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# Indonesian Weekly Law Digest

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# **New Presidential Regulation Expedites Land Acquisition**

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### Overview

Back in January 2012, the House of Representatives ("DPR") legislated a new law on Land Acquisition for Public Interest (Law No. 2 of 2012 or "2012 Law"). This Law promises a speedy land acquisition process, as opposed to the process that could take years under the previous legal regime.

Previously, all land acquisition for public interest operated under the auspices of Presidential Regulation No. 36 of 2005 ("Perpres 2005"), as amended by Presidential Regulation No. 65 of 2006. Including, Law No.20 of 1961 on Revocation of Land Rights and its Subsidiary Rights.

Many observers saw that Perpres 2005 was inadequate to resolve land acquisition problems in a timely manner, resulting in many multi-billion dollar projects postponed. This is attributed to poor coverage by Perpres 2005 which provisioned only 24 articles. In contrast, the 2012 Law stipulates land acquisition matters in greater details, 61 articles to be exact.

Although Perpres 2005 was not repealed by the 2012 Law, it mandates the issuance of a presidential regulation within one year of its issuance.

Seven months later, on 7 August 2012, Presidential Regulation No. 71 of 2012 on Facilitating Land Acquisition for Public Project Purposes ("Perpres 2012") was finally issued.

Perpres 2012 serves not only to replace Perpres 2005, which was deemed incompatible with the 2012 Law, but also clarifies in detail how the four stages of land acquisition should be conducted, namely Planning, Preparation, Implementation, and Transfer of the Acquired Land(s).

In particular, Perpres 2012 governs the micro details regarding land identification, compensation, and dispute settlement. Above all, it sets specific timeframe for each of

### **Indonesian Version**

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the acquisition stages and sub-stages, including the maximum time a court may take to resolve disputes related to land acquisition.

It should be noted that this detailed coverage is possible due to the 126 articles contained in Perpres 2012.



### Purpose

This edition of the Indonesian Law Digest ("ILD") will analyze the important features of Perpres 2012. Throughout the entire discussion, this ILD will focus on the following areas:

- 1. Applicability of Perpres 2012
- 2. A-Z of Land Acquisition
- 3. Timeline of the Acquisition Stages
- 4. Focus: Entitled Parties' Right to Object
- 5. Focus: Outstanding Issues
- 6. Conclusion

### Applicability of Perpres 2012

The provisions of Perpres 2012 specifically apply to these parties:

#### State Institutions

Perpres 2012 determines how State Institutions may acquire lands for public interest. The State Institutions include state agencies, ministries, non-ministerial government institutions, provincial governments, Municipal and Regency Governments, and State Owned Corporations ("BUMN") or Province Owned Corporations (BUMD) specifically tasked by the Government (See Art. 1(1)).

### **Entitled Parties**

Entitled Parties are persons/legal entities who have certain formal rights over the land or are connected to it in any other way. They are entitled to compensation if their land gets acquired.

Per Article 17, Entitled Parties are:

- a. Holders of Land Rights (e.g. Ownership (Hak Milik), Right to Build (HGB), Right to Cultivate (HGU), Right to Use (Hak Pakai), and other rights in Article 16 of Law No. 5 of 1960 on Basic Agrarian Rules) (See Art. 18);
- b. Holders of Right to Develop (Hak Pengelolaan) (see Art. 19);
- c. Endowed Land Trustees (Nadzir Tanah Wakaf) (See Art. 20):
- d. Owners of former indigenous lands (See Art. 21);
- e. Indigenous Communities (See Art. 22);
- f. Parties in possession of state lands in good faith (See Art. 23);
- g. Possessors of state lands (see Art. 24);
- h. Owner of buildings, lands, and other objects connected to the target land (see Art. 25)

<u>National Land Agency (BPN) and its Offices at</u> Provincial and Municipal/Regency Levels The BPN is entrusted to safeguard land acquisition for public interest. It essentially bridges the State Institutions and the Entitled Parties.

Central BPN (at National Level) may delegate its authority to facilitate land acquisition to Provincial BPN. Provincial BPN may further delegate this facilitation authority to BPN at Regency/Municipal Level (See Art. 1(16) on Central BPN, Art. 1(17) on Provincial BPN and Art. 1(18) on Municipal/Regency BPN).

The types of public projects the land acquisition is intended for are stipulated under Article 10 of the 2012 Law, which are:

- a. National Defense and Security;
- b. Public roads, toll roads, railways, train stations, and train operational infrastructure;
- Reservoirs, dams, irrigation channels, drinking water pipes, drainage systems or sanitary sewers, and other irrigation construction;
- d. Seaports, airports, and terminals;
- e. Oil, gas, and geothermal infrastructure;
- f. Power plants, transmission, substations, and distribution installations;
- Government information and telecommunication networks;
- h. Landfills and waste management;
- Central and regional government hospitals;
- j. Public safety facilities;
- k. Central and regional government cemeteries;
- I. Public and social facilities, and public green spaces;
- m. Nature reserves and cultural reserves;
- n. Central/regional/village government buildings;
- City slum settlements and also rental housing for low income people;
- p. Central and regional government education infrastructure;
- q. Central and regional government sports infrastructure;
- r. Public markets and parking lots.

### The A-Z of Land Acquisition

Land acquisition is divided into four stages: (1) Planning; (2) Preparation; (3) Implementation; and (4) Transferring the Acquired Land

### Planning Stage

Every State Institution that intends to acquire land to build infrastructure must produce a plan. The plan must take into account spatial planning designation at national, provincial, and municipal/regency levels (see Art. 3).



The plan must be produced in the form of documents. Pursuant to Article 5, the documents must at the very least include:

- a. Purpose of the development plan;
- b. Suitability with spatial planning designation and development priorities;
- c. Location of the Land;
- d. Size of the necessary land;
- e. General description of the land's legal status;
- f. Estimation of time needed to acquire the necessary land, including the time needed to complete each stage of land acquisition:
- g. Estimation of time needed to build the infrastructure;
- h. Estimated value of the land (the land, its airspace and subterranean values, building, plants, chattels, and other quantifiable losses); and
- i. Budgeting Plan

These documents must be prepared based on a feasibility study (Art.6), which covers:

- a. Socio-economic survey
- b. Location suitability
- c. Cost Benefit Analysis
- d. Land value estimation
- e. Social and environmental effect of the land acquisition and infrastructure building
- f. Other necessary studies

The documents are then compiled and transferred to the provincial governor.

### **Preparation Stage**

Upon receiving the documents, the governor will then take a series of preparatory measures to acquire the land. These measures begin with forming a Preparation Team within 10 days of him receiving the documents (Art. 8 (2)).

The Preparation Team is in charge with, among others, these tasks:

a. Providing Information (Arts. 11 - 15)

The Preparation Team informs affected communities regarding the infrastructure building plan within 20 days of the governor receiving the documents (i.e. 10 days after the Team's formation)

This process is done through familiarization (sosialisasi) of the plan, a meeting with the village headman, writing a letter to the affected communities, as well as announcing the plan in the local newspaper.

- b. Collecting preliminary data on the Land and the entitled parties (Arts. 16-28)
- C. Conducting public Consultation (Arts. 29-40)

The Preparation team consults the Entitled Parties to reach a consensus regarding the development site. Should the first consultation attempt not result in a consensus, the Preparation Team must attempt a second consultation (Art. 34).

If the second consultation still does not result in consensus, then the institution wishing to acquire the land must report to the Governor (Art. 35(1)). The Governor will form a team to study the Entitled Party's objections (Objection Evaluation Team / Tim Kajian). This team will then produce a recommendation to the Governor (see Arts. 35(2-5)).

The Governor may then reject or accept the Entitled Party's objection based on this recommendation. If the Governor accepts the objection, the development site must relocate. Acceptance means that project may take place on that site.

Land Acquisition Determination (Arts. 41 - 44)

Once the consultation stage is complete, the Governor will issue a land acquisition determination ("Determination"). The decision to determine the development site is based either on the consensus or the Governor rejecting the Entitled Party's objection (Art. 41), meaning that the Governor has the final determination power in case of a disagreement.

A map of the development site must be made to finalize the stipulation (Art. 42).

This determination is effective for two years and the Governor may extend it once for another one-year period (Art 43).

It should be noted that a special provision applies for lands that have not yet been relinquished in the three-year period (or two year in case the governor rejects the extension plan). If the state institutions still need these lands after the "determination" expires, then the process must start over (Art. 44).

The reason behind such stipulation is that the Perpres 2012 and the 2012 Law intends that the acquired/relinquished land remains valid despite the determination expiration date (see elucidation to Art. 25 of 2012 Law).



### Implementation Stage

Once the Preparation Stage is complete and the site has been determined, the next stage is implementing the decision to acquire the land.

Pursuant to Article 49, the head of the National Land Agency (*Badan Pertanahan Nasional* / BPN) is responsible in the land acquisition process. His authority to acquire land is delegated to the head of the Provincial-level BPN (*Kantor Wilayah* BPN/ Provincial BPN) (Art. 49(2)).

The head of the Provincial BPN may carry out the acquisition himself or delegate further to the head of a Land Bureau (*Kantor Pertanahan*, BPN at Municipal/Regency level) under his jurisdiction (Art. 50).

The official in charge of the implementation (either Head of Provincial BPN or Head of Land Bureau) is nominated as the "Land Acquisition Implementation Head" (the Acquisition Official) (See Art. 49(2) and Art. 51(1)).

The implementation stage is divided further into ten substages, eight of which are listed here:

- 1. Preparation (Arts. 52-54)
- 2. Inventorying and Identification (Arts. 55-62)
- 3. Choosing the Land Value Appraiser and Land Appraisal (Arts. 63-67)
- 4. Public Dialogue regarding Compensation (Arts. 68-73)
- 5. Compensation (Arts. 74-85)
- 6. Compensation Deposit (Arts. 86-95)
- 7. Land rights relinquishment (Arts. 96-99)
- Severing Legal Relationship with the Land (Arts. 100-111)

#### 1. Preparation sub-stage

At the Preparation sub-stage, the Institution will apply with the Acquisition Official to take the acquisition measures. The application must attach these documents:

- The Determination;
- Planning Documents;
- Data on Entitled Parties and the Target Land (See Art. 52).

Based on these documents, the Acquisition Official takes preparatory measures (Art. 52(3)). These measures are listed in Article 53(1) and include: preparing timetable and forming a "Task Force" (Ind.: Satuan Tugas).

The Acquisition Official may entrust the "Task Force" with inventorying and identifying responsibilities (Art. 54).

### 2. Inventorying and Identification Sub-Stage

At the Inventorying and Identification Sub-Stage, the Task Force identifies and compiles data on both the Target Land and the Entitled Parties (Art. 56-57). This must be completed in 30 days (Art. 58).

The result from inventorying and identification determines which persons/entities are entitled to compensation (Art. 62). The result must be publicly displayed (Art. 60).

Affected parties may object to the result and must file such objection within 14 days of the result being announced (Art. 61(1)). The objection is filed with the Acquisition Official, who may accept or reject it. Should he accept the objection, a verification and revision to the result must be completed within 14 days (See Arts. 61(2-4)).

# 3. Selecting the Land Appraiser and Conducting Land Value Appraisal

Once the result is published and any objection is settled, the next sub-stage is land value appraisal. This involves appointing a land value appraiser ("Appraiser"), who determines the value of compensation to the Entitled Parties (Art. 63(1)), and the appraisal.

The appraiser may be a private or a public appraiser. The Acquisition official will appoint the appraiser (Art. 63(2)). The appointment is subject to applicable law on public services procurement (Art 63(2)). For the discussion on the service procurement by government, see ILB no. 1710 and 1979). The Acquisition official has 30 days to appoint the Appraiser (Art. 63(4)).

The appraisal covers the land, its airspace and subterranean space, buildings, plants, chattels, and other quantifiable losses (Art. 65(1)). The appraisal must be completed in 30 days (Art. 65(3)).

The appraisal result is the basis for the next sub-stage, which is the Public Dialogue on Compensation.

### 4. Public Dialogue for Compensation (Sub-Stage)

The public dialogue (*musyawarah*) regarding compensation must take place within 30 days of the Appraisal being received by the Acquisition Official (Art. 68(1)). It involves both the Entitled Parties and the Government Institution that needs the land (Art. 68(1 and 2)). The purpose of the dialogue is to determine the form and the amount of compensation (Art. 68(3)).



The dialogue must be concluded within 30 days of it starting (Art. 70(3)) and it is possible for a number of public dialogues to take place within that timeframe (Art. 70(2)).

The Entitled Parties may delegate the right to participate to a relative, spouse or other entitled parties. An Entitled Legal Entity delegates an officer qualified according to the entity's constitution to represent it at the public dialogue (See Art. 71).

The public dialogue's result may take the following form (Art. 72):

- a. An agreement to the Compensation amount
- b. Rejection of the Compensation amount
- c. Absence of Entitled Parties

The "Result" must be signed by the Acquisition Official and the Entitled Parties (Art. 72(3)).

It must be noted that both the 2012 Law and the Perpres 2012 do not stipulate what constitutes a quorum.

If the Dialogue does not result in an agreement regarding the amount of compensation, the Entitled Parties may file an objection with the district court. The objection must be filed within 14 days of the dialogue's result being signed (Art. 73(1)).

The district court will decide the compensation amount and form, and it must render a decision within 30 days of the filing. If either the Entitled Party or the Government Institution objects to the amount, it may file a cassation straight to the Supreme Court. The application for cassation must be filed within 14 days of the district court rendering its decision. The Supreme Court must in turn render its decision within 30 days.

#### 5. Compensation

The Compensation may take place in the following forms:

- a. Money:
- b. Substitute Land;
- c. Resettlement:
- d. Share (in the infrastructure); or
- e. Other forms agreed by both parties

The compensation, whether in one of the forms listed above, or a combination of a number of them, must be equal in value to the amount determined in the Appraisal (Art. 74 and Art. 81 (1)). However, it must conform to the agreement governed under Article 72(1).

Monetary compensation is given by the State Institution and at the same time the Entitled Parties relinquish their right to the land (Art. 76).

Substitute land is given to the Entitled Parties by the State Institution. It is acquired based on applicable law. However, whether a particular substitute land is already available and ready for a handover is not of a concern for Perpres 2012 (Art. 77 (1-4)). This is because the Entitled Party is required to give up their land regardless of whether or not the substitute land is available (Art. 77(5)).

The Institution is only required to deposit funds to acquire substitute land. The actual land must be available within 6 months of the Acquisition Official deciding on the form of compensation (Art. 77(6 and 7)).

The State Institution grants compensation in the form of resettlement to the Entitled Parties via the Land Acquisition Official (Art. 78(1-3)). Just as land substitution above, this compensation is granted with or without the substitute settlement being ready (Art. 78(4)). The State Institution only needs to deposit the funds to acquire and build the settlement (Art. 78(5)) and it must be available within one year of the Acquisition Official deciding on the form of compensation (Art. 78(6)).

Share ownership is granted in the form of share ownership in a public listed State-Owned Corporations (BUMN) with special task from the government (Art. 80).

As an exception, compensation is not granted for acquisition of lands owned by the Government or State/Province-owned Corporations (BUMN/BUMD) (Art. 82).

### 6. Compensation Deposit

Perpres 2012 makes it possible for State Institutions to deposit the compensation in circumstances where it is not feasible to pass the compensation to the Entitled Parties (See Art. 86). The deposit must be in the form of Rupiah (Art. 86(4)).

Such circumstances include:

- a. The Entitled Parties reject the form or amount of the compensation and do not file a suit with a court (Art. 86(3)(a));
- b. The Entitled Parties reject the form or amount of compensation where the form or amount has been determined by a district court or the Supreme Court



decision (Art. 86 (3)(b));

- c. The Entitled Parties cannot be located (Art. 86(3)(c));
- d. The target land is:
  - Subject to a dispute before a court (Art. 86(3)(d)(1));
  - Subject to ownership dispute (Art. 86(3)(d)(2));
  - In the custody of an authorized official (Art. 86(3)(d)(3)); or
  - A collateral against a bank loan (Art. 86(3)(d)(4)).

For circumstances in point a. and b. above, the State Institution may leave the deposit with the district court whose jurisdiction covers the target land. The Entitled Parties may then collect the compensation with a letter from the Acquisition Official (Arts. 87 and 88).

For circumstances where the Entitled Parties cannot be located, the Acquisition Official writes to the district's head (Camat) and the village head (Lurah/Kepala Desa). Once the Entitled Parties are found, they may collect the compensation.

In case the target land is subject to dispute, the compensation may be collected once the court has rendered its decision or the disputing parties have conciliated. It must be noted that in this case, the winner of the dispute is the party entitled to collect the compensation (Art. 102(1)).

In case the target land is subject to ownership dispute, the compensation may be collected once the parties have reached a settlement.

In case the target land is a collateral against a bank loan, the compensation may be collected once the bank agrees.

Once the deposit is made but the Entitled Parties still occupy the land, the State Institution may file for eviction order with the court (Art. 95).

### 7. Land rights Relinquishment

The next stage is releasing the land, which is subject to formalities laid down in Articles 96-99. The process at this sub-stage involves the Entitled Parties and the Acquisition Official.

### 8. Severance of Legal Relationship

Once the compensation is given or deposited with a court, the Entitled Parties are no longer entitled to the land (Art. 100(1)). Their rights are extinguished.

If the land is subject to a (general) dispute or ownership dispute before a court, the Acquisition Official will notify the disputing parties that the Entitled Parties are no longer entitled to the Land (Art. 101 and 103).

### Transfer of Land Rights Stage

Once the compensation has been granted or deposited, the Acquisition Official surrenders the land and its documents to the State Institution within 7 days of the Entitled Parties' rights being extinguished (Art. 112(1)).

The target land is then certified and registered within 30 days (Art. 112 (4)).

The State Institution may then begin the development after the land rights have been transferred to it (Art. 113)

### Timeline of Processes

Process	Legal Basis	Authority	Time of Commencement	Duration (Days)	Total (Days)
Formation of Preparation Team	Art. 8 (2)	Governor	After Receipt of Land Procurement Plan	10	10
Announcement of Development Plan	Art. 11 (2)	Preparation Team	After Governor Receives Land Procurement Plan	20	20
Preliminary Data Preparation	Art. 27 (1)	Preparation Team	Within 30 Days of the Announcement of Development Plan	30	60
Initial Public Consultation	Art. 29 (4)	Preparation Team	After the Preliminary Data Preparation is approved and signed	60	120
Public Re- Consultation (if the initial consultation does not result in agreement)	Art. 34(2)	Preparation Team	After the Initial Consultation is rejected	30	150
Entitled Parties Objection Resolution	Art. 39	Governor	If the Entitled Parties reject the Second Consultation	14	164
Announcement of Target Land Sites	Art. 46 (2) and (3)	Governor and State Institution	3 days after the Governor determines the development site	14	169
Inventorying and Collecting Data on the Land Object and its Entitled Parties	Art. 57 juncto Art. 58	BPN Task Force/Acqui sition Official		30	199
Announcement of Inventorying and Data Collection Results	Art. 60	BPN Task Force/Acqui sition Official	Since Inventorying and Identification Report completed	14	213
Objection to Inventorying and Data Collection Result	Art. 61(1)	Entitled Parties	Since announcement of initial result	14	227



Process	Legal Basis	Authority	Time of Commencement	Duration (Days)	Total (Days)
Revision to Inventorying and Data Collection Result	Art. 61(3)	BPN Task Force /Acquisition Official	Since receiving an Objection	14	241
Hiring/Appointing Appraiser	Art. 63(4)	BPN Task Force /Acquisition Official	n/a	30	271
Land Value Appraisal	Art. 65(3)	Appraiser	n/a	30	301
Initiating Public Dialogue Compensation	Art. 68(1) and Art. 70 (3)	Acquisition Official	Since Acquisition Official Receives the Appraisal report	30	331
Initiating a claim to District Court (if the Compensation Dialogue does not result in an agreement)	Art. 73(1)	Entitled Parties	After a Public Dialogue on Compensation is concluded	14	345
District Court Renders a Decision	Art. 73(2)	District Court	After receiving the application for claim	30	375
Initiating a Cassation to the Supreme Court	Art. 73(3)	Entitled Parties/Acq uisition Official	After District Court renders its decision	14	389
Supreme Court Rendering a Decision	Art. 73(4)	Supreme Court	After receiving application for a cassation	30	419
Compensation Disbursement	Art. 76(4) Art. 77(7)	State Institution/ Acquisition Official	Since the Compensation decided by the Acquisition Official	7	426

# Focus: Objection by Entitled Parties and Its Consequences

An entitled party may file an objection at different stages of the acquisition, as briefly mentioned above. Each objection also carries different consequences for the land acquisition in particular and the infrastructure project as a whole.

This section will focus specifically on analyzing these objections, how they are resolved, and their consequences. There are three possible ways to object. These are:

- Objection to the Result of the Public Consultation
- Objection to Inventorying and Identification of Land Boundaries and Entitled Parties
- Objection to the Form and Amount of Compensation

### Objection to the Public Consultation Result under Articles 29-40

Entitled Parties, or any other affected parties, may object to the Public Consultation stipulated under Article 29. The Public Consultation is intended for the Entitled Parties and affected parties to reject the proposal to build an infrastructure on their land. There are three ways to address this objection. The first is by objecting to the initial consultation, which will result in a Second Public Consultation (Art. 34).

The second way is by appealing to the Governor if the Entitled or affected parties reject the result of the Second Consultation (Art. 35). The Governor will form a team to study the objection. The study result is the basis for the Governor in making the decision whether to accept (meaning the land may not be acquired and the infrastructure project must relocate) or reject the objection (meaning the land may be acquired and the process moves on to the next stage) (Art. 38 juncto Art. 40).

This is strictly an administrative decision and rests squarely within the Governor's purview. It should be noted that the Governor is not subject to any constraints in making such decision. The study result is simply recommendatory in nature and is not binding. In making such decision, the Governor is not subject to other accountability mechanisms under Perpres 2012.

The Third way to object is to file a claim with the Administrative Court to challenge the Governor's decision. This procedure is regulated under the 2012 Law but not Perpres 2012 (see Art. 23 of the 2012 Law).

The application must be made within 30 days of the Governor rejecting the objection (i.e. approving the land acquisition). The Administrative Court must render its decision within 30 days. A party objecting the decision may file a cassation with the Supreme Court within 14 days of the Administrative Court rendering its decision (thereby bypassing appeal to the High Court). The Supreme Court must then render its decision within 30 days (see Arts. 23(2-4) 2012 Law).

The final and binding decision (*inkracht*) determines whether or not the project may take place on that land (Art. 23(5) 2012 Law). The 2012 Law and Perpres 2012 provide no other appeal avenue during the Public Consultation Stage.

The significance of the objection at this stage cannot be understated for both parties. To the State Institution, any successful objection at the Public Consultation Stage means that the infrastructure project cannot take place on that particular land: It must relocate elsewhere.

To the Entitled Parties, this is their chance to reject their land being used for development. It should be noted that if a land



is already determined as a development site, either based on the Entitled Party's consensus, absence of objection, or court decision, it is not possible to reverse.

### Objection to Inventorying and Identification of Entitled Parties under Articles 55-62

Objection at this stage concerns only the identities of the Entitled Parties and the land's mapping and boundaries measurements.

It is possible that certain Entitled Parties are not included in the initial identification (under Art. 57) and may miss out on the compensation.

It is also possible that errors occur in the mapping and boundaries measurement (under Art. 56), and, as a consequence, adjacent lands not approved for the project are erroneously included.

Therefore, the objection at this sub-stage is directed towards the list of Entitled Parties and the Land Boundaries. Unlike at the Public Consultation stage, a successful objection merely results in revision of the Inventorying and Identification reports (See Art. 61(4)). It cannot derail the project.

# Objection to The Form and Amount of the Compensation

The third and final objection strictly concerns the amount and form of compensation. This objection avenue is triggered only when the Public Dialogue on compensation does not result in an agreement.

The objection is filed to the District Court within 14 days of the public dialogue being concluded. The District Court must render a decision within 30 days. The decision may then be appealed to the Supreme Court (cassation). The application for appeal must be made within 14 days and the Supreme Court will render its decision within 30 days of receiving the appeal.

### Focus: Outstanding Issues

Pepres 2012 does not distinguish compensation recipient between owners or occupants on a piece of land. There are many cases where occupants (squatters) occupy a neglected piece of land legally owned by other parties, i.e.,lands in Kemayoran, North Jakarta, owned by the State Secretariat (Setneg).

On the other hand, the Regulation classifies them all as "Entitled Parties" and grants them equal rights to participate In all stages of the acquisition process and receive compensation.

Indeed, Article 17(2) defines Entitled Parties to include "holders of land rights" (Art. 17(2)(a)) as well as "possessor of state lands in good faith" (Art. 17(2)(f)). There is no provision that prioritizes one party over another, implying that they have an equal chance to receive compensation.

### Conclusion

Perpres 2012 expedites land acquisition at the expense of the rights of Entitled Parties. It leaves little room for objection. In particular, Entitled Parties have insignificant power to object to site determination. They also have no power in determining an appraiser at their own choosing. Finally they have little room to object to the amount and form of compensation.

As an advantage, the quick and structured acquisition process guarantees certainty on land acquisition. In particular, where previously land disputes could take a very long time to settle, Perpres 2012 essentially fast-tracks the dispute settlement. It sets a 30-day time limit for a district court to render a decision on objection. It also bypasses the normal appeal procedure, fast-tracking the appeal straight to the Supreme Court, as opposed to the High Court. The Supreme Court must also render a decision within 30 days.