

THE PRESIDENT OF THE REPUBLIC OF INDONESIA
PRESIDENTIAL DECREE OF THE REPUBLIC OF INDONESIA
NUMBER : 55/1993
Dated : June 17, 1993

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LAND PROCUREMENT FOR THE IMPLEMENTATION OF CONSTRUCTION
IN THE INTEREST OF THE PUBLIC

THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

- Considering : a. that national construction, in particular the construction of various facilities in the interest of the public, requires sufficient land and to this end its procurement must be conducted in the best manner possible;
- b. that the implementation of land procurement is conducted with account taken of the role of land in man's life and of the principle of honouring the legal titles over the land;
- c. that on the basis of the said consideration, the procurement of land in the interest of the public shall be conducted in a balanced manner and in the first stage, deliberations shall be resorted to directly with the holders of land titles;
- Bearing in mind : 1. Article 4 paragraph (1) of the 1945 Constitution;
2. Law No. 5/1960 on the Basic Regulation on the Agrarian Principles (State Gazette No. 104/1960, Supplement to State Gazette No. 2043);
3. Law No. 51 Ppp/1960 on the prohibition to Use Land Without the Permission of Land Title Holders of their Proxies (State Gazette No. 158/1960, Supplement to State Gazette No. 2106);
4. Law No. 20/1961 on the Repeal of the Titles on Land and the Rights over the Objects on it (State Gazette No. 288/1961, Supplement to State Gazette No. 2324);
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5. Law No. 5/1974 on the Principles of Administration in the Regions (State Gazette No. 38/1974, Supplement to State Gazette No. 3037);
6. Law No. 24/1992 on Spatial Layout Arrangement (State Gazette No. 115/1992, Supplement to State Gazette No. 3501);
7. Government Regulation No. 8/1953 on the Control over State-Owned Land (State Gazette No. 14/1953, Supplement to State Gazette No. 362);
8. Government Regulation No. 10/1961 on Land Registration (State Gazette No. 28/1960, Supplement to State Gazette No. 2171);
9. Government Regulation No. 6/1988 on the Co-ordination of Vertical Government Agencies in the Regions (State Gazette No. 10/1988, Supplement to State Gazette No. 3373);

HAS DECIDED :

To stipulate : THE PRESIDENTIAL DECREE ON LAND PROCUREMENT FOR THE IMPLEMENTATION OF CONSTRUCTION IN THE INTEREST OF THE PUBLIC.

CHAPTER I

Article 1

Referred to in this Presidential Decree as :

1. Land procurement is any activity to obtain land by means of providing compensation to the party holding the title over the land;
2. The release or relinquishing of the title over the land is an activity of severing the legal relationship between the land title holder and the land controlled with compensation being given on the basis of deliberations;
3. The interest of the public is the interest of all layers of the community;
4. Land procurement Committee is the committee set up to provide assistance in the procurement of land for the implementation of construction in the interest of the public;
5. Deliberations are the process or the activity of mutual listening with the adoption of the attitude of mutually receiving opinions and wishes on the basis of voluntariness, conducted between the party holding the land title and the party requiring the land, in order to come to an agreement on the form and the amount of the compensation;

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6. Land title is the title over a plot of land as regulated in Law No. 5/1960 on the Basic Regulation of the Agrarian Principles;
7. Compensation is the compensation for the value of the land along with the building, plants and/or other objects related to the land as a result of the release or relinquishing of the land title;

CHAPTER II

PRINCIPLES OF LAND PROCUREMENT POLICY

Article 2

- (1) The stipulation on the procurement of land in this Presidential Decree is merely used for the fulfillment of the requirement for land for the implementation of construction in the interest of the public;
- (2) Land procurement for the implementation of construction in the interest of the public by the government shall be conducted by means of releasing or relinquishing the land title;
- (3) Land procurement other than for the implementation of construction in the interest of the public by the Government shall be conducted by means of a transaction or an exchange or under other methods agreed upon voluntarily by the relevant parties.

Article 3

The release or relinquishing of land title for the implementation of construction in the interest of the public shall be undertaken on the basis of the principle of honouring land title.

Article 4

- (1) The procurement of and the plan to fulfill the need for land required for the implementation of construction in the interest of the public can be undertaken only if the stipulation on the plan of the construction in the interest of the public is in keeping with and is based on the General Planning of Spatial Layout already stipulated.
- (2) For a region which has not stipulated on the General Planning of Spatial Layout, the land procurement as referred to in paragraph (1) shall be undertaken on the basis of the available spatial planning of the region or the city.

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Article 5

The construction in the interest of the public based on this Presidential decree is limited to :

1. The activity of construction undertaken and further on owned by the Government and not used for profit-making in such fields as :
 - a. Public roads, water disposal sewers;
 - b. Reservoirs, dam and other water structures including irrigation channels;
 - c. Public hospitals and community health centres;
 - d. Harbours or airports or terminals;.
 - e. Religious services;
 - f. Education or schools;
 - g. Public markets or markets set up on the basis of a presidential instruction;
 - h. Public cemetery facilities;
 - i. Public safety facilities such as embankments to overcome floods lava and other disasters;
 - j. Post and telecommunications;
 - k. Sports facilities;
 - l. Radio and television broadcasting stations along with their auxiliary facilities;
 - m. Government offices;
 - n. Facilities of the Armed Forces of the Republic of Indonesia.
2. Activities of construction in the interest of the public other than what is referred to in figure 1 and stipulated with a Presidential Decree.

CHAPTER III

COMMITTEE, DELIBERATIONS AND COMPENSATION

First Part

Land Procurement Committee

Article 6

- (1) Land procurement in the interest of the public shall be conducted with the assistance rendered by the Land procurement Committee set up by the Governor/Head of First-Level Region.

- (2) A land procurement Committee is set up in each regency or municipality/second-level region;
- (3) The land procurement related to the land situated in two territories of two or more regencies/municipalities, shall be conducted with the assistance from the Land procurement Committee of the provincial level headed by or formed by the Governor/Head of First-Level Region concerned, the membership composition of which must as far as possible represent relevant government agencies at the provincial level and at the level of the second-level region concerned.

Article 7

The composition of the Land procurement Committee as referred to in Article 6 paragraph (2) comprises :

1. Regent/Municipality Head/Head of Second-Level Region as the Chairman concurrently a member;
2. Head of the regency/municipality's Office of Land Affairs as Deputy Chairman concurrently a member;
3. Head of the Land and Building Tax Service Office as a member;
4. Head of the regional administration's agency responsible in construction as a member;
5. Head of the regional administration's agency responsible in agriculture as a member;
6. A district head whose territory encompasses the plot of land where the implementation of the construction planned shall take place, as a member;
7. A sub district/village head whose territory encompasses the plot of land where the implementation of the construction planned shall take place as a member;
8. The assistant to the regional secretary in charge of administration affairs or the head of the administration section at the Office of the Regent/Municipality Head as non-member First Secretary;
9. The Head of the section at the regency/municipality's Office of Land Affairs as non-member Second Secretary.

Article 8

The Land procurement Committee is assigned :

1. to conduct surveys and take stock of the land, buildings, plants and other objects related to the land the title of which shall be released or relinquished;

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2. to conduct surveys regarding the legal status of the land the title of which shall be released or relinquished and the documents supporting it;
3. to assess and propose the amount of the compensation for the land the title of which shall be released or relinquished;
4. to provide elucidation or counselling to land title holders regarding the plan and the objective of land procurement;
5. to hold deliberations with land title holders and government agencies requiring the land in the framework of stipulating on the form and/or the amount of the compensation;
6. to witness the implementation of the handing over of compensation to holders of land titles and rights over buildings, plants and other objects on the land;
7. to make an official report regarding the release or relinquishing of land title.

Second Part
Deliberations
Article 9

Land procurement for the implementation of construction in the interest of the public shall be conducted through deliberations.

Article 10

- (1) Deliberations are conducted directly between land title holders concerned and the government agency requiring the land.
- (2) In the event of the number of land title holders not enabling the holding of deliberations effectively, the deliberations as referred to in paragraph (1) shall be implemented by the Land procurement Committee and the government agency requiring the land with the representatives appointed among and by land title holders, who at the same time act as their proxies.
- (3) The deliberations as referred to in paragraph (1) shall be chaired by the Chairman of the Land procurement Committee.

Article 11

The deliberations shall be conducted at the place set in the invitation letter.

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Article 12

The compensation in the framework of land procurement shall be given for :

- a. land title;
- b. building;
- c. plants;
- d. other objects, related to the land.

Article 13

The compensation may take the form of :

- a. money;
- b. land in substitution;
- c. resettlement;
- d. a combination of two or more forms of compensation as referred to in letter a, letter b, and letter c and
- e. other forms agreed upon by the parties concerned.

Article 14

The compensation for the land controlled with the right jointly held by a group of people shall be given in the form of the construction of public facilities or other forms beneficial to the local community.

Third Part

Compensation

Article 15

The basis for and the method of calculation of the compensation is stipulated as follows :

- a. the price of the land is based on the real value with account taken of the latest selling value of the object of Land and building Tax for the land concerned;
- b. the selling value of a building assessed by a Regional Administration's agency in charge of construction;
- c. the selling value of plants assessed by a Regional Administration's agency in charge of agriculture.

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Article 16

The form and the amount of compensation on the basis of the calculation as referred to in Article 15 shall be stipulated in the deliberations.

Article 17

- (1) The compensation is given directly to :
 - a. the land title holder or his legal heir;
 - b. the inspector for land donated for religious/public use;
- (2) In the event of the land, building, plants or objects related to the land being jointly owned by several people, with one or some of them not being found, the compensation due to the person(s) who cannot be found shall be kept at the local Court of First Instance by the Government Agency requiring the land.

Article 18

If agreement has been reached during the deliberations between land title holders and the Government Agency requiring the land, the Land procurement Committee shall pass a decision on the form and the amount of the compensation pursuant to the said agreement.

Article 19

If deliberations have been made several times while the agreement on the form and the amount of the compensation has not been reached yet, the Land procurement Committee shall pass a decision regarding the form and the amount of the compensation with as far as possible taking into account the opinions, wishes, suggestions and considerations aired during the deliberations.

Article 20

- (1) A land title holder who does not receive the decision from the Land procurement Committee may file an objection to the Governor/Head of First-Level Region along with the explanation of the reasons and causes for the said objection.
- (2) By considering the opinions and the wishes of all parties, the Governor/Head of First-Level Region shall see to it that there shall be settlement on the form and the amount of the said compensation.
- (3) After hearing and studying the opinions and the wishes of land title holders and the considerations of the Land procurement Committee, the Governor/Head of First-Level Region shall pass a decision which may

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confirm or amend the decision of the Land procurement Committee regarding the form and/or the amount of the compensation to be given.

Article 21

- (1) If the settlement effort made by the Governor/head of First -Level Region still cannot be accepted by land title holders and the location of the construction cannot be moved, the Governor/Head of First-Level Region concerned shall put forward a suggestion of settlement by means of repealing the land title as regulated in Law no. 20/1961 on the Repeal of Land Title and the Rights over Objects on it.
- (2) The suggested settlement as referred to in paragraph (1) shall be put forward by the Governor/Head of First-Level Region to the Minister of State for Agrarian Affairs/Head of the National Land Agency through the Minister of Home Affairs with copies to the Minister subordinating the Agency requiring the land and the Minister of Justice.
- (3) After receiving the suggested settlement as referred to in paragraphs (1) and (2), the Minister of State for Agrarian Affairs/Head of the National Land Agency shall consult the Minister of Home Affairs, the Minister subordinating the Agency requiring the land and the Minister of Justice.
- (4) The request for the repeal of the land title shall be submitted to the President by the Minister of State for Agrarian Affairs/Head of the National Land Agency and shall be signed by the Minister of Home Affairs, the Minister subordinating the Agency requiring the land and the Minister of Justice.

Article 22

As for the land titled without the permission of the party holding the title on it or his proxy, the settlement shall be conducted on the basis of Law No. 51 Prp/1960 on the Prohibition to Use Land Without the Permission of Land Title Holders or their Proxies.

CHAPTER IV

Small-Scale Land procurement

Article 23

The implementation of the construction in the interest of the public which requires land the area of which does not exceed 1 (one) Ha may be conducted directly by the Government Agency requiring the land with land title holders by means of a transaction or an exchange or under other methods agreed upon by both parties.

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CHAPTER V
CLOSING PROVISIONS

Article 24

With the enforcement of this Presidential Decree, the following shall be declared null and void :

1. The Regulation of the Minister of Home Affairs No. 15/1975 on Stipulations on the Procedure for Land Acquisition;
2. The Regulation of the Minister of Home Affairs No. 2/1976 on the Use of the Procedure of Land Acquisition in the Interest of the Government for the Acquisition of Land by Private Parties;
3. The Regulation of the Minister of Home Affairs No. 2/1985 on the Procedure for the procurement of Land in the Interest of Development Projects in District Territories.

Article 25

Further stipulations needed for the implementation of this Presidential Decree shall be laid down by the Minister of State for Agrarian Affairs/Head of the National Land Agency upon receipt of the consideration from the Minister of Home Affairs.

Article 26

This Presidential Decree shall take effect as of the date of stipulation.

Stipulated in Jakarta

On June 17, 1993

THE PRESIDENT OF THE REPUBLIC
OF INDONESIA

signed.

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