

**TAKING LAND POLICY AND ADMINISTRATION IN
INDONESIA TO THE NEXT STAGE AND
NATIONAL LAND AGENCY'S STRATEGIC PLAN**

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1. INTRODUCTION

A. A Brief Profile of Indonesia

Land is an important resource for Indonesia. As an agrarian country, land-based economy contributes significantly to the welfare of the society. Land is a fundamental for development as it has cultural and social values. The importance of land gives rise to conflicting claims. The government, therefore, gives serious attention to land development and management.

Indonesia is a large archipelagic country of more than 17000 islands of which about 6,000 are inhabited. The five main islands are Sumatera, Kalimantan, Java, Sulawesi, and West Papua. Total area is about 9.8 million km² including land mass of 1.9 million km² (20 per cent of total area) and marine area, including the exclusive economic zone, of 7.9 million km² (80 per cent of the total area).

Administratively, the country comprises 33 provinces, 349 districts and 91 cities. In 2009 Indonesian population was estimated to be 231 million. Density is uneven with most people in Java (58 per cent). Average

population density is 1.21 people per km², but reaches 134.16 people per km² of land area in Java.

B. Strategic Issues

Critical problems facing Indonesian political economy are poverty, unemployment, inequality in income distribution, and land disputes/conflicts. Around 34.9 million people (or 15.4%) live below the poverty line. Of these, about 66 percent live in rural areas. The agricultural sector employs 56% of rural dwellers. Those with little or no land are particularly poor and are typically farm laborers (*buruh tani*) or peasants (*petani gurem*) working on others people's land or operating extremely small plots. The Agriculture Census 2003 showed that almost half of all agricultural households cultivate less than 0.5 hectares.

The unemployment rate is 10.01 percent or 23.1 million people. In terms of disguised unemployment, the figure is much higher, reaching 30.36 million people or 27.60 percent of the labor force. The manufacturing sector cannot provide enough employment for new-comers to the labor market. Many unemployed are driven to labor in rural areas, stressing the agricultural land to person ratio. Without significant technological improvement, a smaller agricultural land to person ratio indicates reduced income per farmer. Thus most poor people work in agricultural sector.

In income distribution, the Gini coefficient has steadily increased from 0.31 in 1999 to 0.33 in 2002 and 0.36 in 2005, suggesting a widening gap between income levels of the poor and the non-poor. In terms of agricultural land ownership distribution, the figure is much worse, i.e. around 0.6. This is partly due to continuous fragmentation of household agricultural land, and constant issuance of land use rights for large companies that already own one-tenth or even hundred thousand hectares of land. Of the 25 million farm households, 56.5 percent now own less than 0.5 ha. Inequality in distribution of land ownership causes other

serious problems, especially under-utilized, idle or abandoned land, perhaps also influenced by “land hoarding” practices and other reasons. Surprisingly, the area of idle or abandoned land is estimated to be 7.3 million hectares, a problem too large to be ignored.

The growing number of land disputes and conflicts infect the Indonesian political economy. In 2007, the significant land disputes and conflicts reached 7491 cases covering almost 608 thousand hectares of land.

Persistence of poverty and unemployment in the post-crisis era indicates a fundamental problem. The economy has grown steadily from time to time, yet wealth has failed to trickle down to the poor and unemployed at the grass roots level, particularly in rural areas. The major problem appears to be the poor agrarian structure, which constrains accesses of most farmers (the peasant and landless) to sufficient areas of land and to other productive inputs, including public services. A serious agrarian reform is needed. From the National Land Agency of the Republic of Indonesia (NLA) perspective, an effective agrarian reform must be planned and implemented and delivery of agrarian related public services must be improved. These reforms require accurate information and institutional and capacity building.

2. LAND POLICY

A. State Policies Related to Land

State policy dealing with land is in the Constitution (1945). Article 33 sub-article 3 provides that land (earth), water and natural richness inside are controlled by State and must be utilized for welfare of the people. Implementation is primarily through Law Number 5, 1960, the Basic Agrarian Law (BAL). The BAL was put into practice through many government regulations, presidential decrees, ministerial decrees, etc.

However in 1970 other laws relating to land were enacted without considering the BAL, consequently some laws and regulations dealing with land are contradictory. Legal conflict and confusion produces problems and impacts on disparity of land holding, land ownership, land use and utilization, slow implementation of agrarian reform, land disputes and conflicts, abandoned land, etc. In response the House Consultative Assembly issued Provision Number IX/MPR/2001, about Agrarian Reform and Natural Resources Management and Decree Number 5/2003 about implementation of provision.

B. Land Policy Focus

In early 2006, NLA focused policy on the extreme disparity of land holding, land ownership, land use and utilization. This policy was directed by Presidential Decree Number 10/2006, relating to land administration at national, regional and sectoral levels. The long term development plan in UU No.17/2007 mandated NLA to implement efficient and effective land management; enforce law dealing with land rights through democratic, transparant and just principles; reconstruct regulations of land reform for betterment of occupation, right, use and utilization of land; identify incentives and disincentives in the tax system according to size of area, location, and landuse; improve access to land by the poor; improve the land law system through an inventory; enhance land regulation taking into consideration adat rules; improve resolution of land conflict through administration, justice, and alternative dispute resolution; and develop human resources.

These changes reformulated land policy based on four main principles -

1. Improvement of the welfare of people;
2. Distributive justice;
3. Fostering of a just and peaceful sustainable system of Indonesian society; and

4. Creation of social harmony (resolved land conflicts and disputes).

These principles were translated into eleven land policy objectives, known as “eleven NLA prioritized agendas” as follow:

1. Building of public trust;
2. Improvement of land services and land registration;
3. Improvement of people’s rights on land;
4. Resolution of land problems in areas affected by natural disasters and ethnic conflicts;
5. Systematic handling and settlement of land lawsuits, disputes and conflicts;
6. Development of a national land management information system and land document security system;
7. Address of corruption, collusion, nepotism and improvement of people participation and empowerment;
8. Establishment of large scale land mapping and a land ownership database;
9. Consistent implementation of all land laws and regulations;
10. Strengthening of the NLA organization;
11. Development of land laws and policies.

3. NLA STRATEGIC PLAN

To achieve its policy objectives, NLA has four (4) strategic plans. They are:

- a) reforming land policy,
- b) reforming NLA’s organization and bureaucracy,
- c) developing land administration and service infrastructures, and
- c) improving land services and administration processes.

The quality of governance is critical to achievement of NLA’s objectives. Good governance facilitates participatory, pro-poor policies as well as sound land policy and management. It ensures the transparent use of public funds, encourages growth of the public sector, promotes

effective delivery of public services, and helps establish the rule of law. A sound land policy framework is needed to encourage efficient and productive domestic investment and accelerate growth of agricultural and rural areas to enhance the real income of the poor.

Since effective and efficient delivery of basic services by the public sector matters most to the poor, weak governance hurts them disproportionately. Public sector inefficiency, corruption, and waste leave insufficient resources to support public services and target antipoverty programs. However, denial of basic services to the poor is not just a matter of lack of government commitment or investment. Often, it is the result of (i) institutional structures that lack accountability, (ii) domination by local/national elites, (iii) widespread corruption, (iv) culturally determined inequality, (v) lack of participation by the poor. These problems must be met by systemic changes to move ineffective governance towards government accountable to the poor. Change of this kind is difficult to bring about, since existing arrangements that exclude the poor reflect prevailing economic and power inequalities. Yet unless these issues of inequality are tackled, it will be difficult to raise living standards of the poor.

The purpose of land policy reform is to improve land administration for social welfare, sustainability and social harmony. This reform includes reconstruction of land law and regulation and improvement of land policy for implementation of agrarian reform. Legal reconstruction aims at (a) improving land's people rights, (b) solving existing land problems, (c) handling and settling of land lawsuits, land disputes and land conflicts systematically and (d) implementing all land laws and regulations consistently. Agrarian reform is necessary to (1) foster equalities in land holding, land ownership, land use and utilization; (2) reduce poverty, (3) create employment; (4) improve people access to economic political resources, especially land; (5) minimize land disputes

and conflicts, (6) recover and protect environment; and (7) enhance security of household food and energy.

Reform of the organization of NLA is directed at its policy objectives: (a) building of public trust in improved and honest land services and land registration, (b) preventing on corruption, collusion, and nepotism, (c) empowering public participation, (d) implementing land laws and regulations consistently, and (e) strengthening the organization. New infrastructures that support reform of NLA are essential, including large scale land mapping, a land ownership database for spatial and textual data, a national land management information system (NL-MIS) and a land document security system (LDSS).

Improvement of land services and administration is the key to establishing public trust in NLA. Trust can be achieved by improving many activities such as rearranging standard operational procedure (SOP) of land administration and services, setting up mobile land office (LARASITA), and other efforts toward simpler, faster, cheaper and more reliable land services.

4. PROGRESS OF PROGRAM IMPLEMENTATION

A. Reform of Land Policy

Disparity in access to land is influenced by unnecessary complexity and confusion in the legal framework. A study on land law and regulation found 585 legal documents, comprising 12 laws, 48 government regulations, 22 presidential decrees, 4 presidential instructions, 243 ministerial/head of NLA regulations, 209 circular letters of minister/head of NLA, and 44 instructions of minister/head of NLA. These include many overlapping or contradictory regulations, and even unimplemented regulations. Efforts to improve this legal framework have been carried

out and implemented and others are in preparation. Ratified legal documents are:

- a. Presidential regulation number 10, 2006 about NLA. This regulation is a legal basis of institutional development of the agency.
- b. Upgrading of president regulation number 17, 2007 to become president regulation number 28, 2008 about Agency of Mitigation Sidoarjo Mud Flow Problem (BPLS);
- c. Improvement of head of NLA regulations/instructions (42 regulations/instructions);
- d. Improvement of head of NLA decisions (131 decisions).

Efforts to improve land policy include:

- a. Preparation of academic manuscript draft on Land Law (*RUU Pertanahan*),
- b. Preparation of academic manuscript draft on Agrarian Reform Law (*RUU Reforma Agraria*),
- c. A draft government regulation on idle land (*RPP Tanah Terlantar*), and
- d. A draft government regulation on government income non tax (Government Regulation No.46).

Some land issues involve many government institutions. NLA has therefore increased its co-operation with other institutions by setting up 14 memorandum of understanding (MoU). NLA has formulated four strategies that focus of land policy implementation. They are:

- a. Legalization of private and state assets;
- b. Agrarian reform;
- c. Idle land management;
- d. Land dispute and conflicts resolution.

B. Institutional Reform

Bureaucratic reform started in 2006 with a focus group discussion (FGD) series on agency functions. As part of government of Indonesia, NLA has goals to take part on creating social welfare, sustainability and social harmony among Indonesian people. FGD aimed at formulating objectives and strategies to implement state goals. A reorganization was instituted by Presidential Decree number 10, 2006. In response, NLA -

- a. Merged some organization units and developed new units, such as Deputy of Land Survey and Mapping, and Deputy of Land Dispute Resolution and Management.
- b. Implemented a reward and punishment system for NLA staff performance.
- c. Implemented new mutation and promotion system for the NLA staff through profiling and fit and proper person testing, touring areas, and touring of duty.
- d. Implemented a new staff recruitment system guided by the Ministry of Empowerment of State Civil Services, in order to be more transparent and accountable. The success of this system was indicated by absence of complaints from the test attendees.

C. Development of Infrastructures

Development of infrastructures is necessary to execute the tasks and functions of NLA in land administration and delivery of simpler, faster and cheaper public services. Some activities are:

- a. Improving hardware and software of land administration.
- b. Developing a detailed base map to support land administration and agrarian reform.
- c. Digitizing the vector maps for 11 million of 80 million land parcels.
- d. Providing facilities for mobile land services, called LARASITA.
- e. Developing and improving information and communication technology (ICT) of land offices to support land services on-site and online.

- f. Developing automatic information services (KIOSK) in many land offices.

D. Improvement of Land Services and Administration Processes

Land services include public services dealing with land administration. According to a previous study, processes in land offices were very complicated and time consuming. Brokerage systems resulted which involved unofficial payments. Land services became very expensive and some NLA offices lost the trust of people. Land services were improved by:

- a. Rearranging and simplifying procedures, both in front and back offices, by publishing internal and external standard procedures (SPOPP) for land offices. All offices of NLA have to implement the SPOPP and it must be disseminated to the public. Thus the public are informed the proper procedure, duration and price of land services. Fourteen specific land services must now be finished in not more than 15 working days (Head of NLA Regulation No. 6, 2008).
- b. Limiting opportunities for brokerage systems by:
 - Setting up mobile land services (LARASITA) which have covered more than $\frac{1}{4}$ of the country's area.
 - Implementing mass legalization of private assets financed through the public budget (Prona, Proda, Ajudikasi, and LARASITA) or self financed (Government Regulation No. 46).
 - Developing land information system through the internet and short message services (text).
 - Eliminating the opportunity for staffs to become a consumers' proxy in land services.

Land services will continue to improve at an even faster rate. The number of published land certificate increased dramatically to almost triple in 2007 and 2008. The number issued in 2005 was 919 319 in 2005, and grew to 1 345 809 in 2006, 2 691 167 in 2007, and 2 671 551

in 2008. Service improvement also contributes a positive impact to the state revenue: i.e. the non-tax state revenue from IDR 541.12 billion in 2006 to IDR 682.80 billion in 2008. The non-tax revenue target in 2009 is IDR 1 350.00 billion.

E. Land Dispute and Conflicts Resolution

A study in 2007, revealed 7 491 cases of land disputes and conflicts. Handling of these cases is therefore urgent. Dispute resolution has been carried out by developing and implementing programs such as land dispute settlement operations (*Operasi Tuntas Sengketa*) and land dispute investigation operations (*Operasi Sidik Sengketa*). These programs have solved about 1 778 cases.

5. FURTHER PRIORITY PROGRAMS

Further priority programs of NLA are based on (1) four main land policy and management principles, (2) eleven of NLA priority agendas, (3) four directions of strategic plan, and (4) the results of program implementation. Some priority programs involve continuation of existing programs. Strategic plans have identified four program groups: (a) reforming land politic system, (b) reforming organization and bureaucracy of the NLA, (c) developing land administration and service infrastructures, and (d) improving land service and administration processes. Each program has discrete activities but they are related to achieve certain objectives. A matrix of priority programs, expected supports and line divisions is shown in Appendix 1.

Agrarian Reform Program is designed to improve delivery of land for social welfare and sustainability and social harmony. Agrarian reform is defined to be a significant change in agrarian structure, resulting in increased access to land by the rural poor, as well as a secure tenure for those actually work on the land. It also includes access to

agricultural inputs, markets, services and other needed assistance. The official speech of the President of the Republic of Indonesia in January 31st, 2007 defined the program as:

“Agrarian reform programgradually...shall be started in the year of 2007. The implementation is preceded by allocating land, which originates from forest conversion, for the poor, and other land, that is allowed by our land law, to be allocated for the interest of the people. This is that I call the principle of land for justice and people prosperity ... (that) I consider must be implemented.”

The fundamental political nature of agrarian reform must be recognized at the outset. Agrarian reform seldom involves making only a minor adjustment in the socio economic environment. Historically, many agrarian reforms have attempted to change social relationships of property ownership, wealth, social status, and political power. Therefore they tend to be contested in the political sphere between those forces seeking to put agrarian reform into effect, and powerful members of society who expect to lose from it.

At the heart of this politically charged reform are differences between land as a resource, and other farm inputs and outputs. Some essential attributes of land are as follows:

- a. Land is resource in agricultural production, but is ultimately fixed in supply within a nation state. While land can be transferred between uses, meaning that supply for a particular use is seldom completely inelastic, the potential to increase its availability at the extensive margin is either non-existent or involves high costs.
- b. Land is a stock of capital, a fixed asset or investment, and measure of wealth. Land plays multiple roles in these regards. The value of land – the price per hectare – seldom merely reflects the expected rate of return to land as a capital investment in agricultural production. Land is also held as a livelihood security, as a financial security, and as a transfer of wealth across generations.

- c. Agricultural land ownership involves social and economic relations between, for example, landlord and share tenant, landowner and cash tenant, or plantation owner and wage laborer. Peasants have historically derived their access to land by tenancy or by customary tenure rather than by ownership.

The way land is owned in Indonesia is rooted in colonial era, government policy, and social changes in the past. Once established and consolidated, the land ownership tends to remain fixed, with little if any change. In Indonesia, land distribution, and later processes of allocation, produced unequal access. Pressure for agrarian reform arose from the inability of this highly unequal, but fixed, land distribution to meet needs generated by rapid changes in society. Population growth, increased mobility, development of markets, income growth, and changing forms of economic exchange and social interaction, are all relevant. When a rigid land ownership structure does not absorb social change social forces are set in motion.

Based on the study of land law and regulation, agrarian reform has been mandated in the Basic Agrarian Law 1960, House of Consultative Assembly Decree number 5/2003 and House of Consultative Assembly Provision number IX/MPR/2001. Agrarian reform requires reform of land policy and law based on Pancasila, State Constitution 1945, and Basic Agrarian Law 1960. In practice, agrarian reform is land reform implemented by access reform. In other words, agrarian reform involves both assets and access to the assets. Many writers consider the absence of supporting policies – price policy, credit policy, input policies and so on – contributed to the lack of success of many agrarian reform efforts. Provision of agricultural extension/training services, credit, loan, guarantees, appropriate technology, markets, and other agricultural inputs and services for small farmers, rural workers and other beneficiaries during the post-agrarian reform period is as crucial as providing them with land in the first place. There is vast difference

between regions in their production capacity, levels of rural economy and social provisioning, but the issue of improvement in post-reform peasants' livelihoods is frequently neglected in agrarian reform. Regular monitoring of general living and working conditions of beneficiaries is also important, especially to ensure that people continue to hold their land, do not enter into a vicious circle of indebtedness, and are able to exploit production potential fully. The objectives and related activities of agrarian reform are shown in Appendix 1.

Strategies to implement the agrarian reform are: (1) rearrangement of the concentration of assets and idle land by reforming land policies and law based on Pancasila, State Constitution, and the Basic Agrarian Law 1960, and (2) allocation of state controlled land directly for poor people. The land area under state control is 9.25 million hectares, much of which can be used to improve the welfare of poor people through an agrarian reform program. The program target is to create 10.53 million job opportunities and to alleviate 9.5 million households from poverty.

The role of the state is crucial in any agrarian reform, not only for practical reasons (carrying out cadastral surveys, promulgating and implementing relevant legislation, providing technical and financial support, etc.), but also because agrarian reform is inherently a political process. Without the implementation by the state of effective, socially just land laws, policies and strategies, agrarian reform remains a dead letter, regardless of donor pressure or popular demand for land by the landless. The provision of supporting services by the government to land beneficiaries is also important in guaranteeing the sustainability of the whole process.

Program on Minimizing Land Disputes and Conflicts is meant to decrease the number of land disputes and keep conflicts to a minimum. The large number land disputes and conflicts causes social un-rest,

security disturbances, and poverty. Land disputes and conflicts also produce economic loss because they prevent land being used to produce goods and services. Activities include:

- a. Mapping land cases and causes of conflict and dispute problems.
- b. Improving coordination between NLA and Indonesia Police Department.
- c. Establishing a civil servant investigator.
- d. Establishing a desk for reporting land disputes.
- e. Improving NLA capacity in solving land conflicts and disputes.
- f. Carrying out routine activities concerning land conflict and dispute resolution.
- g. Accelerating land conflict and dispute resolution, through:
 - land dispute settlement operation (*Operasi Tuntas Sengketa*)
 - land dispute investigating operation (*Operasi Sidik Sengketa*)

Implementation of the settlement operation has significantly decreased land disputes and conflicts. This program will be continued until a minimum level number of cases is reached.

Optimizing Use of Idle Land Program is one of efforts to widen access to land and improve economic value of land in an environmentally sustainable manner. In Indonesia, idle land is estimated to be 7.3 million hectares spread over the country. Idle land causes social unrest, poverty and economic loss opportunity. The objectives of this program are (1) to increase access to idle land, and (2) to increase the economic value of land itself in sustainable manner. The idle land program involves:

- a. Optimizing the use of idle land by strengthening land control in order to improve people's access to land.
- b. Improving the structure of land use in rural and urban areas.
- c. Empowering farmers through implementation of community development models in order to increase their welfare.

Idle land inventory has been carried out for the entire region. Draft laws have been prepared to support the idle land inventory. Further activities

are: (a) implementing land use control and land use according to its capability, and (b) implementing community development to empower farmers.

Reconstruct Land Regulation Program aims at improving the existing construction and configuration of land laws and regulations. A previous study showed land regulations created a “jungle of law” because of many regulations overlap and are contradictory. The activities of this program are:

- a. Analyzing and reconstructing land legal framework.
- b. Improving agrarian reform law.
- c. Improving land related laws.
- d. Proposing the government regulation on idle land.

Capacity Building and Strengthening the Institution are necessary because land is a strategic resource for Indonesia. NLA as one of government institutions dealing with land, must have a strong institution and sufficient management capacity. Strong institutional and management capacity will help NLA to implement the national programs related to agrarian reform, poverty alleviation, land conflict and dispute resolution, etc. The activities of this program are:

- a. Improving physical resources (building, technologies, and support facilities);
- b. Human resources development and training;
- c. Improving the standard of public service;
- d. Developing quality assurance in the organization.

Build and Improve Land Mapping and Land Information System Program will let establish spatial data and the latest information to support NLA’s services. Comprehensive land information is an infrastructure of land policy and administration. A current study shows that the existing land data, based on maps and geodetic network stations, for administration and land policy covers only about 5 percent of total area of Indonesia. Meanwhile land thematic maps are of limited use.

Most of them are in unapropriate scale and are out of date. Land thematic maps are important to support formulation of land policy, land administration, space allocation, land-use planning, agrarian reform, land use control and monitoring, community empowerment and development, land conflict resolution, urban and rural planning and development, and GIS public services. Indonesia has very large total land area (190,92 million hectares) but a limited total annual budget for mapping (only for about 500 000 hectares annually). Comprehensive and complete maps covering all the ountry will not materialize for a long time. To get better access and update data, land maps and other information should be managed within a computerized land information system. Acceleration of this program is essential to support the many programs and to meet national objectives.

NLA plans that all land parcels will be registered within 18 years or less, therefore both land data based on maps and land thematic maps should available within 3 to 15 years. To achieve this goal NLA programs comprise:

- a. Developing cadastral base maps.
- b. Accelerating cadastral mapping.
- c. Developing land thematic mapping.
- d. Establishing national land information and management system.

Improve Land Administration Program is meant to give certainty in the relationship between people and their land. Only about 45% of the 85 million existing parcels are registered, but most of these registered parcel are not yet mapped. This increases the number of land dispute and conflicts. The existing archives in land offices are still managed in a manual system. This system is not quiet conducive to improving public service or building public trust. If not managed and organized carefully, manual archives create many problems including mistaken and overlooked documents, lost documents, loss through fire and moisture, and so on. Activities this program involve:

- a. Accelerating creation of the land cadastre by improving the land registration system.
- b. Promoting mass land registration.
- c. Improving land record management by developing digital archive management and security systems.

Strengthening LARASITA Implementation is very necessary because this program improves land administration and accelerates land registration. Implementation has significantly increased the number of certified land parcels. LARASITA provides mobile land services - car, motorcycle, and boat - equipped with modern information technologies. The service can reach clients in remote areas. LARASITA is suitable because of the specific geographical conditions of Indonesia and has become popular with consumers. LARASITA has received many awards, including from the President of Indonesia and the World Bank. World Bank recognizes this program as “*Indonesia-Pioneering mobile land information services*”. Hopefully, LARASITA will increase its operation rapidly to cover the entire country.

Development of Land Acquisition System for Public Infrastructures is one of NLA instruments supporting public infrastructure development. Many types of national infrastructure development programs should be supported by NLA i.e. the development of trans-Java Toll-Road for 1 000 km, 1 000 Towers for housing in urban areas, Sunda Strait Bridge connecting Sumatra and Java, food security, special economic zone, biofuel, etc. NLA also supports reconstruction and rehabilitation of disaster areas such as the tsunami in Aceh and East Sumatra, earthquakes and floods. In response to these national infrastructure development programs, NLA assists land acquisition and improvements in the valuation system.

6. CLOSING REMARKS

National challenges for the Indonesia government are poverty, unemployment, inequality in income distribution, wide disparities in land holding, land ownership, land use and land utilization, high number of land disputes/conflicts, and other issues related to land. In trying to overcome those challenges, NLA, as one government institution, addressed national policy solutions by shifting land policy towards land for social welfare and sustainability and social harmony. To implement this change, some programs were designed and implemented. Action must proceed at two levels. Public administration and management of expenditure at the national level must be strengthened to promote pro-poor growth and social development. At the same time, responsibility for provision of NLA services to the public must be developed to the lowest appropriate level of government. Unfortunately, institutional capacity tends to be weak in local governments and there is danger of capture by local factions. The long-term objectives, however, should be to empower the poor and develop institutional arrangements that foster participation and accountability until the local level is effective.

A diversified range of stakeholders is involved in achieving land policy objectives and poverty reduction efforts generally. Apart from the government and the private sector, civil society institutions have an important role to play. Numerous vibrant and responsive NGOs - both national and local - are engaged in development work and championing the legal rights of the poor. NLA actively seeks to cooperate with these NGOs to benefit from their experience and perspectives, and to take advantage of their closeness to the poor and vulnerable.

Some programs of NLA have been successfully implemented because of World Bank support. Many programs still need maintenance to implement new land policy. Strengthening of the relationship between NLA and the World Bank is important for these programs. With World Bank support, hopefully the challenges that face the Indonesia Government can be gradually overcome.

APPENDIX 1

Table 1. Matrix of Priority Programs, Expected Supports and Line Divisions

No	OBJECTIVES	PROGRAMS/ACTIVITIES	EXPECTED SUPPORTS BUDGETS			NOTES
			GRANT	LOAN	GOI	
Reform of land politic system						
1	<p>a. To alliviate disparities of land holding, ownership, use and utilization</p> <p>b. To alliviate poverty</p> <p>c. To create employment</p> <p>d. To improve people access to economic political resources, especially land</p> <p>e. To strengthen national food and energy security</p>	<p>Agrarian Reform:</p> <p>a. Identification, verification and mapping of Agrarian Reform Land (object)</p> <p>b. Identification, verification and registration of Agrarian Reform Subject (poor and landless people)</p> <p>c. Identification and verification of Stakeholder related to access reform</p> <p>d. Establishment of Institution for Agrarian Reform :</p> <p>1. Agrarian Reform Council at National, Provice and Regency/Municipal levels</p> <p>2. Management and Fund of National Agrarian Reform Office</p> <p>e. Agrarian Reform Delivery and Action</p> <p>f. Monitoring, evaluation and continuous improvement of Agrarian Reform implementation processes (Quality Assurance of Agrarian Reform Impementation)</p>	√			S, D 1, 2 3 4 5
					√	
					√	
					√	

No	OBJECTIVES	PROGRAMS/ACTIVITIES	EXPECTED SUPPORTS BUDGETS			NOTES
			GRANT	LOAN	GOI	
2	<ul style="list-style-type: none"> a. To minimize land dispute and conflicts b. To improve people access to economic political resources (especially land) 	<p>Minimizing Land Disputes and Conflicts :</p> <ul style="list-style-type: none"> a. Further mapping and studies on conflict and dispute roots b. Further implementation of strategic program to enhance the settlement of conflict and dispute c. Strengthening Civil Servant Investigator 	<p>√</p> <p>√</p>		<p>√</p> <p>√</p>	S, D 1,5.
3	<ul style="list-style-type: none"> a. To widen people access to land and improve economic value of land b. To alliviate poverty c. To create employment 	<p>Optimizing Use of Idle Land:</p> <ul style="list-style-type: none"> a. Strengthening land control in order to widen people access to productive land; b. Improvement of landuse restructurization suitable to land capability in rural and urban areas c. Empowering farmers welfare through implementation of community development 	<p>√</p> <p>√</p>		<p>√</p> <p>√</p>	S, D 1, 3, 4.
4	<ul style="list-style-type: none"> a. To Strengthen land politic system. b. To reconstruct Land 	<p>Reconstruct Land Regulation:</p> <ul style="list-style-type: none"> a. Analyzing and reconstructing the existing Land Legal Systems 	<p>√</p>			S D 1, 2, 3, 4, 5

No	OBJECTIVES	PROGRAMS/ACTIVITIES	EXPECTED SUPPORTS BUDGETS			NOTES
			GRANT	LOAN	GOI	
	Regulation	b. Developing Agrarian Reform Law c. Developing Land Related Laws d. Improving the Government Regulation on Idle Land	√			
Reform of organization and bureaucracy of the NLA-RI						
5	To improve capacity building and strengthen institution	Improve Capacity Building and Strengthen Institution: a. Improving physical resources (building, technologies, and support facilities) b. Human Resources Development and Training c. Improving Public Service Standard d. Quality Assurance of Institution Development		√	√	S, D1, 2, 3, 4, 5
Development of land administration and service infrastructures						
6	To build and improve land mapping and land information system	Build and Improve Land Mapping and Land Information System: a. Developing cadastral base maps b. Developing thematic land maps for supporting land control, community development, optimizing use of idle land, agrarian reform, land-use control	√	√	√	S, D 1, 2.

No	OBJECTIVES	PROGRAMS/ACTIVITIES	EXPECTED SUPPORTS BUDGETS			NOTES
			GRANT	LOAN	GOI	
		and land dispute resolution. c. Establishing National Land Information Management System	√	√	√	
Improvement of land service and administration processes						
7	To improve Land Administration	Improve Land Administration: a. Accelerating land cadastral mapping by improving land registration system b. Promoting mass land registration c. Improving Land Archive Management by Developing Digital Archive Management and Security Systems		√ √ √	√ √ √	S, D 2.
8	a. To enhance land registration b. To accelerate people access to economic political resources, especially land	Strengthening LARASITA Implementation a. Developing Physical Support System (transport, communication, software, hardware etc) b. Strengthening capability of staffs to be excellence public services	√	√	√	
9	To Support	Development of land acquisition system for				S, D 1,

No	OBJECTIVES	PROGRAMS/ACTIVITIES	EXPECTED SUPPORTS BUDGETS			NOTES
			GRANT	LOAN	GOI	
	Public Infrastructure Development	public infrastructures a. Setting up workable legal document b. Development of land acquisition system c. Improving land valuation system	 √ √ √	 	 √ √ √	2, 3.