

# The Legal Impact of Agrarian Conflicts in The PIK2 National Strategic Project on Local Community Rights

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## Abstract

*The disharmony between the legal basis of the PIK2 National Strategic Project (PSN PIK2) and the legal regulations above it indicates a conflict of interest between the parties involved. The 1945 Constitution states that all things in the Indonesian archipelago, including their contents, are controlled and managed by the state for the benefit and welfare of all its people. The acquisition of 1,755 hectares of land for the Tropical Coastland megaproject of PSN PIK2, located in Muara Village, Kronjo Village, Tanjung Pasir Village, and Kohod Village, has resulted in the loss of land rights for local communities. The Supreme Court through decision No. 12 P/HUM/2025, stated that the Coordinating Minister for Economic Affairs Regulation No. 12/2024 concerning the Sixth Amendment to the Coordinating Minister for Economic Affairs Regulation No. 7/2021 concerning Amendments to the PSN List, is in conflict with higher laws and regulations, namely Article 3 paragraph (4) PP 42/2021, Article 8 of Law 41/1999, Article 1 number 16 and 17 of Law 32/2009 and Article 1 number 28 of Law 26/2007. Through the Statute approach and Case approach, this study aims to seek justice and legal certainty for affected local communities, as well as provide solutions so that national development does not become an agrarian conflict.*

**Keywords:** Tropical coastland; PSN PIK2 and agrarian conflict.

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## I. INTRODUCTION

Agrarian conflict is an issue that often arises in the implementation of development in Indonesia. One example that causes agrarian conflict is the development of Tropical Coastland Pantai Indah Kapuk 2, as a National Strategic Project (PSN PIK2), owned by Agung Sedayu Group (ASG) with Salim Group. (Hilmi Abdurrahman & Wanusmawatie, tt). PSN PIK2 was born based on the Regulation of the Coordinating Minister for Economic Affairs No. 12 / 2024, that the Tropical Coastland project is included in the PSN tourism sector with serial number 226. This then sparked controversy because of the rules that were violated such as; changes in protected forest areas, disputes over land rights, disputes over restrictions on access to natural resources, evictions of residences and other social conflicts. Massive reclamation in the expansion of the PSN PIK2 area which includes the construction of elite housing and the Central Business District (CBD), has changed the function of the land and coastline, this of course disrupts the coastal ecosystem, damages sea routes, causes siltation and pollution that reduces the quality of the environment. Data released by the agrarian reform consortium notes that the acceleration of National Strategic Projects (PSN) development has led to an increase in agrarian conflicts, ranking second only to plantation disputes. During 2024, there were 79 recorded agrarian conflicts covering an area of over 290,000 hectares, affecting 20,274 families (Atong, 2025). These disputes are inseparable from the chaos of overlapping regulations and permits, in other words, "just build first, the permits can be arranged."

The implementation method of national strategic projects that tends to ignore regulations and permits is the cause of problems that ultimately become disputes in various fields. PSN PIK2 requires 1755 hectares of land and 1705 hectares are located in Muara Village, Kronjo Village, Tanjung Pasir Village and Kohod Village. In its construction, PSN PIK2 fully uses developer investment funds (private) worth Rp. 65 trillion, (Harruma, 2022). The pro-contra debate regarding PSN PIK2 was triggered because its location is in a protected forest area, and in the expansion of its supporting area it has occupied land that has been a residential area (village), this aims to ensure that the area is integrated between Tropical Coastland eco-tourism with residential and commercial zones. The development of Tropical Coastland as a PSN in the

PIK2 area actually began with the permit for the reclamation of Jakarta Bay, in which case the first permit was granted by President Soeharto in 1995 by issuing Presidential Decree 52/1995 concerning the Reclamation of the North Coast of Jakarta. The Presidential Decree was further strengthened in 2012 with the issuance of Presidential Decree 122/2012 concerning the Reclamation of Coastal Areas and Small Islands by President SBY, then in the same year the Governor of DKI Jakarta.

Fauzi Bowo issued Per-Gub 121/2012 concerning Spatial Planning for the Reclamation of the North Coast of Jakarta. The success of developers in building elite housing and commercial areas in Pantai Indah Kapuk (PIK1), which directly borders the Muara Angke wildlife sanctuary, has become the next step to reclaim the north coast of Jakarta and Tangerang and build artificial islands on it. A total of 17 islands built on the reclaimed land will be built as residential and business areas, but ultimately reaped controversy and massive demonstrations from the community in 2016-2017. Seeing the massive rejection of community elements, the government through the Coordinating Minister for Maritime Affairs Luhut B Panjaitan on October 5, 2017 officially revoked Letter Number 27.1/Menko/Maritim/IV/2016 concerning the construction of the Jakarta Bay reclamation project. To help solve the problem of Tropical Coastland PSN PIK2, researchers have formulated two main problems that must be resolved by the relevant parties, especially the government, developers and local communities, so that this problem does not drag on, and can provide legal certainty and equal social justice. The formulation of the problem is (1) What is the legal impact arising from agrarian conflicts on the rights of local communities affected by the National Strategic Project? and (2) How do local communities obtain legal protection for the impacts of the implementation of the National Strategic Project?

## II. METHODS

This research is a renewable thing and aims to understand and find solutions to the Legal Impact of Agrarian Conflicts of the National Strategic Project (PSN) PIK2 on the Rights of Local Communities in Muara Village, Kronjo Village, Tanjung Pasir Village and Kohod Village, where they have lost their rights to land, livelihoods, and public facilities. By using primary legal sources as the basis for scientific studies such as; UUD 1945, UU.5/1960 (Agrarian), UU.41/1999 (Forestry), UU.39/1999 (Human Rights), UU.26/2007 (Spatial Planning), UU.32/2009 (Environmental Protection and Management), UU.6/2023 (Job Creation), PP.24/1997, PP.23/2021 (Forestry Organizers), PP. 42/2021 (PSN Facilitation), PP.3/2016 (Acceleration of PSN Implementation), PP.109/2020 (3rd Amendment to Presidential Decree.3/2016 concerning Acceleration of PSN Implementation), Coordinating Minister for Economic Affairs Regulation 12/2024 concerning amendments to Coordinating Minister for Economic Affairs Regulation 7/2021, Coordinating Minister for Economic Affairs Regulation 16/2025, and Supreme Court Decision No.12 P/HUM/2025.

In addition, this research also uses secondary legal sources such as legal science books, reports from non-governmental organizations such as the Agrarian Reform Consortium (KPA), LBH Jakarta, the Muhammadiyah Central Board's Law and Human Rights Council, media coverage, and legal journal articles. The collected legal materials are then analyzed in depth using the content analysis method to identify and validate the sources and legal materials or statutory regulations and their derivatives, also to check the truth of online media news which is one of the legal material references, this content analysis is carried out in depth and then applied to the PSN PIK 2 case. The analysis is carried out by confronting formal legal provisions with empirical reality to identify problems and violations that occur, as well as as an additional reference to enrich views and insights in conducting normative legal studies.

## III. RESULT AND DISCUSSION

### **Legal Impacts of Agrarian Conflicts on the Rights of Local Communities Affected by National Strategic Projects**

The results of the study indicate that the implementation of the PIK2 National Strategic Project (PSN PIK2) has not met the principles of substantive justice, that local communities do not have equal freedom in enjoying the benefits of development, and instead experience negative impacts that harm their rights. The

government and related parties seem to prioritize economic and development interests without paying attention to social justice for affected communities. In this case, researchers found negative impacts of the PIK2 National Strategic Project (PSN PIK2) development on the rights of local communities, such as evictions, large-scale relocations, inadequate compensation, loss of livelihoods, social conflicts, to issues of corruption and environmental damage. Residents of Muara Village, Kronjo Village, Tanjung Pasir Village and Kohod Village are residents whose areas experience the Legal Impact of the Agrarian Conflict.

In Article 2 paragraph (1) of Law 25/2004 it is explained that what is called national development is carried out based on the values of democracy, togetherness, justice, sustainability, environmental awareness, independence and maintaining balance, progress and national unity. If we look at the facts regarding the impact on villages that were previously agricultural and fishpond areas, they have now disappeared from the map, not to mention that the boundaries between villages and sub-districts have also changed and even the names of the villages no longer exist, of course this is part of the many impacts felt by the local community. In the 1945 Constitution and the Basic Agrarian Law, it is stated that "everything in the Indonesian homeland, including its contents, is controlled and managed by the state for the benefit and welfare of all its people." Thus, the state has the right to control land, where the state has the right to regulate, manage, and distribute land for the public interest. The laws and regulations as the basis for the birth of the PIK2 PSN should also adapt the 1945 Constitution and the Basic Agrarian Law, but in fact, the megaproject regulations are in conflict with the laws and regulations above them, thus having a negative impact on the rights of local communities, including the following:

### **1. *Loss of Land Rights***

Land rights are rights that can be granted to and owned by people, either alone or together with other people and legal entities to use the land in question (Arba.M 2021). The provisions on land rights are regulated in Article 32 paragraph (1) of PP.24/1997 which states that a certificate is a strong proof of rights regarding the physical data and legal data contained therein, as long as the physical data and legal data are in accordance with those in the measurement letter and land book in question. This provision means that as long as the contrary has not been proven, the physical data and legal data stated in the certificate must be accepted as correct data, both in daily legal actions and in disputes in court. This means that local communities who have legal rights to land cannot simply be removed in the name of national interests, because the state must guarantee the rights of every citizen.

The loss of land ownership rights, which they have inherited from generation to generation, is certainly not in accordance with the provisions of Article 6 of the Basic Agrarian Law, which states that all land rights have a social function and Article 7 of the Basic Agrarian Law stipulates that excessive land ownership and control are not permitted if they are detrimental to the public interest. Several residents living on the north coast of Tangerang Regency accused the development of the PIK2 National Land Use Project (PSN PIK2) of robbing and destroying their livelihoods as farmers, rice fields and fish ponds have been filled in on their lands even though the compensation process for land acquisition has not been received. Allegations of land grabbing in the construction of the PIK 2 National Land Use Project (PSN PIK 2) occurred in the form of residents being asked to accept compensation or a low selling price for their land. These actions were also carried out with elements of coercion, because if there are residents who dare to refuse, they will be intimidated by groups of people acting as law enforcers without official authority (vigilante), to the point of criminalization, as experienced by Said Didu some time ago (Cipta Ayu, 2024).

### **2. *Eviction and Relocation***

Tropical Coastland, PIK2, which received National Strategic Project (PSN) status through Coordinating Minister for Economic Affairs Regulation No. 12/2024, is not merely a tourism development project, but has become a new tool for controlling land rights, whether originating from the state through the conversion of protected forests, or obtained from local communities through practices that violate the law, and this has a serious impact on local community rights, especially land rights. Article 7 of the UUPA explains that "To avoid harming the public interest, ownership and control of land that exceeds limits is not permitted." PSN PIK2 is not entirely for the public interest, namely the interests of all levels of society, but rather the business interests of corporations. Control over the 1,755 hectares of land for the megaproject

should and should be limited by the state, but in this case, the reverse is true: business interests are prioritized, while the interests of the people are ignored. This incident has become the cause of agrarian, social, economic, and environmental crises with far-reaching impacts. Apart from eliminating people's sources of livelihood, food and livelihood, development that only prioritizes business aspects actually exacerbates national poverty in a structured, systematic and massive manner.

The eviction and relocation of local communities to other places, for the sake of building elite residential areas and business areas is another form of colonialism that still applies in the modern era, even though the illegal methods justify any means to appear legal, are actually not far from the colonial era. The state does not seem to be present and pay attention to the needs of its people. As experienced by Salembaran Jati Village which was relocated to Kampung Jati Baru. Even though they have accepted the relocation, it turns out that the problem has not been resolved, new problems have arisen, namely the non-fulfillment of social rights as a community, such as road access that is still damaged, minimal public transportation, and access to livelihoods that are increasingly distant (Shabrina Nurul, 2025). This eviction and relocation are not in accordance with the provisions of Article 28H paragraph (4) of the 1945 Constitution which states that everyone has the right to have private property rights and that property rights cannot be taken over arbitrarily. This fact shows that the government and developers have violated established laws.

### **3. *Loss of Livelihood***

Local communities have lost their livelihoods due to the conversion of land for PSN PIK2, this is clearly not in accordance with the provisions of Article 27 paragraph (2) of the 1945 Constitution which states that every citizen has the right to work and a decent living for humanity. Those who previously worked as farmers, fish farmers and fishermen have lost their livelihoods because their rice fields and fish ponds have disappeared, or those who are fishermen have experienced obstacles to going to sea to fish, this is because the construction of PSN PIK2 has closed the main access to the sea which has been used for generations. In addition, the legal impact of agrarian conflicts on the rights of local communities also leaves social problems such as the demonstration that ended in riots on November 7, 2024 in Teluknaga, Tangerang Regency and environmental damage due to the sea fence that was a big deal in 2024, the shadow of the sea certification case, problematic SHGB, AMDAL, to the land acquisition corruption case involving village heads and ATR/BPN employees.

### **Solutions for Local Communities to Obtain Legal Protection for the Impacts of National Strategic Project Implementation**

Legal protection is a basic right as a citizen, this is emphasized in Article 28D paragraph (1) of the 1945 Constitution which states that everyone has the right to recognition, guarantee, protection, and fair legal certainty and equal treatment. The guarantee of legal protection from the state is inherent in its people, therefore every violation of the law has a resolution mechanism, because everyone has the same position before the law (equality before the law), the provisions of equality before the law are also stipulated in Article 27 paragraph (1) that every citizen has the same position in law and government and is obliged to uphold it. The law is indeed dynamic, meaning it can be revised if it is no longer in accordance with the facts of justice, the problem in Indonesia is the weak enforcement of the law so that in many national projects the victims are often local communities. In order to obtain legal protection in the implementation of the PIK2 PSN, the community can take the following steps:

#### **1. *Through Non-Governmental Organizations***

Non-Governmental Organizations (NGOs) play a role in building civil society as a space in social relations between individuals and the state. NGOs function as monitors of government policies or programs, as well as mediators or negotiators representing community aspirations to the government. In terms of obtaining legal protection, NGOs as a forum for community aspirations can conduct problem analysis, record any legal issues that arise, collect evidence and witness statements, as part of local community advocacy, NGOs can take non-litigation or litigation routes to the PSN PIK2 developer or to the government or related parties regarding community complaints and grievances, so that the community's rights to obtain legal protection are fulfilled.

## 2. *Through Litigation*

Namely, local communities can take legal action in court, either civil or criminal, if there are community rights that are harmed by Government Regulations or by developers in the implementation of the construction of PSN PIK2. This has been regulated in Article 17 of Law No. 39/1999 which states that everyone without discrimination has the right to obtain justice by submitting applications, complaints, and lawsuits, both in criminal, civil, and administrative cases and are tried through a free and impartial judicial process, in accordance with procedural laws that guarantee objective examination by honest and fair judges to obtain fair and correct decisions. Because the public has the right to obtain justice and file lawsuits, both civil and criminal, then for government regulations that harm the public's rights, the lawsuit is filed with the State Administrative Court (PTUN). The public can also file a judicial review lawsuit against government regulations with the Supreme Court. If it is related to a private party as a developer, they can file a civil lawsuit with the District Court if the problem is a civil case. If what arises is a criminal case, they can report the problem to law enforcement officials.

## 3. *Through Political Channels*

One of the DPR's duties is to absorb the aspirations of the people, this provision is regulated in Article 72 letter g of Law Number 17 of 2014 concerning the MPR, DPR, DPD, and DPRD (MD3 Law), which states that the DPR is tasked with absorbing, collecting, accommodating, and following up on the aspirations of the people, reinforced by Article 7 letter g of DPR RI Regulation No. 1 of 2020, with the main mechanism through the Recess period (working visits) the results of which are reported to political parties. Therefore, local communities affected by PSN PIK2 can convey aspirations about the problems they are facing to members of parliament, whether in writing or directly by holding hearings with representatives of the people in parliament starting from the district or provincial level, to the DPR RI, this aims so that what is the complaint of the local community can be answered and given a solution from members of parliament, because members of parliament have the authority to summon and request information from the government or other related parties, so that legal protection for local communities continues to run.

## IV. CONCLUSION

The implementation of the PIK 2 Tropical Coastland National Strategic Project (PSN) has given rise to agrarian conflicts that have seriously impacted the rights of local communities and created legal uncertainty. These conflicts are caused by inconsistencies in laws and regulations, minimal public participation, and the disregard for the principle of social justice in the process of determining and implementing the project. This is confirmed by the Supreme Court Decision Number 12/P/HUM/2025 which granted the objection request for judicial review of the Regulation of the Coordinating Minister for Economic Affairs Number 12 of 2024, specifically Attachment I letter M number 226 concerning PSN PIK 2, because it conflicts with higher laws and regulations.

The Supreme Court's decision shows that the determination of the PIK 2 PSN does not comply with the provisions of Article 3 paragraph (4) of Government Regulation Number 42 of 2021 because it was not preceded by Presidential approval, contradicting Article 8 of Law Number 41 of 1999 concerning Forestry, Article 1 number 16 and 17 of Law Number 32 of 2009 concerning Environmental Protection and Management, and Article 1 number 28 of Law Number 26 of 2007 concerning Spatial Planning. The elimination of the PIK 2 PSN through Coordinating Minister for Economic Affairs Regulation Number 16 of 2025 is a legal consequence that is in line with the principle of *lex superior derogat legi inferiori*. Legal uncertainty resulting from violations of these principles and norms not only harms the community and investors, but also tarnishes the country's credibility at the international level.

## V. SUGGESTION

The government needs to conduct a comprehensive evaluation of the regulatory framework for National Strategic Projects to ensure legal certainty and alignment with the principles of the Basic Agrarian Law, particularly regarding the social function of land as stipulated in Articles 6 and 7 of the UUPA. Harmonization of cross-sectoral regulations is crucial to ensure that development policies do not conflict



with higher-level laws and principles of human rights and environmental protection. In addition, the government and developers are required to ensure the active participation of local communities in every stage of the planning and implementation of National Strategic Projects (PSN), and to respect their rights to land, the environment, and livelihoods. Strengthening oversight and law enforcement against violations in the implementation of PSN, along with effective and equitable mechanisms for resolving agrarian conflicts—through mediation, negotiation, and litigation—needs to be optimized to ensure the rights of affected communities are effectively protected and restored.

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