Volume 4 Number 2 (2026)
July-December 2026
Page: 323-334

E-ISSN: 2986-6502
DOI: 10.37680/ssa.15071

Social Science Academic

Protection of Landowners' Rights in the Implementation of Pipeline Access at the Fuel Terminal in Baubau City

Ania Sudin[1], Safrin Salam[2], Eko Satria[3]
[1] Universitas Muhammadiyah Buton, Indonesia, aniasudin36@gmail.com
[2] Universitas Muhammadiyah Buton, Indonesia, safrinsalam@gmail.com
[3] Universitas Muhammadiyah Buton, Indonesia, kizsatria@gmail.com

Received: 16/06/2025 Revised: 20/10/2025 Accepted: 24/11/2025

Abstract

This study aims to analyze the legal relationship between landowners and Fuel Terminal operators in Baubau City regarding pipeline access practices, and to formulate an ideal legal protection model for affected landowners. Employing a qualitative approach with a case study design, data were collected through in-depth interviews, field observations, and documentation studies, subsequently analyzed using the Miles et al. interactive model. The findings reveal that community land use for pipeline routes occurs without authentic deeds, comprehensive written agreements, or continuous compensation mechanisms, thereby creating a condition of nuda proprietas alongside juridical defects that open broad civil liability exposure through unlawful acts and strict liability doctrine. This condition substantively constitutes indirect expropriation, contravening Article 28H paragraph (4) of the 1945 Constitution. The ideal legal protection model requires the formalization of comprehensive land access agreements and the strengthening of regionally-based regulations grounded in distributive justice. From an SDGs perspective, this legal uncertainty perpetuates structural poverty and governance deficits, running counter to Goals 1, 10, 11, and 16.

Keywords Landowners' Rights Protection; Fuel Pipeline Access; Right of Way.

Corresponding Author
Ania Sudin
Universitas Muhammadiyah Buton, Indonesia, aniasudin36@gmail.com

1. INTRODUCTON

In Baubau City, particularly in the areas traversed by the fuel pipeline network belonging to the business entity managing the Fuel Terminal, a fairly interesting yet complex field reality was found. Landowning community members whose land is used as the access route for the fuel pipeline still, in fact, hold the certificates of ownership over their land. This means that, formally, ownership status has never been transferred. Nevertheless, above and below that land lie active pipeline installations that operate continuously, thereby restricting landowners from making full use of their land — whether for erecting permanent structures, excavating the soil, or freely developing the land's economic potential. In many cases, the legal relationship between landowners and infrastructure operators is based solely on verbal agreements, administrative records at the sub-district (kelurahan) level, or one-way outreach sessions that do not result in a legally binding agreement document.

The second fact found in the field is that a compensation mechanism has indeed been implemented, albeit in a form that is neither uniform nor comprehensive. Some landowners received physical compensation for crops or structures affected during the pipe-laying process, while others received only a nominal amount of compensation that does not reflect the real market value. More critically, no sustained compensation mechanism or periodic land-lease scheme was found, even though the pipeline route has been operating for a very long period of time. The deliberation (musyawarah) process, which should serve as a space for negotiation between landowners and the operator, also tends to be merely a formality, without providing substantive room for the community to negotiate their rights on an equal footing.

At a broader level of impact, this phenomenon creates what may be termed a condition of nuda proprietas — ownership that is "bare," without full benefit. Landowners experience a real decline in the economic value of their land: their certificates are difficult to use as collateral with financial institutions because of the vital pipeline running beneath the ground, thereby limiting access to financing. Under these conditions, the development of national energy infrastructure does indeed proceed smoothly and the Fuel Terminal operates optimally, yet this success is built upon a fragile legal-relationship foundation that has not yet provided adequate legal certainty for landowners.

Normatively and academically, any use of community-owned land for public infrastructure purposes, including fuel pipeline routes, should be based on a legal relationship that is clear, transparent, and just. Scholars of agrarian law and land-acquisition law affirm that the fulfillment of landowners' rights is not merely an administrative obligation, but forms part of a constitutional guarantee that cannot be set aside in the name of development interests. Saragih & Sitorus (2024) affirm that legal protection for landowners in land acquisition for public interest requires clarity in the compensation mechanism, which must not be carried out unilaterally but must go through a process that is transparent and can be legally tested. Irawan et al. (2024) state that, based on a comparative study between Indonesia and the Netherlands, legal protection for landowners affected by land acquisition in Indonesia in many cases still fails to provide full legal certainty, particularly because compensation is often determined unilaterally without an effective avenue for claims. In the context of energy infrastructure that employs a right-of-way mechanism without the release of rights, Pangesti et al. (2026) formulate that underground pipeline land-access agreements must contain minimum clauses covering the limits of use, duration, safety standards, and a sustained compensation mechanism, so that landholders obtain real protection within the national agrarian legal framework. Furthermore, Wardana et al. (2025) state that a conception of land acquisition that is not oriented toward the principle of public interest has the substantial potential to erode community rights in a concealed manner, thereby requiring a more adaptive reconceptualization of regulation. In line with this, the study by Aditya et al.

(2023) concludes that legal certainty in land acquisition for national strategic projects can only be realized if the process of appraisal and the awarding of compensation is carried out independently, participatorily, and in accordance with actual market value, rather than merely an administrative standard set unilaterally.

There is a significant gap between the factual condition found in the field (das sein) and the ideal standard that should apply (das sollen). Normatively, any use of land for energy-infrastructure purposes must be supported by a valid written agreement, a just compensation mechanism, and legal protection that is both preventive and repressive in nature. Yet the reality at the research site shows that the legal relationship between landowners and the Fuel Terminal operator exists in a juridically vulnerable state: there is no authentic deed, no sustained compensation scheme, no substantive deliberation mechanism, and no regional regulation that specifically governs the protection of community rights in the context of land use under a restricted-access scheme. This condition is precisely what gives rise to the research problem of this study: that the operational success of energy infrastructure in Baubau City occurs simultaneously with a condition of legal uncertainty that is detrimental to landowners.

From this gap arise the fundamental questions that form the core of this study. First, what is the actual form and mechanism of the legal relationship between landowners and the Fuel Terminal operator in the practice of pipeline-access use in Baubau City, and does the mechanism for fulfilling their civil rights conform to the applicable legal norms? Second, what legal consequences arise from the inadequate fulfillment of landowners' rights, and how can an ideal legal-protection model be formulated to balance the public interest with individual rights? These two questions form the foundation of the analysis in this study.

Prior studies that intersect with this research generally focus on the aspect of land acquisition for public interest under a permanent rights-release scheme, particularly in the context of large-scale infrastructure projects such as toll roads and national strategic projects. These studies generally conclude that the compensation mechanism still contains various weaknesses, ranging from non-transparent appraisal to minimal community participation in the deliberation process (Irawan et al., 2024; Saragih & Sitorus, 2024; Aditya et al., 2023; Wahyono & Gunarto, 2024; Rudiana et al., 2023). Other studies discuss aspects of civil legal liability in the context of unlawful acts concerning land control, including the elements of tortious conduct (PMH) and the compensation-claim mechanisms available to landowners (Andri, 2024; Badri et al., 2024; Azzahra et al., 2024). In addition, there are also studies discussing legal protection in the installation of energy-network infrastructure, such as electricity networks, which in several respects bear structural similarities to the fuel-pipeline issue, particularly regarding the restriction of land rights without a formal release of ownership (Azzahra et al., 2024; Aditya et al., 2023; Zaky & Ramadhani, 2025).

Nevertheless, a significant academic gap remains open. No study has yet specifically examined the legal relationship in land use under a right-of-way scheme for long-term fuel pipeline routes without the release of rights in the Eastern Indonesia region, particularly Baubau City. Studies on the legal consequences of juridical defects in fuel-pipeline land-access agreements, including their implications for civil liability and the de facto degradation of ownership value, have also not received adequate attention in the existing legal literature. Likewise, studies on the need to reconstruct a just legal-relationship model between energy-infrastructure business entities and landowning communities have never been systematically built by simultaneously integrating perspectives from civil law, agrarian law, and national energy policy (Pangesti et al., 2026; Wardana et al., 2025; Meckelburg & Wardana, 2024; Jalbert et al., 2023; Harjono, 2023). This study is presented to fill that gap, using the Baubau Fuel Terminal as a concrete and representative locus of study.

The novelty of this study lies in its effort to build an integrative juridical analysis of a phenomenon that has thus far escaped legal attention: the use of community land for fuel-pipeline access under a right-of-way scheme that is not followed by a formal release of rights, nor accompanied by a comprehensive access agreement. This study does not merely portray the discrepancy between field practice and legal norms, but also formulates a fair and sustainable legal-relationship model as an alternative structural solution. Within the SDGs framework, particularly SDG 16 (Peace, Justice and Strong Institutions) and SDG 10 (Reduced Inequalities), this study contributes to efforts to build legal governance that is transparent, accountable, and distributively just one in which communities whose land is used for national energy-infrastructure purposes are not left to bear the burden of legal uncertainty and economic loss alone, without an adequate protection mechanism.

The urgency of this study is twofold: both academic and practical. Academically, this study fills a gap in the legal literature on the protection of landowners' rights in the context of land use under a non-acquisition scheme for energy infrastructure a model that is increasingly common but does not yet have a clear and adequate legal framework. Practically, the findings of this study have a direct impact on thousands of landowners across Indonesia whose land is currently traversed by energy-pipeline routes without a strong agreement basis. From an SDGs perspective, particularly Goal 11 (Sustainable Cities and Communities) and Goal 1 (No Poverty), this study affirms that sustainable energy-infrastructure development cannot be separated from the guarantee of protection for the community's basic rights, since the loss of land's economic value due to the presence of a pipeline route without fair compensation has the potential to deepen structural poverty at the local-community level and hinder the realization of an inclusive and just city.

2. METHOD

This study employs a qualitative approach with a case-study research design, chosen for its ability to reveal legal phenomena in depth and in context within real field situations (Creswell & Poth, 2018). This approach is considered appropriate for understanding the complexity of the legal relationship between landowners and the Fuel Terminal operator in Baubau City. Data were collected through in-depth interviews with landowners and related parties, field observation around the pipeline route, and documentary study of relevant regulations and land-administration documents (Yin, 2018).

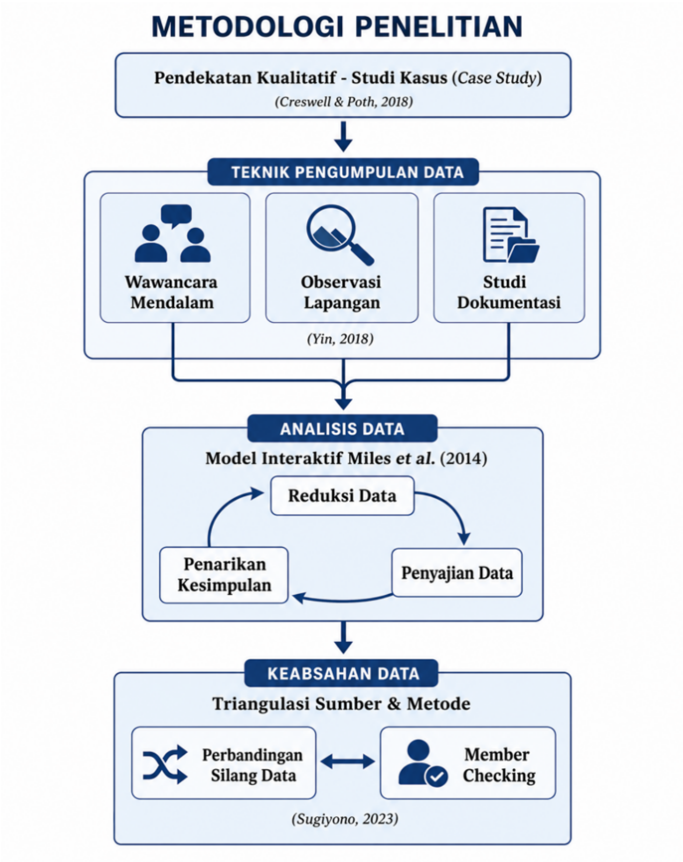

Figure 1. Research Method Framework

Data analysis employs the interactive model of Miles et al. (2014), comprising data reduction, data display, and narrative-analytical conclusion drawing directed at answering the problem of landowners' legal rights protection. The validity of the data is ensured through source and method triangulation (Sugiyono, 2023), namely by cross-comparing the results of interviews, observation, and documentation, reinforced by member checking with key informants to ensure conformity between the researcher's interpretation and the actual field conditions.

3. FINDINGS AND DSICUSSIOUN

3.1 Forms and Mechanisms for the Fulfillment of Civil Rights of Landowners along the Fuel Pipeline Route of the Baubau Fuel Terminal

Based on the results of field research in Baubau City, it was found that the legal relationship between landowners and the Fuel Terminal operator does not follow the land-acquisition scheme as regulated under Law Number 2 of 2012. No transfer of land rights occurs, there is no deed of rights release, and there is no civilly valid lease agreement. What occurs instead is a de facto control model in which the operator uses community land to lay and operate the fuel pipeline based on verbal agreements or sub-district (kelurahan) administrative records that do not carry evidentiary force as strong as an authentic deed. From the perspective of the legal-protection theory developed by Hadjon, this condition fails to meet the standard of preventive protection, since no legal instrument has been prepared from the outset to prevent the emergence of disputes. There is no authentic deed formulating the rights and obligations of the parties, no clause governing liability in the event of a leak or explosion, and no clear time limit on the use of the land.

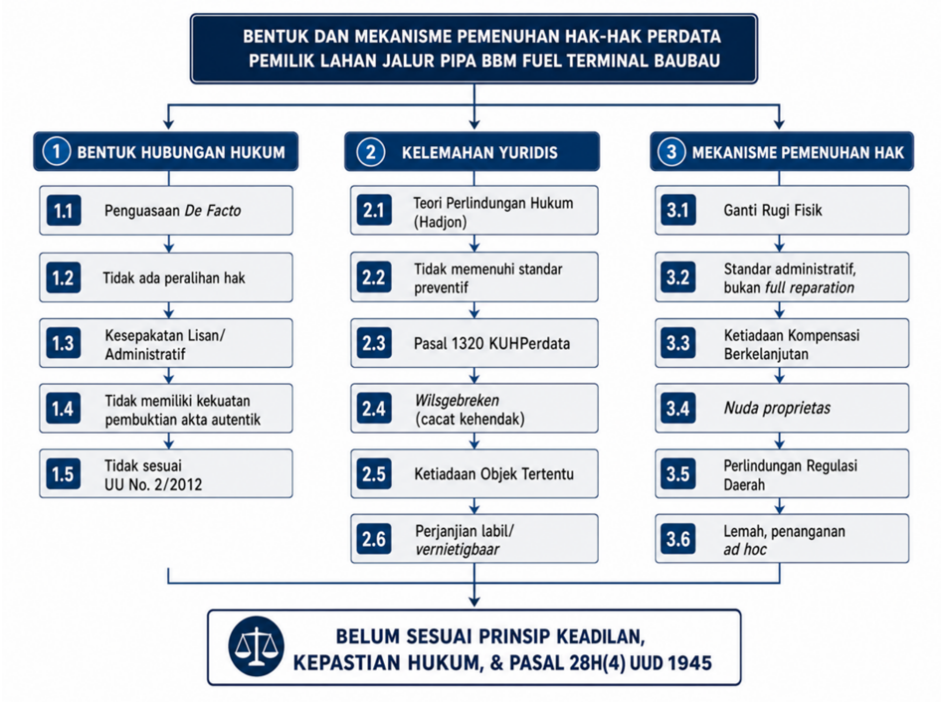

Figure 2. Forms and Mechanisms for the Fulfillment of Civil Rights

When tested against the theory of the valid conditions for an agreement under Article 1320 of the Indonesian Civil Code, this legal relationship contains a serious weakness in the element of consent. The consent required by law is not merely formal approval, but must be a free will free from coercion, mistake, or fraud. In many of the cases found in the field, community members granted access permission not on the basis of full understanding (informed consent), but because of social pressure and an imbalance in bargaining position between ordinary citizens and a business entity carrying out a national energy mission. This condition is referred to in civil-law doctrine as wilsgebreken, or a defect of will, which opens the way for the aggrieved party to seek annulment of the agreement (vernietigbaar) (Saragih & Sitorus, 2024). The absence of a measurable object of agreement was also found there is no clarity regarding the area of affected land, the depth of the pipe, the duration of use, or the scope of activities prohibited on the land. In contract-law theory, the absence of a definite object causes an agreement to fail to meet its formal conditions of validity, meaning that, juridically, the relationship remains unstable and can be challenged by either party at any time.

Regarding the mechanism for fulfilling rights, two inconsistently applied patterns were found. First, physical compensation for crops or structures damaged during pipe-laying is relatively easier to disburse, since its value can be visually quantified. However, the appraisal standard used tends to refer to the government's administrative price rather than the actual market price, so that the principle of full reparation in civil law is not maximally fulfilled. Second and this is the most crucial point no sustained compensation mechanism was found for the long-term restriction on land use. Landowners cannot erect permanent structures, cannot excavate, and cannot develop the land's economic potential as long as the pipeline remains active, yet there is no lease or royalty scheme to offset this economic loss. Pangesti et al. (2026) affirm that right-of-way contracts for underground pipelines should contain minimum clauses governing sustained compensation throughout the operational period, rather than merely a one-time payment made during construction. The absence of this mechanism causes landowners' property rights to turn into what agrarian-law doctrine terms nuda proprietas ownership that is "bare," without full benefit, in which the owner remains formally recorded but has materially lost the substance of the right.

This condition is compounded by the weak preventive protection at the level of regional regulation. No regional regulation was found that specifically governs the mechanism for using land for energy infrastructure under a restricted-access scheme. As a result, each case is handled on an ad hoc basis without a uniform reference, so that treatment among landowners is inconsistent. Irawan et al. (2024) state that legal protection for landowners affected by public infrastructure in Indonesia still fails to provide full legal certainty, particularly because compensation is often determined unilaterally without an effective avenue for community negotiation. Taken as a whole, this condition illustrates that the mechanism for fulfilling the civil rights of landowners at the Baubau Fuel Terminal has not yet operated in accordance with the principles of justice, legal certainty, and protection of property rights as guaranteed by Article 28H paragraph (4) of the 1945 Constitution.

3.2. Legal Consequences of the Non-Fulfillment of Landowners' Rights and the Ideal Legal-Protection Model

The non-fulfillment of landowners' civil rights in the use of fuel-pipeline access in Baubau City gives rise to a series of multidimensional legal consequences. The first and most fundamental legal consequence is the emergence of a juridical defect in the legal relationship underlying the use of that land. As described above, the legal relationship that has been formed contains a defect of will and the absence of a definite object, so that, juridically, the agreement remains in a condition that can be annulled at any time. This means that the entire pipeline operation, which relies on verbal access permission from the community, in fact stands on a fragile legal foundation. In the theory of legal certainty put forward by Gustav Radbruch, law must be able to provide predictability, namely the ability of the parties to foresee the legal consequences of their actions. Yet the condition in Baubau is precisely the opposite: the unclear legal basis creates uncertainty for both parties — the community, who do not know until when and with what compensation their land will be used, and the operator, who has no legal guarantee of the continuity of that land access (Aditya et al., 2023).

Figure 3. Legal Consequences of the Non-Fulfillment of Landowners' Rights and the Ideal Legal-Protection Model

The second legal consequence is the opening of broad exposure to civil liability claims. In Indonesian civil law, there are two main avenues for seeking accountability: default (wanprestasi) based on a breached agreement, and an unlawful act (onrechtmatige daad) under Article 1365 of the Civil Code. In this context, although the default route is difficult to pursue due to the scarcity of written agreements, the unlawful-act route is in fact wide open. If a pipeline leak occurs causing environmental pollution or damage to community land, the operator can be sued on the basis of an unlawful act, since its elements are fulfilled: there is an act that violates the law, there is a loss suffered by the community, and there is a causal link between the two (Andri, 2024). Furthermore, the development of modern legal doctrine recognizes the concept of strict liability absolute liability without the need to prove fault which is relevant to apply to high-risk activities such as fuel distribution through pipelines. Applying this principle means that the operator can be held liable solely because a loss occurred as a result of their activity, without the need to prove an element of fault (schuld) (Badri et al., 2024). On a broader scale, the potential for a class action from all affected landowners also cannot be ruled out, given that the losses suffered are homogeneous in nature and are experienced by many parties simultaneously.

The third legal consequence is the de facto degradation of the social function and economic value of the property right. Juridically, Article 6 of the Basic Agrarian Law (UUPA) affirms that land rights carry a social function, yet that social function must not be construed as legitimizing the unilateral negation of an individual's rights. In the Baubau case, the social function has in fact become a distortion: the state and the business entity gain substantial benefit from the use of the land for public purposes, while landowners bear the loss in the form of restricted use without equivalent compensation. Meckelburg & Wardana (2024) refer to this condition as indirect expropriation, or a concealed taking of rights that is, when the state or a particular party factually eliminates the benefit of a property right without formally revoking ownership. The economic impact of this condition is real: land traversed by a pipeline route tends to have a lower sale value, is difficult to pledge as collateral to financial institutions, and cannot be developed for other productive activities. The accumulation of this loss, over the long term, contributes to the perpetuation of structural poverty at the community level, as highlighted within the framework of SDG 1 and SDG 10.

Faced with this series of legal consequences, this study formulates that the ideal legal-protection model must be built upon two main pillars working simultaneously. The first pillar is the reconstruction of the legal relationship through the formalization of a comprehensive land-access agreement. This agreement must contain, at a minimum: the identities of the parties and the land object used, a measurable duration of use, a sustained compensation scheme in the form of periodic rent or access royalties, safety clauses and operational technical standards, and a liability mechanism in the event of a leak or ecological loss. Pangesti et al. (2026) affirm that minimum clause standards in underground-pipeline right-of-way contracts are a non-negotiable legal necessity, in order to guarantee legal certainty for both parties within the national agrarian legal framework. Wahyono & Gunarto (2024) add that the principle of public interest in land use must always be accompanied by a guarantee of meaningful community participation, rather than merely a one-way outreach session that is purely procedural in nature.

The second pillar is the strengthening of regional regulation that specifically governs the mechanism for using land for energy infrastructure under a non-acquisition scheme. Such a regional regulation must contain clear technical guidelines on the procedure for granting access permits, compensation-appraisal standards oriented toward market price, a dispute-resolution mechanism accessible to the community, and an obligation for the operator to provide a compensation guarantee in the event of ecological risk. Wardana et al. (2025) affirm that the reconceptualization of land-acquisition regulation to be more adaptive and just is an urgent legal agenda, particularly to accommodate land-use models that do not fall within the category of conventional land acquisition yet carry an equally significant impact on communities. Thus, the balance between the public interest in national energy-infrastructure development and the protection of landowners' individual rights is not merely a moral aspiration, but a legal obligation that must be realized systematically and sustainably, as mandated by the Constitution and in line with the spirit of the SDGs in achieving justice, strong institutions, and inclusive development.

4. CONCLUSIONS

This study reveals that the legal relationship between landowners and the Fuel Terminal operator in Baubau City exists in a fragile juridical condition, marked by the absence of an authentic deed, the absence of sustained compensation, and the weakness of regional regulation governing the restricted-access scheme. This condition gives rise to nuda proprietas while simultaneously opening broad exposure to civil liability, and substantively constitutes a form of indirect expropriation that contravenes the constitutional guarantee of Article 28H paragraph (4) of the 1945 Constitution as well as the principle of national agrarian legal certainty.

From an SDGs perspective, these findings carry real and urgent implications. The degradation of land's economic value without fair compensation deepens structural poverty and exacerbates inequality, contravening Goals 1, 10, and 11, while the absence of a transparent and participatory legal-protection mechanism reflects a governance deficit that runs counter to the spirit of Goal 16. This study affirms that sustainable national energy infrastructure can only be realized if accompanied by the formalization of comprehensive land-access agreements and the strengthening of distributively just regulation, for development success built upon a weak legal foundation is, in truth, a debt of justice owed to the community.

REFERENCES

Aditya, M. I., Maryano, M., & Yani, A. (2023). Kepastian hukum dalam pengadaan tanah untuk pembangunan proyek strategis nasional terkait ganti kerugian bagi masyarakat yang terdampak. SENTRI: Jurnal Riset Ilmiah, 2(9), 3710--3721. https://doi.org/10.55681/sentri.v2i9.1525

Andryawan, A., Siregar, M. S. M., Sirait, M. V., Mamonto, Y. T., Ramadhan, A., & Lasut, F. A. (2024). Analisis yuridis perbuatan melawan hukum dalam sengketa tanah: Putusan Nomor

76/Pdt.G/2022/PN Tlg. Ranah Research: Journal of Multidisciplinary Research and Development, 7(1), 157--164. https://doi.org/10.38035/rrj.v7i1.1244

Azzahra, K. K., Suhermi, S., & Windarto, W. (2024). Perlindungan hukum terhadap pemilik tanah atas pemasangan jaringan listrik oleh PT. PLN (Persero). Zaaken: Journal of Civil and Business Law, 5(2). https://doi.org/10.22437/zaaken.v5i2.36697

Badri, M., et al. (2024). Civil legal liability for breach of contract in Indonesia. My Journal of Law, Social Science & Humanities. (dalam proses verifikasi DOI)

Creswell, J. W., & Poth, C. N. (2018). Qualitative inquiry and research design: Choosing among five approaches (4th ed., pp. 96--139). SAGE Publications.

Harjono, D. K. (2023). Tanggung jawab penilai dalam pengadaan tanah bagi pembangunan untuk kepentingan umum. Jurnal Hukum Indonesia, 2(1), 14--24. https://doi.org/10.58344/jhi.v1i2.7

Irawan, A. B., Subekti, R., & Sobirov, B. B. (2024). Legal protection in land acquisition for public interest: A dilemma between state regulation and social welfare. Journal of Sustainable Development and Regulatory Issues (JSDERI), 2(2), 148--168. https://doi.org/10.53955/jsderi.v2i2.38

Jalbert, K., Dickinson, K. L., Baka, J., & Florence, N. (2023). Influence in the right-of-way: Assessing landowners' risk decision-making in negotiating oil and gas pipeline easements. Extractive Industries and Society, 14, Article 101276. https://doi.org/10.1016/j.exis.2023.101276

Meckelburg, R., & Wardana, A. (2024). The political economy of land acquisition for development in the public interest: The case of Indonesia. Land Use Policy, 137, 107017. https://doi.org/10.1016/j.landusepol.2023.107017

Miles, M. B., Huberman, A. M., & Saldaña, J. (2014). Qualitative data analysis: A methods sourcebook (3rd ed., pp. 10--14). SAGE Publications.

Pangesti, S., Girsang, F. H. S., Widyanti, K., & Syari, S. K. (2026). Perspektif hukum agraria terhadap perlindungan para pihak dalam kontrak pembangunan pipa gas bawah tanah. Widya Bhumi, 6(1), 18--38. https://doi.org/10.31292/wb.v6i1.287

Rudiana, I. N. A., et al. (2023). Ganti kerugian pengadaan tanah pada proyek pembangunan jalan tol. Notary Journal, 3(2), 126. https://doi.org/10.19166/nj.v3i2.7070

Saragih, A. P., & Sitorus, O. (2024). Perlindungan hukum bagi pemilik tanah dalam pengadaan tanah untuk kepentingan umum. UNES Law Review, 6(3), 8463--8471. https://doi.org/10.31933/unesrev.v6i3.1753

Sugiyono. (2023). Metode penelitian kuantitatif, kualitatif, dan R&D (Edisi Revisi, hlm. 269--276). Alfabeta.

Wahyono, J., & Gunarto, G. (2024). Implementation of the public interest principle in land acquisition for the Semarang--Demak Toll Road. Ratio Legis Journal, 6(2), 142--154. https://jurnal.unissula.ac.id/index.php/rlj/article/download/46307/13009

Wardana, A. A., Koeswahyono, I., Permadi, I., & Prasetyo, N. D. (2025). Legal contradictions in land acquisition for community-based tourism villages in Indonesia. E-Journal of Tourism, 12(2), 238--255. https://doi.org/10.24922/eot.v12i2.2056

Yin, R. K. (2018). Case study research and applications: Design and methods (6th ed., pp. 14--17). SAGE Publications.

Zaky, M. R., & Ramadhani, R. (2025). The regulation of land acquisition agreements between landowners and the government for national infrastructure development. Syiah Kuala Law Journal, 9(1), 43--58. https://jurnal.usk.ac.id/SKLJ/article/view/45649