# LAND USE POLICY AND ENVIRONMENTAL LANDSCAPING THROUGH LAND BANK IN EAST NUSA TENGGARA PROVINCE

Iga Gangga Santi Dewi, Universitas Diponegoro Adi Sulistyono, Universitas Sebelas Maret Rahayu Subekti, Universitas Sebelas Maret Diah Pawesti, Universitas Brawijaya

### **ABSTRACT**

The main issue in this study is how the land use policy at the land bank and the management of the land use is in the province of East Nusa Tenggara. This study aims to analyze land use policy and environmental landscaping of land bank in East Nusa Tenggara Province. The research was conducted using the socio legal method with a qualitative approach to analyze the land use policy and environmental landscaping of land bank in East Nusa Tenggara Province (NTT), Indonesia. The data in this study were obtained through observation, interviews, documentation or textual interpretation, and personal experience with the coffee farmers and environmental agencies in NTT. The results revealed that land bank has functions including planning, land acquisition, land acquisition, land management, land use and land distribution. As a practical implication, that in order to help facilitate business licensing/approval, the land bank provides assistance in the field of land and spatial planning. Thus, the cooperation between the local governments of East Nusa Tenggara in the utilization of the land bank can be carried out well in the future

**Keywords:** Land Use Policy, Environmental Landscaping, Land Use Management, Land Bank.

## **INTRODUCTION**

The regulation regarding land is based on Law Number 5 of 1960 concerning Agrarian Principles, commonly known as Basic Agrarian Law (BAL). As regulated in the BAL in Article 1, that the entire earth, water and space, including the natural resources contained therein within the territory of the Republic of Indonesia, are gifts from God Almighty. Based on the provisions in this BAL which contains the philosophy of the relationship between the Indonesian people and the earth, water and space. The state as the highest authority organization has the Right to Control the State which is the state's authority to regulate and organize the designation, use, supply and maintenance of earth, water and space. One of the government's priority programs listed in the national program is the Land Bank. The principle of the existence of a land bank is to maximize the utilization of existing lands. Thus, there is no more abandoned land. The land

1544-0044-25-1-110

bank will later be able to regulate, and the abandoned land will be taken by the Land Bank and can be used for public purposes.

The Netherlands as one of the originators of the land banking concept divides 3 types of land banks, namely first exchange land banking, namely land banks will buy land, then the land will be maintained for a while before the land is released/exchanged with third parties, second financial instruments, namely the government buys land and then leases it to farmers for a long period of time, the three land banks as developers, namely the private sector buy land in large quantities in the hope that there will be changes (Subekti et al., 2017; Bidari, 2019; Saraswati et al., 2020).

The application of the exchange land banking pattern is widely used for the environmental sectors, landscaping, traffic facilities and other public facilities (Kalalo, 2019). The land banking pattern as a financial instrument is also widely used in the agricultural sector, for example, a farmer is experiencing financial difficulties as his working capital, so he can sell his assets and land to a land bank with the right to buy it back after a certain period and the farmer can also continue to work. land by leasing to a land bank (Handayani et al., 2018; Subekti et al., 2021). In principle, land has a social function as regulated in Article 6 of the BAL in the sense that land can be used by the state when it concerns the public interest. The enactment of Law Number 11 of 2020 concerning Job Creation, where in the fourth part concerning land, a land bank agency is established. With the formation of the land bank agency, it is hoped that the state's need for land will get a solution. The problem in this study is how the land use policy at the Land Bank and the management of the land use is in the province of East Nusa Tenggara.

#### LITERATURE REVIEW

In law, the term policy is the basis or line of attitude or guidelines for implementation and decision making (Atmosudirdjo, 1981). Policy in the sense of policy does not have anything to do with an independent authority whether or not actions are carried out by government officials, or the actions of government officials are not regulated in law, but have to do with government attitudes and actions for the public interest (Istislam, 2000; Dewi, 2019). Friedman (1986) suggests that there are components contained in the law, namely structural components are parts that move in a mechanism, for example in implementing policies related to land banks. Substance components are actual results published by the legal system and include unwritten legal rules. While the cultural component is the values and attitudes that bind the legal system together and produce a form of law enforcement in the culture of society as a whole (Soekanto, 1985; Tamanaha, 2001; Turisno et al., 2020). These three components mutually determine each other, as well as mutually influence each other. Analysis through a systems approach examines that although the output of the legal substance component has good output, it will not work well if it is not supported by other components or subsystems, in this case the structural and cultural components or legal culture. Therefore, in making a policy, it must be in line with legal objectives that can provide certainty, benefit, and justice for the community.

In term of land bank agency, hereinafter referred to as land bank, is a special agency (sui geneis) which is an Indonesian legal entity established by the central government which is given special authority to manage land. The assets of the land bank are all assets controlled by the Land

2 1544-0044-25-1-110

Bank, both tangible and intangible which are valuable or valuable as a result of past events that provide benefits in the future. The implementing body is the organ of the Land Bank which is authorized and fully responsible for the operation of the Land Bank. There are differences between the three types of land banking. First, in the land banking category as exchange land banking, the land bank will purchase land, which will then be retained for a while before the land is released/exchanged with a third party. Second, land bank activities as a financial instrument are carried out by means of the government buying land and then renting it out to farmers for a long period, generally 26 years. Third, land bank as developer is generally carried out by the private sector by purchasing land in large quantities with the hope that in the future there will be changes in the function of the location of the land speculation such as turning into residential areas, recreation, economic activities so that it will increase the value of the land (Sungkana, 2015; Wulandari et al., 2020; Turisno et al., 2021).

Based on Government Regulation No. 64 of 2021, the land bank is given special authority to guarantee the availability of land in the context of a just economy, to public interest, social interests, national development interests, economic equity, land consolidation and agrarian reform. Moreover, in carrying out its activities, the land bank has the functions of planning, land acquisition, land management, utilization of land, and land distribution. Meanwhile the acquisition of land from the land bank comes from land resulting from government stipulation and/or land from the other side.

Land as a result of government stipulation consists of state land originating from ex-titled land, abandoned areas and lands, forest area release land, raised ground, reclaimed land, exmining land, land of small islands, land affected by the policy of spatial change and land that has no control over it. Meanwhile, land from other parties comes from central government, local government, state-owned enterprises, regional owned enterprises, business entity, legal entity, and public. In addition, land acquisition from other parties is carried out through the processes such as purchase, receipt of grants/donations or the like, exchange, waiver of rights, and acquisition of other legal forms.

#### **METHOD**

The research was conducted using the socio legal method with a qualitative approach to analyze the land use policy and environmental landscaping of land bank in East Nusa Tenggara Province (NTT), Indonesia. The study is expected to find the meanings behind the objects and subjects to be studied. This approach remains in the realm of law, only the perspective is different. To reveal the legal consequence and the application of land use policy in NTT, this study looks at a case as a study to denote the reality of the use of coffee plantation land with land bank governance in East Nusa Tenggara Province.

The data in this study were obtained through observation, interviews, documentation or textual interpretation, and personal experience with the coffee farmers and environmental agencies in NTT. The researcher is the main instrument because the researcher himself directly conducts participatory observations in data collection. In-depth interviews were conducted with open-ended questions, especially for informants who had a lot of information.

3 1544-0044-25-1-110

## Land use Policy at Land Banks in East Nusa Tenggara

Based on Gov. Reg. No. 64 of 2021, Utilization of land from the Land Bank which is handed over to a third party can be granted with Cultivation Rights, Building Use Rights or Use Rights for an agreed period of time with a time limit in accordance with the provisions of laws and regulations, as well as paying the tariff. in accordance with the provisions that have been set. When the period of time has expired, the rights to the land are returned to the holder of the Management Rights.

Coffee plantation land owned by the local government of East Nusa Tenggara requires utilization from the Land Bank. In this context, the economy is worth putting forward. The principle of land bank, especially agricultural land banking, is directed at efforts to empower land as a regional government's wealth to achieve people's welfare and prosperity while maintaining the sustainability of plantation land (Mahmudah et al., 2021; Badriyah et al., 2021). Moreover, this land bank institution also guarantees the availability of land by seeking to increase the usability and yield in optimal utilization of plantation land. The trick is to actively involve the owners in every activity from the planning, control to management stages. Land Banks can cooperate through the land of the East Nusa Tenggara regional government in the context of land use.

Although in practice the business models are very diverse, in general there are at least 3 (three) parties directly related to the implementation of land banking activities, namely land owners, land banks, and parties who will use the land. Land banking will get the land/building it manages from the local government of East Nusa Tenggara originating from the government sector as state land owner, then after the land/building is managed it is used by a third party either in the form of a private entity such as the community or non-governmental organization.

The local government who needs funds or does not use the land/building can sell or rent it to land banking, and then land banking will manage the land/building and look for third parties/investors who are interested in managing the land. If the land/building utilization pattern is in the form of a lease/contract, the time period is set for a certain period, for example a maximum of 30 (thirty) years. In the event that the land/building managed by land banking as the object of the lease/contract is obtained from the local government on a lease basis, then the lease agreement between the land banker and a third party/investor must obtain approval from the land owner.

## Environmental Landscaping in East Nusa Tenggara: A Coffee Plantation Case

The expanse of coffee plantations stretches widely, a view that can be seen when entering the Colol valley in East Lamba Leda District, East Manggarai Regency. Several types of coffee grown by farmers are arabica, yellow caturra, red caturra, juria, robusta, and several other types. Colol Valley is divided into four village areas, namely UluWae Village, Colol Village, Rende Nao Village, and Wejang Mali Village. The majority of the population of the four villages in this region live on farming, and coffee is their main source of income. The coffee plantation care system still uses the traditional pattern, where weeds or weeds are pulled out by hand, assisted by equipment such as sickles. To eradicate pests do not use exterminators or pesticides and do not

1544-0044-25-1-110

use fertilizers. With such a care pattern, he can harvest 300 kg green beans or 1200 liters of arabica, and 200 kg green beans or 800 liters of yellow caturra. The ratio of coffee beans after being pulped or peeled with green beans is 4:1, meaning that 4 liters of coffee beans after the outer skin is pulped is equal to 1 kg of greenbean coffee beans. But sometimes it can be below or above that. Depends on rainfall. If kopirobusta and juria, the results are very little.

During the colonial era, precisely in 1937, coffee from the Colol valley won the national competition "*Keboen Kopi Competition*" held by the Dutch authorities in Indonesia, and was awarded the Dutch flag. Since then, Colol has been known as a coffee-producing area in Manggarai. In recent years, Colol's name has skyrocketed and is known to Europe and the United States. This is thanks to the struggle of the Manggarai Coffee Farmers Association (Asnikom) who introduced and sold Colol coffee abroad. In 2015, Arabica and Robusta coffee from Colol was named the best coffee in a coffee contest organized by the Association of Indonesian Coffee Exporters and Industry together with the Jember Coffee and Cocoa Research Center. However, in the midst of the name Colol coffee that continues to soar, the fate of farmers in this region has not been lucky. Some of them are still not enjoying a decent life. An interview with coffee farmers revealed that this is because the price of coffee at the farm level does not match the operational costs they incur. The yield of this coffee is not enough to meet the needs of the household. The low price of coffee at the farm level also contributes to other problems.

Based on data from the Agriculture Service of East Manggarai Regency in 2020, the area of Robusta coffee plantations in the district reached 14,465.70 ha with a production of 6,075.31 tons and Arabica 6,194.47 Ha, with a production of 2,617.82 tons. In East Lamba Leda District, Robusta coffee plantation area is 4,141 ha, with a production of 1,724.85 tons and Arabica coffee, 2,121.75 ha, with a production of 475.67 tons. The majority of the coffee plantations in East Lamba Leda are in the Colol valley.

The Head of the East Manggarai Regency Agriculture Service, Jhon Sentis, admitted that his party had provided training with the field school method to coffee farmers in all coffee centers in the district in order to maintain coffee quality and productivity. At the field school, he said, farmers were trained starting from the seed selection system, how to plant, maintenance, pruning, pest/disease control, also to harvest and post-harvest. Not reaching all farmers. According to Jhon, one of the contributors to the low price of coffee is the quality of the coffee. Coffee farmers, he said, prefer a process that quickly generates money rather than processing coffee according to standards to produce premium or specialty quality coffee. To be able to enter a special market, farmers must accommodate themselves, at least in farmer groups and can also join cooperatives or village-owned enterprises (Bumdes). We hope that there will be many enterprises *s* in the coffee area, because enterprises have the capacity. He has a capital investment fund. The hope is to facilitate coffee marketing.

Of the four villages in the Colol valley, currently, only Colol Village has a special village enterprise that manages coffee commodities. The head of Colol Village, Falentinus Tombor, said the area of the village is 700ha, of which 573 are coffee plantations owned by 453 families or 2,592 people. In a special year, Colol Village can produce 50 tons of coffee. It depends on the weather. Besides Bumdes, there are also creative business groups such as the Suka Maju Joint Business Group. Initially this group was only engaged in the savings and loan business, but since May this year, they have ventured into the coffee business, under the name Kopi Tuk. Tuk coffee

5 1544-0044-25-1-110

is processed in the traditional way: roasted in a wood-fired stove; then roasted using an earthen cauldron; and pounded using a mortar and selected wood which is believed to cure certain diseases. Currently, Kopi Tuk's marketing is done online, through social media such as Facebook, Twitter, WhatsApp and Instagram. We produce according to the number and type of orders.

One of the concrete steps of the East Nusa Tenggara Provincial Government to support the NTT Economic Community Program for the use of local products, especially Manggarai Coffee, is asking hotels and restaurants to be required to use Manggarai Coffee. One of the real sectors raised in Manggarai Raya is the Arabica Coffee commodity which already has a Geographical Indication Certificate for Flores Manggarai Arabica Coffee (SIG-KAFM) from the Directorate General of Intellectual Property Rights. It is hoped that all farmer groups who are members of MPIG-KAFM are able to implement all aspects of upstream and downstream, hopefully through the NTT Economic Community they can lift the economy of the Manggarai Raya community. Sharing roles related to coffee from the aspects of cultivation management, postharvest, and marketing, building cooperation between farmers, coffee actors, NGOs, banks, as well as hotels and restaurants that are mutually beneficial.

The tourist area of Labuan Bajo, East Nusa Tenggara is already famous for its natural beauty and the uniqueness of the endangered Komodo dragon. Now, one of the super priority destinations will develop the concept of coffee tourism. In that context, the Manggarai Ginger Coffee Farmers Association (Apekam) and the Geographical Indication Protection Society (MPIG) for Flores Manggarai Arabica Coffee collaborated with the Implementing Agency for the Labuan Bajo Flores Authority (BOPLBF) as a state institution tasked with accelerating tourism development in the Flores Island region. The land bank has functions including planning, land acquisition, land acquisition, land management, land use and land distribution. In the context of utilizing land through cooperation in utilization with other parties and Land Acquisition from land from other parties, namely from the Regional Government and Public. Land acquisition from other parties is carried out through the process of purchasing, receiving grants/donations or the like, exchanging, relinquishing rights and acquiring other legal forms. The land bank has the authority to prepare the master plan, to help provide ease of doing business/approval; carry out land acquisition and determine service rates. The preparation of the master plan is the planning of the Land Bank area which is the basis for the utilization of the Land Bank area (Hasni, 2008).

Land Bank Agency is a special agency (sui geneis) which is an Indonesian legal entity formed by the central government which is given special authority to manage land. Land Bank Agency is an agency that manages land and functions to carry out planning, acquisition, procurement, management, utilization and distribution of land. The establishment of the Land Bank Agency is intended to ensure the availability of land in the context of public interest, social interest, national development interest, economic equity, land consolidation and agrarian reform. So that the regulation regarding the Land Bank is expected to be able to bridge the needs of the state to meet the need for land to improve the nation's economy (Sutopo, 1990; Turisno & Dewi, 2021).

The assets of the Land Bank are all assets controlled by the Land Bank, both tangible and intangible which are valuable or valuable as a result of past events that provide benefits in the

1544-0044-25-1-110

6

future. Transparent land bank is openness in carrying out the decision-making process and in presenting material and relevant information regarding the Land Bank in an accurate and timely manner. Accountability is the clarity of functions, implementation and responsibilities of Committees, Land Bank organs and employees so that Land Bank management can be carried out effectively. Non-profit is income obtained from the operation of the Land Bank which is used for organizational development and does not distribute profits to the Land Bank organs. Thus, the Land Bank Agency does not aim to seek profit only, but rather prioritizes the public interest, social interest or national development interests.

#### **CONCLUSION**

The results revealed that land bank has functions including planning, land acquisition, land acquisition, land management, land use and land distribution. In the context of utilizing land through cooperation in utilization with other parties and land acquisition from land from other parties, namely from the regional government and public. Land acquisition from other parties is carried out through the process of purchasing, receiving grants/donations or the like, exchanging, relinquishing rights and acquiring other legal forms.

In order to help facilitate business licensing/approval, the land bank provides assistance in the field of land and spatial planning. The service rates set by the land bank are land utilization rates in the form of rent, lease purchase, sale and purchase, and other forms. land is determined by the head of the Implementing Agency by providing competitive rates, timeframes, and payment procedures. The competitive rate is that the tariff set by the Land Bank is affordable. The competitive term is the period of time for payment of the tariff amount that can be made according to the agreement of the parties. Meanwhile, the competitive payment method is the method of paying the tariff according to the agreement of the parties. Land Banks may receive payments in the form of temporary equity participation from other parties who cooperate in land use. Cooperation can be carried out with the Central Government, Regional Government, state institutions, state-owned enterprises, regional-owned enterprises, business entities, state-owned legal entities, private legal entities, communities, cooperatives, and/or other legitimate parties. In the context of cooperation, the Land Bank may receive land entrusted to it and manage it in the form of a business cooperation. Based on Article 38 of Gov. Reg. 64 of 2021 that the Head of the Implementing Agency can terminate or cancel the cooperation unilaterally if the land is transferred, damaged, abandoned, and/or not utilized in accordance with the cooperation agreement. Termination or cancellation of cooperation is preceded by a written warning, from the head of the Implementing Body, a maximum of 2 times. Land originating from the Central Government is land that is controlled or used for the benefit of the Central Government, whether or not it has been registered as state property. Meanwhile, land originating from the Regional Government is land that is controlled or used for the benefit of the Regional Government, whether or not it has been registered as regional property. Thus, the cooperation between the local governments of East Nusa Tenggara in the utilization of the land bank can be carried out well in the future.

#### **REFERENCES**

- Atmosudirdjo, P. (1981). State administrative law. Jakarta: Ghalia Indonesia.
- Badriyah, S.M., Mahmudah, S., Soemarmi, A., & Kamello, T. (2021). Leasing agreement on financing SMEs in fisheries industry. *Journal of Legal, Ethical and Regulatory Issues*, 22(3), 1-9.
- Bidari, G.S.A., (2019). Getting to know the land bank. Jakarta: Handal Selaras Group.
- Dewi, I.G.A.G.S. (2019). Legal review of positive impact of beach reclamation in Pekalongan city. *International Journal of Scientific and Technology Research*, 8(11), 1289-1292.
- Friedman, L.M. (1986). The law and society movement. Stanford Law Review, 21(2), 763-780.
- Handayani, E., Santi Dewi, I.G., Purnomo, W., & Phitaloka, A.E. (2018). The legality of food packaging to the production of Small and Medium Enterprises (SME). *IOP Conference Series: Earth and Environmental Science*, 175(1), 012-091.
- Hasni, M. (2008). Spatial planning and land use law. Jakarta: Raja Grafindo.
- Istislam, S. (2000). Environmental policy and law as instruments for environmentally friendly and sustainable development. Jakarta: Arena Hukum, Nomor.
- Kalalo, F.P. (2019). Stakeholder perception and awareness on the causal relationship between mining exploitation and environmental degradation in minahasa region Indonesia. *International Journal of Energy Economics and Policy*, 9(4), 327-333.
- Mahmudah, S., Susilowati, E., Yunanto Badriyah, S.M., & Benuf, K. (2021). The CV as an initiative for sustainable development of small-scale capture fisheries in Central Java, Indonesia. International Journal of Criminology and Sociology, *10*(1), 249-253.
- Saraswati, R., Ristyawati, A., & Basworo, R.S. (2020). Recent developments and changes in the governance of regional legal products in Indonesia: Supervision, evaluation and clarification mechanisms. *International Journal of Innovation, Creativity and Change 12*(7), 1-9.
- Soekanto, S. (1985). Effectiveness and role of sanctions. Bandung: Remadja Karya.
- Subekti, R., Raharjo, P.S., & Waluyo. (2021). Actualization of pawn of agricultural land to ensure justice in achieving food security. *Journal of Legal, Ethical and Regulatory Issues*, 24(7), 1-9.
- Subekti, R., Sulistiyono, A., & Handayani, I.G.A.K.R. (2017). Solidifying the just law protection for farmland to anticipate land conversion. *International Journal of Economic Research*, 14(13), 69-79.
- Sungkana, S.H. (2015). Get to know land bank/land banking as an alternative for land management. Jakarta: Directorate General of State Assets.
- Sutopo, H.B. (1990). Qualitative research methods part II. Universitas Sebelas Maret Surakarta Press, Surakarta.
- Tamanaha, B.Z. (2001). A general jurisprudence of law and society. Oxford University Press on Demand.
- Turisno, B.E., & Dewi, I.G.A.G.S. (2021). Impact of coastal reclamation on environmental sustainability and tourism-based economy on the north coast of java. *International Journal of Criminology and Sociology*, 10(2), 695-702.
- Turisno, B.E., Mahmudah, S., & Yunanto. (2020). The regulation and policy models of pekalongan local government toward mangrove conservation. *AACL Bioflux*, *13*(5), 2910-2920.
- Turisno, B.E., Suharto, R., Priyono, E.A., Mahmudah, S., & Badriyah, S.M. (2021). Analysis of the role model of coastal area arrangement on improving community welfare through legal perspective. *Journal of Legal, Ethical and Regulatory Issues*, 24(6), 1-19.
- Wulandari, M.H.S., Sulistiyono, A., & Karjoko, L. (2020). Legal politics of customary land regulation to provide equity in legal protection. *International Journal of Advanced Science and Technology*, 229(4), 1759-1766.