

REGULATION OF THE GOVERNMENT OF  
THE REPUBLIC OF INDONESIA  
NUMBER 18 OF 2021  
ON  
RIGHT TO MANAGE, LAND RIGHT, APARTMENT UNIT, AND LAND  
REGISTRATION

BY THE BLESSINGS OF ALMIGHTY GOD

PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering : that to implement the provisions of Article 142 and Article 185 point b of Law Number 11 of 2020 on Job Creation, it is necessary to issue a Government Regulation on Right to Manage, Land Right, Apartement Unit and Land Registration;

Observing : a. Article 5 section (2) of the 1945 Constitution of the Republic of Indonesia;  
b. Law Number 11 of 2020 on Job Creation (State Gazette of the Republic of Indonesia of 2020 Number 245, Supplement to the State Gazette of the Republic of Indonesia Number 6573);

HAS DECIDED:

To issue : GOVERNMENT REGULATION ON RIGHT TO MANAGE, LAND RIGHT, APARTMENT UNIT, AND LAND REGISTRATION.

CHAPTER I  
GENERAL PROVISIONS

Article 1

In this Government Regulation:

1. Land means earth surface in the form of land or those covered by water, including the space over the ground and under the ground within certain limit the use and utilization of which are directly and indirectly related to the use and utilization of the earth surface.
2. State Land or Land Controlled directly by the State means the Land which is not attached with any right to land, not Waqf Land, not *Ulayat* Land and/or not the asset owned by the State/local government.
3. Right to manage means the right to control by the State which authority to exercise is partially delegated to the holder of the Right to Manage.
4. Land Right means the right earned from a legal relation between the right holder and the Land, including the Space over the Ground, and/or the space under the Ground to control, possess, use, and utilize, and maintain the Land, space over the Ground and/or space under the Ground.
5. Overground Space means the space existing over the Land surface used for certain activities which control, ownership, use and utilization are separate from the control, ownership, used and utilization of a parcel of Land.
6. Underground Space means a space existing under the Land surface used for certain activities which control, ownership, use and utilization are separate from the control, ownership, use, and utilization of a parcel of Land.
7. Extension of Time Period of a Right hereafter referred to as Extension means addition of the time period during which the right is valid without changing the conditions in the granting of such right.

8. Right renewal hereafter referred to as Renewal means addition of time period a right is valid after the time period ends or before the time period for extension ends.
9. Land Registration means a series of activities performed by the Government continuously, sustainably and regularly covering collection, processing, recording and presentation and maintenance of physical data and judicial data in the form of maps and lists of parcels of land, Overground Space, Underground Space and units of apartments, including granting of ownership rights for parcels of Land, Overground Space, Underground Space that already have rights and right of ownership on Apartment Unit as well as certain rights encumbering them.
10. Apartment unit means a unit of apartment the main purpose of which is to be used separately with the main function as for residential purposes and has connecting facilities to public roads.
11. Abandoned Land means Entitled Land, Land under Right to Manage, or Land acquired based on the control of Land purposely not cultivated, not used, not utilized or not maintained.
12. Destroyed Land means Land that has deformed from its original shape due to a natural event and can no longer be identified, hence cannot be functioned, used and utilized as proper.
13. *Ulayat* Land means Land existing in the area of control by *adat* law community which factually still exists and not attached by any Land Right.
14. Foreigner means an individual not Citizen of Indonesia whose existence gives benefit, engaging in a business, working or investing in Indonesia.
15. Central Government means the President of the Republic of Indonesia holding the power of governing the state of the Republic of Indonesia assisted by a Vice President and ministers as referred to in the 1945 Constitution of the Republic of Indonesia.

16. Local Government means a head of region as the organizing element of a Local Government who leads the implementation of Governance affairs which is the authority of autonomous region.
17. Minister means the minister administering government affairs in the agrarian/land and spatial layout fields.
18. Ministry means the ministry administering government affairs in the agrarian/land and spatial layout fields.
19. Regional Office of the National Land Agency hereinafter referred to as Regional Office means a vertical institution of the Ministry in a province.
20. Land Office means a vertical institution of the Ministry in a regency/municipality.

#### Article 2

- (1) State Land or Land Controlled Directly by the State constitute the entire parcels of Land in the Unitary State of the Republic of Indonesia not possessed under any right by other parties.
- (2) The State Land as referred to in section (1) can by the State be granted to individuals or legal entities with a Land Right in accordance with its allocation and need, or grant it with a Right to Manage.
- (3) The State Land as referred to in section (1) includes:
  - a. Land stipulated by Law or Government Stipulation;
  - b. Reclamation land;
  - c. Emerging land;
  - d. Land derived from relinquishment/ submission of right;
  - e. Land derived from release of forest area;
  - f. Abandoned land;
  - g. Entitled land which time period has expired and not requested for Extension and/or Renewal;
  - h. Entitled land which time period has expired and not requested for Extension and/or Renewal; and
  - i. Land which initially has the status of State Land.

CHAPTER II  
SCOPE

Article 3

The scope of this Government Regulation includes:

- a. Right to Manage;
- b. right to cultivate, right to build and right to use on Land;
- c. Apartment Unit;
- d. Land Right or Right to Manage Overground Space and Underground Space; and
- e. Land Registration

CHAPTER III  
RIGHT TO MANAGE

Part One

Land that can be Granted Right to Manage

Article 4

Right to Manage may derive from State Land and *Ulayat* Land.

Part Two

Subject of Right to Manage

Article 5

- (1) Right to Manage derived from State Land is granted to:
  - a. Central Government Institution;
  - b. Local Government;
  - c. state-owned enterprises/local-owned enterprises;
  - d. state legal entity/local-owned legal entity;
  - e. Land Banking Entity; or
  - f. legal entity appointed by the Central Government.
- (2) Right to Manage derived from *Ulayat* Land is stipulated for the *adat* law community.

Article 6

- (1) Right to Manage on State Land is granted insofar as its

main duty and function are directly related to Land management.

- (2) The Central Government institution as referred to in Article 5 section (1) point a which main duty and function are not directly related to Land management may be granted Right to Manage after obtaining approval from the Minister administering government affairs in the field of finance.
- (3) The State-owned enterprises/local-owned enterprises as referred to in Article 5 section (1) point c also include the subsidiaries owned by the state-owned enterprises/local-owned enterprises based on state equity participation in other state-owned enterprises/local-owned enterprises.
- (4) The legal entity appointed by the Central Government as referred to in Article 5 section (1) point f constitutes the legal entity that has special assignment stipulated under a Presidential Regulation.

### Part Three

#### Utilization of Land under Right to Manage

##### Article 7

- (1) Holder of Right to Manage is granted the authority to:
  - a. prepare a plan for allocation, use and utilization of Land in accordance with the spatial layout plan;
  - b. use and utilize the entire or part of Land under Right to Manage for self-use or handled jointly with other parties; and
  - c. determine the tariff and/or annual mandatory fee from other parties in accordance with an agreement.
- (2) The plan for allocation, use and utilization of Land in accordance with the spatial layout plan as referred to in section (1) point a constitute the master plan prepared by the holder of Right to Manage.

##### Article 8

- (1) Right to Manage which use and utilization of the land is

entirely or partly for self-use or jointly handled with other parties as referred to in Article 7 section (1) point b may be granted Land Right in the form of right to cultivate, right to build and/or right to use over Right to Manage in accordance with its nature and function to:

- a. the holder of Right to Manage insofar as regulated in Government Regulation; or
  - b. other parties, if the Land under Right to Manage is jointly handled under a Land utilization agreement.
- (2) The Land utilization agreement as referred to in section (1) point b at least includes:
- a. identity of the parties;
  - b. location, perimeters and total area of the Land;
  - c. types of use, utilization of Land, and/or building to be erected;
  - d. provisions on the type of the right, time period, extension, renewal, transfer, encumberment, change, and/or abolishment/annulment of right granted over Land and building after expiry of the Land Right;
  - e. amounts of tariff and/or annual mandatory fee and the payment method; and
  - f. terms and conditions binding the parties, construction implementation, penalty for default including clauses on sanction, and annulment/termination of agreement.

#### Article 9

- (1) Determination of tariff and/or annual mandatory fee is adjusted to the purpose of utilization for:
  - a. public interest;
  - b. social interest;
  - c. development interest; and/or
  - d. economic interest.
- (2) The determination of tariff and/or annual mandatory fee as referred to in section (1) is stated in a Land utilization agreement between the holder of Right to Manage and

other parties and it may not contain elements detrimental to the parties.

- (3) In addition to the provisions as referred to in section (1) and section (2), determination of tariff and/or annual mandatory fee is based on the characteristics of allocation and certain reasonable utilization.
- (4) Formulation of tariff and/or annual mandatory fee charged by the holder of Right to Manage is stipulated by the Minister.

#### Article 10

- (1) Right to Manage derived from State Land or *Ulayat* Land is stipulated under a Ministerial Decree.
- (2) The decree as referred to in section (1) may be made electronically.

#### Article 11

- (1) Right to Manage as referred to in Article 10 is required to be registered on the Land Office.
- (2) The Right to Manage occurs as from being registered with the Land Office.
- (3) Holder of Right to Manage is granted certificate as evidence of ownership of the Right to Manage.

#### Article 12

- (1) Right to Manage may not be used as a debt collateral encumbered with a mortgage right.
- (2) Right to Manage may not transfer and be transferred to other parties.
- (3) Right to Manage may only be relinquished in the event that right of ownership is granted, relinquished for public interest, or other provisions regulated in legislation.
- (4) In the event that the Right to Manage relinquished as referred to in section (3) is Land that asset owned by the state/owned by local government, relinquishment/abolition of Right to Manage is performed in accordance with the provisions of legislation.
- (5) Relinquishment of Right to Manage is made by and before the competent authority and reported to the Minister.

### Article 13

- (1) Land Right on Land under Right to Manage handled jointly with other parties may be encumbered with a mortgage right, transferred or relinquished.
- (2) Each legal action including being used as debt collateral encumbered with a mortgage right on Land Right over Right to Manage requires recommendation from the holder of Right to Manage and incorporated in the Land utilization agreement.
- (3) In the event that the Land Right over a Right to Manage is to be relinquished, then such relinquishment is made by and before the competent authority and reported to the Minister.

### Part Six

#### Abolition of Right to Manage

### Article 14

- (1) A Right to Manage is abolished under the following events:
  - a. has the right annulled by the Minister due to:
    1. administrative defect; or
    2. final and binding court decision;
  - b. voluntarily relinquished by the right holder;
  - c. relinquished for public interest;
  - d. revoked by virtue of law;
  - e. granted right of ownership;
  - f. stipulated as Abandoned Land; or
  - g. stipulated as Destroyed Land.
- (2) In the event that a Right to Manage is annulled due to an administrative defect as referred to in section (1) point a point 1, the Land Right over the Right to manage may be declared annulled if included in the decision of annulment of Right to Manage.
- (3) In the event that a Right to Manage is annulled due to execution of final and binding court decision as referred

to in section (1) point a point 2, the Land Right over the Right to Manage may be declared annulled insofar as the verdict includes annulment of the Land Right over the Right to Manage.

#### Article 15

- (1) Abolition of the Right to Manage as referred to in Article 14 on State Land causes:
  - a. the Land to become State Land; or
  - b. subject to the court decision.
- (2) The State Land as referred to in section (1) point a, restructuring of use, utilization, and ownership is subsequently under the authority of the Minister.
- (3) Relinquishment of the Right to Manage as referred to in Article 14 over an *Ulayat* Land causes the land return under the control of the *adat* law community.

#### Part Seven

##### Supervision and Control

#### Article 16

The Minister periodically conducts supervision and control in stages through the Regional Office and the land Office covering:

- a. supervision and control of Right to Manage; and
- b. supervision and control of Land Right on Right to Manage.

#### Part Eight

##### Reclamation Land

#### Article 17

- (1) Reclamation Land may be granted Right to Manage and/or Land Right under the condition of having obtained reclamation permit.

- (2) In the event that reclamation permit is granted to a central government institution, state-owned enterprises/ local-owned enterprise, state legal entity/local-owned legal entity, Land Banking Entity or legal entity appointed by the Central Government, the reclamation Land as referred to in section (1) is granted Right to Manage or Land Right by considering the condition as the right subject.
- (3) In the event that reclamation permit is granted to a legal entity or individual, the reclamation land as referred to in section (1) is granted Land Right and/or Right to Manage under the following provisions:
  - a. for holder of reclamation permit, granted Land Right and/or Land Right over the Right to Manage; and
  - b. for the Central Government or Local Government granting reclamation permit, granted Right to Manage,based on the agreement between the parties that obtains reclamation permit and the Central Government or Local Government and considering the provisions of spatial layout.
- (4) In the event that a reclamation activity is performed without reclamation permit, then the competent authority authorizing to grant reclamation permit performs technical examination or spatial layout in accordance with the provisions of legislation.
- (5) In the event that the result of examination as referred to in section (4):
  - a. has met the condition, the land as the result of reclamation becomes the Land directly Controlled by the State and the use, utilization and ownership subsequently become the authority of the Minister; or
  - b. does not meet the condition, the Land as the result of reclamation may be returned to its initial condition by the party performing reclamation in accordance with the provision of legislation regarding reclamation permit.

#### Article 18

Further provisions regarding:

- a. Land that can be granted Right to Manage, subject, land utilization, occurrence of right, the procedure and conditions for submitting application for the granting, and registration, encumbrance, transfer and relinquishment, abolition, and supervision and control of Right to Manage and Reclamation Land as referred in Article 4 to Article 8 and Article 10 to Article 17; and
- b. formulation and determination of tariff and/or annual mandatory fee as referred to in Article 9, regulated in a Ministerial Regulation.

### CHAPTER IV

#### RIGHT TO CULTIVATE, RIGHT TO BUILD, AND RIGHT TO USE OVER LAND

##### Part One

##### Right to Cultivate

##### Paragraph 1

##### Subject of Right to Cultivate

#### Article 19

Right to cultivate is granted to:

- a. Indonesian citizens; and
- b. legal entities which are established under Indonesian Law and located in Indonesia.

#### Article 20

- (1) Holders of right to cultivate that is no longer meeting the conditions as referred to in Article 19, within 1 (one) year is obligated to relinquish or transfer their right to cultivate to other parties meeting the conditions.
- (2) In the event that within the time period as referred to in section (1) the right is not relinquished or transferred, then the right is abolished by law.

Paragraph 2

Land that can be Granted Right to Cultivate

Article 21

The Land that can be granted Right to cultivate include:

- a. State Land; and
- b. Land under Right to Manage.

Paragraph 3

Time Period of Right to Cultivate

Article 22

- (1) Right to cultivate is granted for a period of maximum 35 (thirty-five) years, extended for a period of maximum 25 (twenty-five) years and renewed for period of maximum 35 (thirty-five) years.
- (2) After the time period for the granting, extension, and renewal as referred to in section (1) ends, the Land under Right to Cultivate returns to the Land Directly Controlled by the State or Land under Right to Manage.
- (3) The Land Controlled Directly by the State as referred to in section (2), restructuring of use, utilization and ownership becomes the authority of the Minister and may be given priority to the former right holder by taking into account:
  - a. the land is still cultivated and utilized properly in accordance with its condition, nature, and purpose of the right granting;
  - b. the conditions for right granting are duly met by the right holder;
  - c. the right holder still meets the conditions as the holder of right;
  - d. the land still conforms to the spatial layout plan;
  - e. not used and/or planned for public interest;
  - f. the natural resources and environment; and
  - g. the condition of the Land and the surrounding community.

Paragraph 4  
Occurrence of Right to Cultivate

Article 23

- (1) Right to cultivate on State Land is granted under decree of right granting by the Minister.
- (2) Right to cultivate on Land under Right to Manage is granted under decree of right granting by the Minister based on agreement from the holder of Right to Manage.
- (3) The decree as referred to in section (1) and section (2) may be made electronically.

Article 24

- (1) Granting of right to cultivate as referred to in Article 23 must be registered with the Land Office.
- (2) Right to cultivate occurs as from being registered by the Land Office.
- (3) Holder of right to cultivate is given certificate of Land Right as evidence of right ownership.

Article 25

- (1) Right to cultivate on State Land as referred to in Article 23 section (1) can be extended or renewed at the request of right holder, under the following conditions:
  - a. the land is still cultivated and utilized properly in accordance with the condition, nature, and purpose of right granting;
  - b. the condition of right granting is duly met by the right holder;
  - c. the right holder still meets the conditions as the holder of right;
  - d. the land still conforms to the spatial layout plan; and
  - e. not used and/or planned for public interest.
- (2) Right to cultivate on Land under Right to Manage as referred to in Article 23 section (2) can be extended or renewed at the request of holder of right to cultivate if it meets the condition as referred to in section (1) and obtaining approval from the holder of Right to Manage.

Article 26

- (1) Application for extension of time period for right to cultivate may be submitted after the age of plants or other businesses are effective or no later than at the expiration of time period of the right to cultivate.
- (2) Application for renewal of right to cultivate is submitted maximum 2 (two) years after the expiry of time period of right to cultivate.
- (3) In the event of the right to cultivate on a Land under Right to Manage, the time period for extension and renewal of right may be granted if the land has been used and utilized in accordance with the purpose of right granting.
- (4) Extension or renewal of right to cultivate is required be registered with the Land Agency.

Paragraph 5

Obligation, Prohibition, and Right of Holders of Right to Cultivate

Article 27

Holders of right to cultivate are obligated to:

- a. engage in the businesses of agriculture, fishery and/or cattle breeding in accordance with the allocation and requirements as stipulated in the decision of right granting maximum 2 (two) years as from the right granting;
- b. properly cultivate the Land under right to cultivate in accordance with the business feasibility based on the criteria stipulated by the technical institution;
- c. construct and maintain the environment infrastructure and facilities existing within the area of right to cultivate;
- d. maintain the Land, including improving the fertility and prevent the damage thereof as well as maintain the preservation of the environment;
- e. give exit or waterway or other facilities for the yard or plot of locked Land;
- f. manage, maintain, supervise, and retain the function of high value conservation areas in the event that area of

- conservation is within the area of right to cultivate;
- g. maintain the conservation function of water body boundary or other conservation functions;
  - h. comply with the provisions of space utilization regulated on the spatial layout plan;
  - i. facilitate the development of public plantation minimum 20% (twenty percent) of the total area of Land granted right to cultivate, in the event that the right holder is a legal entity in the form of limited liability company and the utilization is for plantation;
  - j. submit report at the end of each year on the utilization of right to cultivate;
  - k. relinquish Land Right partly or entirely in the event that it is used for development in the public interest; and
  - l. return the Land granted with right to cultivate to the state or holder of the Right to Manage after abolition of the right to cultivate.

#### Article 28

Holders of right to cultivate are prohibited to:

- a. delegate utilization of the Land under right to cultivate to other parties unless permitted so under legislation;
- b. lock or close the yard or other plot of the Land from public traffic, public access, and/or waterways;
- c. open and/or process the land by way of burning;
- d. damage the natural resources and preservation of environmental capacity;
- e. neglect the land; and
- f. erect permanent construction that reduces the conservation function of levee, conservation function of boundary, or other conservation functions, in the event that the area of right to cultivate has water body boundary or other conservation functions.

#### Article 29

Holders of right to cultivate are entitled to:

- a. use and utilize the Land granted in accordance with the allocation and requirements as stipulated in the decision and agreement of the granting;

- b. utilize the water resources and other natural resources on the Land granted with right to cultivate insofar as to support the use and utilization of Land as referred to in point a in accordance with the provision of legislation; and/or
- c. take legal action intended to relinquish, transfer, and alter the use and encumber it with mortgage right in accordance with the provision of legislation.

#### Paragraph 6

#### Encumbrance, Transfer, Relinquishment and Change of Right to Cultivate

#### Article 30

- (1) Right to cultivate may be used as debt collateral encumbered with mortgage right.
- (2) Right to cultivate may be transfer, be transferred or relinquished to other parties and have the right changed.
- (3) Relinquishment of right to cultivate as referred to in section (2) is drawn up by and before the competent authority and reported to the Minister.

#### Paragraph 7

#### Abolition of Right to Cultivate

#### Article 31

Right to cultivate is abolished in the following events:

- a. expiry of the term period as stipulated in the decision of the granting, extension or renewal of the right;
- b. annulment of the right by the Minister prior to expiry of the term period for:
  - 1. failure to meet the provisions on obligation and/or prohibition as referred to in Article 27 and/or Article 28;
  - 2. administrative defect; or
  - 3. final and binding court decision;
- c. change of the right to become other Land Right;

- d. voluntarily relinquishment by the right holder prior to expiry of the term period;
- e. relinquished for public interest;
- f. revoked by virtue of law;
- g. stipulated as Abandoned Land;
- h. stipulated as Destroyed Land;
- i. expiry of agreement of Land utilization, for right to cultivate on Land under Right to Manage; or
- j. holder of the right no longer meets the condition as the right subject.

#### Article 32

- (1) Abolition of right to cultivate as referred to in Article 31 on State Land causes:
  - a. the land to become State Land; or
  - b. subject to the court decision.
- (2) The State Land as referred to in section (1) point a, restructuring of use, utilization, and ownership subsequently becomes the authority of the Minister.
- (3) Abolition of right to cultivate as referred to in Article 31 on Land under Right to Manage causes the land to return under the control of holder of the Right to Manage.

#### Article 33

Further provisions regarding the subject, Land that can be granted right to cultivate, time period, occurrence of right, procedure and condition for submitting application for the granting, extension, renewal, and registration, obligation, prohibition, and right, encumbrance, transfer, relinquishment and change, as well as abolition of right to cultivate as referred to in Article 19 to Article 32 are regulated in a Ministerial Regulation.

Part Two  
Right to build

Paragraph 1  
Subject of Right to Build

Article 34

Right to build is granted to:

- a. Indonesia citizens; and
- b. legal entities which are established under Indonesian Law and located in Indonesia.

Article 35

- (1) Holders of right to build no longer meeting the conditions as referred to in Article 34 within 1 (one) year are obligated to relinquish or transfer the right to build to other parties meeting the conditions.
- (2) In the event that within the time period as referred to in section (1) the right is not relinquished or transferred, then the right is abolished by law.

Paragraph 2

Land that can be Granted Right to Build

Article 36

Land that can be granted right to build include:

- a. State Land;
- b. Land under Right to Manage; and
- c. Land under right of ownership.

Paragraph 3

Time Period of Right to Build

Article 37

- (1) Right to build on State Land and Land under Right to Manage is granted for a time period of maximum 30 (thirty) years, extended for a period of maximum 20 (twenty) years and renewed for a period of maximum of 30 (thirty) years.

- (2) Right to build on Land under right of ownership is granted for a period of maximum 30 (thirty) years and can be renewed with a deed of granting of right to build on land under right of ownership.
- (3) After the time period of the granting, extension and renewal as referred to in section (1) expires, the Land under right to build returns to the Land Directly Controlled by the State or Land under Right to Manage.
- (4) Land Controlled Directly by the State as referred to in section (3), restructuring of use, utilization, and ownership becomes the authority of the Minister and may be given priority to the former right holder by observing the following:
  - a. the land is still cultivated and utilized properly in accordance with the condition, nature and purpose of the right granting;
  - b. the conditions for right granting have been appropriately met by the right holder;
  - c. the right holder still meets the conditions as holder of the right;
  - d. the land still conforms to the spatial layout plan;
  - e. not used and/or planned for public interest;
  - f. the natural resources and environment; and
  - g. the condition of the Land and the surrounding community.

#### Paragraph 4

#### Occurrence of Right to Build

#### Article 38

- (1) Right to build on State Land is granted under decree of right granting by the Minister.
- (2) Right to build on Land under Right to Manage is granted under decree of right granting by the Minister based on approval of the holder of Right to Manage.
- (3) Right to build on Land under right of ownership occurs through the granting of right by the holder of right of ownership with a deed drawn up by Land Deed Official.

- (4) The decree as referred to in section (1) and section (2) and the deed drawn up by Land Deed Official as referred to in section (3) may be made electronically.

#### Article 39

- (1) The granting of right to build as referred to in Article 38 is required to be registered with the Land Office.
- (2) Right to build on State Land, on Land under Right to Manage, or on Right under right of ownership occurs as from being registered by the Land Office.
- (3) Right to build on Land under right of ownership binds the third party as from being registered by the Land Office.
- (4) Holder of right to build is granted certificate of Land Right as evidence of right ownership.

#### Article 40

- (1) Right to build on State Land as referred to in Article 38 section (1) may be extended or renewed at the request of the right holder if the following conditions are met:
  - a. the land is still cultivated and utilized properly in accordance with the condition, nature, and purpose of the right granting;
  - b. the conditions of right granting are duly met by the right holder;
  - c. the right holder still meets the conditions as right holder;
  - d. the land still conforms to the spatial layout plan; and
  - e. not used and/or planned for public interest.
- (2) Right to build on Land under Right to Manage as referred to in Article 38 section (2) may be extended or renewed at the request of holder of the right to build if it meets the conditions as referred to in section (1) and obtains approval from the holder of Right to Manage.
- (3) Upon the agreement between the holder of right to build and the holder of right of ownership, the right to build on Land under Right of ownership may be renewed with the granting of new right to build with a deed drawn up by

Land Deed Official and the right must be registered with the Land Office.

#### Article 41

- (1) Application for extension of time period of a right to build can be submitted after the land is used and utilized in accordance with the purpose of right granting or at the latest prior to expiry of the time period of the right to build.
- (2) Application for renewal of right to build is submitted maximum 2 (two) years after the expiry of the time period of the right to build.
- (3) Granting of right to build for Apartment Units constructed on Land:
  - a. Right to build on State Land, may be granted at the same time as extension of the right after obtaining certificate of worthiness;
  - b. Right to build on Land under Right to Manage, may be granted extension and renewal of right after obtaining certificate of worthiness.
- (4) In the event of right to build on Land under Right to Manage, the time period of extension and renewal of right can be granted if the land has been used and utilized in accordance with the purpose of right granting.
- (5) Extension or renewal of right to build is required to be registered at the Land Office.

#### Paragraph 5

Obligation, Prohibition and Right of Holders of Right to Build

#### Article 42

Holders of right to build are obligated to:

- a. perform the construction and/or cultivation of their land in accordance with the purpose of allocation and conditions as stipulated in decision of the right granting maximum 2 (two) years as from the right is granted;
- b. maintain the Land, including improving the fertility and

- preventing the damage and preserving the environment;
- c. maintain the conservation function of water body boundary or other conservation functions;
- d. comply with the provisions on space utilization regulated in the spatial layout plan;
- e. relinquish Land Right partly or entirely in the event it is used for development in the public interest; and
- f. return the Land granted with right to build to the state, holder of the Right to Manage or holder of the right of ownership, after the right to build is abolished.

#### Article 43

Holders of right to build are prohibited to:

- a. lock or close the yard or other plots of Land from public traffic, public access, and/or waterway;
- b. damage natural resources and preservation of environment capacity;
- c. abandon their land; and/or
- d. erect permanent building that reduces the conservation function of levee, conservation function of boundary, or other conservation functions, in the event that the area of right to build has water body boundary or other conservation functions.

#### Article 44

Holders of right to build are entitled to:

- a. use and utilize the Land in accordance with its allocation and conditions as stipulated in the decision and agreement on right granting;
- b. erect and possess building on the Land granted with right to build insofar as used for personal purpose and/or to support business in accordance with the provision of legislation; and/or
- c. undertake a legal action intended to relinquish, transfer, and alter the use and encumber it with a mortgage right in accordance with the provisions of legislation.

Paragraph 6

Encumbrance, Transfer, Relinquishment and Change of Right  
to Build

Article 45

- (1) Right to build may be used as debt collateral encumbered with mortgage right.
- (2) Right to build may transfer, be transferred or relinquished to other parties and have the right changed.
- (3) Relinquishment of right to build as referred to in section (2) is made by and in the presence of the competent authority and reported to the Minister.

Paragraph 7

Abolition of Right to Build

Article 46

Right to build is abolished in the following events:

- a. expiry of the time period as stipulated in the decision of the granting, extension or renewal of right;
- b. annulment of the right by the Minister prior to expiry of the time period for:
  1. failure to comply with the provisions on obligation and/or prohibition as referred to in Article 42 and/or Article 43;
  2. failure to meet the conditions or obligations incorporated in the agreement on granting of right to build between the holder of right to build and holder of right of ownership or agreement on utilization of Land under Right to Manage;
  3. administrative defect; or
  4. final and binding court decision;
- c. change of the right to become other Land Right;
- d. voluntarily relinquished by the right holder prior to expiry of the time period;
- e. relinquished for public interest;
- f. revoked by virtue of law;

- g. stipulated as Abandoned Land;
- h. stipulated as Destroyed Land;
- i. expiry of agreement on right granting, or agreement on Land utilization for right to build on land under right of ownership or Right to Manage; and/or
- j. the right holder no longer meets the condition as the right subject.

#### Article 47

- (1) Abolition of right to build as referred to in Article 46 on State Land causes:
  - a. the Land to become State Land; or
  - b. subject to court verdict.
- (2) The State Land as referred to in section (1) point a, restructuring of use, utilization, and ownership subsequently becomes the authority of the Minister.
- (3) Abolition of right to build as referred to in Article 46 on Land under Right to Manage causes the land return under the control of holder of the Right to Manage.
- (4) Abolition of right to build as referred to in Article 46 on Land under right of ownership causes the land return under the control of holder of the right of ownership.

#### Article 48

Further provisions regarding the subject, Land that can be granted right to build, time period, occurrence of right, procedure and condition for submitting application for granting, extension, renewal, and registration, obligation, prohibition, and right, encumbrance, transfer, relinquishment, and change as well as abolition of right to build as referred to in Article 34 up to Article 47 are provided for in a Ministerial Regulation.

Part Three  
Right to Use

Paragraph 1  
Subject of Right to Use

Article 49

- (1) Right to use consists of:
  - a. right to use with time period; and
  - b. right to use during use.
- (2) Right to use with time period as referred to in section (1) point a is granted to:
  - a. Indonesian Citizens;
  - b. legal entities which are established under Indonesian Law and located in Indonesia;
  - c. foreign legal entities that have representative in Indonesia;
  - d. religious and social institutions; and
  - e. Foreigners.
- (3) Right to use during used as referred to in section (1) point b is granted to:
  - a. Central Government institutions;
  - b. Local Governments;
  - c. village governments; and
  - d. representatives of foreign countries and representatives of international agencies.

Article 50

- (1) Holders of right to use no longer meeting the conditions referred to in Article 49, within 1 (one) year are obligated to relinquish or transfer the right to use to other parties meeting the conditions.
- (2) If within the time period as referred to in section (1) the right is not relinquished or transferred, then the right is abolished by law.

Paragraph 2

Land that can be Granted Right to Use

Article 51

- (1) Land that can be granted right to use with time period as referred to in Article 49 section (1) point a include:
  - a. State Land;
  - b. Land under right of ownership; and
  - c. Land under Right to Manage
- (2) Land that can be granted right to use during use as referred to in Article 49 section (1) point b include:
  - a. State Land; and
  - b. Land under Right to Manage.

Paragraph 3

Time Period of Right to Use

Article 52

- (1) Right to use on State Land and Land under Right to Manage with time period is granted for a period of maximum 30 (thirty) years, extended for a period of maximum 20 (twenty) years, and renewed for a period of maximum 30 (thirty) years.
- (2) Right to use during used is granted for an indefinite period of time insofar as used or utilized;
- (3) Right to use with time period on Right under right of ownership is granted for a period of maximum 30 (thirty) years and can be renewed with deed of right granting on Land under right of ownership.
- (4) After the time period for granting, extension and renewal as referred to in section (1) expires, the Land under right to use returns to become Land Controlled Directly by the State or Land under Right to Manage.
- (5) Land Directly Controlled by the State as referred to in section (4), restructuring of use, utilization, and ownership becomes the authority of the Minister and can be prioritized to former right holder by observing the following:

- a. the land is still cultivated and utilized properly in accordance with the condition, nature and purpose of the right granting;
- b. the conditions for right granting are met by the right holder;
- c. the right holder still meets the conditions as right holder;
- d. the land still conforms to the spatial layout plan;
- e. not used and/or planned for public interest;
- f. the natural resources and environment; and
- g. the condition of the Land and surrounding community.

#### Paragraph 4

#### Occurrence of Right to Use

#### Article 53

- (1) Right to use on State Land is granted under decree of right granting by the Minister.
- (2) Right to Use on Land under Right to Manage is granted under decree of right granting by the Minister based on agreement of holder of the Right to Manage.
- (3) Right to Use on Land under right of ownership occurs through granting by the holder of right of ownership with a deed drawn up by Land Deed Official.
- (4) The decree referred to in section (1) and section (2) and deed drawn up by the Land deed Official as referred to in section (3) may be made electronically.

#### Article 54

- (1) The granting of right to use as referred to in Article 53 is required to be registered with the Land Office.
- (2) Right to use on State Land, on Land under Right of Management, or on Land under right of ownership occurs as from being registered by the Land Office.
- (3) Right to Use on Land under right of ownership binds the third party as from being registered by the Land Office.

- (4) Holders of right to use are granted certificate of Land Right as evidence of right.

#### Article 55

- (1) Right to use on State Land as referred to in Article 53 section (1) can be extended or renewed at the request of holder of the right if meeting the following conditions:
  - a. the land is still cultivated and utilized properly in accordance with the condition, nature, and purpose of right granting;
  - b. the conditions of right granting are duly met by the right holder;
  - c. the right holder still meets the conditions as right holder;
  - d. the land still conforms to the spatial layout plan; and
  - e. not for use and/or planned for public interest.
- (2) Right to use on Land under Right to Manage as referred to in Article 53 section (2) can be extended or renewed at the request of holder of the right to use if meeting the conditions as referred to in section (1) and obtaining approval from the holder of Right to Manage.
- (3) Based on agreement between holder of the right to use and holder of right of ownership, the right to use on Land under right of ownership can be renewed with the granting of new right to use with the deed drawn up by the Land Deed Official and such right must be registered with the Land Office.

#### Article 56

- (1) Application for extension of time period of right to use may be submitted after the land is used and utilized in accordance with the purpose of right granting or no later than prior to expiry of the right to use.
- (2) Application for renewal of right to use is submitted maximum 2 (two) years as from expiry of the right to use.
- (3) In the event of right to use on Land under Right of

Management the time period of extension and renewal of right can be granted if the land has been used and utilized in accordance with the purpose of right granting.

- (4) Extension or renewal of right to use is required to be registered at the Land Office.

#### Paragraph 5

Obligation, Prohibition and Right of Holders of Right to Use

#### Article 57

Holders of Right to Use are obligated to:

- a. develop and/or cultivate their land in accordance with the purpose of allocation and requirements as stipulated in the decree of right granting maximum 2 (two) years as from the right is granted;
- b. maintain the Land, including improving its fertility and preventing the damage and maintaining the preservation of the environment;
- c. maintain the conservation function of water body boundary or other conservation functions;
- d. comply with the provisions on space utilization regulated in the spatial layout plan;
- e. relinquish the Land Right partly or entirely in the event of use for development in the public interest; and
- f. return the Land granted with right to use to the State, holder of Right to Manage, or holder of right of ownership after the right to use is abolished.

#### Article 58

Holders of right to use are prohibited to:

- a. lock or close the yard or other plots of the Land from public traffic, public access, and/or waterway;
- b. damage the natural resources and preservation of the environment capacity;
- c. abandon their land; and/or
- d. erect permanent building which reduces the conservation function of levee, conservation function of boundary, or

other conservation functions, in the event that the area of right to use has water body boundary or other conservation functions.

#### Article 59

Holders of right to use are entitled to:

- a. use and utilize the Land in accordance with its allocation and requirements as stipulated in the decision and agreement on granting;
- a. utilize the water source and other natural resources on the Land granted with right to use insofar as to support business in accordance with the provisions of legislation; and/or
- b. undertake a legal action intended to relinquish, transfer, and change the use and encumber it with mortgage right in accordance with the provisions of legislation.

#### Paragraph 6

Encumbrance, Transfer, Relinquishment and Change of Right to Use

#### Article 60

- (1) Right to use with time period may be used as debt collateral encumbered with mortgage right.
- (2) Right to use with time period may transfer, be transferred, relinquished to other parties or changed.
- (3) Right to use during used cannot be used as debt collateral encumbered with mortgage right, cannot transfer, be transferred to other parties or changed.
- (4) Right to use during used may only be relinquished to a party meeting the conditions.
- (5) Relinquish of right to use as referred to in section (2) and section (4) is made by and in the presence of the competent authority and reported to the Minister.

Paragraph 7  
Abolition of Right to Use

Article 61

A right to use is abolished in the following events:

- a. expiry of time period as stipulated in the decision for granting, extending, or renewing the right, for the right to use with time period;
- b. annulled by the Minister prior to expiry of the time period due to:
  1. failure to comply with provision of obligation and/or prohibition as referred to in Article 57 and/or Article 58;
  2. failure to meet the conditions or obligations incorporated in the agreement on granting of right to use between the holder of right to use and holder of right of ownership or agreement on utilization of Land under Right to Manage;
  3. administrative defects; or
  4. final and binding court decision;
- c. change of the right to become other Land Right;
- d. relinquished voluntarily by the right holder prior to expiry of the time period;
- e. relinquished for public interest;
- f. revoked by virtue of law;
- g. stipulated as Abandoned Land;
- h. Stipulated as Destroyed Land;
- i. expiry of agreement on right granting or agreement on Land utilization for right to use on land under right of ownership or Right to Manage; and/or
- j. the right holder no longer meets the conditions as right subject.

Article 62

- (1) Abolition of right to use as referred to in Article 61 on State Land causes:
  - a. the Land to become State Land; or

- b. subject to court verdict.
- (2) The State Land as referred to in section (1) point a, restructuring of use, utilization, and ownership subsequently becomes the authority of the Minister.
- (3) Abolition of right to use as referred to in Article 61 on Land under Right to Manage causes the land return to the control of holder of the Right to Manage.
- (4) Abolition of Right to Use as referred to in Article 61 on Land under right of ownership cause the land return to the control of holder of the right of ownership.

#### Article 63

Further provisions regarding the subject, Land that can be granted right to use, time period, occurrence of right, the procedure and conditions for submitting application for granting, extension, renewal and registration, obligation, prohibitions, and rights, encumbrance, transfer, relinquishment and change, as well as abolition of right to use as referred to in Article 49 to Article 62 are regulated in a Ministerial Regulation.

#### Part Four

##### Annulment of Land Right due to Administrative Defect

#### Article 64

- (1) Annulment of Land Right due to administrative defect may only be performed in the following events:
  - a. before the period of 5 (five years) as from issuance of the certificate of Land Right for:
    - 1. Land Right issued for the first time and not yet transferred; or
    - 2. Land Right that has been transferred but the parties have no good faith on the right transfer in accordance with the provision of legislation;or
  - b. due to overlapping in the Land Right.
- (2) In the event that the time period of 5 (five) years as referred in section (1) point a has been exceeded, then annulment is performed through the judicial mechanism.

Part Five

Granting of Rights for Small Islands and Water Area

Article 65

- (1) Granting of Right to Manage and/or Land Right on a plot of Land which is entirely in 1 (one) small island is required to observe the public right.
- (2) Granting of Land Right in a water area is implemented based the permit issued by the ministry administering government affair in the field of maritime and fishery in accordance with the provision of legislation.
- (3) Further provisions regarding granting of right for small islands are regulated in a Ministerial Regulation.

Part Six

Destroyed Land

Article 66

- (1) In the event of a parcel of land that cannot longer be identified due to deformation because of a natural event that it cannot be properly functioned, used and utilized, it is declared as a Destroyed Land and the Right to Manage and/or Land Right is declared abolished.
- (2) Stipulation of Destroyed Land as referred to in section (1) is performed under the stages of identification, inventory and review.
- (3) Prior to stipulation as Destroyed Land, the holder of Right to Manage and/or Land Right is given priority to do reconstruction or reclamation over Land utilization.
- (4) In the event that reconstruction or reclamation as referred to in section (3) is performed by the Central Government, Local Government, or other parties, then the holder of Right to Manage and/or Land Right is given compensation fund.
- (5) Further provisions regarding stipulation of Destroyed Land are regulated in a Ministerial Regulation.

CHAPTER V  
APARTMENT UNIT

Part One

Subject of Right of Ownership on Apartment Unit

Article 67

- (1) Right of Ownership on Apartment Units is granted to:
  - a. Indonesian Citizens;
  - b. Indonesian legal entities;
  - c. Foreigners that possess licenses pursuant to the provisions of legislation;
  - d. foreign legal entities that have representatives in Indonesia; or
  - e. representatives of a foreign country and international agency existing or having representative in Indonesia.
- (2) In addition to being granted to as referred to in section (1), right of ownership on an Apartment Unit may also be granted to institutions of the Central Government or Local Government.
- (3) Right of ownership on Apartment Unit granted to institutions of the Central Government or Local Government as referred to in section (2) cannot be collateralized with encumbrance of mortgage right.

Part Two

Split and Merger of Rights of Ownership on Apartment Units

Article 68

- (1) A right of ownership on Apartment Unit may be split or merged by attaching the amended deed of split of right of ownership on the Apartment Unit that has been agreed or approved by the competent authority in accordance with the provisions of legislation.
- (2) In the event that the right of ownership over an

Apartment Unit is encumbered with mortgage right, split or merger as referred to in section (1) is implemented upon obtaining written approval from the holder of mortgage right.

### Part Three

#### Residential Houses or Residences for Foreigners

##### Article 69

- (1) Foreigners who can own residential houses or residences are foreigners who possess immigration documents in accordance with the provisions of legislation.
- (2) In the event that the foreigner passes away, the residential house or residence as referred to in section (1) may be inherited to the heir.
- (3) In the event that the heir as referred to in section (2) is a Foreigner, the heir must possess immigration documents in accordance with the provisions of legislation.

##### Article 70

- (1) Indonesian Citizens who are married to Foreigners may possess Land Right the same as for other Indonesian citizens.
- (2) Land Right as referred to in section (1), do not constitute joint property evidenced by a property separation agreement between husband and wife drawn up in a notarial deed.

##### Article 71

- (1) Residential houses or residences that can be owned by Foreigners are:
  - a. landed house on Land under:
    1. right to use; or
    2. right to use over:
      - a) right of ownership, controlled under agreement on granting of right to use on a right of ownership under deed of Land

Deed Official; or

- b) Right to Manage, under agreement on Land utilization with the holder of Right to Manage.
- b. Apartments constructed on a plot of land under:
  - 1. right to use or right to build on State Land;
  - 2. right to use or right to build on Land under Right to Manage; or
  - 3. right to use or right to build on Land under right of ownership.
- (2) The apartment constructed on Land under right to use or right to build as referred to in section (1) point b is Apartment Unit constructed in a special economic zone, free trade zone and free port, industrial zone and other economic zones.

#### Article 72

The ownership of residential houses or residences for Foreigners as referred to in Article 71 is granted under the following limitations:

- a. minimum price;
- b. total area of land;
- c. amount of land or Apartment Unit
- d. the purpose of residential houses or residences

#### Article 73

Further provisions regarding the procedure of granting and limitation of ownership of residential houses or residences by Foreigners as referred to in Article 69 to Article 71 are regulated in a Ministerial Regulation.

### CHAPTER VI

#### LAND RIGHT OR RIGHT TO MANAGE ON OVERGROUND SPACE AND UNDERGROUND SPACE

##### Part One

##### Overground Space and Underground Space Objects

#### Article 74

- (1) Use and utilization of plot of land owned by a holder of

Land Right are limited by:

- a. the height limit in accordance with the basic coefficient of the building and coefficient of the building floor provided for in the spatial layout plan; and
  - b. the depth limit provided for in the spatial layout plan or up to the depth of 30 (thirty) meters from the Land surface in the event that it is not regulated in the spatial layout plan.
- (2) Land which is structurally and/or functionally separated from the holder of Land Right as referred to in section (1) constitutes Overground Space or Underground Space directly controlled by the state.
- (3) Underground space consists of:
- a. shallow Underground Space; and
  - b. deep Underground Space.
- (4) Shallow Underground Space is the Land owned by holder of the Land Right with the depth limit as referred to in section (1) point b.
- (5) Deep Underground Space is the Land which is structurally and/or functionally separated from the holder of Land Right as referred to in section (2).

#### Article 75

In the event of utilization of oil and natural gas resources as well as mineral and coal, Land Right on the Underground Space cannot be granted.

#### Second Part

Occurrence of Right to Manage, Right to Build, and Right to Use on Overground Space or Underground Space

#### Article 76

- (1) Utilization of Overground Space or Underground Space as referred to in Article 74 section (2) must conform to the activity of space utilization issued by the Minister.
- (2) The issuance of conformity of activity of space utilization

for Overground Space or Underground Space as referred to in section (1) is in accordance with the provisions of legislation.

Article 77

- (1) Overground Space or Underground space may be granted Right to Manage, right to build, or right to use after the Overground Space or Underground Space is utilized.
- (2) Right to Manage, right to build, and right to use on Overground Space or Underground Space is granted under decree of right granting by the Minister.
- (3) Right to build and right to use on Overground Space or Underground Space granted on Right to Manage of Overground Space or Underground Space is granted under decree of right granting by the Minister based on agreement of the holder of Right to Manage.

Article 78

- (1) In the event that the granting of use and utilization on an Overground Space disrupts:
  - a. public interest, then approval from the Central Agreement is required; and/or
  - b. the interest of holder of the Land Right, then approval from the holder of Land Right is required.
- (2) Approval of holder of the Land Right is made in the form of authentic deed is in accordance with the provisions of legislation.
- (3) Any form of disruption experienced by holder of the Land Right is given compensation that can be valued in the form of money or other form in accordance with the agreement with the party to use and utilize the Overground Space.
- (4) Calculation of compensation value as referred to in section (3) is performed by a land appraiser.

Article 79

- (1) Right to Manage, right to build and right to use on an

Underground Space is granted on:

- a. shallow Underground Space; or
  - b. deep Underground Space.
- (2) In the event that use and utilization on shallow Underground Space as referred to in section (1) point a disrupt public interest and/or interest of the holder of Land Right on the Land surface then approval from the holder of Land Right is required.
  - (3) Approval from the holder of Land Right as referred to in section (2) is made in the form of authentic deed in accordance with the provisions of legislation.
  - (4) Any form of disruption experienced by holder of the Land Right is given compensation that can be valued in the form of money or other form in accordance with the agreement with the party to use and utilize the Underground Space.
  - (5) Calculation of compensation value as referred to in section (4) is performed by a land appraiser.

#### Article 80

- (1) Granting of Right to Manage, right to build or right to use on Overground Space or Underground Space are required to be registered with the Land Office.
- (2) Holder of Right to Manage, right to build, or right to use on Overground Space or Underground Space is issued certificate as evidence of ownership.

#### Part Three

Subject, Time Period, Encumbrance, Transfer and Relinquishment, and Annulment of Right to Manage, Right to Build, and Right to Use on Overground Space or Underground Space

#### Article 81

Provisions regarding subject, time period, encumbrance, transfer and relinquishment, and cancellation of Right to

Manage, right to build, and right to use on a Land apply mutatis mutandis to the provisions on the subject, time, encumbrance, transfer and relinquishment, and annulment of Right to Manage, right to build, and right to use on Overground Space or Underground Space.

#### Part Four

#### Abolition of Right to Manage, Right to Build, and Right to Use on Overground Space or Underground Space

#### Article 82

- (1) A Right to Manage on Overground Space or Underground Space is abolished in the following events:
  - a. annulled by the Minister due to:
    1. administrative defect; or
    2. final and binding court decision;
  - b. the building/space unit and/or land is destroyed and can no longer be used or utilized;
  - c. voluntarily relinquished by the right holder;
  - d. relinquished for public interest; and/or
  - e. revoked by Laws.
- (3) A right to build and right to use on Overground Space or Underground Space is abolished in the following events:
  - a. expiry of time period as stipulated in the decision of granting, extension or renewal of the right;
  - b. annulled by the Minister prior to expiry of time period due to:
    1. failure to fulfill obligations and/or breach of the prohibition;
    2. failure to meet the conditions or obligations set forth in the agreement on utilization of Right to Manage on Overground Space or Underground Space;
    3. administrative defect; or
    4. final and binding court decision;
  - c. change of the right to become other Land Right;
  - d. voluntarily relinquished by the right holder prior to expiry of the time period;

- e. relinquished for public interest;
- f. revoked by Law;
- g. the building/space unit and/or land are destroyed and can no longer be used or utilized;
- h. expiry of agreement on right granting or Land utilization for right to build or right to use on a land under right of ownership or Right to Manage; and/or
- i. the right holder no longer meets the condition as right subject.

### Article 83

Further provisions regarding the subject, object, time period, occurrence of right, procedure and conditions for submitting application for granting, extension, renewal, and registration, obligation, prohibition and rights, encumbrance, transfer, relinquishment and change, as well as abolition of Right to Manage, right to build, and right to use on Overground Space and Underground Space as referred to in Article 74 up to Article 82 are regulated in a Ministerial Regulation.

## CHAPTER VII

### LAND REGISTRATION

#### Part One

#### Organization of Electronic Land Registration

### Article 84

- (1) Organization and implementation of Land Registration may be conducted electronically.
- (2) The result of organization and implementation of electronic Land Registration as referred to in section (1) is in the form of data, electronic information, and/or electronic document.
- (3) Electronic data and information and/or its printed result serve as valid legal evidence.
- (4) The electronic data and information and/or its printed result as referred to in section (3) serve as expansion of valid evidence in accordance with the procedural law applicable in Indonesia.

- (5) Application of electronic Land Registration is performed in stages by considering the preparedness of the electronic system developed by the Ministry.

#### Article 85

- (1) All data and/or documents in the context of activity of Land Registration are in stages stored and presented in the form of electronic documents by using information and communication technology.
- (2) Data and/or documents as referred to in section (1) are saved electronically in data base of the Ministry.
- (3) For the purpose of gathering evidence in the court and/or providing information on land requested by the requiring institution to perform its task, the data and/or documents as referred to in section (2) may be given access through the electronic system.

#### Article 86

Drawing up of deed of Land Deed Official can be performed electronically.

#### Part Two

#### Acceleration of Land Registration

#### Article 87

- (1) In the context of acceleration of Land Registration, implementation of systematic Land Registration is required to be conducted by Land owners.
- (2) In the event that the Land owners do not conduct systematic Land Registration as referred to in section (1), the Land owners are obligated to register their land sporadically.

#### Article 88

- (1) Announcement of result of physical data and judicial data collection:
  - a. in systematic Land Registration is made for 14 (fourteen) calendar days.

- b. in sporadic Land Registration is made for 30 (thirty) calendar days.
- (2) The announcement as referred to in section (1) may be performed via website provided by the Ministry.

#### Article 89

Registration of mortgage right is performed by the Land Office electronically maximum 7 (seven) calendar days after the documents required for registration of the mortgage right is declared meeting the conditions.

#### Part Three

#### Administration Order of Land Registration

#### Article 90

- (1) The relevant Party may submit application for recording of sale and purchase agreement or lease agreement on the registered land to the Land Office.
- (2) The recording as referred to in section (1) is performed in the general registry and/or certificate of Land Right.

#### Article 91

- (1) In the event that a Land becomes the object of a case in the court, the relevant party may submit application for recording to the Land Office that a Land Right or Right of ownership on an Apartment Unit becomes the object of a case in the court by forwarding copy of the lawsuit letter.
- (2) The recording as referred to in section (1) is automatically abolished within 30 (thirty) calendar days as from the date of recording or if the party proposing recording has lifted its request prior to the expiry of time period.
- (3) If the judge examining the case as referred to in section (1) orders status quo on the Land Right or right of ownership on the relevant Apartment Unit, then at the judge's order, such application is recorded with the Land Office.
- (4) The recording on status quo order as referred to in section (3) is automatically removed within 30 (thirty) calendar days unless followed by decision of security

seizure, the official copy and minutes of execution of which are submitted to the Land Office.

#### Article 92

- (1) In the event that a Land is the object of a case in the court, object of stipulation of status quo by the judge examining the case or object of court seizure, head of the Land Office rejects registration of transfer or right encumbrance.
- (2) After the time period of recording as object of court case as referred to in Article 91 section (2) and/or the recording of object of stipulation of status quo as referred to in Article 91 section (4) is abolished and the case object is not followed with stipulation of security seizure, then registration of transfer or encumbrance of right can be performed.
- (3) The rejection by the head of Land Office as referred to in section (1) is performed in writing by including the reason for rejection.

#### Article 93

- (1) To ensure the location and perimeter of the Land as object of lawsuit being in disputed, the judge examining the case may request measuring to the local Land Office.
- (2) Prior to execution of the court order, the court registrar must file request for measurement to the Land Office on the execution object to ensure the location and perimeter of the Land as object of execution pointed by the bailiff and responsible for the location and perimeter of the Land as execution object he/she pointed.

#### Part Four

#### Change of Right

#### Article 94

Right to build and right to use owned by Indonesian citizens, used and utilized for residential houses including shop house

and office building can be granted right of ownership at the request of the right holder.

Part Five  
Evidence of Old Right

Article 95

- (1) Written evidences of Land ex western right are declared ineffective and the status becomes Land Directly Controlled by the State.
- (2) Registration of Land ex western right as referred to in section (1) bases on the letter of statement of physical control acknowledged by 2 (two) witnesses and responsible in civil and criminal law which describes that:
  - a. the said Land is truly owned by the relevant person not by others and the status is Land Directly Controlled by the State not ex *adat* Land;
  - b. the Land is physically controlled;
  - c. such control is implemented in good faith and openly by the relevant period as the party entitled to the Land; and
  - d. such control is not disputed by other parties.

Article 96

- (1) Written evidence of ex *adat* Land possessed by individuals are required to be registered within a period of maximum 5 (five) years as from the effective date of this Government Regulation.
- (2) In the event that the time period as referred to in section (1) expires, the written evidence of ex *adat* Land is declared ineffective and cannot be used as tool of evidence for the Land Right and serve only as guidance in the context of Land Registration.

Article 97

Certificate of land, certificate of compensation, statement

letter from the village head, and other similar statements intended as information on control and ownership of a Land issued by head of village/subdistrict/district may only be used as guidance in the context of Land Registration.

#### Article 98

- (1) Swapraja Land or ex swapraja Land constitutes the Land Controlled Directly by the State.
- (2) Swapraja Land or ex swapraja Land as referred to in section (1) may be granted to the former holders of swapraja Land or ex swapraja Land, if they meet the conditions and cultivate or self-exploit the Land for the interest of swapraja.
- (3) Swapraja Land or ex swapraja Land as referred to in section (1) controlled by other parties is granted to the party cultivating or exploiting the Land in good faith.
- (4) Concession or rent on ex swapraja Land is abolished and become Land Controlled Directly by the State.
- (5) The provisions as referred to in section (1), section (2), section (3), and section (4) do not apply to swapraja or ex swapraja Land regulated by Law.

#### Article 99

Further provisions regarding organization of electronic Land Registration, storage and presentation of electronic data and/or documents, form, content and procedure for drawing up deed of Land Deed Official electronically, acceleration of Land Registration, registration of mortgage right electronically, recording of sale and purchase agreement and lease agreement, recording of case object and status quo order, change of right to build and right to use to become right of ownership, and Registration of ex western right Land or ex *adat* Land and swapraja or ex swapraja Land as referred to in Article 84 up to Article 98 are regulated in a Ministerial Regulation.

CHAPTER VII  
MISCELLANEOUS PROVISIONS

Article 100

In the event that this Government Regulation gives options of not regulating, not complete, or not clear and/or existence of governance stagnation, the Minister may provide discretion to deal with concrete problems in the organization of governance affairs in the sector of Right to Manage, Land Right, Apartment Unit, and Land Registration.

CHAPTER IX  
TRANSITIONAL PROVISIONS

Article 101

At the time this Government Regulation comes into force:

1. Right to Manage, right to cultivate, right to build, or right to use that were granted prior to enforcement of this Government Regulation remain valid and in effect;
2. Application for right to cultivate, right to build, or right to use that has been accepted fully and for which decision of right granting has not yet been issued prior to enforcement of this Government regulation, is completed in accordance with the provisions of this Government Regulation.

CHAPTER X  
CLOSING PROVISIONS

Article 102

At the time this Government Regulation comes into force, all legislation which constitute the implementing regulations of:

- a. Government Regulation Number 40 of 1996 on Right to Cultivate, Right to Build and Right to Use on Land (State Gazette of the Republic of Indonesia of 1996 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 3643);

- b. Government Regulation Number 24 of 1997 on Land Registration (State Gazette of the Republic of Indonesia of 1997 Number 59, Supplement to the State Gazette of the Republic of Indonesia Number 3696); and
- c. Government Regulation Number 103 of 2015 on Ownership of Residential Houses or Residences by Foreigners domiciled in Indonesia (State Gazette of the Republic of Indonesia of 2015 Number 325, Supplement to the State Gazette of the Republic of Indonesia Number 5793);

are declared to remain effective to the extent not contrary to the provisions in this Government Regulation.

#### Article 103

At the time this Government Regulation comes into force:

- a. Government Regulation Number 40 of 1996 on Right to Cultivate, Right to Build and Right to Use on Land (State Gazette of the Republic of Indonesia of 1996 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 3643);
- b. Government Regulation Number 103 of 2015 on Ownership of Residential Houses or Residences by Foreigners domiciled in Indonesia (State Gazette of the Republic of Indonesia of 2015 Number 325, Supplement to the State Gazette of the Republic of Indonesia Number 5793); and
- c. Provisions regarding the time period for announcement of Land Registration systemically and time period for announcement of Land Registration sporadically in Article 26 section (1) and the provisions of Article 45 section (1) point e of Government Regulation Number 24 of 1997 on Land Registration (State Gazette of the Republic of Indonesia of 1997 Number 59, Supplement to the State Gazette of the Republic Indonesia Number 3696),

are repealed and declared ineffective.

#### Article 104

This Government Regulation comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Government Regulation by its placement in the State Gazette of the Republic of Indonesia.

Issued in Jakarta  
on 2 February

PRESIDENT OF THE REPUBLIC OF  
INDONESIA,

signed

JOKO WIDODO

Promulgated in Jakarta  
on 2 February 2021

MINISTER OF LAW AND HUMAN RIGHTS OF THE  
REPUBLIC OF INDONESIA,

signed

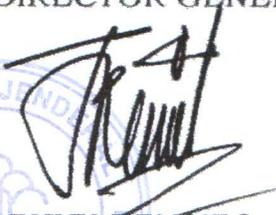
YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2015 NUMBER 329

Jakarta, 13 October 2021

Has been translated as an Official Translation  
on behalf of Minister of Law and Human Rights  
of the Republic of Indonesia

DIRECTOR GENERAL OF LEGISLATION,

  
BENNY RYANTO



ELUCIDATION OF  
REGULATION OF GOVERNMENT OF THE REPUBLIC OF INDONESIA  
NUMBER 18 OF 2021  
ON  
RIGHT TO MANAGE, LAND RIGHT, APARTMENT UNIT, AND LAND  
REGISTRATION

I. GENERAL

Pancasila and the 1945 Constitution of the Republic of Indonesia mandate that the State has the responsibility to protect the entire Indonesian nation and advance the people's general welfare in the context of realizing social justice for all people of Indonesia. Presently, Indonesia is catching up with countries in the world in term of economic growth. One sector which greatly affects economic growth is the investment rate which is quite low in Indonesia. The impact it has and feared to influence Indonesia in the medium term is increased rate of unemployment that Indonesia cannot evade the risk of middle-income trap.

The Government has given prompt and accurate response in formulating policies in the service and development of social welfare. Law Number 11 of 2020 on Job Creation is expected to serve as stimulus for change in the economic structure that can empower all sectors to boost the economic growth to reach 5.7% (five point seven percent) up to 6.0 (six point zero percent) through creation of job vacancies, investment growth and increased productivity.

The implementing regulation of Law Number 11 of 2020 on Job Creation will become the national strategic policy which will regulate in detail Law Number 11 of 2020 on Job Creation. Overall, the policy

direction in strengthening Right to Manage, Land Right, Apartment Unit, granting of right on Overground Space and Underground Space including acceleration of electronic-based Land Registration is to tackle various hindrances and bureaucratic challenges and regulations that hamper economic and business growth in Indonesia.

This Government Regulation unites (omnibus law), harmonizes, synchronizes, renews and repeal provisions that are not relevant under Law Number 11 of 2020 on Job Creation among others Government Regulation Number 40 of 1996 on Right to Cultivate, Right to Build and Right to Use on Land, Government Regulation Number 24 of 1997 on Land Registration, and Government Regulation Number 103 of 2015 on Ownership of Residential Houses or Residences by Foreigners Domiciled in Indonesia, and several regulations on strengthening of Right to Manage which will also renew the provisions of Government Regulation Number 8 of 1953 on Control of State Lands.

In addition, this Government Regulation will also regulate new policies related to granting of right to Overground Space and Underground Space. The purpose is to deal with the problem of limited availability of land for urban development, efficiency of use of existing land, and development of vertical buildings including development of infrastructure over/under the ground (for example: mass rapid transit, crossing facility, and underground shopping centers).

## II. ARTICLE BY ARTICLE

### Article 1

Sufficiently clear.

### Article 2

#### Section (1)

Sufficiently clear.

#### Section (2)

Sufficiently clear.

Section (3)

Point a

The term “Law or Government Stipulation” in this arrangement are among others the Agrarian Basic Law, Law on Natural Disaster, Law on Right Revocation, Law on Control of Individually-owned Fixed Properties, Regulation on Confirmation of Status of Houses/Land owned by Legal Entities Abandoned by their Board of Directors/Management, and Presidential Decree on Policy Principles in the Context of Granting of New Rights on Land derived from Conversion of Western Rights.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Point g

Sufficiently clear.

Point h

Sufficiently clear.

Point i

Sufficiently clear.

Article 3

Sufficiently clear.

Article 4

Implementation of authority originating from the *ulayat* right that has been possessed by a *adat* law community under the provisions of Article 3 of Law Number 5 of 1960 on Basic Agrarian Principles. Stipulation of *Ulayat* Right to become Right to Manage serves as a form of an acknowledgment to the *adat* law community.

Article 5

Section (1)

Right to Manage constitutes the right to control from the State the implementing authority of which is partly delegated to the holder of Right to Manage. The majority of holders of Right to Manage are institutions of the Central Government and Local Government, however with due observation of the economic condition at present, the subject of Right to Manage is made clearer and accentuated namely can be granted to State owned enterprises/ local -owned enterprises, legal entities owned by the State/legal entities owned by local government, Land Banking entity, and legal entities appointed by the Central Government.

To distinguish Right to Manage which includes state assets/ local government-owned assets from those not, it is regulated that the Right to Manage which includes state assets or local government-owned asset is on land under Right to Manage the acquisition of which is derived from the state budget/local budget or other legal acquisition.

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

The term “state legal entity/ local government-owned legal entity” means a legal entity established by the Central Government/Local Government under the status of public legal entity such as higher education or similar legal entity.

Point e

The term “Land Banking Entity” means a special entity (*sui generis*) which constitute an Indonesian legal entity established by the Central Government granted with special authority to manage Land.

Point f

The term “legal entity appointed by the Central Government” is a legal entity given assignment by the Central Government in the context of development of certain regions such as authority board.

Section (2)

The term “*adat* law community” means the *adat* law community which controls a *Ulayat* Land, which existence has been acknowledged and stipulated in accordance with the legislation which include institutions within its communal rule, area of *adat* law, norms, or legal apparatuses that they still obey.

In the event that in the process of stipulating a *Ulayat* Land, there has already been a right granted, then it is not included to be the land that can be stipulated to become Right to Manage.

Article 6

Section (1)

The term “its main duty and function are directly related to Land management” means to manage, regulate, utilize, and/or organize businesses which its authority is to plan the allocation and use of the Land.

Section (2)

Sufficiently clear.

Section (3)

The term “subsidiaries owned by state enterprises/local-owned enterprises” means that in the event that a state asset in the form of share owned by the state in a state enterprise/local-owned enterprise is used as state equity participation in other state enterprise/local-owned enterprise that the majority of shares are owned by the other state enterprise/local-owned enterprise, then the state enterprise/local-owned enterprise becomes the subsidiary of the state enterprise/local-owned enterprise with the provisions that the state is obligated to own the

shares under privilege right provided for in the article of association.

For example, amalgamation of PTPN I up to PTPN XII to form a holding of plantation companies with PTPN III acting as the parent, the PTPN I up to PTPN XII serve as subsidiaries of state enterprises that can be granted Right to Manage.

Section (4)

Sufficiently clear.

Article 7

Section (1)

Point a

Sufficiently clear.

Point b

The term “other parties” means the party which will use and utilize the entire or a part of the Land under Right to Manage.

Point c

The term “tariff” means the tariff for the service of utilization of land for the first time imposed by the holder of Right to Manage and annual mandatory fee charged at the time of registration for the first time, extension or renewal of right.

Section (2)

The Master Plant prepared by the holder of Right Manage serves as reference for the granting of conformity of space utilization activity as in the detailed spatial layout plan.

Article 8

Section (1)

Right to cultivate, right to build, and/or right to use on land under Right to Manage is included to distinguish right to cultivate, right to build and/or right to use on State Land.

Point a

The term “insofar as regulated in Government Regulation” means among others Government Regulation which set forth that the holder of Right to Manage can be granted Land Right such as Government Regulation on national public company and Government Regulation on Land Banking Entity.

Point b

Sufficiently clear.

Section (2)

Land utilization agreement constitutes an agreement between the parties which is subject to the criminal law and drawn up before a public official.

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Whereas the holder of right on land under Right to Manage is guaranteed to have extension and/or renewal of right from the holder of Right to Manage stated in the Land utilization agreement in accordance with the provision of legislation.

Point e

The term “annual mandatory fee” means a term for annual mandatory fee, income money, or compensation from other parties which its amount is stated in a Land utilization agreement.

Point f

Sufficiently clear.

Article 9

Section (1)

Sufficiently clear.

Section (2)

The term “may not contain elements detrimental to the parties” means that the agreement made between the parties constitutes the agreement of the parties and is subject to the civil law.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Article 10

Sufficiently clear.

Article 11

Section (1)

Sufficiently clear.

Section (2)

The term “registered” means the process of registration of a right by way of recording it manually on the land book physically or electronically at the time of issuance of certificate if the Land Office has been stipulated to perform electronic Land Registration.

Section (3)

Sufficiently clear.

Article 12

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Right to Manage relinquished can be for a part or the entirety.

Section (4)

Sufficiently clear.

Section (5)

The term “competent authority” means among others the notary, head of district, or head of Land Office.

Article 13

Section (1)

This provision applies to Right to Manage which constitutes state asset/local government-owned asset or not state asset/local government-owned asset.

Section (2)

Sufficiently clear.

Section (3)

The term “competent authority” means among others the notary, head of district, or head of Land Office.

Article 14

Section (1)

Point a

Point 1

The term “administrative defect” means substance defect, judicial defect, procedural defect, and/or authority defect.

Point 2

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Right to Manage is abolished if the land under the Right to Manage is granted right of ownership among others for the purpose of public housing, transmigration, agrarian reform, Land Distribution, or government program/other national strategic programs.

Point f

Sufficiently clear.

Point g

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

In principle, Land Right encumbering a Right to Manage is abolished if the Right to Manage is annulled by the court.

To provide protection for holders of Land Right that possess the right in good faith, annulment of Land Right on Land under Right to Manage must be declared expressly in the verdict.

Article 15

Sufficiently clear.

Article 16

In the event that in the activity of supervision and control, the Right to Manage or right on land under Right to Manage is found not yet used or utilized in accordance with purpose and objective of the right granting, the holder of Right to Manage or holder of Land Right may be issued warning and subject to the mechanism of Abandoned Land.

Article 17

Section (1)

The status of Land as a result of reclamation becomes Land controlled Directly by the State that can be granted Land Right or Right to Manage.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Article 18

Sufficiently clear.

Article 19

Sufficiently clear.

Article 20

Sufficiently clear.

Article 21

Sufficiently clear.

Article 22

Section (1)

In principle, right to cultivate is a right with a time period granted by the competent authority to grant, extend and renew a right.

Section (2)

Sufficiently clear.

Section (3)

After the time period for granting, extending or renewing expires, the Minister is authorized to restructure the use, utilization and ownership of the Land.

The Minister's authority is intended to restructure the use, utilization and ownership of Land in accordance with the provision of legislation by remaining giving priority to former holders of the right or granted Right to Manage among others to Land Banking Entity. Prior notification is given if the Land is not to be granted to former right holder.

Article 23

Section (1)

Sufficiently clear.

Section (2)

In accordance with the purpose of delegation of authority through granting of Right to Manage, the granting of right to cultivate on Land under Right to Manage is performed by the Minister to prospective right holders with the approval of the holder of Right to Manage.

Section (3)

Sufficiently clear.

Article 24

Section (1)

Sufficiently clear.

Section (2)

The term “registered” means the process of registration of a right by way of recording it manually on the land book physically or electronically at the time of issuance of certificate if the Land Office has been stipulated to perform electronic Land Registration.

Prior to being registered pursuant to the applicable provisions, the right to cultivate has not occurred and the land status is still State Land or Land under Right to Manage. The term “occur” has existed since the enactment of the Basic Agrarian Principle. In the understanding thereafter the term “occur” has the same meaning as birth of a right.

Section (3)

Sufficiently clear.

Article 25

Section (1)

This provision is to ensure business sustainability of the right holder that has performed their business properly, namely by guarantying extension or renewal of the right to cultivate if the conditions stipulated in this section are met.

Section (2)

Sufficiently clear.

Article 26

Section (1)

The term “the age of plants or other business are effective” means the condition or certain time period that has achieved the minimum limit of productivity in accordance with the license for business activities of agriculture, fishery and livestock breeding issued by a technical institutions.

For appraisal, the Land Office/Regional Office will conduct inspection to be performed by the Land Inspection Committee B.

If proposal for extension is not submitted until expiry of the time period of right to cultivate, then renewal of right is proposed.

Section (2)

Sufficiently clear.

Section (3)

As in the elucidation in section (1), to appraise whether the land has been used or utilized in accordance with the purpose of right granting, the Land Office will conduct inspection to be performed by Land Inspection Committee B.

Registration for extension or renewal of right to cultivate is performed in stages.

Section (4)

Sufficiently clear.

Article 27

Provisions concerning the right, obligation and prohibition for holders of right to cultivate are incorporated in the decision of right granting and included in the certificate manually or electronically.

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Point f

Sufficiently clear.

Point g

Sufficiently clear.

Point h

Sufficiently clear.

Point i

This obligation is imposed on limited liability companies owned by the private sector or state-owned enterprises/ local-owned enterprises for right to cultivate plantation with a minimum area of 250 (two hundred and fifty) hectares. This obligation is imposed at the time of granting of right to cultivate for the first time.

If it is not implemented at the time of granting of right to cultivate for the first time, it is obligated be performed at the time of extension or renewal of right to cultivate.

Point j

Sufficiently clear.

Point k

Sufficiently clear.

Point l

Sufficiently clear.

## Article 28

Point a

Cultivation of Land by other parties is made possible within the area granted right to cultivate, if business permit related to utilization of natural resources such as mineral, coal and geothermal has been issued in accordance with the provision of legislation.

Point b

Granting of right to cultivate may not cause physical closure of use of the Land locked by the right to cultivate. Therefore,

the holder of right to cultivate is obligated to give opportunity to the holder of Land Right locked to have the required access.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Point f

The term “permanent construction” means permanent buildings or constructions that cannot be moved such as plant and employee housing which construction work disrupts the conservation function.

#### Article 29

Point a

Sufficiently clear.

Point b

As in general, a right to cultivate covers a vast Land, the Land under right to cultivate oftentimes contains water spring or other natural resources. The holder of right to cultivate is entitled to use this natural resource insofar as needed for the interest of business it runs, with due observance of applicable legislation and the interest of the surrounding community.

Point c

Sufficiently clear.

#### Article 30

Section (1)

Sufficiently clear.

Section (2)

Change of a right may be due to among other things change in the spatial layout plan. The time period of a right changed continues the time period of the previous right to fulfil 1 (one) cycle of time period for granting, extension and renewal.

Change of right due to spatial layout plan may be given proper compensation to the right holder. The state may take over a part of the Land which right is changed with proper compensation.

Section (3)

The term “competent authority” means among others the notary, head of district, or head of Land Office.

Article 31

Point a

Sufficiently clear.

Point b

Point 1

Sufficiently clear.

Point 2

The term “administrative defect” means substance defect, judicial defect, procedural defect, and/or authority defect.

Point 3

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

This provision applies in the context of Land procurement for development for public interest.

Point f

Revocation of right by virtue of Law is among other things revocation for public interest or in the context of disaster mitigation.

Point g

Sufficiently clear.

Point h

In the event of abolition of a right to cultivate due to the Land being destroyed, the abolition is only for the part of land which right to cultivate is destroyed. The remaining part is

still controlled under the right to cultivate. The adjustment of the record needs to be registered with the Land Office.

Point i

Sufficiently clear.

Point j

Sufficiently clear.

Article 32

Sufficiently clear.

Article 33

Sufficiently clear.

Article 34

Point a

Sufficiently clear.

Point b

Included in the definition of legal entity is all agencies which according to applicable regulations are granted status as legal entity for example, limited liability company, cooperative, and association.

Article 35

Sufficiently clear.

Article 36

Unlike right to cultivate, right to build may also be granted on Land under right of ownership.

Article 37

Section (1)

In principle, right to build is a right with time period granted by the competent authority through granting, extension and renewal.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Upon the expiry of time period for granting, extension, or renewal, the Minister is subsequently authorized to restructure the use, utilization, and ownership of the Land.

The Minister's authority is intended to restructure the use, utilization, and ownership of Land in accordance with the provision of legislation by remaining giving priority to former right holders or grant Right to Manage to among others Land Banking Entity. Prior notification will be given if the Land is not to be granted to former right holder.

Article 38

Section (1)

Sufficiently clear.

Section (2)

In accordance with the purpose of delegation of authority through the granting of Right to Manage, granting of right to build on Land under Right to Manage is performed by the Minister to prospective right holder with the approval of holder of the Right to Manage.

Section (3)

Granting of right to build on Land under right of ownership is in principle an encumbrance performed by the holder of right of ownership on his/her Land. Hence the granting is performed under an agreement between the holder of right of ownership and the prospective holder of right to build incorporated in the deed drawn up by the Land Deed Official.

Section (4)

Sufficiently clear.

Article 39

Section (1)

Sufficiently clear.

Section (2)

the term “registered” means the process of registration of a right by recording it manually on physical or electronic land book at the time of issuance of certificate if the Land Office has been stipulated to perform Land Registration electronically.

Section (3)

Although the right to use has occurred at the time of drawing up of the deed by the Land Deed Official as referred to in section (1), it binds the third party only after being registered with the Land Office.

Section (4)

Sufficiently clear.

Article 40

Section (1)

This provision is to guarantee the continuity of Land control under right to build which in general is used for residential purpose and business which is the basic necessity for the community.

Extension and renewal of right to build are granted at the request of the right holder. For that purpose, in extending and renewing the right, appraisal is first made to see whether the holder of right to build is stipulated in the decision of granting of right to build for the first time, and is not contradictory to the applicable spatial layout plan.

Section (2)

Sufficiently clear.

Section (3)

Renewal of time period for a right to build on Land under right of ownership is performed by granting new right to build with a new agreement.

Article 41

Section (1)

The term “the land means used and utilized in accordance with the purpose of right granting” means that a building

has been constructed on the Land and/or the supporting facilities are effectively utilized by the right holder. For appraisal, the Land Office will perform inspection to be carried out by a Constataion Officer.

If application for extension is not submitted until the expiry of the time period of right to build, renewal of right is proposed.

Section (2)

Sufficiently clear.

Section (3)

Registration for extension or renewal of right to build is performed in stages.

Section (4)

As in the elucidation in section (1) to appraise whether the land has been used and utilized in accordance with the purpose of right granting, the Land Office will conduct inspection to be performed by a Constataion Officer.

Registration for extension or renewal of right to build is performed in stages.

Section (5)

Sufficiently clear.

Article 42

Provisions concerning the obligations of holders of right to build are included in the decision of right granting and included in the certificate manually or electronically.

Article 43

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

The term “permanent building” means permanent buildings or constructions that cannot be moved such as plant and

employee housing which construction disrupts the conservation function.

Article 44

Sufficiently clear.

Article 45

Section (1)

Sufficiently clear.

Section (2)

Change of a right may be due to among other things change in the spatial layout plan. The time period of changed right continues the time period of the previous right to fulfil 1 (one) cycle of time period for granting, extension and renewal.

Change of right due to spatial layout plan may be given proper compensation to the right holder. The state may take over a part of land which right is changed with proper compensation.

Section (3)

The term “competent authority” means among others the notary, head of district, or head of Land Office.

Article 46

Point a

Sufficiently clear.

Point b

Point 1

Sufficiently clear.

Point 2

Sufficiently clear.

Point 3

The term “administrative defect” is substance defect, judicial defect, procedural defect, and/or authority defect.

Point 4

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

This provision applies in the context of land procurement for development for public interest.

Point f

Revocation of right by virtue of law is among others revocation for public interest or in the context of disaster mitigation.

Point g

Sufficiently clear.

Point h

In the event of abolition of a right to build due to the land being destroyed, the abolition is only for the part of land which right to build destroyed. The remaining part is still controlled under the right to build.

The adjustment of the record must be registered with the Land Office.

Point i

Sufficiently clear.

Point j

Sufficiently clear.

Article 47

Sufficiently clear.

Article 48

Sufficiently clear.

Article 49

Section (1)

Point a

Sufficiently clear.

Point b

Right to use may also be granted for an indefinite time so long as the land is used.

This is intended to ensure fulfilment of Land need for certain purpose sustainably for example for the need of government agency offices, for foreign representative offices, and representatives of international bodies and residences of heads of representatives.

Right to use granted for an indefinite time insofar as the land is used for certain purposes cannot be transferred to other parties, however it can be relinquished by the right holder so that it becomes State Land to be then requested for new right by the other party.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Article 50

Sufficiently clear.

Article 51

Sufficiently clear.

Article 52

Section (1)

In principle, the right to build granted for a certain time period is the right granted by the competent authority through granting, extension and renewal.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Upon the expiry of time period for granting, extension, or renewal, the Minister is subsequently be authorized to

restructure the use, utilization, and ownership of the Land.

The Minister's authority is intended to restructure the use, utilization, and ownership of Land in accordance with the provision of legislation by remaining giving priority to former right holders or grant Right to Manage to among others Land Banking Entity. Prior notification is given if the Land is not to be granted to former right holder.

#### Article 53

##### Section (1)

Sufficiently clear.

##### Section (2)

In accordance with the purpose of delegation of authority through granting of Right to Manage, the granting of right to use on Land under Right to Manage is performed by the Minister to prospective right holders with the approval of the holder of Right to Manage.

##### Section (3)

Granting of right to use on Land under right of ownership is in principle an encumbrance performed by the holder of right of ownership on his/her Land. Hence the granting is performed under an agreement between the holder of right of ownership and the prospective holder of right to use incorporated in the deed drawn up by the Land Deed Official.

##### Section (4)

Sufficiently clear.

#### Article 54

##### Section (1)

Sufficiently clear.

##### Section (2)

The term "registered" means the process of registration of a right by way recording it manually on the land book physically or electronically at the time of issuance of certificate if the Land Office has been stipulated to organize electronic Land Registration.

Section (3)

Although the right to use has occurred at the time of drawing up the deed by Land Deed Official as referred to in section (1), it binds the third party only after being registered with the Land Office.

Section (4)

Sufficiently clear.

Article 55

Section (1)

This provision applies to give legal certainty for the continued control of Land under right to use which in general is used for residential houses and personal interest of holders of right to use.

Extension and renewal of right to use are granted at the request of the right holder. Thus, in the granting of extension or renewal of the right, appraisal is first performed to see whether the holder of right to use still uses the land in accordance with the provisions stipulated in the decision of granting of right to use for the first time.

Section (2)

Sufficiently clear.

Section (3)

Renewal of time period for right to use on Land under right of ownership is performed by granting new right to use under a new agreement.

Article 56

Section (1)

The term “the land is used and utilized in accordance with the purpose of right granting” means that building has been constructed on the Land and/or the supporting facilities are effectively utilized by the right holder. For appraisal, the Land Office will perform inspection to be carried out by a Constataion Officer.

If application for extension is not submitted until the expiry of the time period for right to use, renewal of right is proposed.

Section (2)

Sufficiently clear.

Section (3)

As in elucidation in section (1) to appraise whether the land has been used and utilized in accordance with the purpose of right granting, the Land Office will conduct inspection to be carried out by a Constataion Officer.

Registration for extension or renewal of right to build is performed in stages.

Section (4)

Sufficiently clear.

Article 57

Provisions concerning the obligations of holders of right to use are stated in the decision of right granting and included in the certificate manually or electronically.

Article 58

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

The term “permanent construction” means permanent buildings or constructions that cannot be moved such as plant and employee housing which construction work disrupts the conservation function.

Article 59

Sufficiently clear.

Article 60

Section (1)

Sufficiently clear.

Section (2)

Change of a right may be due to among other things change in the spatial layout plan. The time period of a right changed continues the time period of the previous right to fulfil 1 (one) cycle of time period for granting, extension and renewal.

Change of right due to spatial layout plan may be given proper compensation to the right holder. The state may take over a part of the Land which right is changed with proper compensation.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

The term “competent authority” means among others the notary, head of district, or head of Land Office.

Article 61

Point a

Sufficiently clear.

Point b

Point 1

Sufficiently clear.

Point 2

Sufficiently clear.

Point 3

The term “administrative defect” means substance defect, judicial defect, procedural defect, and/or authority defect.

Point 4

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

This provision applies in the context of land procurement for development for public interest.

Point f

Revocation of right by virtue of law is among others revocation for public interest or in the context of disaster mitigation.

Point g

Sufficiently clear.

Point h

This provision applies in the context of land procurement for development for public interest.

Point i

Sufficiently clear.

Point j

Sufficiently clear.

Article 62

Sufficiently clear.

Article 63

Sufficiently clear.

Article 64

Sufficiently clear.

Article 65

Sufficiently clear.

Article 66

Sufficiently clear.

Article 67

Section (1)

The concept of registration of ownership of Apartment Unit adheres the principle of horizontal separation namely that the right of ownership on an Apartment Unit is ownership

on individual Apartment Unit separate from joint right on the shared part, joint object and joint Land.

Joint right on shared part, joint object and joint Land are calculated based on the value of proportional comparison. However, for ownership of Apartment by foreigners, the right to joint land is not calculated.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Article 68

Sufficiently clear.

Article 69

Section (1)

The term “immigration document” means visa, passport, or stay permit issued the competent institution in accordance with the provision of legislation on immigration.

Section (2)

The term “heir” means Indonesian citizens or foreigner who possess immigration documents in accordance with the provision of legislation on immigration.

Section (3)

Sufficiently clear.

Article 70

Sufficiently clear.

Article 71

Section (1)

Sufficiently clear.

Section (2)

The term “other economic zones” mean urban areas and/or urban supporting areas, tourism areas, or areas that support construction of vertical housing and give economic impacts on the community.

Article 72

Sufficiently clear.

Article 73

Sufficiently clear.

Article 74

Section (1)

The term “plot of land” means a part of earth surface which is plot unit with perimeter.

Section (2)

The term “structurally and/or functionally separated from the holder of Land Right” means the structure and/or function of a building that can be different in the use and utilization of Overground Space or Underground Space from the use and utilization of plot of Land on the Land surface.

Section (3)

Point a

The term “shallow Underground Space” means a Space Underground still connected to the Land Right on the earth surface.

Point b

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Article 75

Sufficiently clear.

Article 76

Sufficiently clear.

Article 77

Section (1)

The term “utilized” means the condition in which physical construction has completed on Overground Space or Underground Space and used in accordance with its allocation.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Article 78

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

The term “land appraiser” means a public appraiser that has obtained license from the Minister to calculate the value of object of land procurement for development for public interest or activity of land and other spatial layouts.

Article 79

Section (1)

Sufficiently clear.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section 5

The term “land appraisal” means a public appraiser that has obtained license from the Minister to calculate the value of object of land procurement for development for public interest or activity of land and other spatial layouts.

Article 80

Sufficiently clear.

Article 81

Sufficiently clear.

Article 82

Sufficiently clear.

Article 83

Sufficiently clear.

Article 84

Section (1)

The term “Electronic Land Registration” means the activity of Land Registration for the first time and maintenance of data of Land Registration including service of information and/or other land services performed through electronic system set up by the Ministry.

Section (2)

The activity of Land Registration for the first time include collection and processing of physical data (measuring and mapping), evidence of right and its recording, issuance of certificate, presentation of physical data and judicial data, as well as storage of public list and documents in the form of data, electronic information, and/or electronic document drawn up through the Ministry’s electronic system.

The activity of maintenance of data of Land Registration includes registration of transfer and encumbrance of right and registration of change of data of other Land Registration in the form of data, electronic information and/or electronic documents made through the Ministry’s electronic system.

Section (3)

The term “electronic data and information and/or its printed result” means among others documents of

entitlement that have been scanned to become electronic documents and have been validated by the competent authority.

In the process of media transfer, it was stated that the scanned documents conformed to the original. The result of scanning serves as electronic documents stored and managed by a verified electronic system.

Electronic documents made by an electronic system or as a result of scanning serve as a valid legal evidence and an expansion of valid evidence pursuant to the procedural law applicable in Indonesia.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

#### Article 85

Section (1)

Storage using information and communication technology (TIK, *teknologi informasi dan komunikasi*) will save space and accelerate access to the data needed, however it requires preparation of tools and manpower as well large fund hence the implementation will be performed in stages.

Section (2)

The term “electronic data and/or document” means data, information, and/or document in the context of Land Registration produced through electronic system or result of media transfer.

Section (3)

Sufficiently clear.

#### Article 86

Sufficiently clear.

#### Article 87

Section (1)

The term “systematic Land Registration” means the activity of Land registration for the first time performed

simultaneously which include all objects of Land Registration that are not yet registered in a region or a part of region of a village/subdistrict or other name of the same level.

Systematic Land registration is performed simultaneously for all objects of Land Registration throughout the territory of the Republic of Indonesia which includes collection of physical data and judicial data concerning one or several objects of Land Registration for the purpose of registration the financing of which is from the state budget and/or the public, for that purpose the owner of Land plot is expected to be obligated to conduct Land Registration.

Section (2)

Sufficiently clear.

Article 88

Section (1)

Whereas in principle the data to be announced is physical data and judicial data which will be used as the basis for registration of the relevant Land plot.

For acceleration of Land Registration, the time period for announcing systematic Land Registration is 14 (fourteen) calendar days and the time period for announcing sporadic Land Registration is 30 (thirty) calendar days.

Section (2)

Sufficiently clear.

Article 89

registration of mortgage right has been declared meeting the conditions and the relevant land is not the object of a court case, not the object in stipulation of status quo by a judge examining the case, or not the object of seizure by a court, then the mortgage right can be recorded/issued mortgage right certificate.

With the application of registration of encumbrance of mortgage right through electronic system, the time period required to settle issuance of registration of encumbrance of mortgage right can be faster.

Article 90

Sufficiently clear.

Article 91

Sufficiently clear.

Article 92

Sufficiently clear.

Article 93

Sufficiently clear.

Article 94

Whereas in principle, Indonesian citizens are subjects of right that may have right of ownership. Change of a right to build to become right of ownership is performed in accordance with the provision of legislation. However, this provision is exempted for regions that have local wisdom policy of not yet granting right of ownership to Indonesian citizens as in the Province of Special Region of Yogyakarta.

Article 95

Section (1)

Sufficiently clear.

Section (2)

The fact of physical control is declared in a statement letter which includes testimony from at least 2 (two) trustworthy witnesses, because of their function as local traditional elders and/or residents who have lived long in the village/subdistrict where the relevant land is located and have no consanguinity or family relationship with the relevant person until the second degree vertically or horizontally.

Article 96

Section (1)

Whereas the object of written evidence of *ex adat* Land has not been issued certificate. A time period of 5 (five) years is

considered as the time period for settlement of Land Registration throughout the territory of the Republic of Indonesia. Since the written evidence of the *ex adat* Land is not applicable, the status of the Land is not changed.

Section (2)

Sufficiently clear.

Article 97

Sufficiently clear.

Article 98

Section (1)

This provision constitutes the provision of the Part Four of Law Number 5 of 1960 on Basic Agrarian Principles.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

The term “regulated by Law” means among other things Law Number 13 of 2021 on Specialty of Special Region of Yogyakarta which specially provide for *swapraja* lands within the region of Yogyakarta sultanate.

Article 99

Sufficiently clear.

Article 100

Sufficiently clear.

Article 101

Point 1

This provision applies the principle of *presumption justea causa* that each decision of state administration court issued must be deemed correct by law.

Point 2

Sufficiently clear.

Article 102

Sufficiently clear.

Article 103

Sufficiently clear.

Article 104

Sufficiently clear.

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