in paragraph (1) is submitted to the District Court together with the deposit of the Compensation money into the court account.

(3) Application for safekeeping of Compensation as intended in paragraph (1) is made in the case of:
a. The Entitled Party rejects the form and/or amount of Compensation based on the results of deliberations and does not submit an objection to the District Court;

b. The Entitled Party rejects the amount of Compensation based on the decision of the District Court or Supreme Court which has permanent legal force;

c. The whereabouts of the Eligible Party are unknown; or

d. Land Acquisition Objects that will be given Compensation:
   1). Is currently the object of a case in court;
   2). Still disputed
   3). Placed in confiscation by the authorities; or officials who
   4). Become collateral in the bank.

(4) Compensation deposited with the District Court as intended in paragraph (2) is in the form of money in Rupiah currency.

(5) The implementation of the custody of Compensation as referred to in paragraph (2) is made in the minutes of custody of Compensation.

Article 89 paragraph (1), paragraph (2) and paragraph (3) of Government Regulation No. 39 of 2023 concerning Amendments to Government Regulation Number 19 of 2021 concerning the Implementation of Land Acquisition for Development in the Public Interest, has simply been deleted because it has been inserted in Article 85 A. And Article 89 does not explain that if the compensation money has been entrusted to the district court but the object is still controlled by the rightful party, this further hampers the land procurement process for development in the public interest. Therefore, it is necessary to add 1 paragraph regarding this matter.

Implementing regulations for the custody of land acquisition for public purposes are regulated in the Regulation of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency of the Republic of Indonesia Number 19 of 2021 concerning Provisions for Implementing Government Regulation Number 19 of 2021 concerning the Implementation of Land Acquisition for Development in the Public Interest and Regulation of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency of the Republic of Indonesia Number 19 of 2021 concerning Provisions for Implementing Government Regulation Number 19 of 2021 concerning the Implementation of Land Acquisition for Development in the Public Interest, slowing down the process of procuring Land for Development in the public interest.

Justice cannot only be seen from what is stated in the law or positive law, but must also pay attention to the justice felt by society in accordance with society's expectations. The Government and/or Regional Government as parties providing land for the Public Interest, apart from having to refer to statutory regulations, also need to pay attention to the sense of justice that exists in the community when carrying out land acquisition for the public interest, where the community is the Entitled Party, had to relinquish the land he controlled.

For this reason, by paying attention to the Public Interest aspect, which in this Law is explained as the interests of the nation, state and society which must be realized by the government and used as much as possible for the prosperity of the people, this Law needs to accommodate the overall demand for fulfilling the sense of justice from the community as the party who has the right to the land to be acquired.

2. Factors Influencing the Implementation of Compensation Deposits in Land Acquisition for Development in The Public Interest at this Time

Lawrence Meir Friedman [12] in his book The Legal System A Social Science Perspective (Legal System in a Social Science Perspective). Friedman stated that the legal system consists of three components, namely structure (legal structure), substance (legal substance), and culture (legal culture).

1) Legal structure is an institution created by the legal system with various functions in order to support the operation of the system. This component makes it possible to see how the legal system provides services for the regular processing of legal materials.

2) Legal substance is the output of the legal system, in the form of regulations, decisions used by both those who regulate and those who are regulated.

3) Legal culture which consists of the values and attitudes that influence the operation of the law, or what Friedman calls legal culture. This legal culture functions as a bridge that connects legal regulations with the legal behavior of all members of society.

Friedman divides legal culture into: (a) Internal legal culture namely the legal culture of judges and

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12 Lawrence M. Friedman, M. Khozim (Translator), The legal system: A social science perspective. 7th printing Bandung : Nusa Media, 2015.page.55.
lawyers or law enforcers in general; (b) External legal culture namely the legal culture of the wider community.

Substance Weaknesses, In the statutory regulations regarding land acquisition for development in the public interest, namely in Law Number 6 of 2023 concerning the Determination of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation into Law, Government Regulation Number 39 2023 concerning Amendments to Government Regulation Number 19 of 2021 concerning the Implementation of Land Procurement for Development in the Public Interest and Regulation of the Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency of the Republic of Indonesia Number 19 of 2021 concerning Provisions for Implementing Government Regulation Number 19 of 2021 concerning the Implementation of Procurement Land for Development in the Public Interest, there is an inconsistency in regulations regarding determining the amount of compensation.

The structural factors in the implementation of compensation deposits in land acquisition for development in the public interest can currently be seen as follows:
1). Without adequate facilities or means, it is impossible for an activity to run smoothly and well, including implementing consignments for compensation for land acquisition for the public interest. This can affect the slow resolution of the custody of compensation in the District Court.

Facilities include, among other things, educated and professional human resources, good organization, sufficient equipment, adequate finances, etc.

2). The lack of socialization from the land procurement committee and local government in socializing the meaning of the social function of land rights to the community is very necessary in order to overcome obstacles in the process of compensation for land acquisition for the public interest. So that the public can understand their obligations and responsibilities as citizens regarding compensation for land acquisition for the public interest itself.

Considering that the Land Procurement Committee (P2T) was formed from government elements and an assessment team selected by the Land Procurement Committee (P2T), the opportunity to side with the government is greater than accommodating the interests of land owners. The deliberations also proceeded unevenly because the mediator in the deliberations was the Land Procurement Committee (P2T) which is the government as well as the P2T and the Appraisal Team manipulated data related to land area, multiple land certificates, and data on buildings and plants above so that the interpretation of the land value was also unreasonable. Apart from that, the Land Procurement Committee (P2T) is not transparent in socializing land acquisition projects. As a result, when executing the land, a dispute occurred between the land owner and the party executing the land because there was no prior agreement.

3). Judicial institutions enforce law and human rights starting from the investigation process, investigations, to decisions, several forms of legal behavior deviations carried out by judicial institutions in the context of land acquisition for the public interest in Indonesia are as follows:
a. Court Decisions Are Often Unbiased. With the argument that it is in the public interest, the courts generally rule in favor of the government in terms of preserving the value of compensation. Judicial institutions tend to side with the government because this institution is part of the government. The logical consequence is that the people do not receive legal protection to defend their land through fair legal channels.
b. Presence of Improper Consignment Agencies. This consignment institution (payment offer as regulated in the provisions of Article 1404 of the Civil Code) can only be applied in civil law relationships that are preceded by an agreement between the parties. Apart from that, in taking people’s land for development in the public interest, the relationship is an administrative relationship between the state and the people. This means that the judicial institution only relies on procedures in implementing statutory regulations without paying attention to the substantive values of the law and statutory regulations. The judiciary seems to close its eyes to the balance between the construction of legal rules and the interpretation of those legal rules.
c. Maintained Rental. Weak law enforcement is because judicial institutions, for example the police, are not committed to their duties and obligations to enforce the law. In problematic land areas, the police allow thugs and brokers/land mafia to roam. Even though their job is to bring order and maintain the comfort of citizens from all kinds of intimidation, terror and other crimes, they always side with the government (which needs the land) because they are deliberately maintained by law enforcement officials as a means to further the government’s interests.

According to Friedman, the missing element that gives life to the legal system is ‘legal culture’. Legal culture refers to attitudes, values and opinions in society with an emphasis on law, the legal system and several parts of the law. Legal culture is part of the general culture - habits, opinions, ways of working and thinking - which binds people to approach or stay away from the law in a special way. In this framework, Friedman views that of the three components above, legal culture is the component that is the most important. Legal culture is seen as determining when, why and where people use the law, legal institutions or legal processes or when they use other institutions or without taking legal action. In other words, cultural factors are an important ingredient for transforming static structures and collections of statistical norms into living legal entities. Adding legal culture to the picture is like winding a clock or starting an engine. Legal culture makes everything move.

The government, in carrying out compensation for land acquisition for the public interest, only prioritizes one-sided interests. So this will slow down the compensation process itself because it is difficult to find an agreement between land owners and the government who need land, especially regarding the issue of the amount of compensation. In fact, in determining the amount of compensation, the government is assisted by certain parties who have authority, such as appraisal.

The determination of the amount of compensation has been regulated in Law Number 2 of 2012, in the provisions of Articles 31 to Article 36 as follows:

1. The Land Agency determines the Appraiser in accordance with the provisions of the Laws and Regulations.
2. The Land Agency announces the Appraiser who has been appointed to carry out the Land Acquisition Object.
3. The appraiser who determines must be responsible for the assessment that has been carried out
4. Violations of the Appraiser's obligations are subject to administrative and/or criminal sanctions in accordance with the provisions of the laws and regulations
5. The assessment of the amount of compensation by the Appraiser is carried out on a plot by land basis, including: a. Land; b. Above ground and underground space; c. Building; d. Plant; e. Objects related to land; and/or f. Other assessable losses [14].

The implementation of the above article is further regulated in Article 63 of Presidential Regulation Number 99 of 2014 concerning the Second Amendment to Presidential Regulation Number 71 of 2012 concerning the Implementation of Land Acquisition for Development in the Public Interest, namely as follows:

1. Determination of the amount of compensation value is carried out by the Chief Executive of Land Acquisition based on the results of the appraisal services of the Appraiser or Public Appraiser.
2. Appraisal or Public Appraisal Services are determined by the Chief Executive of Land Procurement based on the results of the procurement of Appraisal services carried out by the Agency requiring land.
3. Procurement of Appraiser or Public Appraiser services is carried out in accordance with the provisions of laws and regulations regarding the procurement of government goods/services.
4. In the event that the value of procurement of Appraiser or Public Appraiser services is above Rp. 50,000,000,- (fifty million rupiah), then the procurement of Appraiser or Public Appraiser services is carried out using the post-qualification method
5. The procurement of Appraiser services is carried out no later than 30 (thirty) working days[15]

Furthermore, the provisions of Article 66 regulate the value of compensation for land acquisition objects determined by the Appraiser, namely as follows:

1. The value of compensation assessed by the Appraiser is the value at the time of the announcement of the Determination of the Development Location for the public interest.
2. The compensation value is a single value for each plot of land
3. The amount of compensation value is a single value for the land acquisition objects for public purposes are subject to administrative and/or criminal sanctions in accordance with the provisions of the laws and regulations.
4. The amount of compensation is used as the basis for deliberation to determine the form of compensation [16]

Meanwhile, the community's obligations regarding the provisions for compensation for land acquisition for development in the public interest have been regulated in the provisions of Article 8 and Article 56 of Law Number 2 of 2012, namely:

a. The entitled party and the party controlling land acquisition objects for public purposes are obliged to comply with the provisions of this Law (Article 8).
b. In carrying out land procurement for public purposes, everyone is obliged to comply with

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14 See Law Number 2 of 2012, article 31  
15 See Presidential Regulation Number 99 of 2014, article 36  
16 See Presidential Regulation Number 99 of 2014, article 66
the provisions on land procurement for development in the public interest (Article 56) [17].

According to Arba, there are several obligations of land owners and the general public in procuring land for public purposes, namely as follows:

1) Obligation to relinquish rights to the land if they have received compensation handed over by the party requiring the land;
2) Obligation to comply with applicable legal provisions;
3) Rights holders and the community are obliged to release the land they own and submit ownership documents to the Land Agency if they receive compensation for losses;
4) Rights holders and the community are obliged to comply with the laws and regulations relating to Land Acquisition for Development in the Public Interest

From the description above, it can be seen that community participation is very important in the successful implementation of compensation for land acquisition for the public interest.

If the public already knows their rights and obligations, then they will also know about activities to use legal measures to protect, fulfill and develop their interests in accordance with applicable regulations. All of this is usually called legal competence which cannot exist if members of the community:

1. Not knowing or not realizing, when their rights are ignored by other parties
2. Not knowing that there are laws and regulations that are able to protect their interests
3. Unable to use existing legal remedies, this is due to financial, psychological, social or political factors
4. Never become a member of an organization that can fight for their rights
5. Has no experience in interacting with various elements of formal legal circles [18].

According to Doni Syafrial, Head of the Meranti Islands Regency National Land Agency, said that in general the weakness in land procurement for the public interest is the lack of public understanding of the main purpose of land acquisition itself, even though counseling has been carried out. In fact, they feel they have the right to determine the amount of compensation for themselves. This of course really hampers the work of the Land Acquisition Committee. And to overcome this, the Land Acquisition Committee, in synergy with the Regional Government, continues to approach and provide understanding as an effort so that the process of implementing compensation for losses can run smoothly.

D. CONCLUSION

Regulations on the maintenance of compensation for land acquisition for development in the public interest are not yet based on justice, this can be seen from the new provisions in Article 42 paragraph (3) of Law Number 6 of 2023 concerning Stipulation of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation becoming Law, Explanation of Article 68 paragraph (1) letter f Government Regulation Number 39 of 2023 concerning Amendments to Government Regulation Number 19 of 2021 concerning Implementation of Land Acquisition for Development in the Public Interest and Article 132 paragraph (6) Ministerial Regulation Agrarian and Spatial Planning/Head of the National Land Agency of the Republic of Indonesia Number 19 of 2021 concerning Provisions for the Implementation of Government Regulation Number 19 of 2021 concerning Implementation of Land Acquisition for Development in the Public Interest is still hampered or constrained by the existence of parties entitled to not receive the amount or form of compensation provided issued by the government. Weaknesses in the current regulations regarding the maintenance of compensation for land acquisition for development in the public interest, namely in terms of substantive weaknesses: In the statutory regulations regarding land acquisition for development in the public interest, there is an inconsistency in regulations determining the amount of compensation. Lack of socialization from the land procurement committee and local government in socializing the meaning of the social function of land rights to the community is very necessary in order to overcome obstacles to the process of compensation for land acquisition for the public interest. most land owners do not know about Legislation regarding land acquisition for public purposes.

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17 See Law Number 2 of 2012, article 8 and article 56
18 Soerjono Soekanto, Factors Affecting Law Enforcement, Raja Grafindo Persada, Jakarta, 1993, page 42