

COMPARATIVE STUDY COMPARATIVE STUDY IN THE DEVELOPMENT OF AGRARIAN REFORM OF THE INDONESIAN LAND BANK AGENCY WITH THE FEDERAL LAW DEVELOPMENT AUTHORITY (FELDA) MALAYSIA

I Wayan Kartika Jaya UTAMA¹, Mohd Kamarulnizam Bin ABDULLAH²,
Ni Luh Made MAHENDRAWATI³, Putu Ayu Sriasih WESNA⁴, Indah PERMATASARI⁵,
I Nyoman SUKANDIA⁶, Anak Agung Istri AGUNG⁷

¹Program Studi Magister Kenotariatan Fakultas Pascasarjana Universitas Warmadewa, Indonesia
²Institut Kajian Malaysia dan Antarabangsa, Universiti Kebangsaan Malaysia, Malaysia
^{3,4,5,6,7} Program Studi Magister Kenotariatan Fakultas Pascasarjana Universitas Warmadewa, Indonesia

Corresponding author: I Wayan Kartika Jaya UTAMA

E-mail: utama.kartikajaya@gmail.com

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Abstract:

The Land Bank Agency faces various challenges, these challenges include limited accurate spatial data, frequent agrarian conflicts between indigenous peoples, farmers, and large companies, and weak coordination between government institutions. In addition, policy implementation is often hampered by bureaucratic issues, overlapping regulations, and low community participation in the decision-making process. Therefore, an innovative approach and learning from best practices in other countries that have previously implemented similar policies are needed. One country that has long experience in implementing agrarian reform is Malaysia. Through the establishment of The Federal Land Development Authority (FELDA) in 1956. The type of research that researchers use in this study is a qualitative descriptive research method. The approach used in this study is normative juridical descriptive. The research was conducted by literature study to obtain legal materials and using document study techniques. The Malaysian land bank, FELDA, has been established for a long time, namely in 1956, compared to the Indonesian Land Bank Agency, which only had definite regulations in 2021 and FELDA has a different implementation mechanism compared to Indonesia, namely FELDA focuses more on implementing land banks in the agricultural sector, while the implementation of land banks in Indonesia tends to be relatively new.

INTRODUCTION

The economic, political, social and cultural aspects of people's lives cannot be separated from the role and function of land, which is an important natural resource for human survival (Onyeneke et al., 2024; Rosana, 2018). In addition, land is also one of the factors that influence the progress of a nation's development, especially in the field of infrastructure. The development of the era that occurs affects the volume and progress of modern industry, increased housing development, and ease of information exchange that is not limited by space and time (Ngafifi, 2014).

The Land Bank Agency pays full attention to the agrarian reform program that has been mandated in Government Regulation of the Republic of Indonesia Number 64 of 2021 concerning the Land Bank Agency, where the Land Bank Agency is required to provide a minimum of 30 percent of land for agrarian reform (Prastiyans & Salam, 2023; Raudhah & Kurniati, 2024). The responsibility does not stop at providing and distributing land, but also how land assets owned by

the people can have economic value that drives community income through empowerment and also the use of technology.

Indonesia is a country rich in natural resources and has various extraordinary potentials (Aminuddin & Burhanuddin, 2023). However, the existence of this potential does not exempt Indonesia from various challenges in the development process which is one of the quite complex problems. One of these challenges is related to land issues. Land is not only the origin and source of food, but also the foundation for infrastructure and housing development. This makes land ownership a complicated and difficult issue. Land issues in Indonesia cover several aspects, namely land ownership which is one of the main issues. The ambiguity of land ownership status can have an impact on the many land conflicts that occur. This can be caused by historical factors, unclear and uncertain agrarian policy clarity, and potentially overlapping claims. The next problem is regional inequality, namely the problem of uneven land distribution throughout Indonesia.

In particular, land conversion occurs in agricultural land. According to data from the Directorate General of Climate Change Control, the land function experts that occur densely are not balanced with the expansion of agricultural land in Indonesia. Therefore, the country cannot avoid a land deficit. According to data from the Ministry of Agriculture, the conversion of agricultural land reaches 100,000 hectares/year, while the government's ability to produce rice fields is only around 40,000 hectares/year. This means that the comparison of agricultural land function experts that occur with rice fields in Indonesia is only 5: 2 per year. The availability of rice fields that are not comparable will result in a decrease in income earned by farmers and the loss of farmers' rights to make it their only livelihood, as well as sustainable land cultivation (Amalia, 2022).

The reason why the land bank agency learned from Felda is because the institution is currently handling the development of underdeveloped rural areas into new development areas, and is known as the largest plantation manager in the world, with 811,140 hectares of oil palm plants, especially in Peninsular Malaysia, Sabah and Sarawak. In addition, this institution also focuses on opening small fields that can produce productive plants and harvest quickly.

Apart from the agricultural sector, land conversion in the housing sector also often occurs due to several issues such as limited land owned by the government, drastic increases in land prices, and uncontrolled urban expansion. One of the problems in providing housing for the community is not yet. However, in terms of provision, the number of houses built is not enough to adequately respond to this growth, especially the availability of appropriate land, especially for housing locations. The level of demand for new housing continues to increase along with the growth of the Indonesian population which continues to grow (Prabawati, 2023). The increasingly intensive use of urban land can hinder the ability of low-income people to own a home because the increase in land prices is a major factor in the increase in house prices which increases by around 20% annually. Currently, Indonesia is facing a serious problem in the housing sector caused by a housing backlog that has reached 12.7 million units with an additional one million each year. The significant need for land for various National Strategic Projects (PSN), such as the development of new cities aimed at driving the economy, including the million-house-per-year development program, has finally faced obstacles due to various problems related to the land (Sukamara et al., 2021).

The Indonesian land bank regulation was only ratified in 2023, in other words, the implementation of the land bank has just been implemented. The implementation of this regulation is expected to guarantee the availability of land for the public interest (Oktavio, 2022). With this research, it can provide a good implementation of the implementation of land bank regulations that can be adopted from Malaysia. Therefore, this research is important for building and advancing regional development, infrastructure development, and management of government land assets



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through the implementation of the land bank that has just been implemented in Indonesia. Therefore, the presence and long experience of land banks from Malaysia and the existence of land banking devices from that country can be applied to the implementation of land banks in Indonesia.

METHODS

The researchers used a normative legal research type that focuses on doctrines (Arnawa et al., 2024), literature, legislation, and case studies. The approaches used in this research include legislative and conceptual approaches. The legal materials that serve as sources are classified into three categories: primary, secondary, and tertiary legal materials. The process of collecting and processing legal materials begins with a literature study, which involves inventorying all legal materials relevant to the main issue, both primary and secondary legal materials. Then, this research employs qualitative legal analysis, which is based on reasoning, interpretation, and legal argumentation in a systematic and coherent manner.

Table 1. Samples Criteria

No.	Samples Criteria	Total
1.	Manufacturing companies that were not listed in three consecutive years from 2017-2019.	168
2.	Manufacturing companies that were not listed in three consecutive years from 2017-2019.	(23)
3.	Manufacturing companies whose financial statements are not presented in the rupiah currency.	(40)
4.	Manufacturing companies registered as State-Owned Enterprises	(14)
5.	Manufacturing company registered in the cigarette industry sub-sector	(4)
6.	Manufacturing company registered in the plastic industry sub-sector	(10)
7.	Manufacturing company registered in the wood industry sub-sector	(2)
	Number of samples of manufacturing companies	75
	Number of samples of manufacturing companies in 3 years / during 2017-2019	$75 \times 3 = 225$

RESULT AND DISCUSSION

Indonesia is a country based on law. This concept refers to a system where the law is applied consistently and fairly, making the government and its people subject to the law. This means that no one is exempt from the law, including those in positions of power, and every individual has rights and protections within the legal framework. Indonesia's legal system is based on civil law and the country's constitution known as the 1945 Constitution of the Republic of Indonesia. The 1945 Constitution of the Republic of Indonesia acts as the highest law in Indonesia. The Indonesian legal framework is designed to support the supremacy of law, protect individual rights, and provide a legal framework for governance and dispute resolution. The 1945 Constitution of the Republic of Indonesia emphasizes the importance of efforts to achieve social justice and the welfare of the Indonesian people. In achieving this, land reform is needed by ensuring that land is distributed more fairly to the community in line with the principles of social justice and broader economic welfare. Thus, Indonesia needs a comprehensive legal framework to address land and agrarian issues. The

Constitution has provided clear regulations regarding land in Indonesia which are stated in Article 33 paragraph (3) of the 1945 Constitution that the power given over the earth, water, and natural resources contained therein lies with the state and for that the state is obliged to regulate ownership and lead its use (Kinanthi Sihutami et al., 2022).

The management and facilitation process regarding various aspects related to land in Indonesia is under the authority of the state which is carried out by the Ministry of Agrarian Affairs and Spatial Planning/National Land Agency (BPN). Through the enactment of Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law (Job Creation Law), where in Part Four concerning Land, a land bank agency was formed with the hope of being able to meet the need for state land. According to Article 125 of the Job Creation Law, the land bank was formed by the Central Government.

Land managed by a land bank is designated as Management Rights in accordance with Article 129 of the Job Creation Law. In addition, outside of this Management Rights classification, land rights status can be given such as Cultivation Rights, Building Rights, and Cultivation Rights according to their designation. With the formation of a land bank, the Management Rights owned can be allocated to various bodies, namely Central Government agencies, regional government bodies, State-Owned and Regionally-Owned Enterprises (BUMN/BUMD), legal entities, bodies appointed by the Central Government, and the land bank body itself. This Management Right is in line with the broader objectives of the implementation of the Job Creation Law which aims to foster a conducive environment for business activities, including Micro, Small, and Medium Enterprises (MSMEs) and foreign investors. In addition, the formation of a land bank as stated in Part Four Paragraph 1 of the Job Creation Law is intended to support investment. Within this framework, land banks that hold management rights are given the authority to prepare basic schemes, facilitate smooth licensing and business approvals, carry out procurement processes, and determine service costs. Therefore, the implementation of land bank regulations is expected to ease the business licensing and investment process.

In implementing Article 135 of the Job Creation Law concerning the establishment of a land bank agency, Government Regulation Number 64 of 2021 concerning the Land Bank Agency (Government Regulation concerning the Land Bank Agency) has been issued as an instrument to regulate and implement the Law which contains more specific details, procedures, and implementing provisions. In the Government Regulation, specifically in Article 1 number 1, the definition of a land bank agency has been regulated, which states "The Land Bank Agency, hereinafter referred to as the Land Bank, 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".

The provisions of Article 4 of the Government Regulation on the Land Bank Agency state that "The Land Bank is transparent, accountable, and non-profit". In fulfilling its responsibilities and carrying out its duties and authorities, the land bank must be transparent, accountable, and non-profit as regulated in the land bank to provide clarity in carrying out the decision-making stage and delivering information related to the land bank accurately and on time. This ensures that details regarding land acquisition, distribution of land assets, and choices that impact the community must be available and transparent.

This principle is designed to ensure that land bank policies and implementation are accessible to the public and easy to understand. Land banks are responsible for their actions and policies regarding land asset management, including providing information to the public, supervision by authorized institutions, and potential supervision and performance assessment. According to Article 27 of the Government Regulation on the Land Bank Agency, the sources of wealth of land

banks can come from: the State Revenue and Expenditure Budget (APBN), own income, state capital participation, and/or other legitimate sources in accordance with laws and regulations.

The accountability of the land bank is regulated in Article 2 paragraph (3) of the Government Regulation on the Land Bank Agency, which states "The Land Bank is responsible to the President through the Committee". The committee in question consists of 3 (three) Ministers, namely the Ministry of Agrarian Affairs and Spatial Planning/National Land Agency (ATR/BPN), the Minister of Finance and the Minister of PUPR. The land bank has the responsibility to report its activities and performance to the government, especially to the Minister of ATR/Head of BPN as the institution that oversees the land sector in Indonesia. The Minister of Finance as the state financial management agency can actively contribute to ensuring that the land bank has fulfilled its obligations and complies with regulations and implements good financial planning. The land bank has the responsibility to the Minister of Finance to oversee financial resources and assets which include tasks such as fund management, budget allocation, and financial supervision to carry out its obligations effectively.

As a legal entity, the land bank has an organization formed by the land bank structure which includes a committee, a supervisory board, and an implementing agency as stipulated in Article 31 of the Government Regulation on the Land Bank Agency. The supervisory board and implementing agency are referred to as land bank organs. The duties and authorities of the committee are regulated in Article 5 of Presidential Regulation Number 113 of 2021 concerning the Structure and Implementation of the Land Bank Agency (Presidential Regulation on the Structure and Implementation of the Land Bank Agency). The committee is tasked with determining the strategic policies of the land bank. The committee sets long-term goals and objectives that will lead to strategic policies.

The large imbalance between land demand and supply has resulted in the need for the government to control, control, and provide land for the interests of development and economic equality. In achieving this, a function is needed to determine the actions expected to be carried out by the land bank. There are 6 (six) functions of the land bank as regulated in Article 125 paragraph (4) of the Job Creation Law, namely planning, land acquisition, land procurement, land management, land utilization, and land distribution.

Based on Land acquisition in Article 6-8 that Land acquisition is a process to ensure the accessibility of the required land. Land acquisition by the land bank comes from 2 sources, namely land determined by the government and/or land from other parties.

Land acquisition from other parties' land comes from Central Government, Regional Government, State-Owned Enterprises (BUMN), Regional-Owned Enterprises (BUMD), Business entities, Legal entities and Community.

Land acquisition in Article 9 that Land acquisition is carried out for development projects for the public interest through a series of established stage procedures. The purpose of this procedure is to ensure accessibility of land needed to drive economic progress, improve quality of life, and encourage sustainable development.

Land management in Articles 10-13 that there are 3 activities of land management. First, land development includes land preparation for housing and residential areas, urban rejuvenation, integrated area development, land consolidation, infrastructure development, development of other facilities and infrastructure, land maturation to prepare land for land bank business management, and national strategic projects (Krishnasanti & Prasasti, 2023).

Land utilization in Article 14, ccording to this article, land utilization is carried out through cooperation with other parties. This cooperation can be in the form of buying and selling, renting,

business cooperation, grants, exchanges, and other forms agreed upon with other parties. In implementing land utilization, land banks must pay attention to the principle of benefit and the principle of priority.

Land distribution in Article 15 that according to this article, land distribution is in the form of land provision and distribution activities intended for ministries/institutions, Regional Governments, social and religious organizations, and/or communities as determined by the Central Government.

Land bank assets are state assets that are separated in accordance with Article 2 paragraph (4) of the Government Regulation concerning the Land Bank Agency. Land bank assets include all assets owned by the land bank, both in tangible or intangible forms that have value or use in the future as a result of events that occurred in the past. Land banks are given the right to manage state-owned land, the implementation authority of which is partly delegated to its holders, so that land banks are referred to as Management Rights (HPL) holders. The total area of HPL land that has been obtained by the land bank agency until November 2023 is 17,067 hectares in 24 districts/cities.

The land bank collects data and information related to land assets owned or managed by the land bank with the aim of creating a comprehensive database that includes information on land ownership, land use, and land data updates. In providing legal certainty for land owners, the land bank conducts land mapping and measurement to manage land resources, protect ownership rights, and provide a strong legal basis for land rights holders.

The second stage is land that is in the maturation process. In this process, there are 2 (two) roles carried out by the land bank, namely land maintenance and security, and land development. The main activities of land maintenance and security are reviewed from land assets in terms of physical and legal aspects. Physical maintenance includes infrastructure maintenance that involves physical maintenance of infrastructure on the land, such as roads, buildings, and other facilities that are included in routine maintenance and repairs.

The final stage is the Ready to Build Area (Kasiba). In Article 1 number 20 of Government Regulation Number 14 of 2016 concerning the Implementation of Kasib Housing and Settlement Areas, the definition of the Kasiba body has been regulated, namely "A piece of land whose physical form and infrastructure, facilities, and general utilities have been prepared for the development of large-scale residential environments in accordance with the spatial plan".

In achieving this vision, the land bank has a mission to carry out various efforts related to land utilization for various aspects, namely : Public interests consisting of public facilities and infrastructure (local government/village buildings, irrigation, waste disposal, lighting, and public roads), transportation (terminals, airports, and ports), education (schools, universities, and educational support facilities), and other facilities and infrastructure (playing a role in providing land for national food security sustainability programs).

Land consolidation that requires land bank practices in its implementation to accelerate and facilitate the land acquisition process. Where, the land bank guarantees the availability of land for land consolidation in the context of regional planning to improve environmental quality and for efficiency and optimization of development.

Agrarian reform that aims to reorganize the structure of land control, ownership, use, and utilization that is more equitable through asset management and accompanied by access management for the prosperity of the Indonesian people. Land banks collaborate with cooperatives/other institutions to empower communities so that they can utilize the land they own for at least 10 years. The availability of land for agrarian reform must be separated by 30% as regulated in Article 22 paragraph (2) of the Government Regulation concerning the Land Bank



Agency. The availability of land for agrarian reform is a guarantee of land provision in the context of land redistribution.

Economic equality through land banks has broad positive effects, including improving social welfare, more inclusive economic growth, and reducing economic inequality. In this utilization, land banks provide land for pioneer programs, opening up isolated areas, developing people's markets, developing Low-Income Community (MBR) houses, and other economic equality programs.

Land banks have succeeded in developing MBR housing in Cigedog and Jatirokeh Villages, Brebes Regency, Central Java. In Cigedog Village, the housing to be built is located in a residential and rice field environment, while Jatirokeh Village is located in a rice field environment. The land area for development in Cigedog and Jatirokeh Villages is 4,780 m² and 1,929 m². Land banks in carrying out housing development are required to provide infrastructure, facilities, and public utilities with a proportion of at least 35% of the total land area as regulated in Article 2 of Brebes Regent Regulation Number 55 of 2020. There are several parties who work together in the construction of the MBR houses. The parties are divided into 2 parts, namely the supply and demand parties. The supply party consists of a land bank as a land provider who collaborates with the National Housing (Perumnas) as a housing provider and Public Utility Infrastructure (PSU) which is involved in supporting policies and coordinating road construction in the form of concrete roads or paving block roads. The demand parties consist of the People's Housing Savings Management Agency (BP Tapera) as the provider of housing financing for MBR, Bank Tabungan Negara (BTN) as the party providing Home Ownership Credit (KPR) services to MBR, and PT Sarana Multigriya Finansial (SMF) providing housing financing in collaboration with BTN in issuing KPR services.

This development activity will take place from March to July 2023. The stages of MBR housing development are divided into 3 (three) stages, namely the pre-construction stage begins with the creation of a memorandum of understanding between parties and a feasibility study conducted by Perumnas. Furthermore, the land bank and Perumnas conduct measurements and soil tests, and submit a permit to utilize existing housing roads. The permit involves the land bank, Perumnas, and the Ministry of Public Works and Public Housing (PUPR) in the form of an Environmental Impact Analysis (AMDAL), Traffic Impact Analysis (ANDALALIN), Flood Level, Space Utilization Principles (IPPR), firefighter recommendations, site plan approval, Building Construction Approval (PBG), and the replacement of the land bank's HPL to Perumnas' Building Use Rights (HGB). The end of the pre-construction stage is the launching and sales process carried out by BP Tapera.

The construction phase involves Perumnas in the process of clearing and maturing the land, infrastructure development (roads, water channels, electricity and water networks, as well as PUPR assistance in the construction of PSU for upper-layer roads), construction of housing units, and landscape work.

The post-construction phase consists of consumer credit agreements (Perumnas, BTN, and BP Tapera), Minutes of Handover (BAST) for consumers (Perumnas), and environmental handover (PUPR and Perumnas).

Comparison of Land Bank Implementation between Indonesia and Malaysia FELDA was formed on 1 July 1956 when the Land Development Act was enacted.¹ The initial capital was RM10 million, and the first settlement consisting of rubber trees covering 16.2 square kilometres was opened in Ayer Lanas in 1957. In 1958, five similar schemes were opened.

In the 1960s and 1970s, government policy began to emphasize crop diversification to avoid major price declines. In 1961, the first FELDA oil palm settlement was opened with a land area of

¹ Mengenai FELDA Diarkibkan 2017-08-27 di Wayback Machine



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3.75 km². By 2000, 6,855.2 km² of land under FELDA's plan was dedicated to oil palm. FELDA is concentrated in Peninsular Malaysia, while other government agencies are responsible for land development in the states of Sabah and Sarawak that make up East Malaysia.

The Malaysian government has decided to stop recruiting new settlers from 1 January 1990 in all planned areas throughout Malaysia. The decision of the Malaysian government is based on limited financial resources to finance development and infrastructure projects on planned land. Plans that do not have settlers are managed by FELDA and the proceeds are used to fund the management costs and all infrastructure projects on the planned land.

Participants in the FELDA program, called FELDA Settlers, are selected from the poorest Malay communities in rural areas.

They had to be healthy, married, and aged between 21 and 50, with priority given to those who did not have land to farm. New settlers were given 10 acres (40,000 m²) of land in a particular settlement to work on rubber or oil palm plantations in particular.

Initially, the FELDA scheme was designed as a cooperative where each settler did not own their own land, but they had equal ownership of their scheme. However, the settlers did not like this scheme because the workers who were not working would still receive the same benefits. Therefore, the government then made a plan consisting of three stages. In the first stage, the cooperative was still a mechanism for the settlers to learn farming. In the second stage, each settler was given a certain land and in the third stage, they were given the title to their land. However, the settlers were prohibited from selling the land without permission from FELDA or the federal government.

FELDA has diversified its activities from indigenous land development activities to other economic activities – some of which are completely unrelated to resettlement. While FELDA has subsidiaries involved in businesses such as marketing, transportation and manufacturing, it is also reported to have interests in a number of major Malaysian banks, such as Maybank.

After FELDA was established on 1 July 1956, various youth organizations were present in FELDA's plan such as Felda Youth Association, Gerakan Belia 4B, MAYC, HYO and others. In 1969, the Felda Youth Association of Southern Region (PBFWS) was established. In 1975, its name was changed to the Felda Youth Council of Southern Region and was accepted as an Associate Member or affiliate body of the Malaysian Youth Council. In 1977, a Felda youth meeting was held at Wisma YMCA Kuala Lumpur with the aim of forming a National Felda Youth Council, but it failed to function. On 27 October 1980, Felda held a meeting to form the National Felda Youth Association Movement at the FELDA Land Development Institute (INPUT) Trolak, but it also failed and efforts to re-form the Felda Youth Council continued.

The number of MBFM branches throughout the country is 308 associations located in 11 regions. Presidents of Majlis Belia Felda Malaysia 1. Ramli Hj Ismail (Felda Sg. Sayong) 2. Anuar Abd Manap (Felda Pemanis 2) 3. Muhammad Fadzli Hasan (Felda Air Tawar 2)

The study of the concept of land banks from Indonesia and Malaysia provides a very valuable contribution, especially because the concept of land banks is an innovative idea that is still relatively new to be created in national laws.

Table 1. The comparison of the concept of land banks between Indonesia and Malaysia will be evaluated based on five main indicators

Indicator	Indonesia	Malaysia
Regulation	1. Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number	1. Land Development Act 1956. 2. Land Development Act 1956 (Revised 1991) covers the



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	2 of 2022 concerning Job Creation to Become Law; 2. Government Regulation Number 64 of 2021 concerning the Land Bank Agency; and 3. Presidential Regulation Number 113 of 2021 concerning the Structure and Implementation of the Land Bank Agency.	following topics relating to boards and companies: a. Execution of instruments and contracts b. Documentary evidence made, issued or signed by the board or Company c. Relationship between the board or corporation and the appropriate authority d. Management system e. Terms and conditions of service of officers and servants
Type	Public land banks	Public land banks
Structure	1. Committee 2. Supervisory board 3. Implementing body	1. Headquarters 2. Region 3. Design
Function	1. Planning 2. Land acquisition 3. Land procurement 4. Land management 5. Land utilization 6. Land distribution	1. Land development projects 2. Agricultural activities 3. Industrial and commercial social economy
Implementation Mechanism	1. Management and maturation of raw land 2. Land that is in the maturation process Ready to Build Area.	1. Land development 2. Land management Modernizing development

Source: Primary Data

Malaysian land banks have a different focus in the utilization of implementation compared to Indonesia. Malaysian land banks focus more on implementing land banks in the agricultural sector. Over time, land in Malaysia has experienced land fragmentation which has resulted in the division of land plots into smaller ones. Land prices that increase every year are the main obstacle in increasing the supply of houses for low-income people. According to data from the Katadata Insight Center, as many as 84% of people who lack houses are dominated by MBR. From these data, it can be seen that the supply of MBR houses is an urgent matter. Therefore, the government needs to support the availability of special land for the development of MBR housing through land banks.

Indonesia regulates land banks through Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law. The existence of this law is closely related to the theory of justice, where the law is the main tool to uphold and realize the principles of justice in society.

The function of the land bank is closely related to legal certainty and justice. In terms of land ownership and use. The land bank maintains clear land ownership records and transparent legal procedures, so as to create a stable legal environment for land users, land owners, and investors. In land acquisition activities, the land bank must provide legal certainty of land rights and be active in legal efforts to maintain legal certainty of land rights both outside and inside the courts. In the event of a dispute, the theory of legal certainty prioritizes the use of law as a tool to achieve a fair and transparent settlement.



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In addition to its relationship with legal certainty, the function of the Indonesian land bank also provides justice to the community by distributing land. Justice in land distribution is related to the equal distribution of land ownership rights in the community. Where, this land distribution must be fair and provide equal benefits to all members of society in Indonesia. This equality is in the form of economic justice and access to resources which are the main aspects of social justice.

CONCLUSION

The existence of regulations related to land banks is substantially related to laws and regulations starting from the highest hierarchy, namely Article 33 paragraph (3) of the 1945 Constitution which is linked to the UUPA, where the state is given the power to regulate ownership and lead the use of land. In the hope of being able to meet the need for state land, a land bank was formed in accordance with the mandate of Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law. The Malaysian land bank, FELDA, has been established for a long time, namely in 1956, compared to the Indonesian Land Bank Agency, which only had definite regulations in 2021 and FELDA has a different implementation mechanism compared to Indonesia, namely FELDA focuses more on implementing land banks in the agricultural sector, while the implementation of land banks in Indonesia tends to be relatively new.

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