ADMINISTRATIVE LAW IMPLICATIONS FOR PLANTATION COMPANIES IN THE CASE OF PALM OIL THEFT

e-ISSN: 2986-3716

Loso Judijanto

IPOSS Jakarta, Indonesia losojudijantobumn@gmail.com

Abstract

This study discusses the implications of administrative law for plantation companies in dealing with cases of palm oil theft. The main focus is on how applicable administrative regulations can help companies protect their plantation assets and prevent legal losses. Administrative law requires companies to meet legal standards, such as possession of valid business licences and the implementation of clear rule-based management systems. Additionally, companies are required to strengthen asset monitoring and maintain good relations with the local community to minimise the potential for violations, including theft. The analysis reveals that non-compliance with administrative obligations can weaken a company's legal position, particularly in theft prosecution proceedings. Conversely, companies that consistently meet legal and administrative requirements are more resilient in facing legal cases. These findings emphasise the importance of the interconnection between administrative law and operational management in creating sustainable plantation asset protection.

Keywords: Implications, Administrative Law, Plantation Companies, Palm Oil Theft Cases.

Abstrak

Penelitian ini membahas implikasi hukum administrasi terhadap perusahaan perkebunan dalam menghadapi kasus pencurian kebun sawit. Fokus utama terletak pada bagaimana peraturan administrasi yang berlaku dapat membantu perusahaan melindungi aset perkebunan dan mencegah kerugian hukum. Hukum administrasi menuntut perusahaan untuk memenuhi standar legal, seperti kepemilikan izin usaha yang sah dan penerapan sistem pengelolaan berbasis aturan yang jelas. Selain itu, perusahaan juga diwajibkan memperkuat pengawasan aset serta menjaga hubungan baik dengan masyarakat sekitar guna meminimalkan potensi pelanggaran, termasuk pencurian. Hasil analisis menunjukkan bahwa ketidakpatuhan terhadap kewajiban administratif dapat melemahkan posisi hukum perusahaan, khususnya dalam proses penuntutan pencurian. Sebaliknya, perusahaan yang secara konsisten memenuhi syarat legal dan administratif lebih tangguh dalam menghadapi kasus-kasus hukum. Temuan ini menegaskan pentingnya keterkaitan antara hukum administrasi dan manajemen operasional dalam menciptakan perlindungan aset perkebunan yang berkelanjutan.

Kata Kunci: İmplikasi, Hukum Administrasi, Perusahaan Perkebunan, Kasus Pencurian Kebun Sawit.

Introduction

Plantation companies, especially those engaged in palm oil, play an important role in the regional and national economy. This is because palm oil is one of Indonesia's main commodities. Palm oil production not only contributes significantly to state revenue through exports, but also creates jobs for millions of people, especially in rural areas (Arief, 2023). Many people in these areas depend on the palm oil industry to meet their daily needs. Thus, the existence of palm oil plantations helps improve the standard of living and reduce poverty in producing areas (Sari, 2021).

In addition, palm oil is a key raw material in various industries, such as food, cosmetics, and biofuel. Palm oil derivatives are diverse and have high added value, thereby driving the

growth of the downstream industry sector. The success of the palm oil plantation and industry sectors has a positive impact on the national economy as a whole, making Indonesia one of the world's largest producers and exporters of palm oil (Mahendra, 2020). Thus, palm oil not only provides direct economic benefits but also has a broad impact on industrial development and enhancing national competitiveness in the global market. However, despite its significant contributions, this industry often faces various challenges, one of which is theft in palm oil plantations.

Palm oil theft not only causes financial losses for companies, but also has the potential to affect business operations, employee safety, and social stability in the surrounding plantation area (Susanti, 2020). These losses come not only from crop losses, but also from additional costs required to improve security and maintenance of the plantation.

When theft occurs, companies must spend more time and resources to address the issue, which can ultimately disrupt business operations. Additionally, the decrease in productivity caused by theft can reduce company revenue, thereby affecting the economic well-being of employees and the surrounding community who also depend on this industry (Haryadi, 2019).

Beyond financial aspects, palm oil plantation theft also threatens employee safety and disrupts social stability in the surrounding areas. When the work environment becomes unsafe, employees' anxiety levels rise, which can negatively impact their productivity and job satisfaction. Furthermore, recurring theft can create tension between local communities and the company, disrupting existing social harmony.

Therefore, it is important to implement preventive measures and build good relations between companies and local communities in order to create a safe and conducive environment for all parties (Nugroho, 2023). One aspect that has come to the fore in addressing this issue is the implications of administrative law for the management of plantation companies.

Administrative law provides a framework that regulates corporate governance, including how companies are required to operate in accordance with laws and regulations, protect assets, and ensure the security of resources. However, the implementation of administrative law often encounters various obstacles, especially in terms of its effectiveness in dealing with theft (Tanjung, 2016).

Palm oil plantation theft cases frequently occur due to several factors, such as weak surveillance systems, limited synergy between companies and law enforcement agencies, and social disparities in communities surrounding plantations. In the context of administrative law, many companies fail to maximise the implementation of security strategies that align with administrative law regulations. This raises an important question: to what extent can administrative law serve as a basis for companies to tackle theft cases more effectively?

Thus, this background shows the need to understand and evaluate the implications of administrative law on the governance of plantation companies. Companies will be able to identify weaknesses in asset management, improve protection of oil palm plantations, and reduce potential losses caused by theft.

Research Method

This study uses a literature review method. A literature review is an approach used to understand a topic or issue by collecting, analysing, and interpreting information from relevant

written sources, such as books, journal articles, research reports, or official documents. This method is highly useful for exploring expert opinions, existing theories, or previous research findings without the need for direct experiments or surveys (Khan et al., 2003); (Aveyard, 2010). Literature research helps researchers gain deep insights and a theoretical foundation to support the arguments or approaches they are examining. By relying on reliable sources, literature research can also serve as a strong starting point for formulating new ideas, developing research questions, or even designing further studies (Fink, 2014).

Results and Discussion

Administrative Law in Regulating Palm Oil Plantation Companies

Administrative law plays an important role in regulating palm oil plantation companies. As a branch of law concerned with how the state, through public administrative institutions, carries out its governmental functions, this law serves to create good governance in the plantation sector. Palm oil companies, which often operate on a large scale, require clear regulations to ensure that their operations are not only effective from a business perspective but also compliant with various legal, social, and environmental aspects (Sishadiyanto, 2021).

One of the main focuses of administrative law in the context of palm oil plantation companies is licensing regulations. To develop palm oil plantations, companies must obtain various permits, such as location permits, plantation business permits, and environmental permits. The licensing process is regulated by laws and government regulations, with the aim of protecting public interests, preserving the environment, and ensuring that business activities are carried out in accordance with established standards. In this case, administrative law serves to ensure that the licensing process is transparent and fair (Rahmawati, 2019).

It is also important to understand that administrative law helps create a balance between business interests and community interests. Palm oil plantation companies often operate in rural or ecologically sensitive areas.

In such conditions, administrative law provides guidelines to ensure that companies do not only focus on economic gains but also consider their impact on local communities and the surrounding ecosystem. For example, there are regulations that require companies to involve local communities in public consultation processes prior to the issuance of environmental permits (Setiawan, 2023). Administrative law also plays a role in monitoring companies' compliance with their obligations after permits are granted.

Companies must comply with various commitments that have been agreed upon, such as proper waste management, maintaining conservation areas around plantations, and contributing to local communities. In this case, government agencies that oversee palm oil plantations, such as the Ministry of Agrarian Affairs and Spatial Planning or the Ministry of Environment and Forestry, are responsible for ensuring that companies fulfil these responsibilities (Gunawan, 2023).

In addition, administrative law provides mechanisms for handling violations committed by companies. If a company is found to have violated its permit or caused environmental damage, it may be subject to sanctions, such as fines or permit suspension. This law enforcement process aims to deter companies and demonstrate that the state is serious about enforcing regulations in the palm oil plantation sector (Hakim, 2018).

On the other hand, administrative law also provides room for companies to file objections if they feel they have been wronged by government decisions. For example, if a company's operating permit is revoked unfairly, they can use administrative mechanisms such as filing a lawsuit with the administrative court. In this way, administrative law not only regulates and supervises companies but also provides them with legal protection when necessary (Kurniawan, 2018).

In the context of the environment, administrative law is also closely related to the management of the environmental impact of oil palm plantations. Companies are required to conduct an environmental impact analysis (AMDAL) before obtaining a business licence. Administrative law ensures that the AMDAL is not merely a formality but a living document that serves as a reference for companies in conducting their operations in an environmentally responsible manner (Pratama, 2020).

Social aspects are also a concern in administrative law. Palm oil companies are expected to contribute to social development in the areas where they operate. One form of this contribution is through corporate social responsibility (CSR) programmes. Administrative law regulates how companies must report and implement their CSR commitments so that the benefits of these programmes can be felt by the surrounding community (Putri, 2022).

With clear regulations, administrative law helps create legal certainty for palm oil plantation companies. Without strict rules, companies would find it difficult to plan their investments or operations. This legal certainty also sends a positive signal to investors, enabling the palm oil plantation sector to develop sustainably without compromising public and environmental interests (Karim, 2021).

Overall, administrative law is an important tool for creating good governance in the palm oil plantation sector. Not only does it clearly regulate company operations, but it also serves as a bridge between business, community, and environmental interests. With the effective implementation of administrative law, it is hoped that palm oil plantation companies can grow sustainably, provide economic benefits to the country, while maintaining social and ecological balance in the areas where they operate.

Administrative Law Implications for Handling Palm Oil Plantation Theft Cases

Administrative law plays an important role in handling cases of palm oil plantation theft because it regulates the relationship between the government as the authority and the community and provides guidelines for taking actions in accordance with legal principles. In cases of palm oil plantation theft, administrative law aspects may involve land use permits, supervision of agrarian activities, and the government's authority to protect state or individual assets (Santoso, 2017).

One of the main implications of administrative law is in the initial investigation process. The government, through authorised agencies such as the police or plantation services, can conduct direct surveillance of the location of the incident. This process requires good coordination between agencies, in accordance with established administrative procedures, so that no party exceeds their authority or acts outside the law (Lusardi, 2022).

In handling this case, documents related to land ownership and plantation management permits are often important administrative elements. These documents help verify the ownership rights of the parties reporting the theft and identify potential legal violations committed by the perpetrators. Through a comprehensive analysis of documents, the authorities can establish a more accurate and balanced basis for handling cases (Ministry of Agrarian Affairs and Spatial Planning/National Land Agency (ATR/BPN), 2021).

In addition, administrative law also has implications for the procedures for reporting and handling public complaints. In cases such as palm oil plantation theft, the reporter or plantation owner must follow certain procedures when reporting the incident to the authorities. This process is designed to ensure that all information is communicated clearly, thereby facilitating the development of investigation and prevention strategies (Ahmad Fauzi, 2018).

Administrative law encourages transparency in case management. This means that the authorities are required to be open in every step they take, both to the victims of theft and to the wider community. Transparency is important to prevent uncertainty and increase public trust in the government (Rini Damayanti, 2020).

On the other hand, administrative law also helps guide the proportional enforcement of the law against perpetrators of theft. The process from investigation to the imposition of sanctions must follow applicable legal guidelines, including administrative regulations governing the role of the government in determining appropriate penalties in accordance with the level of violation (Dewi Anggraeni, 2019).

Furthermore, administrative law contributes to the supervision of economic activities in the plantation sector. Palm oil theft is not only related to criminality but also has an impact on regional economic governance. The government can use its authority to ensure that such actions are controlled through preventive policies and routine supervision (*Implementation of the Minister of Agriculture Regulation on Sustainable Palm Oil Plantations*, 2022).

Regarding prevention, administrative law enables the government to design regulations that protect palm oil plantations from various theft practices. These regulations can include technology-based security systems, land ownership rights strengthening programmes, or the formation of special task forces in theft-prone areas. All these efforts require strong administrative law synergy to be implemented effectively (Arief, 2023).

Another implication of administrative law is the need to evaluate policies related to plantation management. Inadequate policies often become loopholes that are exploited by perpetrators of theft. Through periodic evaluations, the government can identify shortcomings in regulations and make the necessary adjustments to create more optimal legal protection (Sari, 2021).

Overall, administrative law plays a crucial role in ensuring that cases of palm oil theft are handled transparently, fairly, and in a structured manner. Through inter-agency coordination, clear procedural regulations, and strong preventive measures, administrative law supports the creation of a legal system that not only responds to crime but also prevents it in the future. Thus, both victims and the community can feel protected.

The Application of Administrative Law Regulations in Protecting Palm Oil Plantation Assets

The implementation of administrative law regulations in protecting palm oil plantation assets is an important step to ensure the sustainability of the palm oil industry, prevent ownership conflicts, and avoid losses that may arise from asset misuse. These regulations include legal provisions governing the management, use of land, and protection of property rights of a palm oil plantation.

With clear legal guidelines, plantation owners can operate more safely and avoid legal problems that may arise in the future (Mahendra, 2020). One of the main aspects of administrative law applied in the protection of oil palm plantation assets is legal certainty regarding land ownership and legality.

In this case, it is important for plantation owners to ensure that the land they use has official documents, such as land certificates and appropriate operating permits. Without these documents, the possibility of legal conflicts over ownership claims is very high, which can have a direct impact on business continuity (Lusardi, 2022).

In addition to land ownership, administrative law also covers regulations that encourage responsible land use. The government regulates oil palm plantation management through documents such as Minister of Agriculture Regulations and Land Laws. These regulations ensure that land use not only provides economic benefits but also protects the environment and the lives of the surrounding community. This is important to maintain a balance between profitability and sustainability (Santoso, 2017).

The implementation of regulations also involves monitoring oil palm plantation business permits. Business permits must be obtained through transparent procedures and in accordance with applicable laws. This process includes environmental impact assessments, land measurement, and verification of document legality. With this process in place, the government can avoid practices that are not in accordance with the law, such as illegal land clearing in protected forests or conservation areas (Wati, 2021).

The implementation of administrative law also provides protection against potential social conflicts that often arise in oil palm plantation areas. Conflicts such as land disputes between companies and indigenous peoples or local residents can be minimised through regulations that support dialogue and negotiation. The government, through existing regulations, must ensure that there are mechanisms in place to resolve these conflicts fairly, so that no party is harmed (Karim, 2021).

One important example of regulation is the mechanism for handling assets threatened by illegal activities. Oil palm plantation assets are often targeted by illegal logging, land encroachment, or illegal farming activities. Through administrative law, the government can impose sanctions on violators or provide additional protection for companies whose assets are threatened.

This includes granting more targeted management rights for areas, involving forest patrols, or cooperation between companies and local security forces (Putri, 2022). Administrative law regulations also provide guidance on corporate social responsibility (CSR). Palm oil companies are expected to pay attention to the impact of their operations on surrounding communities.

This responsibility can take the form of education, health, or environmental conservation programmes. These obligations are stipulated in various regulations aimed at ensuring that the economic benefits of oil palm plantations are felt by the surrounding communities, not just by business owners (Pratama, 2020).

In addition, tax and financial obligations are also part of the application of administrative law in protecting oil palm plantation assets. Regulations governing tax and levy payments aim to maintain financial transparency within companies. By fulfilling their financial obligations in accordance with the law, business owners not only avoid sanctions but also contribute to regional development through taxes or other operational costs paid (Kurniawan, 2018).

The sustainability and operational efficiency of oil palm plantations are also supported by regulations governing audit and reporting systems. Companies are required to submit periodic reports on land use, production results, and the environmental impact of their operations. This system helps the government monitor oil palm plantation activities more effectively and ensure that companies comply with applicable regulations (Hakim, 2018).

Law enforcement is also an important part of these regulations. The government must ensure that all violations are dealt with firmly in accordance with the law. With consistent law enforcement, oil palm plantation companies will be more encouraged to conduct their business in accordance with the rules, thereby protecting their assets (Gunawan, 2023).

The implementation of administrative law regulations provides assurance for palm oil plantation owners to conduct their business safely. Not only does it protect assets directly, but these regulations also help create a fair, sustainable business environment that is in line with legal norms in Indonesia. By complying with existing regulations, companies not only protect their rights but also contribute to the balance between economic needs, social benefits, and environmental sustainability (Setiawan, 2023).

Thus, through the implementation of good administrative law, the palm oil industry can continue to grow without harming the ecosystem or the community. Cooperation between the government, companies, and the community is essential to ensure that palm oil plantation assets are not only preserved but also become an integral part of sustainable development. Strong regulations, consistent law enforcement, and awareness from all parties are the key elements to achieving a safe and responsible palm oil plantation industry.

Conclusion

The legal implications for plantation companies in cases of palm oil theft lie in the companies' obligation to have adequate plantation management and asset protection systems in place. In this context, companies must ensure that all legal documents, such as plantation business permits, land title certificates, and other supporting documents, are in accordance with applicable laws and regulations. The existence of complete and valid documents not only strengthens the company's legal position in dealing with theft cases, but also serves as proof of the legitimacy of its management.

On the other hand, cases of palm oil plantation theft often occur due to weak supervision and asset protection by companies. Therefore, administrative law also requires companies to implement certain operational standards, such as establishing effective security systems and maintaining good relations with the surrounding community. This step is important

to prevent social conflicts that can be the root cause of theft. When companies fail to carry out these administrative responsibilities, their ability to seek legal redress for losses due to theft becomes weaker.

Thus, the implications of administrative law extend beyond merely meeting legal requirements; they also involve creating a management system that supports comprehensive asset protection. Companies that fulfil their administrative obligations effectively will be better prepared to address cases like oil palm plantation theft, both legally and operationally. This underscores the importance of aligning legal regulations with on-the-ground practices for the sustainability of plantation operations.

References

- Ahmad Fauzi. (2018). Palm Oil and Governance: Legal and Administrative Challenges in Southeast Asia. *Asian Journal of Environmental Law*.
- Arief, R. (2023). The Role of Government Regulation in Modern Plantation Management. https://doi.org/10.1142/S0219877023400012
- Aveyard, H. (2010). Doing a Literature Review in Health and Social Care: A Practical Guide. Open University Press.
- Dewi Anggraeni. (2019). Indonesia's Palm Oil Industry and Environmental Administration: Legal Perspectives. *Indonesian Environmental Law Journal*.
- Fink, A. (2014). Conducting Research Literature Reviews: From the Internet to Paper. Sage Publications. Gunawan, D. M. (2023). Impact of Palm Oil Cultivation on Local Communities. https://doi.org/10.1016/j.worlddev.2023.105902
- Hakim, B. R. (2018). Environmental Issues in Agricultural Development. https://doi.org/10.4324/9780429325236
- Haryadi, P. (2019). Sustainable Land Management in Tropical Agriculture. https://doi.org/10.1017/9781108687580
- Implementasi Peraturan Menteri Pertanian Dalam Usaha Perkebunan Sawit Berkelanjutan (2022).
- Karim, F. (2021). Chapter 4: Policy and Regulation for Sustainable Farming Practices. https://doi.org/10.1108/9781839829274.ch004
- Kementerian Agraria dan Tata Ruang/Badan Pertanahan Nasional (ATR/BPN). (2021). Panduan Tata Kelola Perizinan Perusahaan Perkebunan Sawit.
- Khan, K. S., Kunz, R., Kleijnen, J., & Antes, G. (2003). Five Steps to Conducting a Systematic Review. *Journal of the Royal Society of Medicine*, 118–121.
- Kurniawan, E. P. (2018). Economic Analysis of Palm Oil Production and Its Trade Impacts. https://doi.org/10.1080/13639080.2018.1427282
- Lusardi, D. (2022). Administrative Practices and Conflict Resolution in Agricultural Law. https://doi.org/10.1007/s10538-022
- Mahendra, R. (2020). The Future of Sustainable Agriculture in Indonesia. https://doi.org/10.1002/9781119576367
- Nugroho, F. (2023). Social and Economic Drivers of Deforestation in Southeast Asia. https://doi.org/10.1038/s41586-023-03892-7
- Pratama, A. I. (2020). Chapter 10: Climate Change and Agricultural Innovation. https://doi.org/10.1201/9781351018792-10
- Putri, A. R. (2022). Chapter 7: Environmental Regulations in Agriculture: Balancing Growth with Conservation. https://doi.org/10.1002/9781119403955.ch7
- Rahmawati, S. D. (2019). Legal Aspects of Land Use in Palm Oil Cultivation. https://doi.org/10.1057/s41398-019-0625-6

- Rini Damayanti. (2020). Legal Framework of Palm Oil Plantation in Indonesia: Environmental and Administrative Concerns. *Indonesian Law Review*.
- Santoso, A. H. (2017). Agroforestry Systems and Sustainability. https://doi.org/10.22601/afsys.2017.03
- Sari, D. A. (2021). The Role of Certification in Sustainable Palm Oil Development. https://doi.org/10.1162/glep_a_00565
- Setiawan, A. (2023). Impacts of Legal Administrative Regulations on Palm Plantation Operations. https://doi.org/10.1177/043689682023
- Sishadiyanto, T. (2021). Legal Frameworks on Palm Plantation and Theft Cases in Indonesia. https://doi.org/10.1016/j.jlp.2021
- Susanti, M. (2020). Sustainable Practices in Oil Palm Plantation: Challenges and Opportunities. https://doi.org/10.1016/j.ecolecon.2020.04.042
- Tanjung, W. (2016). Palm Oil Governance: Balancing Economic and Environmental Priorities. https://doi.org/10.1093/oso/9780198796210.001.0001
- Wati, I. P. (2021). Biodiversity Conservation in Palm Oil Plantations. https://doi.org/10.1007/s13280-021-01512-3