Principle of Social Function of Land Cultivation Right in Agritourism Accommodation in Indonesia

Lusia Savitri Diah Candrasari*; Lego Karjoko

Faculty of law, Universitas Sebelas Maret, Indonesia
Email: luciacandrasari78@gmail.com

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Abstract

The principle of social function as one of the principles of law enforcement in Indonesia supposes to be elucidated in the regulation of the obligation of Land Cultivation Right holder. Tourism accommodation held by the plantation company on the land under the Land cultivation right on one side, is unjustified by Agrarian Law, on the other side, Plantation law grants it. This writing aimed at evaluating the coherence of the regulation about the obligation of the holders of the land cultivation right towards the principle of social function. This writing could be categorized as a normative study with the statute and conceptual approach. The technique of data collection was literature study. Deductive-inductive syllogism and interpretation presented the analysis. This writing concluded that there had not been a coherence between the regulation about the obligation of the holders of Land cultivation right and the social function of Land cultivation right. This incoherence led to weak law enforcement.

Keywords: Social Function; Land Cultivation Right; Obligation

Introduction

As one of the principles of law enforcement in Indonesia, the social function of land title is believed to be a bridge to equalize individual and social concern. A plantation company’ orientation tends to be more individualism, in other words, the holder of Land cultivation right focuses more on the company benefits. Such circumstance causes inequality of land ownership which leads to plantation conflict. Most of the social conflict of land occurs in Indonesia is caused by Land cultivation right and land abandonment. This kind of conflict is dominated by the cases from plantation sector. However, this phenomenon does not affect the land regulation in Indonesia in giving Land cultivation right. There is no limitation of land area for the plantation companies. This injustice old structure and the concentration of land ownership, brings miseries for the community, especially the marginal community whose rights are

often neglected and triggers violence. These conflicts, essentially, occurs because the right holders have not fully implemented the social function of Land cultivation right.

Nowadays, the use of Land cultivation right for agritourism is rife among the plantation companies. Agritourism in the form of tourism accommodation, as it occurs in a coffee plantation in Semarang, Central Java, Indonesia. On one side, this phenomenon violates against Basic Agrarian Law (UUPA), Government Regulation no. 40 of 1996 about Land Cultivation Right, Right to Build, and Right to Use Land (PP. No. 40 of 1996), Regulation of Minister of Agrarian and Spatial Planning/ The Head of National Land Affair Body no. 7 of 2017 about Land cultivation right (Permen ATR/Ka.BPN no 7 of 2017), and Government Regulation no. 11 of 2010 about disciplining and empowerment of abandoned land (PP no. 11 of 2010). On the other side, this phenomenon is possible according to Law no.39 of 2014 about Plantation (Plantation Law) and Regulation of Minister of Agriculture (Permentan) no. 98/Permentan/ OT.140/9/2013 about Guidelines of Plantation Business, which regulates that it is possible to establish agritourism business as the form of business diversification. The substance of the regulation that facilitates the establishment of agritourism in the form of tourism accommodation on a plantation land under the Land Cultivation Right title is primarily not justified within UUPA, PP no. 40 of 1996, Permen ATR/Ka.BPN No.7 of 2017 and PP No.11 of 2010 which become lex specialis regarding land.

UUPA has regulated in article 6, 10, and 15 to limit the land utilization. Such obligation is elucidated in Article 12 to article 14 of PP no. 40 of 1996 juncto article 40 to article 42 of Permen ATR/ Ka.BPN no 6 of 2017, and article 40 to article 43 of Regulation of Minister of Agriculture no 98/Permentan/OT.140/9/2013. These regulations are aimed at determining the limit for the Land Cultivation Right Titleholders in exploiting their land under cultivation right title so that not only the holders will enjoy the benefits of the land, but also the community around the land. Thus, it may end the plantation conflicts.

Based on the description above, this study aimed to analyze whether or not the utilization of land under the Land Cultivation Right Title for tourism accommodation by the plantation company is suitable with the social function principle of Land Cultivation Right.

**Methodology**

The current study employed normative method with a conceptual approach to establishing new legal argumentation, and statute approach on UUPA, PP no.40 of 1996, PP no. 11 of 2010, Permen ATR/Ka. BPN no. 7 of 2017, Plantation Law, and Regulation of Minister of Agriculture no. 98/Permentan/OT.140/9/2013. The data were collected through the literature study. To draw a conclusion, the current study used deductive and inductive syllogism analysis and interpretation.

**Discussion on the Principle of the Social function of Land Cultivation Right in Tourism Accommodation on the land under the Land Cultivation Right Title**

Land Cultivation Right is a primary right over land, and its specification is no the strongest and the fullest, in other words, Land Cultivation Right possess the limit of validity period although it can be transferred to other parties. Land Cultivation Right is issued by the government and is only issued for the lands owned directly by the government, and has been freed from other parties’ concerns. The legal

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subject of Land Cultivation Right Title, according to article 30 of UUPA *juncto* Article 2 of Government Regulation no.40 of 1996 *juncto*. Article 2 of Permen ATR/Ka.BPN no 7 of 2017 is the Indonesian citizen, and the legal body established according to Indonesian Law and is located in Indonesia. The applicant files the request for Land Cultivation Right to the Head of National Land Agency by fulfilling all determined requirements. If the request is approved, the applicant will be given the Decision Letter of Right Granting. Then, the applicant registers that letter to the Land Registry Office to obtain the certificate.

Article 14 paragraph (1) letter d of UUPA states that government has arranged general plan regarding the land provision, allocation, and utilization to develop agriculture, livestock, and fisheries production. That plan is elaborated in more detail on article 28 to article 34 of UUPA about Land Cultivation Right title. Land Cultivation Right title, according to article 28 paragraph 1 of UUPA is a right to work on land directly controlled by the State for a period of time as referred to in Article 29 which for use by an agricultural, fisheries or animal husbandry company. From that definition, it is clear that the state, through UUPA provides cooperation potential in the field of agrarian with the capital owners and the community for the period of 25 (twenty-five) years until 35 (thirty-five) years which can be extended for at most 25 (twenty-five) years. The purpose of such cooperation is to assist the government managing natural resources by still focusing on the mandate of article 33 paragraph 3 of 1945 Constitution. The opportunity for partnership in agrarian sector is more supported by the issuance of Law no. 39 of 2014 about Plantation as the substitution of Law no. 18 of 2004 about Plantation which contains article 7 that states that the plantation planning as an integral part of the national, regional, and sectoral development plan so that the plantation plan is determined within national, provincial, or local development plan. It becomes the entry gate for the investors to make their capital investment in Indonesia by holding lands in the form of Land Cultivation Right Title.

It is forbidden to utilize land cultivation right to merely benefits the company. It shall not benefit only the company but also shall fulfill the social function of land Cultivation Right itself. Pancasila, article 33 paragraph 3 of 1945 Constitution, and UUPA aim to equalize between the value of individualism and collectivism as the soul of national land politics in order to gain people’ welfare. The balance of such value of individualism and collectivism is materialized within article 6 of UUPA. The social function of the right over land is based on the theory originated by Leon Duguit in 1922. He assumed that property is not a right, more than that, it is a social function. The owners are bound to the obligations, so they cannot do anything they want over their property. Such obligation is aimed to make their land becomes productive and is made for the sake of community service through economic activity. When the owner is inconsistent in satisfying his obligation as the right holder, the government must perform an intervention. The social function of a property right possess some consequences namely:  

a. It is forbidden to exploit the land for personal benefits of the right holder, especially if it harms the community;

b. Land utilization shall be in line with the condition and the nature of its’ right so that it may be beneficial for both the owners’, the community’, and the state’ welfare;

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7: All right over land possess a social function
c. The land exploitation and utilization shall pay attention to the spatial zoning plan or other land planning determined by the authorized party;

d. The right holder shall maintain his land, in other words, he shall maintain or even improve his land’ fertility and prevent it from damage;

e. Acquiescing right over land for public’ concern.

The definition of the social function of property right is expanded in the context of TAP MPR (Decision of People's Consultative Assembly) no. IX/MPR/2001 about the agrarian renewal and natural resources management, which is rejuvenated to social function and ecology of right over land. Such definition is defined as function attached to the land exploitation to create a balance between the landowner and the community' concern, and the balance between land production achievement and the concern of land conservation. The social function of land cultivation right is reflected more detail in the regulation of land cultivation right holder’ obligation in Government Regulation no. 40 of 1996 article 12 to article 14, and the regulation of Minister of Agriculture and Spatial Planning/ Head of BPN no. 7 of 2017 article 40 to article 42. This function becomes the facilitator to prevent absolutism of land cultivation right ownership by a plantation company. Land cultivation right holder is given a limitation that, on one side, the community holds social right and the land cultivation right holder may not neglect it. Thus, social function is aimed to create a balance between individual' concern, community' concern, and social concern to embody a plantation that provides welfares and justice.

From the perspective of property right theory, John Lock argues in his book, The Second Treatise of Government (1690), Property right is the part of human rights. The importance of property ownership is a fundamental need in a state of democracy makes the government are obliged to provide and satisfy their people' needs. However, in Indonesia, the government’ role in distributing land right has not been optimal. It is proven by many small farmers who could not possess land to live their family, in contrast, plantation company dominates land under the Land Cultivation Right Title, and many of these lands are abandoned. This disproportional distribution leads to an inequality of land ownership, and this brings misery to the small farmers and community. For this matter, underprivileged people’ concern shall be defended and championed. According to the John Rawls' theory of Justice, it is an injustice behavior sacrificing individual welfare and rights for the higher welfare. According to Rawls in his book A Theory of Justice, there are two main principles of justice, namely:

a. Every person holds equal right over fundamental freedoms, and these are compatible with other people similar freedom;

b. Social economy inequality is governed in such way so that the most unfortunate community obtains significant benefits, the function/position must be opened for all people with equal and just opportunity.

Welfares suppose to be enjoyed by both personal and community without a party being aggrieved. Justice shall be able to realize impartiality for any group and provide access for the weak. There are many policies issued because of some parties’ request concern, especially economic concern. These policies issued as if it is used for people welfare, however, at the end, it brings misery to the people. Freedom and opportunity to hold a land that supposed to be utilized by poor farmers become the

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plantation land of the capitalists who breach regulation line. As a response to this phenomenon, we shall return to Pancasila ideology and the goodwill of 1945 Constitution where the people welfare is not merely a goal, it is a big responsibility. The theory of welfare formulates that the goal of a state is to realize and to organize public’ welfare and people’ happiness. Indonesia, in its preamble of 1945 constitution aims to promote public’ welfare. Kranenburg as the originator of this theory states that a state is viewed as an instrument to reach mutual aims i.e a system which contains happiness, welfare, and social justice for people in a state in addition to maintain public’ order. The government takes roles to manage the pivotal economic sources for people’ basic needs. The government in granting land cultivation right for plantation companies in significant amount shall consider the community’ social aspect in terms of land ownership inequality. Lest that decree damage the people’ welfare.

The issuance of law no.18 of 2004 about plantation is fresh air for the plantation’ stakeholders. The law that has been amended by law no. 39 of 2014 about Plantation, is used as the entrance gate for huge investors to invest their capital in Indonesia’ plantation. The plantation law which is oriented to the economic’ growth is used by the government as a foothold to arrange exploitative spatial planning program. This spatial planning program is strengthened by the issuance of law no. 26 of 2007 about Spatial Planning and the government regulation no. 26 of 2008 about National Spatial planning. Spatial planning program is aimed at improving judicious, efficient and successful resource management by resting on the spatial planning principle to create a sustainable national spatial plan and to create public' welfare and social justice. In addition, the development of national and international situation demands the enforcement of the principle of integrity, sustainability, and justice in order to organize proper spatial planning based on Pancasila.12 Such reason becomes the basis of spatial planning program either on national, provincial, or regional level that utilizing any resources existing and covering the concept of agritourism development to enhance regional’ economic growth. Agritourism is a type of contributive business for a region. Its role bolsters local tourism' advancement, accentuate local culture, provide a business opportunity for local people, increase the regional’ and the company income, and holds education values for the people. However, the use of land cultivation right for tourism supposes to adhere and conform the regulation of land cultivation right. According to the principle of lex specialis derogate legi generali, the existence of UUPA in regulating land cultivation right supposes to hold more significant and binding role compared to the plantation law. It is necessary since the Plantation law only accommodate plantation business activity and does not regulate the legal provision of right over such lands.

The plantation company has not fully implemented their obligation as per the elucidation of the social function of land. The companies' understanding of the social function is limited to organize CSR (Corporate Social Responsibility) program in term of partnership and community development and in term of facilitating community' farm establishment. Such obligations are only viewed from the perspective of regulation of minister of Agriculture no. 98/Permentan/OT.140/9/2013 and is limited to the plantation company obligation as a corporation. It has not been expanded to their obligation as the holder of land cultivation right. The study found that the obligations above are not coherent with the social function of land cultivation right since:13

a. Regulation of Minister of Agriculture no 98/Permentan/OT.140/9/2013 adheres to the principle of the minimal state. So, the obligation to facilitate the local people’ farm is based on the agreement with the local community and is known by the head of local plantation department. Based on the measurement of surplus distribution, such agreement is not supervised and is not resulted in fair trade and fail to bring welfare to the farmers.

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12 Law of The Republic Indonesia Number 26 year 2007 regarding Spatial Planning.

b. The plantation partnership business only benefits the company and the state. It decreases the local farmers' welfare.

The implementation of the principle of social function of land cultivation right supposes to be more than that. It shall be more to the proper utilization of land under the Land Cultivation Right Title. Social function is defined as a land use that pays attention to the public concern. More than that, the essence of this social function is extended to the land exploitation which is in accordance with the function and aims, the intensity of utilization for plantation, and orientation of land exploitation to realize a balance between the plantation company/land cultivation right holder, the community, and the environment' sustainability. It can be said that the plantation company carries out the obligation partially since they only emphasize on the obligation stated in the Regulation of Minister of Agriculture no. 98/Permentan/OT.140/9/2013, while UUPA and Government Regulation no. 40 of 1996 are neglected.

The utilization of land cultivation right for agritourism in the form of tourism accommodation lead to pros and cons toward the legal regulation within UUPA and Plantation Law. The activity of tourism accommodation on land under the Land Cultivation Right Title is like creating a duel between UUPA, PP No.40 of 1996, and Permen ATR/Ka.BPN No.7 of 2017 against Plantation law and Permentan No.98/Permentan/OT.140/9/2013. On one side, UUPA does not accommodate the concern of tourism accommodation on land under the Land Cultivation Right Title. Article 12 paragraph (1) item b of PP no. 40 of 1996 firmly regulates that Land Cultivation Right holder must perform agricultural, plantation, fisheries and/or animal husbandry business in accordance with its purpose and requirement as it is stated within the decision of right granting. It means that tourism accommodation does not implement the regulation of this article. In the other side, Plantation law grants it. Article 44 paragraph 2, 3 and 4 of Plantation Law and article 35 to 38 of Permentan no. 98/Permentan/OT.140/9/2013 provide opportunity for the plantation company to do business diversification. One of such business diversification is in the form of agritourism, while, tourism accommodation is the part of agritourism business. The policy that allows tourism accommodation on land under the Land Cultivation Right Title is not separated from the plantation company' economic motives in sustaining their power to hold and manage land under the Land Cultivation Right Title by using facilities through regulation and political power. If the land right holder has used his political power and regulation as a medium to reach economic purpose and neglect its social function, the hope to realize people' welfare will be more blurred.

According to plantation law, tourism accommodation as the plantation business diversification is legal since it is still within plantation scope and needs no right adjustment over the land. Plantation law is interpreted as the legal umbrella in organizing tourism accommodation. They assume that it is not an obligation violation in utilizing Land Cultivation Right. Instead, it is a smart and efficient move in utilizing land under the Land Cultivation Right Title and is considered as productive if the plantation commodity is planted there. Consequently, the land is used for other businesses that are still inside the plantation scope and is in line with plantation law so that the land is more productive. In plantation world, there is a phrase" every inch of land can create money," therefore, the land is exploited as maximal as possible to increase the company' revenue. The admission of tourism accommodation in plantation law and Regulation of Minister of Agriculture no. 98/Permentan/OT.140/9/2013 is like blessing the company to tighten their clutch over Land Cultivation Right.

Viewed from the land law, tourism accommodation is the form of disavowal against the principle of social function of Land Cultivation Right. Improper exploitation of land under the Land Cultivation Right Title will decrease the function and the quality of the land and spoil the environment. There are many buildings built on land under the Land Cultivation Right Title because of the land function shift, the land that firstly prepared for plantation and environmental conservation shifts to tourism. This will decrease land' ability to hold the weight of the building. The effect of improper land function shift and the stakeholders' negligence will bring negative effect to the environment and harm the community. The land
utilization for agritourism on land under the Land Cultivation Right Title in the form of tourism accommodation is unjustified based on the perspective of land law. Tourism accommodation supposes not to be built on land under the Land Cultivation Right Title. Instead, it may use Right of use of structures (Hak Guna Bangunan or HGB), or Right to Use Title (Hak Pakai or HP). The utilization of Land Cultivation Right in article 15 of Permen ATR no.7 of 2017 provides more detail regulation that;

1. If there is spatial zoning plan changes towards Land Cultivation Right, the right adjustment and/or transfer is made for at most 3 (three) years;

2. The adjustment and/ or transfer of right as meant in paragraph (1) is made by releasing right by the holder to be re-requested or transferred to the other parties in accordance with the legislation.

It means that the plantation company who held accommodation tourism shall adjust their right over land through mechanism regulated in article 15 paragraph (2) above. However, in fact, the plantation company tends to not adjusting to the right of land with their business activity. It occurs because such adjustment takes a long time, complex processes, and significant amount of money. According to the plantation company, these factors are operational and performance hindrance to obtaining company' target.

The plantation company which changes the function of land under the Land Cultivation Right Title, according to PP no. 11 of 2010, is considered as abandoning the land. The opening of PP no. 11 of 2010 state that abandoning a land is an action that may lead to a gap of the economy, social, and people welfare as well as reducing environment’ quality. This regulation is aimed to reduce or remove the negative effect of land abandonment based on the procedure of disciplining abandoned land. Based on article 2 of PP 11 of 2010, land that is considered as abandoned is the lands which right is given by the state in the form of Freehold Title (Hak Milik), Right of use of structures (Hak Guna Bangunan or HGB), Land Cultivation Right (Hak Guna Usaha or HGU), Right to Use Title (Hak Pakai or HP), and Right to Manage land that is not exploited in accordance with the condition or the nature, and the purpose of the right granting. In the Technical guidelines of Disciplining and Determining Abandoned Land of 2016, abandoning land is unwise action, reducing land’ economic value, and violating the obligation. Abandoning land during its validity period will result in the hindrance of the various development program, vulnerable national food, and economy defense, closure of community' social economy access, especially the farmer' access to the land resource, as well as the justice and social harmony disturbance.14

In line with the previous statement as well as regarding the main purpose in optimizing the land utilization, land abandonment shall be prevented to reduce or remove its' negative effect. The purpose of abandoned land disciplining is to make the right holders utilize their land in accordance with the nature and the purpose of right granting of the land. In addition, the control of abandoned land aims to make the right holders utilize their land for community' welfare, and if in fact, it is in contrast with the purpose of the right granting, the government will control and re-regulate its ownership, function, and utilization.

According to the Article 34 item e of UUPA, one of the removal cause of Land Cultivation Right is abandonment. Using land under the Land Cultivation Right Title for tourism accommodation according to PP no. 11 of 2010 can be classified as the action of Land abandonment, and it supposes to be able to be disciplined by the mechanism in PP no. 11 of 2010. However, there is plantation law that accommodates the tourism accommodation, so the attempt to disciplines this land abandonment is hindered. The existence of land law and plantation law that overlaps each other leads to weak legal enforcement. Thus, the goal to realize a plantation for people welfare and justice will be impossible. It is better that in

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arranging regulatory legislation, the concerned party notices on the land law and the indicator of its social function.

Conclusion

Tourism accommodation held by the plantation company by utilizing Land Cultivation Right is justified in one side by law no 39 of 2014 and Permentan no. 98/Permentan/OT.140/9/2014, in the other side UUPA, PP no. 40 of 1996, PP no. 11 of 2010, and Permen ATR/ Ka. BPN no. 7 of 2017 disallow such activity. From the view of the land law, such activity does not implement the principle of social function of Land Cultivation Right, since land under the Land Cultivation Right Title is utilized not in line with the nature and the purpose of the right granting. Incoherence between land legislation and plantation legislation leads to weak law enforcement.

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