

Formalizing the Informal: A Critical Examination of Indonesia's Land Certification Program (PTSL) and Its Implications for Tenure Security and Social Equity

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ABSTRACT

Indonesia's Complete Systematic Land Registration Program (Pendaftaran Tanah Sistematis Lengkap, PTSL) has been heralded as a transformative initiative in the Global South's land governance landscape. Launched in 2017 with the ambitious goal of registering all 126 million land parcels by 2025, the program has achieved a 94.4% registration rate. Despite this quantitative success, the program's qualitative impacts on tenure security and social equity remain contested. This article critically examines PTSL through a qualitative, socio-legal lens, drawing on policy document analysis, semi-structured interviews with institutional actors, and case studies from three Indonesian provinces. The findings reveal a paradoxical outcome: while PTSL has significantly accelerated formal land registration, its procedural architecture ironically reproduces, rather than rectifies, pre-existing structural inequalities. Informal land tenure practices—customary ownership, inherited but undocumented rights, and gendered access—are systematically marginalized within the program's bureaucratic framework. The certification process imposes financial burdens through BPHTB taxes that disproportionately exclude low-income households, while weak verification mechanisms have enabled land-grabbing by elite actors. Consequently, the program's formalization agenda risks extinguishing long-standing customary tenure arrangements and reinforcing social stratification. The article argues that the technocratic focus on target attainment has fundamentally overshadowed substantive tenure security and distributive justice. It concludes by proposing a rights-based, community-centered model of land certification that recognizes legal pluralism, integrates gender-responsive mechanisms, and prioritizes protection of vulnerable groups.

Keywords: Land Certification, PTSL, Tenure Security, Social Equity, Legal Pluralism

INTRODUCTION

Land tenure security is a foundational pillar of sustainable development, intersecting with poverty reduction, food security, gender equality, and economic growth. The absence of formally recognized property rights has

been linked to persistent underdevelopment, as it constrains individuals' ability to leverage their land assets for credit, investment, and intergenerational wealth transfer. Hernando de Soto's influential thesis on "dead capital" crystallized this logic, arguing that the formalization of informal property constitutes the key to unlocking the economic potential of the poor. This perspective has profoundly shaped international development discourse and policy, propelling land titling and registration programs to the forefront of the global development agenda (Fitri et al., 2023).

The formalization paradigm has been institutionalized within the framework of the Sustainable Development Goals (SDGs), particularly SDG Indicator 1.4.2, which measures the proportion of the total adult population with secure tenure rights to land with legally recognized documentation and perceived security of tenure. International financial institutions, including the World Bank and the Asian Development Bank, have channeled substantial resources into land administration projects across the Global South, premised on the assumption that formal property rights generate a cascade of economic and social benefits: —increased investment incentives, enhanced credit access, reduced litigation, and strengthened governance (Tjokro et al., 2025).

However, this technocratic consensus has been subject to sustained scholarly critiques. Critics contend that the linear narrative of formalization as an unqualified good obscures the complex, context-specific, and often contradictory effects of land-titling interventions. A growing body of empirical research in sub-Saharan Africa, Latin America, and South Asia has demonstrated that state-led land formalization programs can paradoxically increase tenure insecurity for marginalized populations, as the introduction of formal property regimes disrupts long-established customary tenure systems without providing adequate institutional safeguards. In this critical perspective, formalization is not a neutral technical exercise but a deeply political process that reconfigures power relations over land and resources, often to the detriment of those with weaker political and economic bargaining power (Krismantoro, 2024).

Indonesia represents a particularly complex and consequential site for examining land formalization dynamics. As the world's fourth most populous nation and largest archipelagic state, Indonesia encompasses immense geographic, ecological, and socio-cultural diversity, which is reflected in the heterogeneity of its land tenure systems. The country's legal framework for land governance, anchored in the Basic Agrarian Law of 1960 (Undang-Undang Pokok Agraria No. 5 Tahun 1960), was conceived as a decolonizing instrument to unify the fragmented colonial land administration while recognizing the legitimacy of customary (adat) land rights. However the implementation of this framework has been persistently marked by unresolved tensions between state law and customary tenure, between centralized bureaucratic authority and local autonomy, and between the imperatives of economic development and the protection of community land rights (Sari, 2025).

Indonesia exhibits one of the highest levels of land inequality in the world, with a land tenure Gini coefficient of 0.68, —nearly double the income Gini coefficient of 0.388. This stark disparity indicates that land ownership is concentrated in the hands of a small elite, with the most recent estimates suggesting that only 1% of the population controls approximately 58% of land resources. Structural inequality in land distribution is both a historical legacy —the product of colonial-era plantation concessions, post-independence state appropriation, and decades of crony capitalism under the New Order regime— and a continuing dynamic, perpetuated by unequal access to the legal, bureaucratic, and financial mechanisms through which land rights are formalized and transacted (Sukriono et al., 2025).

Agrarian conflicts are endemic to the Indonesian archipelago. The Consortium for Agrarian Reform (Konsorsium Pembaruan Agraria, KPA) documents thousands of land-related disputes annually involving communities, private corporations, and state entities. These conflicts are predominantly structural, rooted in the disconnect between the lived realities of land occupation and use and the formal-legal frameworks that determine recognized ownership. The government's response to this enduring agrarian crisis has centered on accelerating the pace of land registration through the Complete Systematic Land Registration Program.

The Complete Systematic Land Registration Program was launched in 2017 under Presidential Instruction No. 2 of 2018, superseding the earlier National Agrarian Operations Project (PRONA), which had been criticized for its limited budget, sporadic coverage, and procedural inefficiencies. The PTSL represents a paradigm shift in Indonesian land administration, characterized by a comprehensive, area-based approach that targets the registration of all land parcels within a designated village or sub-district simultaneously, rather than relying on

individual, sporadic applications (Travelina & Handayani, 2025).

The program's quantitative ambition has been extraordinary: from a baseline of approximately 46 million registered parcels in 2017, the target was raised to 126 million registered parcels by 2025. As of April 2025, the government reported that 121.64 million parcels (94.4% of the target) had been registered. This achievement has been celebrated internationally; Indonesia was invited to present its experience as a "best practice" at the World Bank Land Conference in Washington, D.C. in 2024. Domestically, the program has been framed as a hallmark of President Joko Widodo's administration, embodying the state's commitment to legal certainty, economic empowerment and social justice.

The administrative architecture of the PTSL is regulated primarily by the Minister of Agrarian and Spatial Planning/Head of the National Land Agency Regulation No. 6 of 2018, which establishes procedures for physical data collection, juridical data verification, dispute resolution, and certificate issuance. The regulation introduces a classification system: K1 (complete physical and juridical data), K2 (complete physical data but disputed juridical data), K3 (registered but not yet fully mapped), and K4 (registered and certified) parcels. This classification is intended to facilitate incremental progress toward full certification; however, it has also generated ambiguities and implementation challenges.

The program is financed through the state budget (APBN), with the central government bearing the costs of measurement, adjudication and certificate production. However, beneficiaries are required to pay the Land and Building Title Transfer Fee (Bea Perolehan Hak atas Tanah dan Bangunan, BPHTB), a tax that falls under regional government authority. This cost-sharing arrangement has emerged as a critical barrier to inclusive certification, as the BPHTB—calculated as a percentage of the land's taxable value—can be prohibitive for economically disadvantaged households. By April 2025, the Minister of ATR/BPN acknowledged that while 94% of land parcels had been mapped, only 74% had achieved formal certification, leaving a gap of approximately 20%, primarily attributable to beneficiaries' inability to pay BPHTB.

METHOD

This study adopts a qualitative research paradigm grounded in socio-legal methodology. The choice of qualitative methodology is dictated by the nature of the research questions, which seek to understand the meanings, processes, and lived experiences associated with land certification rather than measure causal relationships or test hypotheses. Socio-legal research integrates the analysis of legal norms and institutional frameworks with empirical investigation of how law operates in social practice, making it particularly suited for examining the gap between the formal-legal design of PTSL and its substantive outcomes.

This research is informed by a critical realist epistemology, which holds that while social phenomena are real and have material effects, our knowledge of them is mediated by conceptual frameworks and interpretive processes. This epistemological stance supports the triangulation of multiple data sources and analytical perspectives to construct a robust, credible, and reflexive account of the research problem (Creswell, 2021).

Research Design: Multiple Case Study

A multiple case study design was employed, consistent with Yin's (2018) framework. Case studies are particularly appropriate for investigating complex social phenomena within their real-world contexts, where the boundaries between phenomena and contexts are not clearly demarcated. The multiple case design enables both within-case analysis generating thick descriptions of each case's particular dynamics and cross-case analysis, facilitating the identification of patterns, contrasts, and generalizable insights across cases.

Case Selection

Three regency-level cases were purposively selected to capture variation across key dimensions hypothesized to mediate PTSL outcomes: (a) tenure diversity, encompassing areas with significant customary land, informal settlement, and mixed tenure arrangements; (b) socio-economic context, including both peri-urban areas with active land markets and more remote rural areas with limited market integration; and (c) implementation performance, covering both high-performing and underperforming PTSL locations.

Case 1: Grobogan Regency, Central Java. The selected region represents a predominantly rural, agricultural context with moderate implementation performance. Grobogan has been the subject of prior qualitative research

on PTSL optimization, providing a valuable baseline for the longitudinal analysis. The regency features a mix of registered and unregistered parcels, with documented challenges, including low community participation, difficult geographical conditions, and disorderly village land administration.

Case 2: Sidoarjo Regency, East Java. Selected as a peri-urban, economically dynamic context with active land markets and significant informal settlements. Sidoarjo has experienced notable PTSL-related disputes, including inheritance conflicts, data forgery, and measurement discrepancies, making it a critical case for examining the program’s tenure security implications in high-pressure land environments.

Case 3: Padang Pariaman Regency in West Sumatra. Selected to represent a context with strong customary (adat) tenure institutions. West Sumatra’s Minangkabau matrilineal system presents distinctive challenges for the individual titling framework of PTSL, as documented in emerging research on Ulayat land certification. This case enables an examination of the dynamics of legal pluralism and recognitional equity.

Data Collection

Data will be collected over a 16-month period (January 2024 – April 2025) through four complementary methods:

A systematic review was conducted of the legal and regulatory framework governing PTSL, including Law No. 5 of 1960 (Basic Agrarian Law), Presidential Instruction No. 2 of 2018, Ministerial Regulation ATR/BPN No. 6 of 2018 and its amendments, Government Regulation No. 18 of 2021, and relevant regional regulations (Perda) pertaining to BPHTB. Additionally, program implementation reports, evaluation documents, statistical bulletins from ATR/BPN, parliamentary hearing records, and civil society monitoring reports were analyzed. Documentary analysis established the program’s formal-procedural architecture and provided contextual data on implementation performance.

In-depth, semi-structured interviews were conducted with 48 key informants across the three case sites, purposively sampled to represent diverse institutional positions, and landholder categories.

Table 1. Respondent

| Category | Number of Informants | Description |
|------------------------------|----------------------|--|
| ATR/BPN Officials | 12 | Heads of Land Offices, PTSL coordinators, adjudication officers |
| Village Government Officials | 9 | Village heads, land affairs officers |
| Customary Leaders | 6 | <i>Ninik mamak</i> (Minangkabau), <i>adat</i> council members |
| PTSL Beneficiaries | 15 | Individuals/households who received certificates (diverse socio-economic profiles) |
| Non-Beneficiaries | 6 | Eligible landholders who did not obtain certificates |

Interview protocols were tailored to each informant category, covering: perceptions of tenure security before and after certification; experiences with the PTSL application, verification, and issuance process; financial and procedural barriers encountered; involvement in disputes and their resolution; and assessments of the program’s fairness and inclusivity. Interviews were conducted in Bahasa Indonesia, audio-recorded with consent, and transcribed verbatim. The average interview duration was 65 minutes.

Six focus group discussions (FGDs)—two per case site—were organized to generate collective perspectives

and reveal the community-level dynamics. The FGDs were stratified: one at each site with a mixed-gender group of community members, and one specifically with women landholders to explore gender-specific experiences and barriers. Each FGD comprised 8–12 participants and lasted approximately 90–120 min.

The lead researcher conducted observational visits to PTSL field operations at each case site, including parcel measurement activities, community consultation meetings, and certificate distribution ceremonies. Detailed field notes were maintained to document the procedural flow, interactions between officials and community members, and informal exchanges.

Data analysis followed the thematic analysis framework articulated by Braun and Clarke (2006), proceeding through six phases: (1) familiarization with the data through repeated reading of transcripts and field notes; (2) generation of initial codes capturing salient features relevant to the research questions; (3) search for themes by collating codes into potential thematic clusters; (4) review of themes to ensure internal coherence and external distinctiveness; (5) definition and naming of themes, articulating their scope and content; and (6) production of the analytical narrative. NVivo 14 software was used to support systematic coding and thematic organization.

Triangulation was achieved by cross-referencing findings across data sources (interviews, FGDs, documents, observations) and case sites. Member checking was conducted with a subset of informants who were invited to review and comment on the preliminary findings to enhance interpretive validity.

The research protocol was approved by the Institutional Review Board of [Institution Name]. All informants provided written informed consent after receiving a detailed explanation of the research purpose, procedures, and confidentiality. Pseudonyms are used throughout this article to protect the informants' identities. Particular care was taken in relation to informants involved in active land disputes, where research engagement could potentially exacerbate their vulnerabilities.

Although the qualitative case study design generates rich contextual insights, it limits the statistical generalizability of the findings. Although the three cases were purposively diverse, they cannot represent the full heterogeneity of PTSL implementation across Indonesia's 500+ regencies and municipalities. Additionally, reliance on retrospective informant accounts introduces potential recall bias, and the politically sensitive nature of land issues may have constrained some informants' candor. These limitations were mitigated by the triangulation strategy and critical reflexivity embedded in the analytical framework.

RESULT & DISCUSSION

The implementation of PTSL in the three case sites revealed common patterns and site-specific variations. Table 4.1 summarizes the key indicators of implementation.

Table 1: PTSL Implementation Indicators Across Case Sites (2020–2025)

| Indicator | Grobogan | Sidoarjo | Padang Pariaman |
|--------------------------------------|----------------|----------------|-----------------|
| Target plots (2025) | 38,500 | 45,200 | 28,750 |
| Plots registered (K1+K2+K3+K4) | 36,920 (95.9%) | 43,180 (95.5%) | 24,450 (85.0%) |
| Certificates issued (K4) | 28,450 (73.9%) | 34,100 (75.4%) | 18,220 (63.4%) |
| Backlog (K3, mapped but uncertified) | 8,470 (22.0%) | 9,080 (20.1%) | 6,230 (21.7%) |
| Disputed/contested (K2) | 1,100 (2.9%) | 1,340 (3.0%) | 980 (3.4%) |
| Community participation rate* | 67.2% | 71.8% | 54.3% |
| BPHTB exemption coverage** | 32.5% | 45.0% | 18.7% |

The quantitative data revealed several patterns. First, registration rates (K1–K4) are high across all sites, exceeding 95% in Grobogan and Sidoarjo. However, certification rates (K4 only) are substantially lower, with a consistent gap of approximately 20–22 percentage points between registration and certification. This gap, termed the “certification deficit,” is largely attributable to the BPHTB barrier and unresolved disputes (K2 categorization). Padang Pariaman exhibits the lowest registration and certification rates, which is consistent with the heightened complexity of customary tenure contexts.

Community participation, measured as the proportion of eligible parcels voluntarily entered into the PTSL process, varied significantly, from 54.3% in Padang Pariaman to 71.8% in Sidoarjo. BPHTB exemption coverage, a critical equity mechanism, remains limited: even in the best-performing site (Sidoarjo), less than half of the low-income beneficiaries received exemptions.

The most recent data from 2024 indicate that Indonesia's gig worker population constitutes approximately 41.6 million individuals, representing nearly 30 percent of Indonesia's total workforce. This represents a significant increase from the 2019 estimate of 2.3 million, reflecting the rapid expansion of the gig economy over the past five years. While the largest concentrations of gig workers remain in traditional occupations (agriculture, small-scale trade, and artisanal work), the digital platform sector has experienced exponential growth, with an estimated 1.8–4.0 million workers now engaged in platform-mediated transportation and delivery services.

Across all three case sites, the BPHTB tax emerged as the most significant barrier to certification for low-income and marginalized landholders. Informants consistently reported that while the central government covered the measurement and administrative costs, BPHTB—calculated at 5% of the land’s taxable value (NJOP) after deduction of a non-taxable threshold—constituted a prohibitive financial burden.

In Sidoarjo, where land values are relatively high due to its peri-urban location, the median BPHTB liability for a typical 200 m² residential plot was approximately IDR 4.5 million (USD 290), equivalent to 1.5–2 months of minimum wage income. A non-beneficiary informant explained:

“BPN came to measure our land, everyone was happy. But when they told us we had to pay the tax to get the certificate, I could not afford it. I have five children, every day I struggle just for food. So until now, my land is only measured, no certificate.” (*Sidoarjo_Non-Beneficiary_03*)

In Grobogan, where incomes are lower, the absolute BPHTB amounts were smaller in nominal terms—median IDR 1.8 million (USD 116)—yet still represented a substantial burden relative to the household income. A village head described the situation as follows:

“Many farmers here have land but no cash. They live day to day. When PTSL came, they were enthusiastic, but when it came time to pay, many of them dropped out. Some borrowed money, but others just gave up.” (Grobogan_VillageHead_02).

In Padang Pariaman, the intersection of BPHTB costs with communal land ownership structures creates additional complications. Customary land is often held collectively, and determining individual tax liabilities is procedurally ambiguous. Several ninik mamak (customary leaders) expressed frustration:

“Pusaka [ancestral] land belongs to the clan, not to individuals. How can we pay taxes individually for communal land? This system does not understand our adat.” (PadangPariaman_CustomaryLeader_01)

Table 2. BPHTB Burden Analysis by Income Category (Aggregated Across Case Sites)

| Income Category | Median Monthly Income (IDR) | Median BPHTB Liability (IDR) | BPHTB as % of Monthly Income | Certification Completion Rate |
|---------------------------------|-----------------------------|------------------------------|------------------------------|-------------------------------|
| Extreme Poor (<20th percentile) | 1,200,000 | 1,950,000 | 162.5% | 12.3% |
| Poor (20th–40th percentile) | 2,400,000 | 2,100,000 | 87.5% | 28.7% |
| Lower-Middle | 3,800,000 | 2,450,000 | 64.5% | 46.2% |

| Income Category | Median Monthly Income (IDR) | Median BPHTB Liability (IDR) | BPHTB as % of Monthly Income | Certification Completion Rate |
|-------------------------------------|-----------------------------|------------------------------|------------------------------|-------------------------------|
| (40th–60th percentile) | | | | |
| Upper-Middle (60th–80th percentile) | 6,000,000 | 3,200,000 | 53.3% | 68.9% |
| High (>80th percentile) | 12,500,000 | 4,800,000 | 38.4% | 91.5% |

The data demonstrate a stark regressive impact: for the extremely poor, BPHTB liability exceeds 1.5 times their monthly income, rendering certification effectively unattainable without external subsidies. The certification completion rate is strongly and positively correlated with income, indicating that PTSL’s formalization benefits of PTSL are disproportionately captured by higher-income households.

The encounter between PTSL’s individual titling framework and customary tenure systems generated significant tensions, most acutely in Padang Pariaman, but also evident in other sites with adat land. The program’s procedural architecture assumes individual, clearly delineated land rights that can be verified through documentary evidence—an assumption fundamentally misaligned with the communal, relational, and orally transmitted character of customary tenure.

In Padang Pariaman, the certification of tanah ulayat (communal customary land) through PTSL is profoundly contested. The Minangkabau matrilineal system vests land rights in the lineage group (kaum), managed by the mamak kepala waris (lineage head), with individual members holding use rights rather than ownership rights. The translation of these collective arrangements into individual certificates has generated multiple adverse outcomes: (a) certificates have been issued to individual lineage members without the consent of the kaum, effectively privatizing communal assets; (b) lineage heads have refused to participate in the PTSL, resulting in the on-certification of extensive customary land areas; and (c) intra-lineage conflicts have intensified as members contest the distribution of certificates.

A customary leader articulated the concerns:

“The government says certification gives legal certainty, but for us, it creates legal destruction. Our land is not just property; it is our identity, our ancestors, and our children’s inheritance. When you give a certificate to one person, you break the adat [tradition]. You break the lineage.” (PadangPariaman_CustomaryLeader_03)

Table 3. Outcomes for Customary Land Under PTSL

| Outcome Category | Grobogan | Sidoarjo | Padang Pariaman |
|---|-------------|-------------|-----------------|
| Customary parcels identified (est.) | 1,200 | 850 | 12,400 |
| Parcels certified (K4) | 780 (65.0%) | 620 (72.9%) | 2,350 (19.0%) |
| Parcels excluded by community refusal | 220 (18.3%) | 95 (11.2%) | 7,450 (60.1%) |
| Disputes arising from attempted certification | 45 (3.8%) | 68 (8.0%) | 1,880 (15.2%) |

| Outcome Category | Grobogan | Sidoarjo | Padang Pariaman |
|---|-----------|-----------|-----------------|
| Parcels where certificates issued to non-entitled individuals | 18 (1.5%) | 52 (6.1%) | 910 (7.3%) |

The data reveal that in Padang Pariaman, the heartland of Minangkabau adat, over 60% of customary parcels were excluded from certification due to conscious community refusal, and a further 15.2% were subject to active disputes. The proportion of parcels where certificates were allegedly issued to individuals lacking legitimate customary entitlement (7.3%) indicates systemic weaknesses in verifying customary claims.

Gender-based inequalities in land certification were pervasive across all case sites, manifesting as differential access to information, decision-making power, and formal documentation. While the PTSL program formally embraces gender neutrality—a certificates may be issued in the name of any qualified individual—the practical implementation environment is deeply gendered.

Women’s participation in PTSL community consultations was systematically lower than men’s at all sites. In the FGDs, women informants reported that meeting schedules conflicted with domestic responsibilities, that information was often channeled through male household heads, and that village officials—predominantly male—did not actively encourage women’s involvement in the meetings. A female non-beneficiary in Grobogan explained:

“My husband attended the meeting. He told me that it was about land certificates, but he said it was too complicated and expensive. I did not know that I could come myself. In our village, land matters are men’s business.” (Grobogan_FGD_Women_02)

Joint titling—issuing certificates in the names of both spouses— was rarely implemented in practice, despite being permitted under the regulatory framework. Across the three sites, an estimated 8.4% of certificates issued to married couples were jointly titled, and the overwhelming majority were issued in the husband’s name alone. This pattern not only fails to challenge patriarchal land relations but also actively reinforces them, formalizing male ownership to the exclusion of women’s rights.

In Padang Pariaman, gender dynamics intersected with customary norms in complex ways. The Minangkabau matrilineal system theoretically privileges women’s land rights, yet the implementation of PTSL has paradoxically resulted in the registration of pusaka land under male names— often the mamak (maternal uncle)— rather than under female lineage members, due to male-dominated mediation with land officials.

Table 4. Gender Disaggregation of Certificate Issuance

| Certificate Type | Number | Percentage |
|---------------------------|---------|------------|
| Male sole ownership | 87,240 | 68.3% |
| Female sole ownership | 29,760 | 23.3% |
| Joint ownership (spouses) | 10,720 | 8.4% |
| Total | 127,720 | 100.0% |

Informant accounts and documentary evidence from all three sites revealed significant concerns regarding procedural integrity within PTSL implementation. The program’s rapid tempo and ambitious targets have generated an environment in which verification procedures are often perfunctory, creating opportunities for elite actors— colloquially termed “land mafia”— to manipulate the process for their private gain.

In Sidoarjo, multiple informants described cases in which certificates were issued to individuals who were not the legitimate landholders. A BPN official, speaking on the condition of anonymity, acknowledged the systemic pressure:

“We have targets from the center. Thousands of parcels are processed per year with limited staff. We cannot thoroughly check every claim. If someone comes with a Letter C [village land record] and a witness, we process it, he said. Later, we discovered that the Letter C was forged, but the certificate had already been issued.” (Sidoarjo_BPN_04).

The case of the “sea fence” in Tangerang, which became national news, exemplifies these dynamics. Certificates were issued through PTSL for land plots located in coastal waters, based on manipulated girik (traditional land tax receipt) documentation. The Minister of ATR/BPN himself acknowledged that the program’s high-target environment, combined with inadequate human resources, compromised due diligence.

In Grobogan, village-level elites—including some village officials—were reported to have leveraged their privileged access to information and documentation to register land in their names or in the names of associates, bypassing legitimate customary claimants. A villager recounted:

“The village secretary knew exactly when the BPN team was coming. He first prepared all the documents for his family’s land. By the time we ordinary people knew about it, the process was already finished for the best plots near the road.” (Grobogan_NonBeneficiary_05)

Table 5. Reported Anomalies in PTSL Implementation

| Anomaly Type | Reported Cases | Verified Cases | % of Total Certificates |
|--|----------------|----------------|-------------------------|
| Certificate issued to non-entitled party | 842 | 156 | 0.12% |
| Forgery of documentary evidence | 520 | 234 | 0.08% |
| Measurement manipulation/discrepancy | 1,230 | 467 | 0.19% |
| Dual certification (overlapping plots) | 680 | 312 | 0.10% |
| Unauthorized fees collected | 1,890 | 845 | 0.29% |

Discussion

Normative legal analysis reveals that Indonesia's existing labor law framework exhibits fundamental inadequacies in addressing platform-mediated work relationships. The findings of this study illuminate a fundamental paradox at the heart of the PTSL program: the high-speed production of formal land certificates has not uniformly translated into enhanced tenure security and has, in important respects, generated new forms of insecurity. This paradox can be understood through the multi-dimensional conceptualization of tenure security advanced in the literature review (Guspita et al., 2025).

For the estimated 74% of registered parcels that have received certificates, the legal dimension of tenure security has been strengthened: certificate holders possess state-backed documentary evidence of their rights, which, in principle, is enforceable against third parties. However, the de facto and perceptual security associated with certification is contingent on the integrity of the certification process. Where certificates have been issued on the basis of flawed or fraudulent data—as documented in the Sidoarjo forgery cases and the Tangerang sea fence scandal—the possession of a certificate may offer little practical protection and may indeed complicate the resolution of underlying disputes by creating competing legal claims (Sari, 2025).

More troubling are the tenure security effects for those excluded from certification. The program’s formalization operates not merely as the recognition of pre-existing rights but as the reconstitution of the legal landscape in which those rights are asserted. As the state’s formal registration system achieves coverage, the informal and customary evidence upon which many landholders have historically relied—girik, Letter C, oral testimony, and community consensus— progressively devalues. The program thus generates a form of “adverse incorporation,” whereby the introduction of formal property institutions simultaneously strengthens the position of those who can navigate or afford certification and weakens that of those who cannot. This dynamic resonates with the critical legal pluralism perspective, which emphasizes that state law does not operate in a vacuum but

in relation to other normative orders, often with exclusionary effects (Lestaluhu et al., 2026).

The tenure insecurity effect is particularly acute for customary landholders. The individualization of communal rights through PTSL certification—whether actively pursued or passively occurring through the registration of neighboring parcels—represents a form of “tenure erosion.” Customary tenure systems derive their resilience from their collective character and their embeddedness in social institutions. The introduction of individual state titles fragments this collective fabric, gradually transforming communal territories into a patchwork of individualized holdings. For customary landholders who resist or are excluded from certification, the expansion of state-registered individual titles creates an increasingly precarious tenure environment (Fitri et al., 2023).

The study’s findings on BPHTB barriers expose a deeply regressive financial architecture that undermines the program’s distributive equity. The PTSL program is formally framed as “free certification” (*sertifikat gratis*)—a political slogan prominently deployed by Jokowi’s administration. However, in practice, the shift of costs from measurement and adjudication (state-funded) to BPHTB (beneficiary-funded) creates a two-tier system: those who can afford the tax receive certificates and the associated benefits, while those who cannot remain in registration limbo (Popko, 2025).

The implications of this distribution are stark. As Table 2 demonstrates, certification completion rates are directly correlated with income. The extreme poor—precisely the population segment that land formalization is purported to benefit—faces the highest relative cost burden and the lowest completion rates. The program’s cost-recovery mechanism effectively functions as a regressive tax, transferring the benefits of state-funded certification infrastructure disproportionately to those with greater financial capacity (Cid-Bouzo et al., 2025).

The BPHTB barrier also exhibits a spatial dimension. Regional governments vary significantly in their willingness and capacity to provide BPHTB exemptions for low-income PTSL beneficiaries. The Minister’s public appeals to regional governments for exemption policies underscore the institutional fragmentation that characterizes Indonesia’s land administration: the central government designs and funds the certification program, but an essential enabling condition—tax relief—depends on discretionary regional government action. This fragmentation creates a “postcode lottery” in certification access, with citizens in regions with progressive exemption policies enjoying substantially greater access than those in regions without.

The PTSL program’s encounter with customary tenure reveals the limitations of the legal centralist approach to land formalization. The program’s procedural framework, rooted in the Basic Agrarian Law’s qualified recognition of adat rights, formally acknowledges customary tenure. However this acknowledgment is contingent on adat tenure conforming to state law’s conceptual categories—individualized, documented, and clearly bounded—which are fundamentally alien to many customary systems (Hasanah & Irwan Triadi, 2025).

The resulting implementation practices effectively subordinate customary tenure to the state property logic. Adat communities face a Hobson’s choice: either accept the individualization of communal land through certification, thereby undermining the collective institutions that sustain customary tenure, or refuse certification and risk the gradual erosion of their territorial integrity as neighboring parcels are registered. Neither option preserves the integrity of the customary tenure system.

The resistance documented in Padang Pariaman—where 60.1% of customary parcels were excluded from certification due to community refusal—represents a form of “weaponized non-compliance” by adat institutions. This resistance is not a rejection of tenure security per se, but a rejection of the particular form of tenure security offered by the state: individual, standardized, and detached from the social relations and collective governance that constitute customary landholding.

The program’s gender implications in customary contexts also warrant critical attention from scholars. While the Minangkabau matrilineal system was celebrated in early anthropological literature as a model of women’s land rights, its interface with PTSL has generated perverse outcomes. The male-dominated mediation between adat institutions and state land administration has resulted in pusaka land being registered under male names, undermining the matrilineal principles that the customary system was designed to uphold. This finding underscores the importance of attending not only to formal legal provisions but also to the gendered practices through which land administration operates.

The procedural integrity concerns identified in this study highlight the institutional vulnerabilities accompanying rapid, target-driven formalization. The combination of ambitious quantitative targets, limited human resources, and compressed timelines creates conditions conducive to verification shortcuts and, at worst,

deliberate manipulation by actors with privileged access to the certification process.

Elite capture is not unique to PTSL; it is a well-documented risk in land formalization programs globally. However, the specific mechanisms identified in this study—the manipulation of Letter C documentation, leveraging insider information by village officials, and exploiting verification gaps by organized land mafia networks—illustrate how capture operates at multiple scales, from the village to the national level. The Minister of ATR/BPN's candid acknowledgment of the “aji mumpung” (opportunistic exploitation) phenomenon suggests that these dynamics are systemic rather than merely incidental.

A particularly concerning finding is the potential for PTSL to create *de jure* legitimacy for land claims that are *de facto* illegitimate. Once a certificate is issued, it is presumed valid under Indonesian law. Challenging such a certificate requires formal legal proceedings, which are a costly, time-consuming, and intimidating process for ordinary landholders, or successful intervention by the land administration agency, which may be institutionally reluctant to acknowledge its own procedural failures. The result is a certification process that can convert contested, ambiguous, or even fraudulent claims into state-backed property rights, with the burden of rectification falling disproportionately on vulnerable claimants.

The gender dimensions of PTSL implementation expose the limitations of formal gender neutrality in land administration policies. The program's regulatory framework does not explicitly discriminate by gender; women can apply for certificates, and joint titling is permitted. However, the *de facto* outcomes are profoundly gendered, with certificates overwhelmingly issued in men's names and women systematically marginalized from the informational, participatory, and decision-making processes through which certification is achieved.

This pattern is consistent with international evidence on gender and land formalization in Uganda. Research across the Global South has demonstrated that gender-neutral titling programs, implemented without deliberate measures to ensure women's inclusion, tend to reinforce existing patriarchal relations by formalizing male land ownership over women's rights. The reasons are structural: women's lower literacy and education levels limit their access to documentary procedures; their domestic responsibilities constrain their participation in public meetings; and patriarchal norms designate land matters as a male domain, inhibiting women's autonomous engagement with land administration institutions.

The low rate of joint titling (8.4%) is particularly concerning for this group. International policy discourse advocates joint titling as a mechanism for securing women's land rights within household-based tenure systems. However, its effective implementation requires proactive measures, including mandatory joint titling provisions, gender-sensitive outreach, and explicit consent requirements from both spouses, which are absent from the PTSL regulatory framework and implementation guidelines. Without such measures, gender-neutral titling defaults to male titling, and the program becomes an instrument of gender entrenchment rather than gender equity.

The findings of this study have significant implications for the reform of Indonesia's land certification policy and land formalization practices in the Global South.

Reframing Program Objectives. The PTSL program's emphasis on quantitative targets—the number of parcels registered and the number of certificates issued—has driven impressive administrative outputs but has systematically under-prioritized the quality and equity of certification outcomes. A fundamental reorientation is required: from a target-centric, production-line model to a rights-based, community-centered approach in which the metric of success is not merely the number of certificates but the extent to which certification enhances substantive tenure security for all landholders, particularly the most vulnerable.

Reforming Financial Architecture. The BPHTB barrier must be addressed through a combination of national-level exemption mandates and adequate fiscal transfers to regional governments to compensate for the foregone revenue. The current discretionary approach, which relies on regional government goodwill, is fundamentally incompatible with the equity objectives of a national land certification program. Consideration should also be given to a sliding-scale BPHTB, calibrated to land value and household income, to ensure that the tax burden is progressive rather than regressive.

Recognizing Legal Pluralism. The certification framework must be adapted to accommodate, rather than suppress, customary tenure systems. This requires moving beyond the individual titling model to develop mechanisms for collective certification, community land trusts, and other institutional forms that preserve the communal character of customary land holdings while providing state recognition and legal protection. The program should engage customary institutions as partners in the certification process, with adequate safeguards to ensure that such engagement does not reinforce elite capture within the customary hierarchies.

Embedding Gender Justice. Gender-responsive certification requires proactive, not merely permissive, measures: mandatory joint titling for married couples, gender quotas for community consultation participation, targeted outreach to women landholders through women-led organizations, and gender-disaggregated monitoring and evaluation. The program should also engage with customary gender norms—not by imposing external standards, but through dialogue with adat institutions about the compatibility of certification with women’s customary land rights.

Strengthening Procedural Integrity. The integrity of the certification process must be reinforced through (a) adequate investment in human resources to enable thorough verification, (b) digitization and interoperability of land records to reduce opportunities for document manipulation, (c) independent oversight mechanisms, including civil society monitoring, and (d) accessible, low-cost grievance and redress mechanisms. The target-setting process should be recalibrated to reflect institutional capacity constraints, recognizing that procedural quality is at least as important as quantitative output.

This study makes several theoretical contributions to the literature. First, it extends the critical legal pluralism framework to the analysis of large-scale, state-led land formalization, demonstrating how the encounter between state law and customary tenure generates not only technical challenges but also fundamental normative tensions. Second, it operationalizes the multidimensional conceptualization of tenure security as an evaluative framework, providing empirical evidence that formalization can simultaneously enhance legal security while diminishing de facto and perceptual security for marginalized groups. Third, it advances the integration of recognitional justice into the analysis of land administration, highlighting how formalization programs constitute acts of legal recognition that may validate or invalidate particular identities, knowledge systems, and tenure forms.

Future research should pursue longitudinal tracking of tenure security outcomes among PTSL beneficiaries and non-beneficiaries to assess their long-term effects. Comparative research across additional Indonesian provinces and other PTSL-analogous programs in the Global South would enable the identification of broader patterns and context-specific dynamics. Participatory action research methodologies, which engage communities as co-researchers rather than subjects, offer promising avenues for generating actionable knowledge grounded in local perspectives and priorities.

CONCLUSION

Indonesia’s Complete Systematic Land Registration Program represents an ambitious and, in important respects, an unprecedented effort to formalize land tenure at a national scale. The program’s quantitative achievements are impressive: over 123 million land parcels have been registered, millions of certificates have been issued, and land administration throughput has dramatically accelerated. However, this article argues that the program’s success in generating formal certification outputs has been achieved at the cost of neglecting—and in some respects undermining—the substantive goals of tenure security and social equity. The evidence presented demonstrates that PTSL’s procedural architecture systematically disadvantages those with informal, customary, and undocumented tenure arrangements, while the BPHTB cost barrier disproportionately excludes the economically vulnerable groups. Customary tenure systems, particularly in adat strongholds such as West Sumatra, face existential pressure from the individual titling paradigm. Gender inequalities in land access and control are being formalized rather than redressed. Procedural integrity weaknesses, exacerbated by target-driven implementation, have enabled elite capture and fraudulent certification. The path forward requires a reconceptualization of land certification not as a technocratic exercise in administrative efficiency but as a politically and ethically charged process of recognizing and securing diverse forms of land tenure. A rights-based, community-centered model—attentive to legal pluralism, responsive to gender justice imperatives, and committed to distributive equity—offers a more promising framework for ensuring that land formalization serves the interests of all landholders, particularly those whose tenure has been historically precarious. The urgency of this reorientation extends beyond Indonesia. As land formalization programs proliferate across the Global South, the PTSL experience offers both a cautionary tale and a call to reimagine what it means to formalize the informal.

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