

***LAND DISPUTE RESOLUTION BETWEEN PT.MEDCO  
E&P MALAKA AND RESIDENTS OF GAMPONG  
PANTON RAYEUK, BANDA ALAMDISTRICT, EAST  
ACEH REGENCY***

***(Research Study at the National Land Agency Office, East  
Aceh Regency)***

**Dira Marfirah**

Fakulta Hukum Universitas Malikussaleh  
dira.200510119@mhs.unimal.ac.id

**Muhibuddin**

Fakultas Hukum Universitas Malikussaleh  
muhibuddin@unimal.ac.id

**Hasan Basri**

Fakultas Hukum Universitas Malikussaleh  
hasanbasri.@unimal.ac.id

**ABSTRACT**

The land dispute between PT. Medco E&P Malaka and residents of Gampong Pantan Rayeuk reflects the conflict between customary rights of the community and interests in exploiting natural resources, where 3,000 hectares of land managed by the community is claimed by the company. Although PT. Medco has an exploitation permit, 90% of residents reject compensation and want a resolution through deliberation. This emphasizes the need for a fair resolution and respect for the rights of local communities, in accordance with Article 33 paragraph (3) of the 1945 Constitution which mandates the management of resources for the prosperity of the people. This study aims to explain the resolution of the land dispute between PT. Medco E&P Malaka and residents of Gampong Pantan Rayeuk, and to identify the obstacles faced in the process, including the efforts of the National Land Agency (BPN) of East Aceh. This research method uses an empirical legal approach with observation and interview techniques with a number of informants and respondents, then analyzed with the stages of data collection, data reduction, data presentation and drawing conclusions. The results of the study indicate that the land dispute between PT. Medco E&P Malaka and the residents of Gampong Pantan Rayeuk reflect the clash between development ambitions and traditional rights, where around 65% of the land controlled by the company is customary land recognized by custom. The community claims their customary rights based on Article 3 of Law No. 5 of 1960 and Law No. 2 of 2012, which requires land acquisition to take into account community welfare, but 90% of residents reject compensation that is considered disproportionate to the value of their land. Mediation carried out by the BPN faced obstacles due to differences in recognition of rights and residents' rejection of compensation, so a restorative approach and involvement of

traditional leaders in accordance with Aceh Qanun No. 9 of 2008 was used. The results of the mediation showed a 30% reduction in conflict and an increase in compensation from IDR 50 million to IDR 75 million per hectare, emphasizing the importance of respecting local values and culture in resolving disputes.

The recommendation given is for the National Land Agency (BPN) to adopt a more inclusive settlement method, involving traditional leaders and considering justice for local communities, in order to create a fair and sustainable solution.

**Keywords:** *Land Dispute, Customary Rights, National Land Agency.*

## 1. INTRODUCTION

Land is a primary basic need for human beings to live and live, without land a person cannot carry out his rights to life normally and safely like other people who have land.<sup>1</sup> In addition, humans as social beings (*zoon politicon*) still need the help of others to take care of or resolve the land disputes they face. Everyone certainly does not want to have disputes with others and wants to live in peace and mutual respect. However, in the life of the community, both ethnically, economically, socially, culturally and with a variety of desires that are different from each person, disputes are difficult to avoid.

Land rights are rights that authorize the right holder to use and/or benefit from the land they own.<sup>2</sup> The word "use" implies that the right to land is used for the purpose of erecting buildings, while the word "taking advantage" implies that the right to land is used for the purpose of not erecting buildings, such as agriculture, fisheries, livestock, and plantations.<sup>3</sup>

Land disputes can occur between two parties individually, communally and even involving many parties and countries, from simple disputes to the most crucial.<sup>4</sup> Factors for the occurrence of a dispute over land due to a complaint from one of the parties (Person or Legal Entity) which contains objections and demands for rights to priority land and its ownership in the hope of obtaining a fair settlement without partiality.<sup>5</sup>

Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia, affirms that "The earth and water and the natural resources contained therein are controlled by the state and used for the greatest possible prosperity of the people." This principle mandates that the state has the right to control and manage these natural resources for the greatest benefit for the prosperity of the people. The analysis in this article reflects the commitment of the Indonesian state to ensure that the natural

---

<sup>1</sup> Hamidi and Moh Abdul Latif. "Settlement of Land Disputes in the Madura Region by Mediation by the National Land Agency." *Yudisia: Journal of Legal Thought and Islamic Law*, Volume 12, Number 1, 2021, p. 51.

<sup>2</sup> Urip Santoso. "Authority of the Regional Government over the Right to Ownership of Land." *Journal of Legal Dynamics*, Volume 12, Number 1, 2012, pp. 186-196.

<sup>3</sup> In chess, Ayu Ningtyas. "Land rights as a basis of proof for the owner in the Agrarian Law based on the UUPA." *Court Review: Journal of Legal Research*, Volume 3, Number 1, 2023, pp. 28-35.

<sup>4</sup> Ahyuni Yunis and Ahmad Ali Muddin. "Settlement of customary land disputes that have been certified based on Malind-Anim Customary Law." *Kertha Patrika Journal*, Volume 41, Number 3, 2019, pp. 206-221.

<sup>5</sup> Marsella. "Perspective on Handling Land Disputes at the National Land Agency." *Scientific Journal of Law Enforcement*, Volume 2, Number 2, 2015, pp. 101-107.

resources owned by the state are used efficiently and fairly to improve the overall welfare of the people. In addition, the right to control from this State also contains Article 2 of the UUPA as follows:

- (1) On the basis of the provisions in Article 33 paragraph (3) of the Constitution and matters as referred to in Article 1, the earth, water and space, including the natural resources contained therein are at the highest level controlled by the State, as the organization of power of all the people.
- (2) The right to control from the State referred to in paragraph (1) of this article authorizes to:
  - a. Regulate and administer the allocation, use, supply and maintenance of the earth, water and space;
  - b. Determine and regulate the legal relationships between people and the earth, water and space;
  - c. Determine and regulate legal relationships between people and legal acts related to the earth, water and space.
- (3) The authority derived from the right to control from the State in paragraph (2) of this article is used to achieve the greatest prosperity of the people, in the sense of happiness, welfare and independence in society and the Indonesian legal state which is independent, sovereign, fair and prosperous.
- (4) The right of control of the State above its implementation can be delegated to Swatantra regions and customary law communities, only as necessary and not contrary to the national interest, according to the provisions of Government Regulations.

Article 2 of the UUPA states that the earth, water, and space and the natural resources contained therein are controlled by the State based on Article 33 paragraph (3) of the Constitution, giving the State the authority to regulate, organize, and determine the allocation and use of these resources in order to achieve the prosperity of the people. The state is also authorized to determine the legal relationship between people and these natural resources and between related legal acts.

This right of control can be delegated to autonomous regions and customary law communities in accordance with government regulations as long as it does not conflict with national interests. In this case, state land used by the people can be transferred to the rights of the people in accordance with existing provisions, so that the people can utilize and manage the land for their welfare.

Land as part of the earth is mentioned in Article 4 paragraph (1) of the UUPA "On the basis of the right to control from the state as referred to in Article 2, it is determined that there are various rights to the surface of the earth, called land, which can be given to and owned by people, either alone or jointly with other people and legal entities". Thus, it is clear that the land in the juridical sense is the surface of the earth, which is bounded, two-dimensional with a measure of length and width.

The provisions of Article 4 paragraph (2) of the UUPA, the holder of land rights is authorized to use the land concerned, as well as the body of the earth and water and the space on it are only necessary for the direct interests related to the use of the land within the limits of the UUPA and other higher legal regulations.

PT. Medco E&P Malaka, as a company engaged in the energy sector, has an interest in a plot of land covering an area of about 3,000 hectares in Gampong Pantan Rayeuk for the exploitation of natural resources, especially oil and gas. This land has been the object of debate because local residents claim that part of the area is customary land that has been managed by the community for many years.

On the other hand, PT. Medco E&P Malacca obtains permission from the central government or local government to carry out exploitation activities in the area. However, the permits granted are controversial because they do not always consider the claims of local communities to land rights that they consider to be their customary property. In this case, the National Land Agency (BPN) plays a

role in determining the land ownership boundary between PT. Medco E&P Malacca and residents of Gampong Pantan Rayeuk. This process often does not go well, due to differences of views in the interpretation of customary law and positive law.

Residents of Gampong Pantan Rayeuk who feel that their land is threatened due to exploitation activities carried out by PT. Medco E&P Malacca often staged protests and demonstrations. They demand recognition and respect for their rights from companies and governments. The land in dispute actually belongs to indigenous peoples, which have been passed down from generation to generation.

Surah Al-A'raf Verse 128:

عِبَادِ اللَّهِ مَنْ يَشَاءُ مَنْ يُورِثُهَا لِلَّهِ الْأَرْضَ إِنَّ وَاصِبِرُوا بِاللَّهِ اسْتَعِينُوا لِقَوْمِهِ مُوسَى قَالَ  
لِلْمُتَّقِينَ وَالْعَاقِبَةُ

The verse affirms that the earth and all its contents belong to Allah, who gives it to His servants according to His will, and only those who are righteous will have a good end. The paragraph also underlines the importance of fair and ethical management and use of land, remembering that land rights are not only related to legal ownership, but also to the moral responsibility to safeguard the rights of local communities. This land dispute reflects a challenge in upholding social justice and protecting citizens' rights, which should be respected as part of piety to Allah's commandments.

Based on Qanun Aceh Number 9 of 2008 concerning the Development of Customary Life and Customs in Chapter VI concerning Dispute or Dispute Resolution, in Article 13 paragraph (2) it is stated that (2) The settlement of disputes or disputes over customs and customs as referred to in paragraph (1) is resolved in stages. And in paragraph (3) it is explained that law enforcement officials provide an opportunity for disputes/disputes to be resolved first in a customary manner in Gampong or another name. This is related to the title of the research because the settlement of land disputes should prioritize customary mechanisms at the Gampong level before involving law enforcement officials or related agencies, in accordance with the provisions stipulated in the Qanun.

## 2. RESEARCH METHOD

This type of research is a type of qualitative research to deeply explore the meaning of interactions and conflicts that occur between companies and society. This study uses an empirical juridical approach to examine legal aspects in the social context of the community. This research has a descriptive nature, namely research that aims to accurately describe the characteristics of an individual, circumstances, symptoms or the spread of a symptom and other symptoms in society.

## 3. RESULTS AND DISCUSSION OF RESEARCH

Based on an interview with Mr. Salamat Nasution, S.H.I., M.A, a mediator involved, it was conveyed that mediation was first taken but experienced obstacles due to compensation demands that were difficult for both parties to agree.<sup>6</sup> Based on survey data obtained from the National Land Agency (BPN) of East Aceh Regency, around 65% of the land controlled by PT. Medco is customary land, while the other 35% is land with a certificate of ownership of residents. From the survey, as many as 80% of residents felt that they did not receive adequate compensation, while only 20% felt that it was enough. BPN representative, Syahril, explained that the land certification process in the area is indeed complex because it involves customary rights that are still recognized customarily.<sup>7</sup>

---

<sup>6</sup> Salamat Nasution, S.H.I., M.A. Mediator of the Idi Rayeuk District Court of East Aceh, interview results on October 16, 2024.

<sup>7</sup> Syahril, Head of Problem Management, Development and Land Counseling of BPN East Aceh, interview results on October 22, 2024.

**Table 1. Data from the Survey Results of the National Land Agency (BPN) Regency East Aceh**

Land Status	Percentage	Compensation Received	Compensation Denied
Customary Land	65%	10%	90%
Land Certificate	35%	45%	55%

Source : BPN Aceh Timur

The theory of legal certainty emphasizes that people have the right to obtain protection for their land, both customary and positive law. Prof. Boedi Harsono, an expert in agrarian law, argues that in disputes like this, *socio-legal* aspects must be considered so that people do not feel marginalized.<sup>8</sup> A *legal-formal* approach is indeed not enough to resolve cases involving customary rights because the community views land as a cultural heritage that is more valuable than just an asset.

Land dispute settlement between PT. Medco E&P Malaka and the residents of Gampong Pantan Rayeuk have gone through various processes, including mediation, public consultation and compensation offers by the company. According to the results of an interview with Salamat Nasution, S.H.I., M.A. Mediator of the Idi Rayeuk District Court of East Aceh, the initial mediation held between the two parties aimed to reach an agreement on the value of compensation.<sup>9</sup>

In addition, in accordance with the explanation of Public Relations of PT. Medco, Hendarsyah, the company has offered compensation based on an evaluation from the National Land Agency (BPN), but the majority of residents refuse because they feel that the value provided is not proportional to the meaning of the land to their community. Based on survey data from BPN, around 65% of the land used by PT. Medco is customary land, where 90% of residents who own customary land reject compensation offers.

Alternatively, Syahrial from BPN involved traditional leaders, academics, and local officials in an independent team tasked with reviewing compensation agreements with a restorative approach. This approach includes customary deliberation and open dialogue that respects customary rights, in accordance with Qanun Aceh Number 9 of 2008 and supported by Law Number 30 of 1999 on Arbitration and Alternative Dispute Resolution. This approach creates a fair "*win-win*" solution for both parties, so that disputes can be resolved peacefully and reduce tensions between the company's development interests and the rights of local communities to land.

For citizens, the success of deliberations and respect for customary rights will strengthen their position in defending their culture and socio-economic rights. Meanwhile, for PT. Medco, settlement based on deliberation can improve their relationship with the surrounding community, potentially reducing future conflicts. Thus, adequate dispute resolution not only provides justice for indigenous peoples, but also ensures that the company's operations run smoothly with social support from the local community. The place for resolving this dispute took place in the East Aceh Regency area,

---

<sup>8</sup> Nova Yarsina. "Reconstruction of Customary Land Registration Regulations in Providing Legal Certainty in the Form of Certificates Based on Justice Values." Phd Diss., Sultan Agung Islamic University, 2023.

<sup>9</sup> Salamat Nasution, S.H.I., M.A. Mediator of the Idi Rayeuk District Court, East Aceh, Interview Results on October 16, 2024

especially in Gampong Panton Rayeuk, by involving related parties such as BPN, community leaders, and representatives of local governments who understand local values and customary rights.

### **3.1. Obstacles in Resolving Land Disputes Between PT Medco E&P Malaka and Residents of Gampong Panton Rayeuk, East Aceh Regency**

The settlement of the land dispute between PT Medco E&P Malaka and the residents of Gampong Panton Rayeuk, East Aceh Regency, found various obstacles that illustrate the complexity of agrarian conflicts in Indonesia. This dispute not only concerns the interests of formal land rights, but also touches on the emotional, customary, and rights aspects of the local communities who have relied on this land for decades as a source of livelihood and part of their cultural identity.

On the one hand, PT Medco E&P Malaka, which has an exploration permit, seeks to meet its operational needs by complying with formal regulations, while on the other hand, villagers feel their rights to customary land are threatened. This creates various obstacles in mediation efforts that basically aim to find a fair agreement for both parties.

This tension is further complicated by differences of views related to the value of land in terms of economy and cultural heritage. Some of the obstacles that arise include a gap in perception regarding the value of compensation, the difficulty of the mediation process involving external parties, and administrative complexity that hinders the resolution. In addition, regulations regulating land acquisition for the public interest, as stipulated in **Law Number 2 of 2012**, as well as the recognition of customary land regulated in **Law Number 5 of 1960**, are still not fully implemented.

In this dispute, the most important obstacle is the difference in the recognition of land rights between PT. Medco E&P Malacca and residents of Gampong Panton Rayeuk. According to **Article 3 of Law Number 5 of 1960** concerning the Basic Regulation on Agrarian Principles (UUPA), customary rights owned by indigenous peoples are recognized as long as they do not conflict with national interests. The residents of Gampong Panton Rayeuk firmly believe that the land they occupy is a traditional heritage that has been passed down from generation to generation, so in their view it should not be diverted for the benefit of the company.

However, PT. Medco E&P Malaka, as the party that obtained the management rights through formal procedures, considers that the ownership of the land has been transferred in accordance with **Article 18 of Law Number 2 of 2012** concerning Land Acquisition for the Public Interest. This law states that land acquisition for the public interest can be carried out after going through a mechanism regulated by the government. This condition has resulted in disagreements between residents who rely on customary rights and companies that refer to formal rights from the government.

The next obstacle is the lack of alternative dispute resolution options that are acceptable to both parties. Article 1 number 10 of **Law Number 30 of 1999** concerning Arbitration and Alternative Dispute Resolution states that "Alternative Dispute Resolution is an institution for resolving disputes or differences of opinion through procedures agreed upon by the parties, namely settlement outside the court by means of consultation, negotiation, mediation, conciliation, or expert assessment". However, the implementation of this mediation often faces obstacles because it is difficult for both parties to find a point of agreement regarding the value of appropriate compensation.

The issue of customary land becomes more complicated by the existence of cultural values that are strongly attached to the land. Based on an interview with Iskandar Rasyid, a resident who represents the voice of the Gampong Panton Rayeuk community, it was stated that "this land is not just land, but

part of our family history."<sup>10</sup> This statement reflects that for residents, customary land is not just an economic asset but part of the identity that must be maintained.

Survey data shows that 90% of the residents of Gampong Pantan Rayeuk choose to defend their customary land, while only 10% are considering receiving compensation. This shows that cultural and emotional factors are more influential than economic factors in citizens' decision-making related to this conflict.

Qanun Aceh Number 9 of 2008 concerning Dispute and Dispute Resolution stipulates that the resolution of conflicts involving customary lands should prioritize deliberation and consensus by involving traditional leaders and the community. The implementation of this qanun is constrained due to differences of views between local community leaders and the company regarding how to reach a mutually beneficial consensus.

Based on an interview with Yusran Hasbi, a resident who represents the voice of the people of Gampong Pantan Rayeuk, he stated that "PT. Medco E&P Malacca does not fully understand the meaning of the deliberations that we embrace, because deliberation for us is a way to achieve harmony, not just a formality."<sup>11</sup>

Based on an interview with Syahrial, Head of Problem Management, Development and Land Counseling of BPN East Aceh, regarding the obstacles in resolving land disputes between PT Medco E&P Malaka and residents of Gampong Pantan Rayeuk, East Aceh Regency, as follows<sup>12</sup> :

1. Many residents do not have valid ownership documents, making it difficult to prove their claims to the disputed land.
2. There were difficulties in communication between PT Medco E&P Malacca and the local community, which led to a misunderstanding of the positions of each party.
3. PT Medco E&P Malaka has a large investment interest, while residents have an interest in defending their land, thus creating tension.
4. Resolving disputes through legal channels takes a long time, making people feel neglected and frustrated.
5. There is no adequate socialization regarding the rights of communities related to land, so they do not fully understand their legal position.
6. Administrative and bureaucratic processes in related institutions are sometimes very complicated, making it difficult for people to get the help they need.

**Table 2. Percentage of land ownership, compensation receipts, and Dispute Resolution Preferences in Pantan Rayeuk Village**

Category	Customary Land	Certified Land
Percentage of Ownership	65%	35%

<sup>10</sup> Iskandar Rasyid, a resident of Gampong Pantan Rayeuk, East Aceh. The results of the interview were on October 26, 2024.

<sup>11</sup> Yusran Hasbi, a resident of Gampong Pantan Rayeuk, East Aceh. The results of the interview were on October 26, 2024.

<sup>12</sup> Syahrial, Head of Problem Management, Development and Land Counseling of BPN East Aceh, interview results on October 22, 2024.

Category	Customary Land	Certified Land
Compensation Receipt	10%	45%
Compensation Denial	90%	55%
Completion Preferences	80% deliberation, 20% litigation	-

Source: Survey of the National Land Agency (BPN) of East Aceh Regency, 2023

This data shows that most residents still refuse the compensation offered by PT. Medco E&P Malaka, and prefers the deliberative method as a form of dispute resolution. The preference for deliberation illustrates the importance of a conflict resolution approach oriented to the customary values embraced by the citizens.

From the description above, it can be concluded that the land dispute between PT. Medco E&P Malacca and the residents of Gampong Pantan Rayeuk face various obstacles, ranging from differences of opinion on ownership rights, limited dispute resolution options, to cultural factors and the implementation of unsynchronized regional policies. Although Law Number 2 of 2012 and Qanun Aceh Number 9 of 2008 provide a legal basis for settlement, its implementation is still far from the expectations of residents.

The dispute resolution approach must consider the customary and emotional values inherent in the land. In this case, mediation and deliberation involving local community leaders will be more effective than the formal legal process. Respecting the cultural values of local people and trying to find solutions that focus not only on economic benefits, but also on social harmony, is the main key in overcoming these disputes.

Obstacles in resolving land disputes can be classified into several categories, namely:

1. **Legal Constraints** : The lack of clarity in the recognition of land rights by both positive and customary law has led to disagreements between PT Medco E&P Malaka and the residents. Existing arrangements have not fully accommodated the needs and rights of local communities, creating a conflict between positive and customary legal norms.
2. **Social Constraints** : There is a gap in understanding between companies and the community regarding land value. The local culture that prioritizes deliberation is not always understood by the company, which results in difficulties in reaching agreements.
3. **Economic Constraints** : These disputes have a direct impact on the economy of citizens, including loss of access to resources and livelihoods. Many residents depend on the land for farming and gardening, so this conflict is not only about the land, but also about their survival.
4. **Administrative Constraints**: The complicated and slow bureaucratic process makes it difficult for people to access the information and legal support needed to defend their rights.

The conflict of norms between positive law and customary law plays a major role in this dispute. Positive law, as stated in Law Number 2 of 2012, prioritizes the interests of investment and development, while customary law provides recognition of the rights of local communities to the land they have used for generations. The disharmony between these two norms often causes confusion among the public and hinders the resolution of disputes.

The economic impact of the land dispute is very significant for the residents of Gampong Pantan Rayeuk. The loss of access to customary land that has been their source of livelihood can result in the loss of livelihoods, increase poverty, and reduce the quality of life. Most people depend on



agricultural products for their livelihoods, so the conversion of land for the benefit of companies will affect the economic stability of their families and communities.

The economic strength of PT Medco E&P Malaka as a large company also affects the dynamics of dispute resolution. Companies have sufficient resources to lobby and support their interests through legal channels. This financial power gives them an edge in negotiations and influences public policy. This often puts locals in a weaker position, making it difficult for them to fight for their rights fairly.

From the above description, it can be concluded that the land dispute between PT Medco E&P Malaka and the residents of Gampong Pantan Rayeuk reflects the complexity of agrarian problems in Indonesia. Various obstacles, both in terms of legal, social, economic, and administrative, hinder the resolution of this conflict. In addition, the conflict of norms between positive and customary law adds to the difficulty in reaching a just solution.

Therefore, a more inclusive and sensitive approach to local values is needed in resolving these disputes. Ongoing dialogue and mediation involving neutral third parties can be an alternative in finding a mutually beneficial solution for all parties.

### **3.2. Efforts Taken by BPN Aceh Timur in Resolving Land Disputes Between PT Medco E&P Malaka and Residents of Gampong Pantan Rayeuk, East Aceh Regency**

Land dispute resolution in Indonesia often faces challenges that are not simple, especially when dealing with conflicts between large companies and local communities. One of the cases that attracted attention was a dispute between PT Medco E&P Malaka and residents of Gampong Pantan Rayeuk, East Aceh Regency. These conflicts involve not only legal aspects, but also social, economic, and cultural values that are rooted in society. In this case, the East Aceh National Land Agency (BPN) plays a central role as a mediator tasked with easing tensions and creating a fair solution for both parties.

The dispute began when PT Medco E&P Malaka, a company engaged in oil and gas exploration and production, claimed rights to a number of lands that were previously the customary territory of the Pantan Rayeuk people. The local community, who have occupied the land for generations, feels their rights are threatened, creating strong resistance to the company's presence. These tensions culminated in protests and lawsuits, which demanded intervention from the authorities, especially the BPN.

In an effort to resolve this conflict involving economic and social interests, BPN Aceh Timur must carry out various strategic steps that not only refer to applicable legal regulations, but also consider local wisdom and cultural aspects of the Acehnese people.

Based on the results of an interview with Mr. Salamat Nasution, S.H.I., M.A., a mediator involved in resolving this dispute, BPN Aceh Timur prioritizes mediation as the first step designed to avoid conflict escalation.<sup>13</sup> This process began with an open meeting that invited both parties and involved community leaders and village officials to provide a balanced basis for dialogue. Law No. 30 of 1999 on **Arbitration and Alternative Dispute Resolution** also strengthens this approach, which provides an alternative solution to settlement without the need to take the case to court.

The next effort of the East Aceh BPN is to base this settlement on the **Basic Agrarian Law Number 5 of 1960** which recognizes customary land rights as an integral part of land law in Indonesia. Recognition of customary land or customary land, including land that is considered to belong to the

---

<sup>13</sup> Salamat Nasution, S.H.I., M.A. Mediator of the Idi Rayeuk District Court of East Aceh, interview results on October 16, 2024.

residents of Gampong Pantan Rayeuk, is the main basis for BPN to consider community claims to the land.

One of the main obstacles is the determination of the amount of compensation, where PT Medco and residents have different views. Based on an interview with Hendarsyah, Public Relations of PT Medco, the company claims to have followed the provisions of **Law Number 2 of 2012 concerning Land Acquisition for Development for the Public Interest**. However, the residents represented by Iskandar Rasyid and Yusran Hasbi felt that the amount of compensation was not in accordance with the value of the land from cultural and economic aspects. For this reason, BPN Aceh Timur suggested that the evaluation of the land price assessment be carried out again by considering the non-economic aspects that residents consider as part of their lives.<sup>14</sup>

BPN Aceh's efforts also include remapping which aims to gain clarity on the boundaries of the disputed land, taking into account historical data owned by residents. From the initial mapping data conducted by BPN, it was found that around **70%** of the land claimed by the company is included in customary territories that have been recognized for generations by residents. This percentage shows that this agrarian conflict does require a more inclusive approach. This data was obtained based on a land measurement report carried out with village officials and representatives from BPN witnessed by the local community.

Qanun Aceh Number 9 of 2008, which specifically regulates dispute or dispute resolution, provides unique guidance in the context of dispute resolution in Aceh. BPN seeks to align this provision with the ongoing mediation process, prioritizing consultation and settlement that respects Aceh's local wisdom. Based on the results of an interview with Syahrial, a representative of BPN East Aceh, it was conveyed that his party has designed a solution that can accommodate local values in every negotiation process, where this process involves traditional apparatus and local scholars as mediators.<sup>15</sup>

Syahrial explained that this land dispute originated from a land ownership claim involving PT Medco E&P Malaka and the people of Gampong Pantan Rayeuk. PT Medco E&P Malaka claims to own the land based on a permit issued by the government, while the local community claims that the land belongs to them for generations. BPN Aceh Timur has taken several strategic steps, including:

1. Conducting data collection and verification of proof of ownership submitted by both parties including examination of legal documents, land deeds, and community recognition.
2. BPN held a mediation meeting between PT Medco E&P Malaka and the residents of Gampong Pantan Rayeuk to find a peaceful solution. This mediation involves an independent third party to ensure the process runs fairly.
3. Engage legal experts to provide advice and recommendations on legal steps that can be taken.

BPN Aceh Timur together with both parties, both PT Medco E&P Malaka and residents of Gampong Pantan Rayeuk, are drafting a written agreement that regulates more detailed provisions regarding their respective rights and obligations. This agreement is expected to minimize the potential for future conflicts, especially in terms of compensation and more sustainable land use.

---

<sup>14</sup> Hendarsyah, Public Relations of PT. Medco, interview results on October 14, 2024.

<sup>15</sup> Syahrial, Head of Problem Management, Development and Land Counseling of BPN East Aceh, interview results on October 22, 2024.

**Table 3. Land Dispute Resolution Data of PT Medco and Panton Residents**

**Rayeuk**

<b>Aspects to Note</b>	<b>Initial Data</b>	<b>Data After Mediation</b>	<b>Percentage Decrease in Conflict</b>
Claimed Land Area	100 hectares	70 hectares	30%
Number of Residents Who File a Lawsuit	150 People	75 People	50%
Average Amount of Compensation	Rp 50 Million per hectare	Rp 75 Million per hectare	50% increase

Source : BPN Aceh Timur

The data in the table above shows positive developments in the dispute resolution process, where BPN Aceh Timur managed to reduce the level of conflict by 30% by adjusting the claimed land area and increasing compensation for compensation.

Thus, the steps taken by BPN Aceh Timur can be said to be a comprehensive and adaptive approach, in line with existing legal provisions and still respecting local wisdom. This analysis reveals that the settlement of land disputes requires not only legal instruments, but also a deep understanding of local values, as well as the ability to conduct balanced negotiations.

The steps taken by the East Aceh BPN began with the receipt of a land dispute report submitted by the Panton Rayeuk community. Furthermore, BPN collects data and verifies proof of land ownership submitted by both parties. This process was followed by a series of mediation meetings involving community leaders to reach an agreement. In addition, remapping is carried out to determine the boundaries of the disputed land, ensuring that historical data owned by residents is recognized and valued.

The mediation mechanism carried out by BPN prioritizes open dialogue, where both parties are invited to convey their positions and arguments. Independent third parties are involved to ensure fairness in the process. The presence of this third party helps to create a more neutral atmosphere and reduce the potential for tension. Through this approach, BPN seeks to find an adequate common ground between the interests of PT Medco E&P Malaka and the rights of citizens.

The results of the efforts that have been made by BPN show a decrease in conflicts. Although the settlement did not completely remove the tensions, the steps taken showed success in reducing the number of citizens filing lawsuits and increasing the amount of damages. The data shows that although the compensation provided has increased, residents still feel that their rights as landowners are not fully recognized. This is a challenge for BPN to continue to strive to maintain open dialogue.

The impact of this dispute resolution is not only limited to legal and economic aspects, but also brings social influence. The people of Panton Rayeuk are now more aware of their rights and the importance of participating in the conflict resolution process. In addition, the company's involvement in this settlement paves the way for possible more constructive future cooperation between PT Medco E&P Malaka and the local community.

In dealing with land disputes, BPN Aceh Timur has the challenge of applying the principles of fair and balanced justice, as well as seeking a settlement that not only satisfies both parties but also reflects

the values of local wisdom owned by the people of Aceh. The success in resolving this dispute is expected to be an example for resolving similar conflicts in other regions in Indonesia, especially in the context of agrarianism.

## CONCLUSION

The conclusions that can be drawn from the results of this study are as follows:

1. Land dispute between PT. Medco E&P Malaka and the residents of Gampong Pantan Rayeuk reflect the conflict between economic interests and the rights of indigenous peoples. This issue is regulated in several laws, including Law Number 5 of 1960 concerning Basic Regulations on Agrarian Principles, Law Number 2 of 2012 concerning Land Acquisition, and Qanun Aceh Number 9 of 2008. Based on data from the National Land Agency (BPN), 65% of the land claimed by PT. Medco is customary land, where 90% of customary landowners reject compensation offers that are considered inadequate. Initial mediation efforts have been made, but encountered obstacles in determining the mutually agreed compensation value.
2. The main obstacle in resolving this dispute is the difference in perception of land value and recognition of customary rights, which are considered by the community as cultural heritage. The gap in compensation value and the difficulty of the mediation process between PT Medco and residents also slowed down the settlement. While PT Medco is trying to comply with formal regulations in accordance with Law No. 2 of 2012, the recognition of customary land rights regulated in Law No. 5 of 1960 is still not well realized at the operational level.

The dispute between PT Medco E&P Malaka and the residents of Gampong Pantan Rayeuk reflects the importance of a non-litigation approach in resolving land disputes, particularly those involving customary rights. Law No. 30 of 1999 on Arbitration and Alternative Dispute Resolution recognizes methods such as mediation and arbitration that can accommodate the interests of both parties. However, the lack of mutual understanding between companies and residents on the value of customary land is the main obstacle.

## REFERENCES

### A. Book

- Ajat Rukajat. 2018. *Qualitative Research Approach*. Yogyakarta: Deepublish.
- Anim Purwanto. 2022. *Basic Concepts of Qualitative Research: Theory and Practical Examples*. Jakarta: P4i Publishers.
- Bushar Muhammad. 2000. *Principles of Customary Law*. Jakarta: Pradnya Paramitha.
- In chess, Ayu Ningtyas. 2023. *Land Rights as a Basis of Proof for Owners in Agrarian Law Based on Uupa*. Jakarta: Court Review.
- Faculty of Law, Malikussaleh University. 2019. *Guidelines for Writing Final Projects*. Lhokseumawe: Unimal Press.
- Frans Hendra Winarta. 2022. *Indonesian National and International Arbitration Dispute Settlement Law: Second Edition*. Jakarta: Sinar Grafika.
- M. Ridha. 2017. *Peumat Jaroe: The Mediation Process Towards Harmony in Acehnese Society*. Banda Aceh: Lhee Sagoe Press.
- Mudakir Iskandar Syah. 2019. *Guidelines for Managing Certificates and Land Dispute Resolution*. Jakarta: Bhuana Ilmu Popular.

Rusmadi Murad. 1991. *Settlement of Legal Disputes over Land*. Bandung: Alumni.

Sugiyono. 2009. *Quantitative and Qualitative Research Methods*. Bandung: Alfabeta.

Supriadi. 2006. *Agrarian Law*. Jakarta: Sinar Grafika.

Untung Nugroho. 2018. *Quantitative Research Methodology*. Central Java: CV Publisher. Sarnu Untung.

Y. W. Sunindhia, and Ninik Widiyanti. 1988. *Reform of Agrarian Law*. Jakarta: Bina Aksara.

## **B. Journals and Theses**

Ahyuni Yunis and Ahmad Ali Muddin. 2019. "Settlement of Customary Land Disputes That Have Been Certified Based on Malind-Anim Customary Law." *Kertha Patrika Journal*, Volume 41, Number 3.

In chess, Ayu Ningtyas. 2023. "Land Rights as a Basis of Proof for Owners in Agrarian Law Based on Uupa." *Court Review: Journal of Legal Research*, Volume 3, Number 1.

Fingli Wowor. 2014. "The Function of the National Land Agency on Land Dispute Resolution." *Lex Privatum*, Volume 2, Number 2.

Firda Ainun Fadillah and Saskia Amalia Putri. 2021. "Alternative Dispute Resolution and Arbitration (Literature Review of Ethics)." *Journal of Applied Management Sciences*, Volume 2, Number 6.

Galih Orlando. 2017. "Authority of the National Land Agency in Handling Land Disputes." *Notary Journal*, Volume 3, Number 2.

Marsella. 2015. "Perspective on Handling Land Disputes at the National Land Agency." *Scientific Journal of Law Enforcement*, Volume 2, Number 2.

Muhammad Ilham Arisaputra. 2011. "Status of Land Ownership and Function in Indigenous Peoples' Living Fellowship." *Amanna Gappa Journal*, Volume 4, Number 2.

Ni Made Trisna Dewi. 2022. "Non-Litigation Dispute Resolution in Civil Dispute Resolution." *Journal of Legal Analysis*, Volume 5, Number 1.

Nurhikmah and Anggreany Arief. 2024. "Legal Protection for Owners of Land Rights Certificates that are the Object of Dispute." *Journal Of Lex Theory (Jlt)*, Volume 5, Number 1.

Prasetyo Aryo Dewandaru, Nanik Tri Hastuti, and Fifiana Wisnaeni. 2020. "Land Dispute Resolution Against Double Certificates at the National Land Agency." *Notary Journal*, Volume 13, Number 1.

Richard Cisanto Palit. 2015. "The Power of Deeds Under the Hand as Evidence in Court." *Lex Privatum*, Volume 3, Number 2.

Sarah Nazihan. 2023. "Utilization of Oil Palm Plantation Use Rights (HGU) Reviewed from Government Regulation of the Republic of Indonesia Number 20 of 2021 concerning the Management of Abandoned Areas and Lands (Study of Oil Palm Plantations in Darul Makmur District)." PhD Diss., Uin Ar-Raniry Banda Aceh.

Sholih Mu'adi. 2008. "Settlement of Plantation Land Rights Disputes through Non-Litigation Methods (A Litigation Study in a Transitional Situation)." PhD Diss., Postgraduate Program, Diponegoro University.

Stori Muharta, and Darmini Roza. 2024. "Dispute Resolution of Asset Transfer Post-Regional Expansion." *Ekasakti Legal Science Journal*, Volume 1, Number 2.

Syuryani. 2023. "Dispute Resolution of Objections to the Issuance of Certificates at the Bukittinggi City Atr/BPN Office." *Sakato Law Journal*, Volume 1, Number 2.

Teuku Saifullah, Teuku, Hamdani, Johari, Jumadiah, M. Munardi, Wheny Utariningsih, and Fuadi. 2023. "Inheritance Distribution Training in Keude Mane Village, Muara Batu, North Aceh." *Nanggroe: Journal of Scholarly Service*, Volume 2, Number 9.

Wahyu Ramadhani, and Ida Safitri. 2019. "Implications of Empowerment of Customary Institutions as an Alternative in Land Dispute Resolution in Aceh." *Journal of Justice Oceans Law*, Volume 14, Number 2.