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Implementation Of Plasma Core In Ownership Cultivation Rights

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Abstract

The existence of land for the Indonesian nation is one of the assets and capital in the context of national development and realizing the welfare of the Indonesian people, as referred to in Article 33 paragraph (3) of the 1945 Law of the Republic of Indonesia. Article 33 paragraph (3) is used as the basis for the preparation of Law Number 5 of 1960 concerning the Basic Regulations on Agrarian Principles (hereinafter referred to as "UUPA"). In the provisions of Article 16 paragraph (1) of the UUPA, it is regulated regarding land rights, one of which is the Right to Use Business as referred to in the provisions of Article 28 paragraph (1) of the UUPA. One of the leading sectors by the Government of Indonesia in order to support the economy, as well as the development of national facilities and infrastructure is the agribusiness sector. In the laws and regulations and practices in Indonesia, the granting of Hak Guna Usaha to the land to be used in the agricultural, fishery or livestock sector (especially in the field of plantations), the company is required to develop and comply with the pattern of plasma core partnerships, as well as holders of Business Use Rights to facilitate the construction of community gardens, about at least 20% (twenty percent) of the land area requested by The Right to Use Business for the surrounding community in the form of partnerships (plasma) in accordance with business activity permits from authorized technical agencies, for legal entity rights holders. Plasma core partnership pattern is a partnership relationship between small businesses and large businesses in which medium or large enterprises act as the core and small businesses as plasma.

Keywords: cultivation rights; plasma core partnership pattern

Background

Indonesia is an agricultural country that is endowed with a wealth of abundant natural resources and is supported by large and fertile land. The enrichment of natural resources is utilized to support and increase economic growth, the development of national facilities and infrastructure, etc. in order to improve welfare for the People of Indonesia, as referred to in Article 33 paragraph (3) of the Law of the Republic of Indonesia of 1945 (1945 Constitution) which states that bumi, the water and natural wealth contained in it are controlled by the state and used for the greatest prosperity of the people.¹

The existence of land bagi man is important in his activities and life because it can determine the existence and continuity of relationships and legal acts, both in terms of individuals and impacts on others. The land issue is the one that is most closely related to the basic rights of the people.² In the general explanation of number II number 2) of Law Number 5 of 1960 concerning the Basic Regulations of Agrarian Principles (hereinafter referred to as UUPA) it is stated that the State can give such land to a person or legal entity with a right according to its designation and purposes, for example proprietary, Cultivation Rights.³

¹ Law Basis 1945, Article 33 verse (3).

² AP. Parlindungan, *Miscellaneous Agrarian Law*, Alumni, Bandung, 2003, p. 100.

³ Boedi Harsono, *Law Agrarian Indonesia, History Formation Law Base Agrarian, Contents and Implementation*, Djambatan, Jakarta, 1995, Pp. 1-3.

One of the leading sectors by the Government of Indonesia in order to support the economy, as well as the development of national facilities and infrastructure is the agrobusiness sector. The fact is that until now the potential for the enrichment of resources agrobusiness owned by Indonesia is large to be utilized, but it has not been optimally utilized. In addition, the agrobusiness sector is also the majority of livelihoods for Penduduk Indonesia. The growth of production capacity and the development of agrobusiness are felt to be necessary to be improved, akibatnya, the desire to rely on the agrobusiness sector as one of the supporting factors for the stimulation of economic recovery is felt to still face obstacles.

In this case, the business actors of the agrobusiness sector at the community level such as agriculture, animal husbandry and fisheries are in activities outside agriculture (*off-farm*) and inside agriculture (*on-farm*). These business activities tend to have limitations, including: from funding support, from simple production techniques, etc., causing these business actors to be less able to develop. On the other hand, business actors, which include processing the results of the agrobusiness sector and activities that support the agrobusiness sector, on average are non-marginal entrepreneurs, in the sense that their business capacity is relatively large enough and supported by relatively good capital and ability, in addition to the fact that there are differences in the fact that there are differences in the spread of less supportive target markets, so that there is often a price inequality in production.

With the fact that the occurrence of inequality in these groups of business actors is increasing, one solution is needed in terms of overcoming the inequality of each sub-system agrobusiness, especially in order to increase the role of farmers and breeders (*on-farm*) business actors) is through a pattern of partnership. The pattern of partnerships that connects core companies with plasma has benefits, namely a fairly high economic strength by overcoming constraints in terms of funding, as well as the quality of production and products at the farmer/rancher level. This issuer can also guarantee marketing (distribution), as well as the price level of the production of farmers / breeders. Core companies also get great benefits, including being able to market their products to their partners' plasma and getting guaranteed supply of raw materials from their partners.

The partnership pattern is one of the solutions that is expected to continue to be developed in the form of mutually supportive and beneficial business links between cooperatives, the private sector and State-Owned Enterprises (BUMN) as well as between large, medium and small enterprises in order to strengthen and support the development of structure of the national economy. The partnership pattern is used as one of the conditions, especially for business actors who have land rights, which in this case is Business Use Rights (hereinafter referred to as HGU). Based on the provisions of Article 28 paragraph (1) of the UUPA, it is stated that HGU is a right to cultivate land that is directly controlled by the canyon, within the period as stated in Article 29 of the UUPA, in the context of utilizing agriculture, fisheries or animal husbandry.⁴ In the nature of the provisions of Article 30 paragraph (1) of the UUPA, it is stated that the legal subjects who can have an HGU are Indonesian citizens (WNI) and legal entities established according to Indonesian law and domiciled in Indonesia.⁵

In relation to the provision of HGU for land to be used in the agricultural, fishery or livestock sector (especially in the plantation sector), the company is obliged to meet all requirements, one of which is the plasma core partnership pattern for the provision of the HGU. This also applies to those who previously had an HGU, but the time period will expire and/or want to be updated. One of the conditions that must be implemented is regarding the obligation for the company to facilitate the development of community gardens, as regulated in Article 58 paragraph (1) of Law Number 39 of 2014 concerning Plantations (Plantation Law) it is stated that the plantation company has a Plantation Business License (otherwise known as IUP) For cultivation, it is mandatory to facilitate the construction of surrounding community gardens at

⁴ Law Number 5 Year 1960 on the Basic Regulations of Agrarian Principles, Article 28 ayat (1).

⁵ Law Number 5 Year 1960 on the Basic Regulations of Agrarian Principles, Article 30 verse (1).

least 20% (twenty percent) of the total area of the garden area cultivated by the plantation company.⁶

The existence of this obligation is also regulated in the provisions of Article 64 of the Regulation of the Minister of Agrarian Affairs and Spatial Planning / Head of the National Land Agency Number 7 of 2017 concerning Arrangements and Procedures for Determining Business Use Rights, it is also stated that HGU with an area of 250 Ha (two hundred and fifty hectares) or more that has been given before the regulation of m This enteri is valid and has not implemented the partnership (plasma land), must facilitate the construction of surrounding community gardens covering at least 20% (twenty percent) of the total area cultivated by HGU holders, at the time of extension of the term or renewal of rights.⁷

Based on the provisions in Article 15 of Government Regulation Number 26 of 2021 concerning the Implementation of The Agricultural Sector which is a derivative of Law Number 11 of 2020 concerning Job Creation (hereinafter the "*Omnibus Law*"), it is stated that the surrounding community is also obliged to cultivate and utilize the facilitated land themselves. The community is also obliged to comply with the provisions for the use and use of land according to the nature and purpose of granting rights and carrying out cultivation activities in accordance with good cultivation practices. It can ⁸be attributed that both the company and the community have an attachment to each other, mforeign-each party is given a binding obligation.

With a partnership pattern, there is an agreement and agreement for each party. When linked to Article 1 paragraph (16) of the Regulation of the Minister of Agriculture Number 26 of 2007, the Guidelines for Plantation Business Licensing states that plantation issuers are mutually beneficial, respectful, responsible, strengthening, and interdependent working relationships between plantation companies and smallholders, employees and the surrounding community. In addition, ⁹in the provisions of Article 57 of the Plantation Law, it is also stated that for the empowerment of usaha perkebunan, perkebunan companies carry out partnerships usaha p erkebunan that are mutually beneficial, mutually respectful, mutually responsible, as well as mutually reinforcing and mutually reinforcing and mutually mutually dependence on the pekebun, employees, and the community around the plantp erkebunan.¹⁰

Thus this pattern of issuerization needs to be poured into a form of agreement commonly referred to as a plasma core partnership agreement. It can be interpreted that a company is as the core and the surrounding society is as plasma. The existence of this effort is also one of the requirements for the company to facilitate the construction of community gardens so that they are accommodated with this cooperation. This partnership effort is also expected to be able to present great benefits for the welfare of the community. A partnership relationship can run well if each party understands and agrees to carry out each other's rights and obligations contained in the agreement. In addition, partnerships must also be carried out in a planned, open, professionally integrated and responsible manner and with the basic principles of existing contracts, including the principles of mutual benefit, mutual respect, dependence between each party.

In practice there are obstacles in the partnership pattern, this is based on bringing together two interests that are the same as binding obligations, but against the background of several things, including management ability, lack of understanding in legal knowledge, production, distribution, low human resources, and different capital, etc. so plasma is very vulnerable to being a victim of core companies that have better specifications and are structured in terms of capital and

⁶ Law Number 39 of 2014 concerning Plantations, Article 58 paragraph (1).

⁷ Regulation Minister of Agrarian Affairs and Spatial Planning/Head of the National Land Agency Number 7 Tahun 2017 concerning Arrangements and Procedures for Determining Business Use Rights, Article 64.

⁸ Government Regulation Number 26 of 2021 concerning the Implementation of agriculture, Article 15.

⁹ Regulation of the Minister of Agriculture Number 26 of 2007 tentang Business Licensing Guidelines Plantation, Article 1 verse (16)

¹⁰ Law Number 39 of 2014 concerning Plantations, Article 57.

management. This has an impact on the surrounding community who do not get the benefits as promised, and do not cause prolonged conflicts in the future.

2. Research Methods

Research is a major foundation in order to develop the sciences. The purpose of research to reveal the truth systematically, methodologically and consistently in this regard includes legal research. Ilmu law has a special, normative and natural character. The research method of legal studies is carried out using a separate method. Legal research is a process to find the rules of law, legal principles, and legal doctrines to answer legal issues that occur.¹¹

The research method of legal studies is to use a normative juridical approach, including a review and various analysis of legal materials and legal issues in connection with the problem being analyzed which is supported by laws and regulations, so that the results of the research can be used to solve and find legal solutions, by examining a close-knit puran The applicable invitations from various aspects, such as aspects of theory, concepts, legal principles, philosophy, comparison, structure / composition, consistency, general explanation and explanation of each article, formality and binding force of a law and the language used is the language of the law. The legislation is used as a basic framework in this dissertation research which is linked to other supporting materials.

The approaches used in this study include a *statute approach*, a *conceptual approach*, a *case approach*, a *historical approach*, a *sociological approach* and a *philosophical approach*. The *statute approach* is carried out by analyzing laws and regulations that are relevant to the legal issues being studied. The statutory approach will provide an opportunity for researchers to study the provisions and conformity between one law and another related law to explain and examine various legal rules and/or principles. *Conceptual approach* means that it begins with the development of laws and regulations and doctrines in legal science is carried out with an approach that begins with opinions and doctrines in legal research. These opinions and doctrines will find ideas that result in an understanding of the law, legal concepts, and legal principles related to legal issues found in this study.

The *case approach* in normative legal research aims to study legal norms or rules in legal practice. This is done in order to know the current circumstances, conditions, facts in order to support the expected objectives in this writing. The *Historical Approach* in normative legal research aims to understand the changes and developments in the philosophy of the rule of law in depth, including examining the background regarding the legal issues faced.

The *Sociological approach* in normative legal research aims to understand law in relation to morals and the internal logic of law. The *Philosophical approach* in normative legal research aims to understand the law thoroughly, fundamentally, deeply and speculatively. In this case, it is also connected with the social implications and effects of the application of a law on society or community groups regarding history, philosophy, linguistics, economics as well as the implications of social and political on the enactment of a regulation.

3. Results and Discussion

Plasma Core Partnership Pattern

A partnership is a type of business contained in a formal agreement between two or more people that contains an agreement to become a *co-owner*. The plasma nucleus emitting pattern is a partnership relationship between a business tocol as a plasma and a medium or large business acting as a plasma nucleus. The core company will provide land, production facilities, technical guidance (scientific) guidance, management, accommodating and processing, and marketing the results of production (distribution). Meanwhile, the partner group is in charge of meeting the needs of the core company in accordance with the agreed requirements. The pattern of partnerships, especially core plasma, can occur where farmers who are members of farmer groups enter into cooperation agreements directly to the core company or through their

¹¹ Peter Mahmud Marzuki, *Research Law*, Gold Prenada Media Group, Jakarta, 2011, Pp. 35.

cooperatives by involving banks or not involving banks by involving cooperatives or not and so on.

Regulations or rules issued by the government are basically intended as regulatory boundaries for the sake of certainty, justice and also good for people from all fields who have gone through various kinds of studies and in-depth considerations before the regulation is finally passed. One of these regulations is an obligation for companies to cooperate with communities around plantations to empower plantation businesses in the form of plantation business partnerships that are mutually beneficial, mutually respectful, mutually responsible, and mutually strengthen each other between the company and planters (*communities*), employees, and communities around the plantation.

In this case the community is referred to as the plasma garden and the enterprise as the core garden. Plasma plantations consist of farmers, as well as local communities who are coordinated and gathered in a legal entity cooperative. Koperations as a forum to partner with companies. The cooperative is also the property of the company's plantation, because the company plays a role in managing the partner's farm in full in one management.

In the plasma core partnership pattern, it can be said to be a pattern or management which means the management of all plantations both owned by business partners and owned by smallholders carried out by business partners starting from preparation, garden management, processing and marketing aimed at maintaining business quality and sustainability. In order for the partnership to take place properly and meet the expectations of both parties, it must be made in writing. Companies and cooperatives clearly state the rights and obligations of each party in a letter of agreement so as to form an orderly and binding pattern of cooperation.

Here are some rules governing the implementation of plasma nuclei, including:

-Based on the provisions of Article 58 of Law Nomor 39 of 2014 concerning Plantations, it is stated that:

- (1) Plantation Companies that have 1zin Plantation Business or Plantation Business permits for cultivation are required to facilitate the construction of surrounding community gardens at least 20% (twenty hundredths) of the total area of the plantation area cultivated by the Plantation Company.
- (2) Facilitation of the construction of community gardens as referred to in paragraph (1) can be carried out through a credit pattern, profit sharing, or other forms of funding agreed upon in accordance with the provisions of the laws and regulations.
- (3) The obligation to facilitate the construction of the garden as referred to in paragraph (1) must be carried out within a period of no later than 3 (three) years from the time the right to use the business is granted.
- (4) Facilitation of the construction of community gardens as referred to in paragraph (1) must be reported to the Central Government and Local Governments in accordance with their authority.¹²

-Based on the provisions of Article 29 of the *Omnibus Law* which amends Article 58 of Law Nomor 39 of 2014 concerning Plantations, it is stated that:

- (1) Plantation Companies that obtain permits Strive for cultivation whose entire or part of the land comes from:
 - a. other areas of use that are outside the right of use; and/or
 - b. areas derived from the release of forest areas, must facilitate the construction of community gardens covering an area of 20% (twenty percent) of the land area.
- (2) Facilitation of the construction of community gardens as referred to in paragraph (1) can be carried out through a credit pattern, profit sharing, other forms of partnerships, or agreed forms of rain funding in accordance with the provisions of the laws and regulations.
- (3) The obligation to facilitate the construction of the garden as referred to in paragraph (1) must be carried out within a period of no later than 3 (three) years from the time the right to use the business is granted.

¹² Law No.mother 39 Year 2014 on Plantations, Article 58.

(4) Facilitation of the construction of community gardens as referred to in paragraph (1) must be reported to the central government and local governments in accordance with their authority.¹³

-Based on ketentuan Article 11 of the Regulation of the Minister of Agriculture Number 26 / Permentan / OT.140 / 2/2007 concerning Guidelines for Plantation Business Licensing, it states that:

- (1) Plantation companies that have an IUP or IUP-B, are required to build gardens for the surrounding community at least 20% (twenty-hundredths) of the total area of the garden area cultivated by the company.
- (2) The construction of gardens for the community as referred to in paragraph (1) can be carried out, among others, through a credit pattern, grants, or profit sharing.
- (3) The construction of gardens for the community as referred to in paragraph (1) is carried out in conjunction with the construction of gardens cultivated by the company.
- (4) The plan for the construction of a garden for the community as referred to in paragraph (1) must be known by the Regent/Mayor.¹⁴

-Based on the provisions of Article 15 of the Regulation of the Minister of Land Number 98 / Permentan / OT.140 / 9/2013 Regarding Plantation Business Licensing Guidelines, it is stated that:

- (1) Plantation Companies that apply for an IUP-B or IUP with an area of 250 (two hundred and fifty) hectares or more, are obliged to facilitate the construction of surrounding community gardens with an area of at least 20% (twenty per hundred) of the IUP-B or IUP area.
- (2) Community gardens facilitated by their development as referred to in paragraph (1) are outside the IUP-B or IUP area.
- (3) The obligation to facilitate the construction of community gardens around r as referred to in paragraph (1) considers:
 - a. land availability;
 - b. the number of families of the surrounding community who are eligible as participants; and
 - c. agreement between the Plantation Company and the surrounding community and is known to the head of the provincial or regency/city office in charge of the plantation according to his authority.¹⁵

The core-plasma partnership pattern is a partnership relationship between a partner group and a partner company, in which the partner company acts as the core and the partner group as plasma. Conditions for partner groups:

1. plays the role of plasma;
2. managing the entire cultivation business up to harvest;
3. selling the results of production to partner companies;
4. meet the needs of the company in accordance with the agreed requirements.

On the other hand, the terms of the partner company, namely:

1. serves as a core company;
2. accommodating production;
3. buying produce;
4. providing technical guidance and management coaching to partner groups;
5. providing services to partner groups in the form of capital/credit, saprodi, and technology;
6. have an agricultural cultivation business / produce the needs of the company;
7. providing land.

¹³ Law No.mother 11 Tahun 2020 on Job Creation, Article 58.

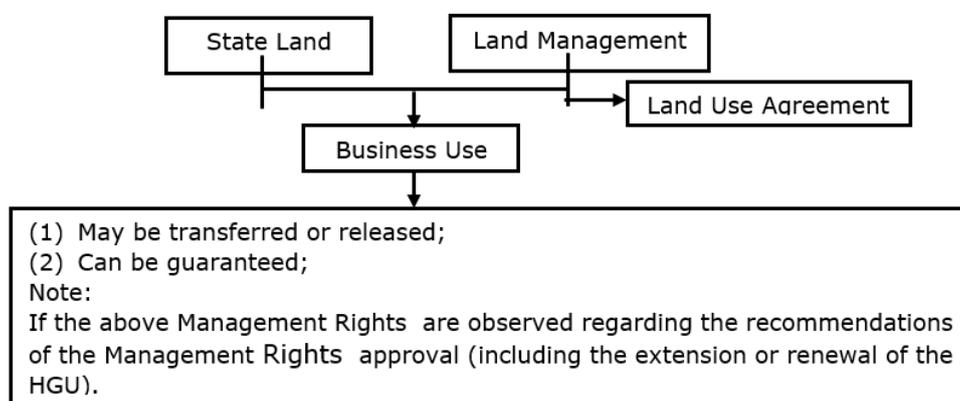
¹⁴ Regulation of the Minister of Agriculture Number 26/Permentan/OT.140/2/2007 concerning Guidelines for Plantation Business Licensing, Article 58.

¹⁵ Regulation of the Minister of Land Number 98/Permentan/OT.140/9/2013 Tentang Pedoman Perizinan Usaha Perkebunan, Article 15.

The implementation of the plasma core in the Granting of Business Use Rights, Extension and /or Renewal of Business Use Rights.

As proof of the granting of HGU, it was given anertipikat for land rights to the holder of hak, in the form of a Certificate of Land Rights. Based on Article 19 of Government Regulation Number 18 of 2021 concerning Management Rights, Land Rights, Flats Units and Land Registration, it can be stated that HGU is given to Indonesian Citizens and Legal Entities established according to law and domiciled in Indonesia to carry out agricultural business activities (plantation business, food crops and/or horticultural crops), fisheries/ponds and animal husbandry according to the designation and requirements of at least 2 (two) years since the HGU granted as based on the granting decision. HGU is granted for a period of not more than 35 (thirty-five) years, extended for a period of 25 (twenty-five) years and renewed for a period of not more than 35 (thirty-five) years and after the period of renewal, the land status of the HGU returns to become land controlled by the state (state land) or Management Rights land. HGU regulation is also 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 18 of 2021 concerning Procedures for Determining Management Rights and Land Rights (hereinafter referred to as "Permen ATR Number 18/2021").

a. Application for Right of Use of Effort.



HGU can be granted on state land and/or Management Rights land. In this case, it is necessary to pay attention to the authority to grant HGU to the Head of the Land Office, the Head of the Regional Office and the Minister.

In the event that it is related to Article 29 and Article 30 of the Regulation of the Minister of Agrarian affairs and Spatial Planning / Head of the National Land Agency Number 7 of 2017 concerning Regulations and Procedures for Determining Business Use Rights (hereinafter referred to as Permen ATR / BPN No. 7 of 2017), it is stated that:

-Article 29 states that:

- (1) To obtain proof of rights in the form of a certificate of Business Use Rights, the recipient of the Business Use Right must register a decision on the granting of Business Use Rights at the Land Office whose working area includes the location of the land concerned.
- (2) In the event that the decision to grant Business Use Rights is the authority of the Minister or head of the BPN Regional Office, the implementation of the registration of new rights can be carried out after a copy of the decision to grant Business Use Rights has been received by the Head of the Land Office.
- (3) Registration as referred to in paragraphs (1) and (2) is carried out after all obligations and requirements stated in the Decree on the Granting of Business Use Rights are fulfilled.
- (4) The application for registration of the decision to determine the Right to Use Business is carried out in accordance with the provisions of the laws and regulations.¹⁶

-Article 30 states that

¹⁶ Regulation of the Minister of Agrarian affairs and Spatial Planning/Head of the National Land Agency Number 7 of 2017 concerning Arrangements and Procedures for Determining Business Use Rights, Article 29.

In the event that the Right to Use Business has been issued a certificate in accordance with the provisions of the laws and regulations and is manifestly controlled by the holder of the right, then other parties who feel that they have rights to the land can no longer demand the implementation of the right if within 10 (ten) years from the issuance of the certificate do not file an objection in writing to the certificate holder and the Head of the Land Office concerned or do not file a lawsuit with the Court regarding the possession of land or the issuance of such certificates.¹⁷

If you have obtained an HGU, there are several things that need to be considered and/or as an obligation of the rights holder, including:

1. The tanah used should be cultivated properly and in accordance with the state of the land and the spatial plan of the territory.
2. Land intended for plantations and agriculture, it is necessary to maintain soil fertility and prevent damage, and anticipate the presence of soil that is swallowed and/or misused.
3. HGU holders also need to know the impact of their business activities on the environment.
4. The HGU can be deleted, if the term has expired, and the right is canceled by the authorized official, before the term expires, because the obligations of the right holder are not fulfilled or there is a violation of certain provisions.

The obligations of HGU holders have also been explained in the provisions of Article 40 paragraph (1) of the Minister of Atr /BPN Regulation No. 7 of 2017, it is stated that:

(1) The Holder of Business Use Rights is obliged to:

- a. carrying out agricultural, fishery or dairy business in accordance with the designations and requirements as stipulated in the decision to grant rights;
- b. self-destruction of the Land Use Rights properly in accordance with business feasibility based on criteria set by technical agencies;
- c. building and maintaining environmental infrastructure and land facilities in the business use rights area;
- d. maintain soil fertility, prevent damage to natural resources and maintain the preservation of environmental capabilities in accordance with the provisions of laws and regulations;
- e. comply with the provisions of the prohibition on opening and/or cultivating land by burning;
- f. providing land fire control facilities and infrastructure including providing water sources, conducting good and correct water management to keep the land wet and not flammable, taking preventive measures including implementing an early fire suppression crisis center, extinguishing and handling post-fire in the land area granted Business Use Rights including prevention and handling of fires on the land of surrounding communities;
- g. submit a report on the use and utilization of Business Use Rights to the Head of the local Land Office, written at the end of each year;
- h. provide information or other matters needed in the context of monitoring and evaluating the use and utilization of land use rights;
- i. apply for a permit in advance if you are going to transfer and/or make changes to the land use allotment, either in whole or in part;
- j. implement the agreement that has been made by the holder of the old Business Use Rights with a third party, if the Business Use Rights are obtained from the transfer of rights;
- k. facilitating the construction of surrounding community gardens of at least 20% (twenty percent) of the land area requested by the Right to Use Business for the surrounding community in the form of partnerships (plasma) in accordance with business activity permits from authorized technical agencies, for legal entity rights holders;
- l. carrying out social and environmental responsibilities for holders of legal entities.¹⁸

Followed several processes related to the application of HGU, including:

¹⁷ Regulation of the Minister of Agrarian affairs and Spatial Planning/Head of the National Land Agency Number 7 of 2017 concerning Arrangements and Procedures for Determining Business Use Rights Article 30.

¹⁸ Regulation of the Minister of Agrarian affairs and Spatial Planning/Head of the National Land Agency Number 7 of 2017 concerning Arrangements and Procedures for Determining Business Use Rights, Chapter 40 verse (1).

1. Measurement

The measurement of land plots is basically the responsibility of the Head of the Land Office. To apply for measurement, the applicant first attaches a number of documents including complete identity, location permit, proof of land acquisition or pedestal of rights, recapitulation of land acquisition and recapitulation map, land acquisition, measurement application map equipped with layers of monuments, boundary monuments of land plots that have been installed and have been authorized by the directors of the company.

2. Application for Rights

After passing the measurement process, the next step is to apply for rights in writing through the Land Office by attaching supporting documents as follows.

- The identity of the applicant and/or his/her attorney;
- Power of attorney, if authorized;
- Land acquisition recapitulation and land acquisition recapitulation map;
- Deed of establishment of a legal entity along with its amendments, ratification/approval of the authorized officials and company registration marks;
- Technical considerations of land in the framework of Location Permits;
- Land acquisition recapitulation and land acquisition recapitulation map that have been verified and validated by the Land Office;
- Permits/recommendations/information from relevant agencies, which contain location permits according to spatial plans, business permits from authorized agencies, and certificates that the requested land is not included in peat areas; forest areas; and burned acreage in accordance with the provisions of laws and regulations;
- Map of the soil plane of the core and plasma;
- Investment approval (if using an investment facility)
- A partnership agreement with the surrounding community attached with a list of plasma participants appointed based on proposals from the sub-district and local village heads/village heads determined by the regent/mayor/appointed official.
- Statement letter of the company's board of directors in the form of a notarial deed

3. Soil Inspection

The land inspection procedure is the full authority of the land office. In the process, a committee will be formed including the composition of its members. As an applicant, his job is only to accompany him when the soil inspection is carried out.

4. Assignment of Rights

Regarding the determination of rights, this will concern the authority to determine HGU with the condition that if the land area is less than 25 hectares, then the determination of rights will be the task of the land office. Meanwhile, on plantation land covering an area of 25 hectares to 250 hectares, the determination of rights will be given by the Regional Office of the Bapan Pertanahan Nasional. Another right if the land area is above 250 hectares, then the determination of the plantation HGU will be given directly by the Minister of ATR / BPN.

5. Registration of Rights

HGU registration is the last stage taken, where the process is carried out at the local Land Office. However, if the HGU granting decree is the authority of the Minister or bpn regional office, then the implementation of registration can only be carried out after a copy of the HGU grant decree has been received by the Land Office. The implementation of the registration of rights can only be carried out after the obligations contained in the decree are fulfilled by the HGU recipient.

Based on the provisions in relation to HGU in Permen ATR/BPN No. 7 of 2017 and Permen ATR Number 18/2021, the requirements regarding the provision of facilities for the construction of community gardens around at least 20% (twenty) percent of the land area requested by HGU for the surrounding community in the form of partnerships (plasma) are not listed as a condition of application, will t The provision of these facilities is an obligation that must be carried out for HGU owners and is one of the procedures in applying for rights, namely by attaching a partnership agreement with the surrounding community.

Based on the Minister of Atr Regulation Number 18/2021, Article 82 states that in the event that the Applicant is a legal entity in the form of a limited liability company (PT) including BUMN / BUMD and its use for plantations, it is required to "facilitate the construction of community gardens around an area of 20% (twenty percent) of the land requested by the Right to Use Business for the surrounding community. "

b. Extension and/or Renewal of Business Use Rights.

HGU extension is an increase in the period of validity of a right without changing the conditions in granting the right, as the HGU renewal means the granting of the same rights to the holder of the right to the land he already owns with the HGU after the period of the right or the extension expires. In addition to HGU, there are other utilization certificates that also need to be considered for the renewal process. The term of the HGU is first given a maximum of 35 years and can be extended for a maximum period of 25 years. After the term of the HGU and its extension expires, the rightholder is then granted the HGU holder a maximum of 35 years on the same land.

HGU renewals are issued in accordance with the authority to grant rights. In the event that the application for Extension/Renewal of HGU on Management Rights land is submitted at once, then the Renewal and Renewal of HGU is given at once and made in 1 (one) decision. Extension/Renewal of HGU for state land/land Management Rights (at the same time) enter into force from the time the rights are registered by the Land Office with a period of Extension starting from the expiration of the Rights. In the event that the Renewal of the HGU is submitted before the term of renewal of rights expires or within a grace period of 2 (two) years after the period of granting the right expires, then the registration does not change the number hak.

In the event that the HGU has been granted after a Period of 1 (one) Grant cycle, the Extension and Renewal of the HGU returns to State Land or Management Rights land, provided that the period of Grant, Extension, and Renewal expires, the grant period expires and within a period of not more than 2 (two) years is not requested by the Renewal, or The Renewal period expires and within a period of not more than 2 (two) years is not requested for Renewal. State land realignment of use, utilization, and ownership becomes the authority of the Minister, to be given priority to former rights holders to apply for re-granting, granted to land bank agencies with management rights, or used for public interest purposes, agrarian reform, national strategic projects and/or other state reserves in accordance with the policy of the Ministry, while for t Anah Management Rights become the authority of the holder of the Management Rights or in accordance with the Land Utilization Agreement.

In the event that the HGU will end 1 (one) cycle then within a grace period of 5 (five) years before the end of the right the Head of the Land Office examines the use, utilization, and ownership of land by taking into account:

- a. the land is still being cultivated and put to good use in accordance with the circumstances, nature, and purpose of granting rights;
- b. the conditions for granting rights are properly fulfilled by the right holder;
- c. the rights holder still qualifies as the rights holder;
- d. the land is still in accordance with the RTR (Spatial Plan);
- e. is not used and/or planned for the public interest;
- f. natural resources and the environment; and
- g. the state of the land and the surrounding community.

In the case of being linked to Article 31 paragraph (2) and Article 35 paragraph (2) of The Minister of Atr Regulation 7/2017 requires the extension and extension of the HGU, among others, namely:

- a. The rights holder still qualifies as an HGU holder;
- b. The land is still used and properly cultivated in accordance with the circumstances, nature and purpose of granting the rights concerned;
- c. The use of the land is still in accordance with the local Regional Spatial Plan;
- d. The land is not included in the derelict indicated land database;
- e. The land is not in a judicial case, and is not confiscated or blocked/*status quo*.

c. Obligations of The Plasma Core Partnership Pattern in the Application for Business Use Rights, Extension and/or Renewal of Business Use Rights

One of the obligations of the applicant and the holder of Business Use Rights that have been mentioned in the provisions of Article 40 paragraph (1) letter k of the Minister of Atr / BPN Regulation No. 7 of 2017 is to facilitate the construction of community gardens around at least 20% (twenty) percent of the land area requested for Business Use Rights for the surrounding community in the form of partnerships (plasma), then in the application for the determination of HGU for the first time and the extension of the period / renewal of HGU, the applicant / right holder is obliged to facilitate the construction of surrounding community gardens that can come from plantations owned by the company or owned by the surrounding community that already exist within the regency / city area.

As previously explained, that *plasma* is a partnership relationship between small businesses and medium enterprises or large businesses in which medium enterprises or large businesses act as the core and small businesses as *plasma*, core companies carry out guidance ranging from the provision of production facilities, technical guidance, to marketing of production products, the benefit of the *plasma* core program is to minimize the occurrence of agrarian conflicts such as land claims. In the core-*plasma* pattern, medium-sized enterprises or large enterprises as the core foster and develop small businesses as *plasma* in the following matters:

- a. Land provision and preparation;
- b. Provision of means of production;
- c. Providing technical guidance on business and production management;
- d. Acquisition, mastery and improvement of the necessary technologies;
- e. Financing;
- f. Providing other assistance needed to improve business efficiency and productivity;

The implementation of plantations is based on the principles of benefits and sustainability, integration, togetherness, openness and fairness. Plantations are also a branch of the agricultural sector whose implementation objectives are directed at increasing people's income, increasing state revenues, providing jobs, increasing productivity, added value, meeting the needs of consumers and domestic industrial raw materials, and optimizing the sustainable management of natural resources as stated in Law Number 39 of 2014 concerning Plantations.

In providing, expanding and/or renewing HGU, building partnership gardens (*plasma*) for communities around the plantation is at least 20% (twenty percent) of the total land area requested by HGU, for the first time HGU applicants with an area of 250 ha. The HGU with an area of 250 ha given before the Atr / KBPN Regulation No. 7 of 2017 has not carried out the construction of a partnership garden (*plasma*). The application for land rights to the partnership part (*plasma*) is carried out in the event that the *plasma* community is incorporated in a legal entity (cooperative), the applicant in the form of an HGU. In the case of an individual *plasma* society, the applicant is in the form of Property Rights.

Based on the conditions contained in the provisions of Article 34 paragraph 1 of Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises which reads the partnership agreement is stated in a written agreement that at least regulates the business activities, rights and obligations of each party, the form of development, the term and settlement of disputes. Similarly, in the provisions of Article 18 of Government Regulation Number 44 of 1997 concerning Partnerships, it is further elaborated regarding the partnership agreement. It is stated that the agreement is in the form of writing in Indonesian and or agreed language and can be in the form of a deed under the hand or a Notarial deed.¹⁹

The pattern of cooperation between *plasma* core partnerships and land ownership by farmers, generally with a *profit-sharing* cooperation pattern, hands over all land to the core company to obtain HGU and in return, farmers get a profit share of 20% of the total profits of oil palm plantations. In its development, the *plasma* core pattern has been refined into an integrated partnership pattern. This pattern involves several parties, namely (1) Farmers/Farmer Groups

¹⁹ Government Regulation Number 44 of 1997 about Partnerships, Article 18.

or small businesses, (2) Large or medium-sized enterprises as core companies, and (3) Banks. The cooperative relationship between the farmer/farmer group and the core company, is made as well as the relationship between Plasma and the Core in the Partnership Pattern.

Farmers are plasma and large enterprises as the core. This partnership then became integrated with the participation of banks that provided loan assistance for financing plasma farmers' businesses. The unified partnership pattern has the following principles:

- a. The business relationship between large businesses and small businesses that partner is related;
- b. Partnerships on the basis of profitable business relationships;
- c. There is an element of coaching and development by large businesses and banks for small businesses;
- d. There is a commitment and sense of community between the partnering parties;
- e. The rights and obligations of each partner are regulated in the Bank's Memorandum of Agreement with large businesses and large businesses with small businesses, or banks with large businesses and small businesses;

This form of plasma core partnership agreement is written. In accordance with the regulation of the Minister of Agriculture Number 26 of 2007 concerning Guidelines for Plantation Business Licensing article 23 paragraph (2) as a formal condition that overrides the principle of consensuality adopted in article 1338 book III of the Civil Code. The formal conditions in the Ministerial Regulation, this partnership agreement must be made in the form of a written agreement even though an agreement between the parties has been born. However, in Ministerial Regulation Number 26 of 2007 concerning Guidelines for Plantation Business Licensing article 23 paragraph (2) the weakness lies in, it is not explained that this partnership agreement must be poured into the form of a Notarial deed or made under the hand. As for this case, to provide strong protection, it is better for the contract or core-plasma partnership agreement to be stated in the form of a Notarial deed.

4. Conclusion

Plasma core partnership pattern is a partnership relationship between small businesses and large businesses in which medium or large enterprises act as the core and small businesses as plasma. The core company will provide land, production facilities, technical guidance, management, accommodating and cultivating, and marketing the production results. Meanwhile, the partner group is in charge of meeting the needs of the core company in accordance with the agreed requirements. The pattern of partnership, especially the plasma core, can occur in the event that farmers who are members of farmer groups enter into cooperation agreements directly to the core company or through their cooperatives by involving banks or not involving banks by involving cooperatives or not, etc. In the plasma core partnership pattern, it can be said that one management pattern is the management of all plantations both owned by business partners and owned by smallholders carried out by business partners starting from preparation, garden management, processing and marketing aimed at maintaining the quality and continuity of the business, so that the partnership can take place properly and meet the expectations of both parties, then the partnership must be made in writing. In this case, companies and cooperatives clearly express the rights and obligations of each party in a letter of agreement so as to form an orderly and binding pattern of cooperation.

HGU as referred to in the provisions of Article 28 paragraph (1) of uupa states that HGU is intended or given for agricultural, perikan/pond or livestock business and can be given to Indonesian citizens (WNI) or legal entities established and domiciled according to Indonesian law. Jthe time figure for first-time granting is 35 years and can be extended for a period of at most 25 years, as well as a 35-year renewal. One of the obligations of HGU holders facilitates the construction of community gardens around at least 20% (twenty percent) of the land area requested by HGU for the surrounding community in the form of partnerships (plasma) in accordance with business activity permits from authorized technical agencies, for legal entity rights holders.

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