

# SUSTAINABILITY PERSPECTIVE AND LEGAL POLICY FOR LAND ACQUISITION AND MANAGEMENT IN THE TANJUNG KELAYANG SPECIAL ECONOMIC ZONE

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## Abstract

The establishment of the Tanjung Kelayang Special Economic Zone (SEZ) in Belitung Regency is a key component of the national strategic development initiative. This study investigates the legal complexities surrounding land acquisition and management within the SEZ framework. Using a normative juridical approach, this research examines the release of management rights in accordance with Indonesian land law. The main findings reveal the complexity of the process of transferring land rights, especially the release of management rights by the Belitung Regency Government and replacement by private development institutions. The legal agreement facilitates the conversion of management rights into building use rights, thereby allowing SEZ development consortiums to start projects in designated areas. The implications of this research include understanding the governance of land rights in development projects in Indonesia, emphasizing the role of the legal framework in facilitating public-private partnerships for economic progress. By explaining the legal intricacies surrounding land acquisition and divestiture, this research contributes to informed decision-making in future SEZ initiatives, ensuring compliance with laws and regulations and encouraging fair development practices.

**Keywords:** Land Rights Governance, Management Rights Relinquishment, Indonesian Land Law, Public-Private Partnerships, Special Economic Zone.

## 1. Introduction

One of Indonesia's National Strategic Project endeavors involves the establishment of the Tanjung Kelayang Special Economic Zone (SEZ), situated in the Belitung Regency within the Bangka Belitung Province. This SEZ is part of a series of ten priority tourism zones designated across the region (Putri et al., 2020). Tanjung Kelayang, after which the SEZ is named, refers to a picturesque beach area characterized by its distinctive landsTanjung featuring large granite rock formations resembling a bird's head. This natural marvel, along with its pristine white sand beaches and captivating surroundings, serves as a significant draw for tourists. Located approximately 4 kilometers from the Tanjung Kelayang SEZ, this beachTanjung underscores the allure of the SEZ area (Kurniawan et al., 2021; Freisler, 2022; Wijaya & Camba, 2023). The establishment of the Tanjung Kelayang SEZ is governed by Government Regulation Number 6 of 2016, designating it as a Tourism Zone with a primary focus on tourism-related activities. According to government regulation, the SEZ spans an area of 324.4 hectares within the Sijuk District of the Belitung Regency. Its geographical boundaries are demarcated by the South China Sea to the north, the Keciput Village to the east, the Tanjung Binga Village to the south, and the Tanjung Binga Village Beach to the west, both within the Sijuk District of the Belitung Regency.

In terms of land entity classification, all land within the Belitung Regency is categorized as state land or directly controlled by the State (Purbo et al., 2020; Kurniawan, 2021). Consequently, the process of land rights acquisition is facilitated through governmental channels, notably the Belitung Regency Land Office. Initially, the land status allocated for the Tanjung Kelayang Special Economic Zone (SEZ) pertained to the management rights held by the Belitung district government (Zeng, 2023). Although Management Rights Regulations are not explicitly outlined in the BAL, they are inferred from General Explanation II (2) of the BAL, which elucidates the State's prerogative to grant land for specific purposes and needs. Harsono (2007) elucidates that management rights, distinct from traditional land rights, confer authority to execute activities aligned with the State's objectives. Hence, management rights, fundamentally expressions of the State's right to control, are non-negotiable entities but can be relinquished back to the State for reassignment to eligible parties in compliance with prevailing laws and regulations (Sumardjono, 2008).

Management Rights are governed by Government Regulation Number 18 of 2021 on Management Rights, Land Rights, Flats, and Land Registration. As outlined in Article 1 point 2 of PP 18 of 2021, Management

Rights denote control privileges vested by the state, with partial authority delegated to the Management Rights holder (Al Hakim et al., 2021; Indrawan & Munandar, 2022). The allocation of Management Rights entails the government's decision to confer such rights over State Land or its acknowledgment of Management Rights over Customary Land belonging to indigenous communities under customary law (Agustina, 2021). The establishment of the Tanjung Kelayang Special Economic Zone (SEZ), spanning 324.4 hectares within the Sijuk District, initially involved land owned by local residents, which was subsequently 'compensated' by a private entity. PT Belitung Pantai Intan, headquartered in South Jakarta at Jalan Sultan Hasanudin No. 69, Kebayoran Baru, South Jakarta 12160, spearheaded the proposal for the Tanjung Kelayang SEZ. The consortium overseeing the SEZ's development and management comprises three entities: PT Belitung Pantai Intan, PT Tanjung Kasuarina, and PT Nusa Kulila, all domiciled in South Jakarta.

Subsequently, following the compensation process, 108 Management Rights Certificates were officially granted to the Belitung Regency Government for the land in question. However, in response to the issuance of these certificates, the three private entities involved in the land acquisition filed a civil lawsuit at the Tanjung Pandan District Court. Amidst legal proceedings, a settlement was achieved between the Belitung Regency Government and the plaintiffs. One stipulation of this agreement was the relinquishment of the Management Rights by the Belitung Regency Government, effectively converting the former Management Rights of state land into the development zone for the Tanjung Kelayang Special Economic Zone (SEZ). Subsequently, building use rights certificates were issued to the three development companies constituting the Tanjung Kelayang SEZ development consortium. This research endeavors to address the fundamental issues surrounding the origin of land within the Tanjung Kelayang SEZ in the Belitung Regency and the subsequent resolution of disputes concerning land rights. Utilizing a normative juridical approach, the study seeks to elucidate the legal intricacies pertaining to the release of management rights in accordance with Indonesian land law. By examining the complexities of land acquisition, compensation, and legal settlements within the context of SEZ development, the research aims to contribute to a comprehensive understanding of the legal framework governing land rights in Indonesia's developmental initiatives.

## 2. Literature Review

Special Economic Zones (SEZs) and land use policy encompasses various theoretical frameworks that underpin the establishment, functioning, and impact of SEZs on land use. One prominent theoretical perspective is the neoclassical economic theory, which posits that SEZs create economic efficiencies by providing favorable conditions for investment, trade, and production (Qumba, 2022; Tang, 2023). Special Economic Zones (SEZs) attract foreign investment, promote export-oriented industries, and stimulate economic growth by offering tax incentives, streamlined regulations, and infrastructure development (Sutrisna, 2022; Jakfar & Purwanto, 2023).

Another theoretical lens is the institutional theory, which focuses on the role of institutions, governance structures, and policy frameworks in shaping land use within SEZs. Institutional theorists argue that effective institutions and regulatory frameworks are essential for managing land use conflicts, ensuring environmental sustainability, and safeguarding social equity within SEZs (Resosudarmo et al., 2019; Kurniawan, 2021). Additionally, the political economy perspective emphasizes the power dynamics, interests, and negotiations among various stakeholders involved in SEZ development and land use policy formulation. This perspective highlights the influence of political actors, interest groups, and power dynamics on decision-making processes, policy outcomes, and distributional effects of SEZs on land use (Purbo et al., 2020; Winata & Gultom, 2023).

Furthermore, the sustainable development framework integrates economic, social, and environmental dimensions to assess the long-term impacts of SEZs on land use (Zeng, 2023). Proponents of sustainable development argue that SEZs should prioritize environmental protection, social inclusion, and equitable distribution of benefits to ensure sustainable land use practices. Overall, the theoretical review provides insights into the complex interactions between SEZs, land use policy, and sustainable development goals, guiding policymakers and practitioners in designing and implementing effective land use strategies within SEZs (Opawole et al., 2019; Hartono et al., 2021).

In Indonesia, according to Law No. 23 of 2014 on Regional Government, specifically in Article 360 paragraph 2 letter f, the Central Government has the authority to designate special areas within

provincial and/or district/city areas to execute specific strategic government functions for national interests. Among these designated areas are special economic zones (SEZs). To qualify as a potential SEZ location, certain criteria must be met: compliance with spatial planning without jeopardizing protected areas, support from the relevant provincial/district/city government, proximity to international trade or shipping routes in Indonesia, or possession of abundant resource potential, and clear demarcation boundaries (Andrea, 2020; Elcaputera, 2021).

In the framework of SEZ policy, land-related regulations are delineated in two articles: Article 36 and Article 37. Article 36 grants ease in obtaining land rights within SEZs in accordance with statutory regulations, while Article 37 bestows land rights upon Business Entities that have acquired land within designated SEZ areas based on Government Regulations (Prihastuti, 2022). Land rights governance adheres to Indonesian land regulations, specifically Law No. 5 of 1960 concerning Basic Agrarian Law and its corresponding implementing regulations. The control of land rights, manifested through the right to control, establishes a legal relationship wherein one possesses physical control over an object for personal use or exploitation. This principle ensures the ability to defend one's rights against potential disturbances from external parties (Soerodjo, 2014).

Land acquisition processes conducted by either the Government or business entities represent a methodological approach to obtaining land for developmental purposes, with the overarching aim of advancing public welfare and maximizing societal prosperity (Kontu, 2019). Article 18 of the Basic Agrarian Law (BAL) stipulates that land rights can be revoked in the public interest, encompassing national and state interests as well as the collective welfare of the populace, provided appropriate compensation is furnished and procedures are conducted in accordance with statutory regulations. This assertion of public interest is echoed in Article 1 Paragraph (6) of Law No. 2 of 2012 on Land Acquisition for Development in the Public Interest, which defines public interests as those serving the nation, state, and society, prioritizing their utilization for societal well-being. Public interest pertains to matters affecting numerous individuals, aimed at serving and meeting societal needs (Haryanto & Tanawijaya, 2019; Supit, 2021).

### 3. Method

The research methodology employed in this study adopts a normative juridical approach, which focuses on analyzing legal principles, norms, and regulations to address the identified research problems. Specifically, the research investigates two primary issues: the origin of land within the Tanjung Kelayang Special Economic Zone (SEZ) in the Belitung Regency and the resolution of disputes concerning land rights over the SEZ area. Additionally, the study conducts a legal examination of the release of management rights according to land law in Indonesia.

The study relies on several key regulations to delineate the legal framework governing land rights and Special Economic Zone (SEZ) development in Indonesia. Notably, Government Regulation Number 6 of 2016 designates the Tanjung Kelayang area as a Tourism Zone, emphasizing tourism-related activities. Law No. 23 of 2014 grants the Central Government authority to designate SEZs for specific strategic functions. Additionally, Law No. 5 of 1960 concerning Basic Agrarian Law governs land rights, while Regulation No. 3 of 1997 outlines land registration provisions. The Supreme Court's Regulation No. 1 of 2008 addresses mediation in court proceedings. Moreover, Regulation No. 3 of 2021 focuses on management rights and land rights allocation. These regulations establish the legal framework for land acquisition processes and the transition to building use rights within the Tanjung Kelayang SEZ, thereby shaping the broader legal landscape of SEZ development in Indonesia.

The normative juridical approach involves a systematic analysis of relevant legal documents, statutes, regulations, and court decisions pertaining to land rights, SEZ development, and dispute resolution mechanisms. By scrutinizing these legal sources, the study aims to elucidate the legal intricacies surrounding land acquisition, compensation, and the relinquishment of management rights within the context of SEZ development in Indonesia. Through this methodological framework, the research seeks to contribute to a comprehensive understanding of the legal framework governing land rights in SEZ initiatives, particularly focusing on the Tanjung Kelayang SEZ in the Belitung Regency. This approach allows for a rigorous examination of legal principles and regulatory frameworks, facilitating insights into the complexities of land management and dispute resolution processes in the context of economic development projects.



**4. Results**

**4.1. Designated Land for the Development of the Special Economic Zone (SEZ)**

The origin of the land designated for the development of the Tanjung Kelayang Special Economic Zone (SEZ) in the Sijuk District area covering an area of 324.4 hectares is unique because its location is on the coast and was originally owned by local residents, then compensated by the private sector. company. This private agency, consisting of PT Intan Belitung Beach, PT Tanjung Kasuarina, and PT Nusa Kulila acted as the main business actor who proposed the formation of the Tanjung Kelayang SEZ. The allocation of land rights to these three companies in Belitung exceeds the management rights owned by the Belitung district government. The intricacies of allocation and utilization of land rights in Belitung underscore the differences in the relationship between government authorities and private companies in SEZ development. Through negotiations and agreements, the transfer of management rights from regional governments to business entities facilitates the realization of development projects such as the Tanjung Kelayang SEZ. This arrangement signifies a collaborative effort in which government and private stakeholders contribute to the advancement of regional economic goals while navigating the legal and regulatory framework governing land rights in Indonesia. Based on the agreement brokered between the Belitung Regency Government and the companies mentioned above, the management rights of the regional government are handed over to business actors, as explained in Table 1.

Table 1. Land Rights and Terms

NO	Land rights	Information
1.	Building Use Rights (HGB)	The term is 30 (thirty) years and can be extended for a period of 20 (twenty) years and renewed for a period of 30 (thirty) years;
2.	Right to Use (HP)	The term is 25 (twenty five) years and can be extended for a period of 20 (twenty) years and renewed for a period of 25 (twenty five) years;

The extension and renewal of building use rights or use rights depends on the business actor's commercial efforts. In the event that the Right to Use concerns ownership of a residence or property in a tourism Special Economic Zone (SEZ), the extension and renewal of the right is based on legal ownership of the residence or property in accordance with statutory regulations. Based on the records of the Belitung Regency Government, initial land control in the Tanjung Kelayang SEZ area began on November 19 1992 through a Cooperation Agreement between the Belitung Regency Government and PT Belitung Permai Intan (PT BELPI) for the development and management of the Tanjung Binga tourist attraction. Land acquisition funded by PT. BELPI, implemented on customary land in Tanjung Binga Village and Keciput Village, Tanjung Pandan District. Furthermore, in 1992 a Location Permit was issued by the regional government to facilitate the issuance of Management Rights for the Belitung Regency Regional Government. Until 1997, 19 Management Rights certificates had been issued in the name of the Belitung Regency Government, all located in Tanjung Binga Village, Sijuk District. This historical trajectory underscores the evolution of land management and acquisition processes in the Tanjung Kelayang SEZ, demonstrating collaborative efforts between government agencies and private companies in facilitating economic development initiatives.

Table 2. The total area of Management Rights Certificates (HPL) is 3,393,695 M2.

No	Land Rights	Location	Area
1.	Management Rights Certificate (HPL) No. 1	Tanjung Binga	52.728 M2
2.	Management Rights Certificate (HPL) No. 2	Tanjung Binga	21.210 M2
3.	Management Rights Certificate (HPL) No. 3	Tanjung Binga	161.660 M2
4.	Management Rights Certificate (HPL) No. 4	Tanjung Binga	13.950 M2
5.	Management Rights Certificate (HPL) No. 5	Tanjung Binga	38.072 M2
6.	Management Rights Certificate (HPL) No. 6	Tanjung Binga	26.004 M2
7.	Management Rights Certificate (HPL) No. 7	Tanjung Binga	31.054 M2

8.	Management Rights Certificate (HPL) No. 8	Tanjung Binga	503.049 M2
9.	Management Rights Certificate (HPL) No. 9	Tanjung Binga	39.920 M2
10.	Management Rights Certificate (HPL) No. 10	Tanjung Binga	74.850 M2
11.	Management Rights Certificate (HPL) No. 11	Tanjung Binga	58.990 M2
12.	Management Rights Certificate (HPL) No. 12	Tanjung Binga	1.050.930 M2
13.	Management Rights Certificate (HPL) No. 13	Tanjung Binga	6.868 M2
14.	Management Rights Certificate (HPL) No. 14	Tanjung Binga	149.270 M2
15.	Management Rights Certificate (HPL) No. 15	Tanjung Binga	787.875 M2
16.	Management Rights Certificate (HPL) No. 16	Tanjung Binga	108.285 M2
17.	Management Rights Certificate (HPL) No. 17	Tanjung Binga	243.576 M2
18.	Management Rights Certificate (HPL) No. 18	Tanjung Binga	7.524 M2
19.	Management Rights Certificate (HPL) No. 19	Tanjung Binga	17.880 M2

In subsequent developments in 2012, the three private companies holding Hak Guna Bangunan (HGB) initiated a civil lawsuit against the Belitung Regency Government and the Government of the Republic of Indonesia, through the National Land Agency and the Regional Office of the National Land Agency of Bangka Belitung Province, to the Tanjung Pandan District Court. This lawsuit, registered under case number 18/Pdt.G/2012/PN Tdn on November 14, 2012, prompted the Panel of Judges to offer both parties an opportunity to reconcile through mediation, as per the Regulation of the Supreme Court of the Republic of Indonesia Number 1 of 2008 regarding the Implementation of Mediation in Court. Mediation proceedings were overseen by Eka Yektiningsih, a Judge at the Tanjung Pandan District Court, based on a Determination Letter dated December 12, 2012. The resulting Peace Agreement stipulated that the Belitung Regency Regional Government, represented by the Land Office, would facilitate the change in land status from Management Rights (HPL) to Building Use Rights (HGB) in favor of the three companies, thereby revoking, releasing, and canceling the Management Rights held by the Belitung Regency Government.

The release of Right to Use (*Hak Pengelolaan*/HPL) theoretically permits the conversion of the relinquished land into state land directly controlled by the State. This entails the submission of a land rights application by the party in need of the land, typically accompanied by compensation to the relinquishing holder of land rights. According to Article 131 paragraph (3) of the Regulation of the Minister of State for Agrarian Affairs/Head of the National Land Agency No. 3 of 1997 concerning Provisions for Implementing Government Regulation no. 24 of 1997 regarding Land Registration, the release of land rights can be effectuated through a notarial deed or a statement made in front of relevant authorities, such as the sub-district head or the Head of the Land Office, confirming the release of the rights by the holder. Through a process of relinquishment, the status of land rights being surrendered transitions to State land, enabling interested parties to apply for land rights. This relinquishment typically entails providing compensation to the holder of the land rights. In accordance with the directive outlined in the Letter of the Head of BPN RI Number 726/27.1-600/II/2014 dated February 26, 2014, titled "Instructions for the Abolition of Management Rights in the name of the Level II Belitung Regional Regency Government," issued upon the request of PT Nusa Kukila, PT Tanjung Kasuarina, PT Belitung Intan Beach, and PT Putra Ciptawahana Sejati, situated in Belitung Regency, Bangka Belitung Islands Province, the relinquishment of management rights by the Regent of Belitung resulted in the forfeiture of Building Use Rights associated with those rights. Subsequently, former Hak Guna Bangunan (HGB) holders were afforded the opportunity to apply for land rights through the Belitung Regency Land Office in accordance with statutory provisions. According to data obtained from the Belitung Regency Land Office, following the issuance of 19 Management Rights Certificates (HPLs), 19 Building Use Rights (HGBs) were subsequently issued, as detailed in Table 3. This transition underscores the legal process through which land rights are managed and transferred, ensuring adherence to statutory regulations and administrative directives governing land management in Belitung Regency.

Table 3. The total area of A, B, and C is 2,693,695 m<sup>2</sup>

NO	Certificate of Land Rights	Location	Area
1.	HGB Certificate No. 20	Tanjung Binga	21.210 M2
2.	HGB Certificate No. 21	Tanjung Binga	52.728 M2
3.	HGB Certificate No. 22	Tanjung Binga	161.660 M2
4.	HGB Certificate No. 23	Tanjung Binga	13.950 M2
5.	HGB Certificate No. 24	Tanjung Binga	38.072 M2
6.	HGB Certificate No. 25	Tanjung Binga	26.004 M2
7.	HGB Certificate No. 26	Tanjung Binga	31.054 M2
8.	HGB Certificate No. 28	Tanjung Binga	39.920 M2
9.	HGB Certificate No. 30	Tanjung Binga	74.850 M2
10.	HGB Certificate No. 31	Tanjung Binga	58.990 M2
11.	HGB Certificate No. 33	Tanjung Binga	1.050.930 M2
12.	HGB Certificate No. 34	Tanjung Binga	108.285 M2
13.	HGB Certificate No. 38	Tanjung Binga	7.524 M2
14.	HGB Certificate No. 39	Tanjung Binga	17.880 M2
15.	HGB Certificate No. 40	Tanjung Binga	243.576

The data indicates that HPL Certificates No.1 to 7, 9 to 12, and 16 to 19 issued in Tanjung Binga resulted in the issuance of 15 HGB certificates under the name of PT Belitung Intan Beach, spanning a total area of 1,946,633 square meters. Additionally, HPL Certificate No. 8 in Tanjung Binga led to the issuance of one HGB certificate, No. 29, covering an area of 503,049 square meters under the name of PT Tanjung Kasuarina. Furthermore, HPL Certificates No. 13, 14, and 15 in Tanjung Binga translated to the issuance of three HGB certificates, No. 35, No. 36, and No. 37, totaling an area of 244,013 square meters, all under the name of PT Nusa Kukila.

#### 4.2. Legal Review of Relinquishment of Management Rights according to Land Law in Indonesia

In compliance with the Determination Letter issued by the Tanjung Pandan District Court on December 12, 2012, a Peace Agreement was reached, outlining several crucial points. Firstly, the Regional Government of Belitung Regency (Regional Government), represented by the Land Office, consented to facilitating the transition of land status from Management Rights to Building Use Rights (HGB) on behalf of the three companies involved. This transition entailed the revocation, release, and cancellation of Management Rights previously held.

Additionally, the companies agreed to provide compensation to the Regional Government of Belitung Regency amounting to IDR 80,000,000 annually for the duration of the valid HGB, which spanned until 2027 or 14 years. This compensation was divided among the companies, with PT Belitung Pantai Intan (Company 1) contributing 50%, PT Tanjung Kasuarina (Company 2) 30%, and PT Nusa Kulila (Company 3) 20%. Furthermore, the companies committed to compensating the Regional Government with 2.5% of the land area earmarked for development, with adjustments made according to the prevailing NJOP (Tax Object Sales Value) at the time of payment.

Moreover, provisions were made to ensure compliance with land usage limitations. Should the companies exceed 30% of the total land area designated for tourism development, they were obligated to provide additional compensation to the Regional Government, calculated at 2.5% of the excess land utilized. Subsequently, the Regent of Belitung submitted a formal request for the cancellation of 19 Management Rights Certificates (HPL) on behalf of the Regional Government, as directed by the National Land Agency

of the Republic of Indonesia, following instructions outlined in their issued Letter dated February 26, 2014. This process of relinquishing management rights was guided by previous court decisions and did not necessitate formal cancellation procedures.

The process of relinquishing rights by the Regent of Belitung was carried out on August 15, 2014, before a Notary, by producing three Statement Letters which were then legalized, and the application for the cancellation of management rights was subsequently submitted to the BPN Regional Office of Bangka Belitung Islands Province. The three Statement Letters, legalized by the Notary, included Legalization of Statement Letter Number 94/VIII/L/Rangkap 3/2014 regarding HPL No.8/Tanjung Binga; Legalization of Statement Letter Number 95/VIII/L/Rangkap 3/2014 regarding HPL No. 13, 14, and 15/Tanjung Binga; and Legalization of Statement Letter Number 96/VIII/L/Rangkap 3/2014 regarding HPL No. 1, 2, 3, 4, 5, 6, and 7/Tanjung Binga; HPL No. 9, 10, 11, and 12/Tanjung Binga; as well as HPL Nos. 16, 17, and 18/Tanjung Binga. With the relinquishment of management rights by the Regent of Belitung, the building use rights above the management rights were abolished. Furthermore, former building use rights holders can apply for land rights through the Belitung Regency Land Office in accordance with regulatory provisions.

The relinquishment of Management Rights by the Regent of Belitung serves as the basis for the Head of the Belitung Regency Land Office to initiate a write-off in the land book and the general register of land registration for management rights. The land acquisition process for the construction of the Tanjung Kelayang SEZ involves releasing the land management rights of the Belitung Regency regional government. According to Regulation of the Minister of State for Agrarian Affairs/Head of the National Land Agency No.3 of 1997 concerning Provisions for Implementing Government Regulation No. 24 of 1997 concerning Land Registration, the release of land rights can be accomplished through a notarial deed or a statement from the right holder made in front of and witnessed by the relevant authorities. After the relinquishment of rights, the relinquished rights are then removed or written off by the Head of the local Land Office.

In Article 131, paragraph (6) of Regulation No. 3 of 1997 by the Minister of State for Agrarian Affairs/Head of the National Land Agency, concerning the Implementation of Government Regulation No. 24 of 1997 regarding Land Registration, it is stipulated that the deletion of rights in the land book is conducted, and when a certificate is presented, the relevant rights number is to be crossed out in black ink. Additionally, on the provided amendment page, it should be inscribed: "Land rights are removed based on... (filled in according to the release letter executed, whether a notarial deed, or a letter of release of rights carried out in the presence/witnessed by the Head of the Land Office or local sub-district head).

Relinquishment of rights is undertaken for the benefit of another party; hence, pursuant to Article 131, paragraph (3) of Regulation No. 3 of 1997 by the Minister of State for Agrarian Affairs/Head of the National Land Agency, concerning the Implementation of Government Regulation No. 24 of 1997 regarding Land Registration, the application for registration of the deletion of land rights is to be submitted by the other party. In the land procurement for the construction of the Tanjung Kelayang SEZ in Belitung, the parties that submitted the application for the removal of the Belitung Regency Government's management rights to the Belitung Regency Land Office were three companies constituting the consortium for the development of the Tanjung Kelayang SEZ, namely PT Nusa Kukila, P.T Tanjung Kasuarina, PT Belitung Intan Beach. In 1994, the Building Use Rights Certificates from the three companies indicated that "The Building Use Rights are above Management Rights No. ... Tanjung Binga Village." Furthermore, in 2015, the 1994 Building Use Rights Certificate form was replaced with the old HGB certificate form, stating that the HGB was over Management Rights No. ... Tanjung Binga Village, eliminating the phrase "above Management Rights." On the new blank Building Use Rights Certificate after the replacement, the event of the release of the management rights and the basis for the release of the management rights is recorded.

Relinquishment of Management Rights (HPL): According to Regulation No. 3 of 1997 by the Minister of State for Agrarian Affairs/Head of the National Land Agency, implementing Government Regulation No. 24 of 1997 regarding Land Registration, the release of land rights can be facilitated through a notarial deed, wherein the relevant holder relinquishes such rights, or a statement from the right holder, indicating the waiver of said right, made in the presence of and witnessed by the sub-district head of

the location of the land in question, or a statement from the right holder made in front of and witnessed by the Head of the Land Office.

Land law administration provisions dictate that once land rights have been relinquished, the relinquished rights will be removed or written off by the Head of the local Land Office, in accordance with the stipulations outlined in Regulation No. 3 of 1997 by the Minister of State for Agrarian Affairs/Head of the National Land Agency, concerning the Implementation of Government Regulation No. 24 of 1997 regarding Land Registration. Article 131, paragraph (3) states: Registration of the deletion of land rights and ownership rights to apartment units resulting from the relinquishment of these rights by the holder is performed by the Head of the Land Office upon request from an interested party. Abolition of Land Rights due to Relinquishment of Management Rights (HPL): Regarding the status of Building Use Rights over Management Rights subsequent to the release of rights in the Tanjung Kelayang SEZ, it can be argued that, in essence, with the release of management rights, the status of Building Use Rights over the land rights becomes nullified. This assertion is grounded in the notion that land rights theoretically stem from three factors: statutory provisions, Government determination, and agreement with the land rights holder.

The Building Use Rights Management rights were established through an agreement between the Belitung Regency Regional Government and three companies. According to the terms of the agreement, the regional government submitted an application for building use rights to the land office, resulting in the issuance of building use rights to the three companies. Consequently, if the management right is revoked, the building use right will also be revoked since the existence of the building use right is contingent upon the management right.

In accordance with the theory of State Control Rights in land law in Indonesia, management rights are not considered land rights, and thus, relinquishing management rights does not automatically invalidate the building use rights associated with them. Conversely, according to Contract Law theory, the land use agreement between the holder of the management right and the holder of the building use right above it is considered a primary agreement. Therefore, if the management right is revoked, the building use right is rendered invalid based on the terms of the agreement, as the existence of the building use right is dependent on the presence of the management right.

## 5. Conclusion

The establishment of the Tanjung Kelayang Special Economic Zone (SEZ) in Belitung Regency presents a unique case study in land acquisition and governance in the context of a national development initiative. The findings of this research explain the complexity of the legal framework governing land rights, especially the transition from management rights to building use rights, as seen in the SEZ development process.

Theoretical implications emerge from the study of land rights governance in the Indonesian legal landscape. This study underscores the interrelationship between laws and regulations, government stipulations, and contractual agreements in determining land ownership and use. This report highlights the complexity of relinquishing management rights and its impact on building use rights, as well as highlighting the theoretical basis of land law and property rights in Indonesia.

Practically, this research provides insight into collaborative efforts between government and private authorities in achieving regional economic goals through SEZ development. This underscores the importance of legal clarity and regulatory compliance in facilitating the land acquisition process, ensuring transparency and accountability in development initiatives.

Limitations of this research include its primary focus on the legal aspects of land acquisition, with potential scope for further exploration of socio-economic impacts and stakeholder perspectives. In addition, this research is limited to the specific context of the Tanjung Kelayang SEZ, so caution is required in generalizing the findings to wider SEZ development in Indonesia. Future research directions may involve broader comparative analysis of SEZ projects across Indonesia, exploring variations in land governance frameworks and their implications for socio-economic development. In addition, an interdisciplinary approach that integrates legal, economic and social perspectives can provide comprehensive insight into the complexity of SEZ development and its broader implications for the national growth agenda and sustainable development goals.





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