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Land Consolidation Problems in Indonesia

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Abstract

Vastly growing population in urban areas should be parallel to the adequate infrastructure provision and measurable development model, or social issues such as the growing slums, lack of social and public facilities, and poor health quality will emerge. To achieve them, the government has been taking some innovative measures, one of which is land consolidation—a method of restructuring the control, ownership, and use of lands relevant to regional spatial planning by taking into account the active participation of the people. However, the execution is not without issues. This research aims to investigate the issues of land consolidation and some measures to resolve these issues.

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Keywords

Land consolidation, land procurement, spatial planning, public participation

Introduction

The land is the necessity the public has to fulfill to achieve social welfare as intended in Article 33 Paragraph (3) of the 1945 Constitution of the Republic of Indonesia (henceforth referred to as the 1945 Constitution), stating “the land and the waters as well as the natural riches therein are to be controlled by the state to be exploited to the greatest benefit of the people”.

The need for land is always rising along with the growing complexity of the people, including the need for national development (public interest) intensively performed by the government. On the other hand, lands refer to relatively fixed

areas, and this condition has led to several issues, ranging from rare land development, land ownership, and illegal land use to the growing slum areas. These problems are getting even more obvious, especially in cities with a high level of urbanization, high population growth, high population density, and the soaring price of houses.

In Jakarta, almost 60% of the population reside in densely populated slums with low-quality buildings and poor access to the residential areas¹ (narrow way to the residents, poorly sunlit residential houses, inadequate numbers of rooms, and non-permanent buildings). These poor conditions are also prevalent in some cities in Indonesia, including areas with no urban characteristics, where the development has been inconsistent and counterproductive to regional spatial planning that has not been set by the Neighborhood Association (RT) and Community Association (RW). The worse matter is that some areas were found to have no RT/RW, meaning that the development may be absent, considering that such neighborhood development cannot be appropriately performed without any direction from the associations.²

To ensure that these issues do not remain persistent and are not getting more complex, the state has to exist as an 'organ' that is fully authorized to govern and manage lands, as intended in Article 2 of Law Number 5 of 1960 concerning Basic Agrarian Law (henceforth referred to as UUPA), implying that the state is authorized to govern and manage the utilization, functions, procurement, and preservation of the earth (including land), waters, and space.³

This authority is further set forth in Article 6 of UUPA implying that not all rights to lands demonstrate social functions. Thus, the state has the authority to govern the utilization and the functions of the lands as long as they are for the welfare of the people and the state.

One of the methods that can be taken into account to achieve the above objectives is performing land consolidation—a policy aiming to restructure the control over, the ownership, and the use of lands and spatial planning according to spatial planning and the provision of lands for public interest and to enhance the environmental quality and the preservation of natural resources by involving active

¹ Andri Supriatna and Paul van der Molen, 2014, *Land Readjustment for Upgrading Indonesian Kampung: a Proposal*, South East Asia Research, 22, 3, p 379.

² Ida Nurlinda, *Metode Konsolidasi Tanah untuk Pengadaan Tanah yang Partisipatif dan Penataan Ruang yang Terpadu*, Jurnal Hukum No. 2 Vol. 18 April 2010, p. 163.

³ Complete sentence of Article 2 paragraph (1) and paragraph (2):

- (1) Pursuant to Article 33 Paragraph (3) of 1945 Constitution and matters as intended in Article 1, land, water, and space, including the riches therein are controlled by the state as the institution that holds power for all the citizens.
- (2) The right of the State to control as intended in Paragraph (1) of this article delegates the authority to:
 - a. Regulate and administer the use, functions, provision, and preservation of land, water, and space
 - b. Determine and regulate legal connections between persons and the land, water, and space.
 - c. Determine and regulate legal connections between persons and legal act related to land, water, and space.

public participation.⁴ Principally, land consolidation is intended to promote sustainable development in rural areas, taking into account space reorganization through land relocation in terms of either ownership or boundary lines.⁵

Land consolidation, therefore, is a strategic step in settling issues related to the procurement and functions of lands since it involves active public participation. Moreover, the research result indicates that land consolidation can be participative in a way that involves private sectors in the development of infrastructure and facilities of the consolidated areas. Not only will the participants of this program gain economic benefits, but they are also entitled to social benefits from the areas consolidated (Saleemi, 2021).

However, this consolidation does not come without problems, ranging from low participation level, and search for a location for development, to the criteria of public interest. This research, therefore, seeks solutions to the issues to allow for consolidation that can be referred to as a method of land procurement and as a spatial planning instrument that is participative and integrated.

Land Consolidation; Definition, Objectives, and Scope

The term consolidation can be understood as an aspect of science including sociology, technical and commercial techniques, technological knowledge, businesses, and accounting, including agrarian/land-related matters. In a simple way, land consolidation could be understood as restructuring the control over, the ownership, and the use of lands congruent with regional spatial planning and measures taken in land procurement for development.

Land consolidation or land adjustment are not much different. Land readjustment is simply defined as a process where a landowner has several agricultural lands scattered over some locations, followed by the development of roads and main infrastructures and the lands are further divided into some urban land parcels (Sambo, Bello, & Sule, 2021).⁶

The land readjustment concept was referred to by President George Washington when he made an agreement back in 1791 with some landowners in several sites in cities in Washington DC, and the agreement is now known as UNESCAP, 1995.⁷ The method of land readjustment is often used to convert agricultural lands or semi-urban lands in suburbs into urban lands. In other words, principally, land readjustment is used to develop suburban areas instead of the redevelopment of urban areas.⁸

⁴ Article 1-point 1of the Regulation of Agrarian and Spatial Planning Minister/the Head of National Land Agency Number 12 of 2019 concerning Land Consolidation.

⁵ Demetris Demetriou, 2016, A Spatially Based Artificial Neural Network Mass Valuation Model for Land Consolidation, *Environment and Planning B: Planning and Design* 0 (0), p. 1.

⁶ Sorensen, (1999, hlm.2333) dalam Ling-Hin Li dan Xin Li, Land Readjustment: An Innovative Urban Experiment in China, *Urban Studies*, Vol. 44, No. 1, 81–98, Januari 2007. p. 82

⁷ *Ibid*, h. 83

⁸ Sevkiye Sence Turk, An Examination for Efficient Applicability of the Land Readjustment Method at the International Context, *Journal of Planning Literature*, Vol. 22, No. 3 (February 2008), p. 229.

Although the definition of land consolidation and land readjustment is slightly equal, they remain different in some respects.⁹ In a land consolidation, the access is organized but not the surrounding, while land readjustment organizes both. Thus, land readjustment is more organized and adjusted to the new access. For example, in urban landscapes in Japan where readjustment has been implemented, the road lines are more aligned and organized.

Land consolidation took place in Europe for the first time in the 14th century and it was regarded as a response to land cultivation preferred by land cultivators regarding land fragmentation. European Union or Food and Agricultural Organization regarded the land consolidation scheme as one of the vital measures in an integrated rural development program.¹⁰

In Indonesia, land consolidation works as the method of land procurement for the development that has been existing since 1983 in Renon, Denpasar, the province of Bali.¹¹ However, normatively, land consolidation was governed for the first time following the issuance of the Regulation of the Head of National Land Agency Number 4 of 1991 concerning Land Consolidation (Perka BPN Number 4/1991). In this *beleid*, land consolidation is defined as the land policy concerning the restructuring of control over, the use of land, and land procurement for the sake of development, enhancement of environmental quality, and preservation of natural resources by involving active public participation.

Moreover, The Regulation of the Head of National Land Agency Number 4/1991 was scrapped and replaced with the Regulation of Agrarian and Spatial Planning Minister/the Head of National Land Agency Number 12 of 2019 concerning Land Consolidation ("Permen ATR/Ka BPN Number 12/2019). This regulation defines land consolidation as the policy of restructuring control over, ownership, use, and functions of lands and spaces according to spatial planning and effort made to procure lands for public interest to improve the quality of the environment and preservation of natural resources with active public participation.¹²

According to Adrian Sutedi, land consolidation is a land policy that deals with the restructuring of the control over, ownership, and use of land according to regional planning and land procurement planning for the development to improve the quality of the environment and the preservation of natural resources by involving the public participation in both rural and urban areas.¹³

Furthermore, Article 2 Paragraph (2) of Permen ATR/Ka BPN Number 12/2019 mentions that the objective of land consolidation is to organize the control over, ownership, use, and functions of land through land consolidation to create a healthy environment according to spatial planning and to provide lands for public

⁹ Directorate General of Spatial Planning, Agrarian and Spatial Planning Ministry/National Land Agency retrieved from <https://ataruang.atrbpn.go.id/Berita/Detail/1095> on 2 July 2022.

¹⁰ Demetris Demetriou, John Stillwell, Linda See, *An Integrated Planning And Decision Support System (IPDSS) for Land Consolidation: Theoretical Framework And Application Of The Land-Redistribution Modules*, Environment and Planning B: Planning and Design 2012, volume 39, p. 609.

¹¹ Ida Nurlinda, *Op. Cit.*, p. 166.

¹² Article 1 point 1 of the Regulation of Agrarian and Spatial Planning Minister/the Head of National Land Agency Number 12 of 2019 concerning Land Consolidation.

¹³ Adrian Sutedi 2009. *Tinjauan Hukum Pertanahan*. Jakarta: Pradnya Paramita. p. 175.

interest by involving the active participation of the people.

Therefore, Article 4 Paragraph (1) of Permen ATR/Ka BPN Number 12/2019 asserts that land consolidation is principally held with the voluntary and participative will of the people under the agreement among the participants in the land consolidation.¹⁴ However, this consolidation is regarded as compulsory in terms of areas post-disaster, post-conflict, slums, and strategic programs.¹⁵

If land consolidation is appropriately executed according to the existing regulation, it could bring several benefits. Land consolidation, according to Dedi M. Masykur Riyadi (Deputy of Regional and Natural Resources department –Bappena, 2001):

- a. serves as a land instrument elaborating on the structures and patterns of spatial planning to allow for field operations.
- b. is capable of integrating the aspects of legality of the control over lands with the aspect of physical structuring of land use.
- c. is capable of resolving problems in land structuring in spatial planning
- d. is intended to cut the cost of primary infrastructure development; and
- e. is capable of controlling the participation of the people in terms of land provision and supporting environmentally friendly development.¹⁶

Regulating Land Consolidation in the Legislation

The provision regarding land consolidation in Indonesia can be seen in several laws and regulations as given in the following table:

Table 1: Laws and Regulations governing Land Consolidation

No	Constitution/Law/Regulation	Article to govern
1.	The 1945 Constitution	Article 33 paragraph (3)
2.	Law Number 5 of 1960 concerning Basic Agrarian Law	Article 2 paragraph (1) and paragraph (2). Article 6; and Article 14
3.	Law Number 17 of 2007 concerning National Long-Term Development Plan (RPJPN) Year 2005 - 2025	Addendum Chapter IV The direction of the RPJPN Year 2005-2025
4.	Law Number 26 of 2007 concerning Spatial Planning	Article 65 paragraph (1) and paragraph (2); and Article 33 paragraph (1).
5.	Law Number 1 of 2011 concerning Housing and Residential Areas	Article 1 point 18. Article 106; Article 108; and Article 109.
6.	Law Number 20 of 2011 concerning Multi-Storey Housing	Article 22

¹⁴ The participation should at least involve 60% of the participants of land consolidation (Article 10 Paragraph (3) of the Regulation of agrarian and Spatial Planning Minister/the Head of National Land Agency Number 12 of 2019 concerning Land Consolidation).

¹⁵ Article 4 paragraph (2) of the Regulation of Agrarian and Spatial Planning Minister/the Head of National Land Agency Number 12 of 2019 concerning Land Consolidation defines the following terms:

- Disaster refers to natural disaster or fire that causes a change in the boundary of land parcels, the disappearance of the land, the change in the ownership of the land, a shift of function that requires land restructuring and/or relocation.
- Conflict includes the conflict whose resolution has an effect to the change in the ownership and the boundaries of the land.
- Slums refer to the areas declared by the government/regional governments that these areas need to be reorganized to create decent residential areas horizontally and vertically in either rural or urban areas.
- Strategic program has strategic values nationally as set by the government.

¹⁶ Dedi M. Masykur Riyadi, in Oloan Sitorus, 2015, *Konsolidasi Tanah, Tata Ruang, Dan Ketahanan Nasional*, STPN Press, p. 28.

7.	Law Number 2 of 2012 concerning Land Procurement for Development for Public Interest	Article 10
8.	Government Regulation Number 16 of 2004 concerning Land Use	Article 23 paragraph (4)
9.	The Regulation of Agrarian Minister Number 16 of 2004 concerning Land Use	All

The 1945 Constitution

Article 33 Paragraph (3) of the 1945 Constitution mentions land, waters, and natural resources are controlled by the state and used for benefit of the entire people. This provision represents the constitutional aspect of the right to control the state regarding lands, and this control involves the state's right to manage (*bestuursdaad*), regulate (*regelendaad*), manage (*beheersdaad*), and control (*toezichthoudensdaad*).

The state holds the responsibility and right to govern and organize the use, functions, provision, and preservation of land parcels, determine and regulate legal connections between persons and lands, persons and legal acts regarding lands, including land consolidation to physically manage lands for the sake of the benefit of the whole people.

Law Number 5 of 1960 concerning Basic Agrarian Law ("UUPA")

The provisions regarding land consolidation in UUPA are set forth in Article 2 Paragraph (1) and Paragraph (2) as follows:

- (1) *Pursuant to the provision of Article 33 Paragraph (3) of the Constitution and the matters intended in Article 1, land, waters, and space, along with the natural riches contained therein should be controlled by the state as an organization of power for all people.*
- (2) *The right to control held by the state as intended in Paragraph (1) of this Article gives the authority to:*
 - a. *Organize and administer the utilization, functions, provision, and preservation of the land, waters, and space concerned.*
 - b. *Determine and regulate legal connections between persons and the land, waters, and space.*
 - c. *Determine and regulate legal connections between persons and legal acts related to land, waters, and space.*

In line with the above provisions, the state has the right to make policies and deal with the control, use, functions, and utilization of lands. Furthermore, Article 6 of UUPA also asserts that the right to land represents social functions, and, thus, the use and the functions must refer to the government's policy concerning spatial planning and space use. In addition, Article 14 of UUPA also governs the planning of provision, the use, utilization, and functions of the land, water, and space for the interest of the public and the state. Local governments also govern the provision, use, and functions of the land, water, and space for the regional areas according to the regional conditions.

Law Number 17 of 2007 concerning national Long-Term Development Plan (RPJPN) Year 2005 – 2025 (“UU No. 17/2007”)

The provision regarding land consolidation in Law Number 17/2007 is set forth in the Addendum to Law Number 17/2007, where the long-term development mentioned above is intended for even and just development distribution. This evenly distributed development should be enjoyed by all the components of the nation across all areas of Indonesia, and it is expected to increase the active participation of the people in the development, decrease the interruption to security, and eliminate the likelihood of social conflict for developed, independent, and just Indonesia.

One of the measures to bring about more evenly distributed and just development is to perform more efficient and effective land cultivation systems and enforce the law regarding the right to land by implementing the principles of justice, transparency, and democracy. Moreover, it is also important to take into account the improvement of the ownership, use, and functions of the lands through the formulation of all implementing laws concerning land reform and to create incentive/disincentive of taxation according to the width, location, and the use of lands to give low-income people access to the rights to lands. Some more need to be taken into account in terms of the improvement of the legal systems and products regarding lands by inventorying and improving laws and regulations without overlooking *adat* (customary) law and improving the efforts that are intended to resolve disputes by considering administrative authorities, judicial systems, or alternative dispute resolution. Moreover, other measures of improvement may be performed in land organizations according to the enthusiasm of regional autonomy and the Unitary State of the Republic of Indonesia, especially regarding the improvement of the capacity of human resources in lands at a regional level.¹⁷

Law Number 26 of 2007 concerning Spatial Planning (“Law No. 26/2007”)

The provisions concerning land consolidation in Law Number 26/2007 are set forth in Article 65 Paragraph (1) and Paragraph (2):

- (1) *Spatial planning is performed by the government by involving public participation.*
- (2) *The role of the people in spatial planning as intended in Paragraph (1) includes:*
 - a. *Participation in spatial planning.*
 - b. *The participation in space use; and*
 - c. *The participation in control over space use.*

¹⁷ See Chapter IV of the Addendum to Law Number 17 of 2007 concerning National Long-Term Development Plan (RPJPN) Year 2005-2025.

Moreover, Article 33 Paragraph (1) of Law Number 26/2007 asserts that space use refers to space function as implemented in spatial planning that considers the development of land management, water management, air management, and other natural resources management. It further explains that one of the methods to manage the land is by implementing the consolidation of land use.

Law Number 1 of 2011 concerning Housing and Residential Areas (“Law No. 1/2011”)

The formulation related to land consolidation as intended in Law Number 1/2011 is set forth in Article 1 point 18, Article 106, Article 108, Article 109:

Table 2: Formulation of Land Consolidation as in Law No. 1/2011

Provision	Substance
Article 1 Point 18	Land consolidation refers to the restructuring of control over, ownership, use, and functions of lands according to regional spatial planning to provide lands for housing development and residential areas to enhance the quality and the preservation of natural resources with active public participation.
Article 106 letter b	The provision of lands for housing development and residential areas can take into account: land consolidation by landowners.
Article 108	<p>(1) Land consolidation as intended in Article 106 letter b can be performed on the land owned by the person entitled to the right to the land and/or the state land cultivated by people.</p> <p>(2) Land consolidation as intended in Paragraph (1) is performed according to an agreement: a. between the party entitled to the right to land; b. between the cultivator of state land; or c. between the cultivator of the state land and the person entitled to the right to the land.</p> <p>(3) Land consolidation can take place if at least 60% of landowners whose lands consist of at least 60% of the total lands consolidated agree.</p> <p>(4) The agreement that takes at least 60% as intended in Paragraph (3) does not deduct the 40% of the right to get accessibility.</p>
Article 109 paragraph (1)	Land consolidation as intended in Article 106 letter b applies to detached houses, row houses, and multi-story houses.

Law Number 20 of 2011 concerning Multi-Storey Houses (“Law No. 20/2011”)

The formulation regarding land consolidation in Law Number 20/2011 is set forth in Article 22 stating that the provision of lands for the development of multi-story houses can be performed with land consolidation by land owners. Furthermore, Article 22 of Law Number 20/2011 also defines “land consolidation” as restructuring of control over, ownership, use, and functions of lands according to regional spatial planning in providing lands for the development of multi-story houses.

Law Number 2 of 2012 concerning Land Procurement for the Development for Public Interest (“Law No. 2/2012”)

The provision of land consolidation as intended in Law number 2/2012 is

specifically set forth in Article 10 implying that the land for the public interest is used for development required in resolving slum housing in urban areas and/or land consolidation and the housing for people with low income or with rented houses.

Government Regulation Number 16 of 2004 concerning Land Use ("Gov. Reg. No. 16/2004")

The provision concerning land consolidation as intended in Article 23 Paragraph (4) of Government Regulation Number 16/2004 states that the execution of the pattern of control over, use, and functions of lands with regional spatial planning can be done through restructuring. This restructuring involves land consolidation, relocation, exchange, and urban revitalization. Furthermore, Article 23 Paragraph (6) of Government Regulation Number 16/2004 mentions this restructuring with public participation.

Regulation of Agrarian and Spatial Planning Minister/the Head of National Land Agency Number 12 of 2019 concerning Land Consolidation ("Permen ATR/Ka BPN No. 12/2019")

Permen ATR/BPN Number 12/2019 replaces the Regulation of the Head of National Land Agency Number 4 of 1991 concerning Land Consolidation that has not fully accommodated the improvement and the necessity of the regulation regarding land consolidation, while the issuance of Permen ATR/Ka BPN Number 12/2019 aims to support the government policy regarding land provision for the public interest, settle the land and spatial issues, housing provision for people with low income and the need for vertical spaces in cities.

Overall, Permen ATR/Ka BPN Number 12/2019 consists of 12 chapters and 65 articles. Some matters governed include land consolidation, land consolidation implementation, land consolidation control, funding, land consolidation cooperation, and resolution of land consolidation disputes.

Land Consolidation in Indonesia; Problems and Solutions

Indonesia is one of the countries with its vastly growing population that is parallel to growing issues in the fulfillment of the need for residential areas, especially in urban spaces with a high urbanization level, dense population, and increasing needs for housing while land supply remains limited.

To tackle the issues regarding the provision of housing/urban areas, the government faces three alternative resolutions:¹⁸ First, a huge amount of funds for housing development that is up to the standards. Second, accepting the truth implying that urban development will rely on free market powers if funding is far-fetched. This situation may lead to an uncontrolled population with its negative

¹⁸ Hery Budiyanto, *Manfaat Penggunaan Metoda Konsolidasi Tanah Dalam Rangka Penataan Wilayah Perkotaan*, MINTAKAT, Jurnal Arsitektur, Volume 2 Nomer 1, September 2003, p. 22

impacts. Third, innovative measures should be taken to manage natural resources including urban spaces, and wider participation of the people also needs to be considered to support the development.

The first and second ways are considered “conventional” and they are prone to problems and weaknesses. In other words, the government may need to prepare huge amounts of funds, development may be halted in case of the failure to reach an agreement regarding redress, and eviction will take place along with its consequences.

Therefore, the most appropriate and effective way to settle the issues regarding the availability of spaces for housing development refers to the third measure that considers innovative steps where public participation is taken into account. This innovation is realized by the government as land consolidation. The differences in housing development between the conventional way and land consolidation are presented in the following diagram:

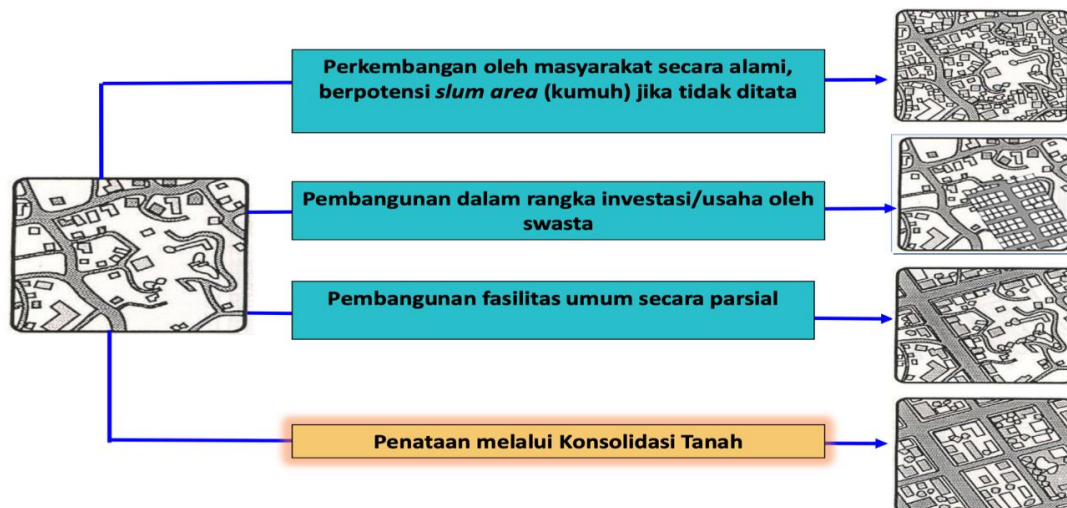


Diagram 1: Housing Development Illustration

Source: Directorate of Land Consolidation, Directorate General of Agrarian Planning, Agrarian and Spatial Planning Ministry/National Land Agency.

Terjemahan untuk bagan

Natural development initiated by people likely to create slum areas if unorganized

Development intended for investment/businesses by private sectors

Partial development of public facilities

Planning via land consolidation

Land consolidation is considered important in housing development policy because this land consolidation has the following characteristics:¹⁹

- a. The implementation procedure respects the right to land and upholds justice by taking into account the active participation of landowners through deliberation for the decision-making, in both planning and implementation.

¹⁹ Nad Darga Talkurputra, “Kebijaksanaan Pembangunan Pertanahan dan Peranan Konsolidasi Tanah”, Makalah pada Lokakarya Konsolidasi Tanah Perkotaan, kerja sama BPN dan ITB, Bandung, 1997, p. 9.

- b. Some efforts may be made to ensure that Landowners will remain in and not evicted from their residential areas; and
- c. The benefit obtained from the input from the added value of land and implementation cost is justly distributed to owners.

In line with the above elaboration, land consolidation refers to public participation-based structuring. Participation in the consolidation can involve land contribution or land sharing for common interest for the sake of a better life and enviro-friendly practices.

According to Article 10 Paragraph (3) of Permen ATR/Ka BPN Number 12/2019, land consolidation requires at least 60% of all participants in land consolidation. This number participates in a way where they voluntarily contribute their lands for development (LFD) and for cultivation (LFC) according to an agreement.

The location before and after land consolidation is described in the following diagram:

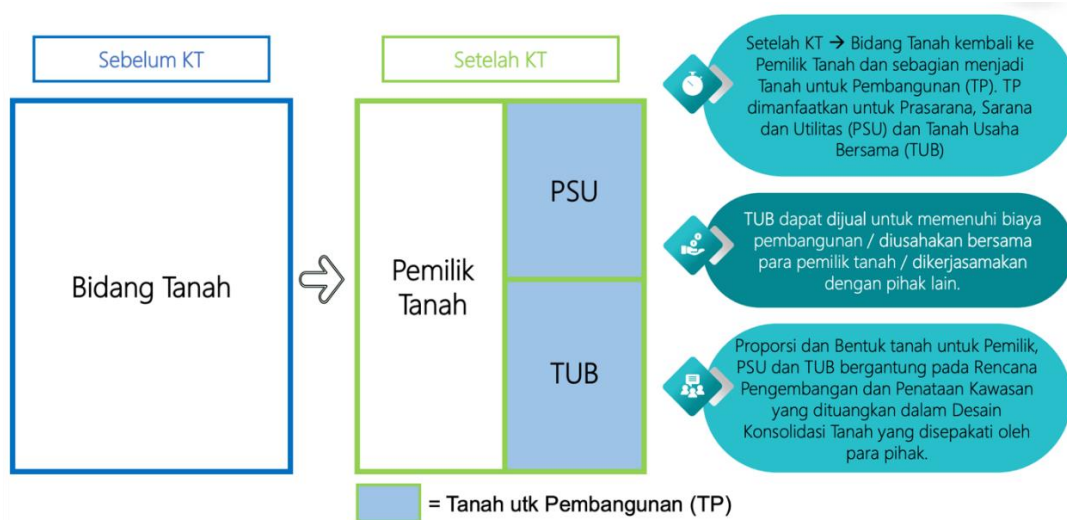


Diagram 2: The Concept of Land Allocation in the Implementation of Land Consolidation

Source : Directorate of Land Consolidation, Directorate General of Agrarian Planning, Agrarian and Spatial Planning Ministry/ National Land Agency.

Terjemahan diagram 2

Before Land Consolidation

Land Parcel

After Land Consolidation

Pemilik tanah = landowner

PSU = infrastructure, facilities, and utilities (IFU)

TUB = land for cultivation (LFC)

After LC = land parcel is returned to the landowners, but part of it is for the development of IFU and LFC

LFC can be sold to cover building cost/shared cost among landowners/in cooperation with other parties

The proportion and shape of lands for the owner, IFU and LFC are

contingent on area development and planning set forth in Land Consolidation Design agreed upon by the parties concerned.

Since the 1980s in Renon, Bali, it is reported that to 2013, land consolidation has been implemented in 995 locations with the total area accounting for 174,028.19 Ha and 235,385 land parcels and the total participants in the consolidation reaching 206,880.²⁰ However, despite the good characteristics of the consolidation and having been regulated for 20 years, land consolidation has not been effectively and optimally implemented.

Some other factors hampering land consolidation include: First, lack of introduction to the society, leading to a lack of people's understanding of the concept and the objectives of land consolidation, and some still feel forced to join consolidation or even unwilling to do so.

Second, "land speculators" are common in land consolidation. Some land consolidation participants have been found to resell the consolidated lands in an area with the hope of getting more profits.²¹

Third, there is a lack of synergy among related organizations in land consolidation, which impedes infrastructure development such as road and infrastructure constructions and some projects even have been left incomplete. Moreover, the follow-up of support given to people for economic development is not optimal.

Therefore, to allow the land consolidation to run as expected, it is essential that improvement be held in three aspects in line with the legal theory introduced by Lawrence M. Friedman: legal substance, legal structure, and legal culture.²²

First, so far, the basic regulation regarding land consolidation is only regulated in the Regulation of Agrarian and Spatial Planning Minister/ the Head of National Land Agency Number 12/2019. Moreover, the nomenclature of land consolidation is often partially mentioned in several other laws and regulations as elaborated earlier in this study.

The regulation regarding land consolidation as in the Regulation of the Head of National Land Agency shows that the government's commitment to authoritatively regulating land consolidation is minimum. The government is regarded as not authoritative especially in regulating the rights and responsibilities of the citizens. The Head of the National Land Agency is seen as authoritative only in the internal scope of the agency, but it seems that it has no moral power to be obeyed by other organizations. This is contrary to the fact that the success of land consolidation is nothing but requires the cooperation between organizations of the agency (now locally referred to as ATR/BPN) and other organizations, such as BAPPEDA to regulate implementation planning and regional governments, especially public work department, to complete infrastructure projects.²³

²⁰ Direktorat Konsolidasi Tanah – Kementerian Agraria dan Tata Ruang/Badan Pertanahan Nasional, Analisis Monitoring dan Evaluasi Konsolidasi Tanah, 2014, p. 1.

²¹ Ida Nurlinda, 1993, *Evaluasi Kawasan Permukiman yang Dikonsolidasi di Kelurahan Babakan Surabaya, Kecamatan Kiara Condong, Kotamadya Bandung*, Tesis S2 Pasca Sarjana UGM, Yogyakarta, 1993, p. 100.

²² Lawrence M. Friedmann, 2011, *The Legal System: A Social Science Perspective*, [Pent. M. Khozim], Bandung: Nusamedia.

²³ Oloan Sitorus, *Op. Cit.*, p. 39.

To support agrarian reform program and to realize the control over, ownership, use, and functions of lands, and to improve the welfare and the quality of life of the people in a just and equal portion, strategically, the regulation of land consolidation needs more than just the existing regulation of the Head of National Land Agency; it requires a higher regulation that is strongly binding, as governed in government regulation.

Secondly, from the aspect of legal structure, it is essential to strengthen the institutional cooperation and synergy between governmental organizations and other organizations or between the government and the citizens involved in land consolidation. This synergy should not only apply during the land consolidation but there should also be follow-up thereafter.

The inadequate synergy between the executor of land consolidation has been a great challenge that calls for improvement. This is obvious between the Agrarian and Spatial Planning Ministry/National Land Agency as a functional institution responsible for the execution of land consolidation and public work/Regional Government that gives follow-up after the consolidation takes place. This follow-up may involve the development of infrastructure. The reality is that this development has never been performed, while the essence of this land consolidation lies in the follow-up where infrastructure and facility development should take place.

Therefore, horizontal and vertical understanding among institutions should be initiated at the stage of planning, development, and land consolidation to allow for proper and optimal consolidation and to give benefits to the people.

Third, the improvement of legal culture is intended to give a comprehensive understanding or education to the members of the public about land consolidation, the benefits, and the mechanism of land consolidation, so that the people could accept it with open arms and be willing to join.

However, the challenge lies in the matter of how to give a comprehensive understanding that land consolidation can only take place if the majority of the people in the area where consolidation will take place agree with the consolidation, in terms of the agreement to give part of the land for the development of infrastructure, facilities, and utilities or for shared cultivation space that yields benefits shared with all.

It is expected that the participants of land consolidation will decide to join because they are aware of the consequences, not because they are forced to do so or follow the trend, which could lead to further issues in the time to come.

Conclusion

Land consolidation is regarded as the most effective method to deal with housing while the population keeps growing rapidly. To allow for maximum land consolidation, a huge commitment is required from all parties to evaluate and improve all the issues regarded as hindrances to the consolidation. The measures of improvement may involve three aspects, namely legal substance, structural

aspect, and cultural aspect. The first aspect is related to referring to a higher legal product that is binding such as government regulation regarding land consolidation; the second one deals with strengthening the synergy of all stakeholders involved in the land consolidation either at the stage of implementation or at the stage of follow-up after implementation; the third involves dissemination of information on land consolidation to society, including the definition, stages, and benefits. With the improvement of all these three aspects, land consolidation is expected to improve the welfare and the quality of life justly and evenly, bring about a better and healthier environment supporting the availability of lands covering all the necessities of the development relevant to Regional Spatial Planning according to sustainable development principle.

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