

Government Regulation No 18 of 2021

GOVERNMENT REGULATION OF THE REPUBLIC OF INDONESIA

NUMBER 18 OF 2021

REGARDING

MANAGEMENT RIGHTS, LAND RIGHTS, APARTMENT UNITS, AND LAND REGISTRATION

BY THE GRACE OF GOD ALMIGHTY

PRESIDENT OF THE REPUBLIC OF INDONESIA

Considering :

In view of :

DECIDES:

To stipulate :

Paragraph 3

Right to Cultivate Duration

Article 22

1. The Right to Cultivate is granted for a maximum period of 35 (thirty-five) years, extended for a maximum period of 25 (twenty-five) years and renewable for a maximum period of 35 (thirty-five) years.
2. After the period of granting, extension, and renewal as referred to in point (1) ends, the Land in question's status returns to Land Directly Controlled by the State or Right to Manage Land.
3. The reorganization of use, utilization, and ownership of Land Directly Controlled by the State as referred to in point (2) falls into Minister's authority and can be given priority to the former right holder by taking into account the following:
 1. the land is being cultivated and utilized properly according to the circumstances, nature and purpose of rights granted;
 2. the conditions of granting rights are properly met by the rights holder;
 3. the rights holder qualifies as a rights holder;
 4. the land is in accordance with the spatial plan;
 5. not used and/or planned for the public benefit;
 6. natural resources and the environment; and
 7. the state of the land and the surrounding community.

Section Two

Right to Build

Paragraph 1

Right to Build Subject

Article 34

Right to Build is granted to

1. Citizens of Indonesia.
2. Legal entities established according to Indonesian law and domiciled in Indonesia.

Article 35

1. Right to Build holders who no longer meet the requirements as referred to in Article 34, within a period of 1 (one) year shall release or transfer the right of building to another party who meets the requirements.
2. If within the period as cited in point (1) its rights are not waived or diverted then that right is waived by law.

Paragraph 2

Lands Qualify for Right to Build

Article 36

Lands that qualify for Right to Build are as follows:

1. State Land;
2. Lands with Right to Manage; and
3. Lands with Freehold Title.

Paragraph 3

Right to Build Duration

Article 37

1. Right to Build on a State Land and Right to Manage Land is granted for a maximum of 30 (thirty) years, extended for a maximum of 20 (twenty) years, and renewable for a maximum of 30 (thirty) years.

2. Right to Build on a Freehold Title Land is granted for a maximum of 30 (thirty) years and renewable with a deed granting Right to Build on a Freehold Title Land.
3. After the period of granting, extension, and renewal as referred to in point (1) ends, the Land with Right to Build reverts to Land Directly Controlled by the State or Land with Right to Manage.
4. The reorganization of use, utilization, and ownership of Land Directly Controlled by the State as referred to in point (3) falls into Minister's authority and can be given priority to the former right holder by taking into account the following:
 1. the land is being cultivated and utilized properly according to the circumstances, nature and purpose of rights granted;
 2. the conditions of granting rights are properly met by the rights holder;
 3. the rights holder qualifies as a rights holder;
 4. the land is in accordance with the spatial plan;
 5. not used and/or planned for the public interest;
 6. natural resources and the environment; and
 7. the state of the land and the surrounding community.

Paragraph 4

Right to Build Occurrence

Article 38

1. The Right to Build on State Owned Land is granted by the deed of granting rights by the Minister.
2. The Right to Build on land with Right to Manage is granted by deed of granting rights by the Minister based on the Right to Manage holder's approval.
3. The Right to Build on a Freehold Title land is obtainable through granting of rights by the holder of the Freehold title using a deed authenticated by a Land Deed Officer.
4. The decisions as referred to in paragraphs (1) and (2) and the deed made by the Land Deed Officer as referred to in paragraph (3) can be made electronically.

Paragraph 3

Right to Use Duration

Article 52

1. Right to Use on a State-Owned Land and Land with Right to Manage in a period of time is granted for a period of maximum 30 (thirty) years, extended for a period of no longer than 20 (twenty) years, and renewable for a period of maximum 30 (thirty) years.

2. Right to Use can be granted for an indefinite period as long as the land is being used and utilized.
3. Right to Use with a period of time on a Freehold Title Land, is granted for a period of no longer than 30 (thirty) years and can be renewed with a deed of granting the Right to Use on the Freehold Title Land.
4. After the period of granting, extension, and renewal as referred to in paragraph (1) ends, the land with Right to Use reverts to Land Directly Controlled by the State or Land with Right to Manage.
5. The reorganization of use, utilization, and ownership of Land Directly Controlled by the State as referred to in point (4) falls into Minister's authority and can be given priority to the former right holder by taking into account the following
 1. the land is being cultivated and utilized properly according to the circumstances, nature and purpose of rights granted;
 2. the conditions of granting rights are properly met by the rights holder;
 3. the rights holder qualifies as a rights holder;
 4. the land is in accordance with the spatial plan;
 5. not used and/or planned for the public interest;
 6. natural resources and the environment; and
 7. the state of the land and the surrounding community.

Paragraph 4

Right to Use Occurrence

Article 53

1. Right to Use on a State-Owned Land is granted by deed of granting rights by the Minister.
2. Right to Use on a Land with Right to Manage is granted by the deed of granting rights by the Minister based on the approval of the Right to Manage holder.
3. Right to Use on a Freehold Title land is granted by the holder of the Freehold Title through a deed authorized by a Land Deed Officer.
4. The decisions as referred to in paragraphs (1) and (2) and the deed made by the Land Deed Officer as referred to in paragraph (3) can be made electronically

Article 54

1. Granting of the Right to Use as referred to in Article 53 must be registered in the Land Registry Office.
2. Right to Use on State-Owned Land, on Land with Right to Manage, or on land with Freehold Title is effective once it is registered in the Land Registry Office.

3. Right to Use on Freehold Title land binds third parties once it is registered in the Land Registry Office.
4. Right to Use holder is given a certificate of Right Over Land as proof of right.

Part Three

Residential Homes for Foreigners

Article 69

1. Foreigners who are in possession of immigration documents in accordance with the provisions of the laws and regulations are eligible for residential or residential homeownership.
2. In the event that a Foreigner passes away, the residential or residential home as mentioned in paragraph (1) may be inherited by the heir.
3. In the event that the heir as referred to in paragraph (2) is a Foreigner, the heir must possess immigration documents in accordance with the provisions of the laws and regulations.

Article 70

- Indonesian citizens who are married to Foreigners can have a similar Right Over Land as other Indonesian citizens.
- The Right Over Land as referred to in paragraph (1), is not a joint property as proven by a prenuptial agreement between the husband and wife made by notarial deed.

Article 71

1. A residential house or residence that can be owned by Foreigners is a:
 1. Landed house:
 1. Right to Use; or
 2. Right to Use on:
 1. Freehold Title, controlled under the agreement of granting Right to Use on the Freehold Title through a from the Land Deed Officer; or
 2. Right to Manage, based on a Land Utilization Agreement with the holder of Right to Manage.
 2. Apartment units built on a piece of land with:
 1. Right to Use or Right to Build on a State-Owned Land;
 2. Right to Use or Right to Build on a Right to Manage land; or
 3. Right to Use or Right to Build on a Freehold Title land.

2. Apartment units built on land with Right to Use or Right to Build as referred to in paragraph (1) letter b are Units of Apartments built on special economic areas, free trade areas and free ports, industrial estates, and other economic areas.

Article 72

Ownership of a foreigner's residence or residential homes as referred to in Article 71 is granted with the following restrictions:

1. Minimum price;
2. Land size;
3. number of land fields or units of apartment units; and
4. provisions for residential or residential homes.

Article 73

Further provisions on granting procedure and restrictions on the ownership of the residential or residential home by Foreigners as referred to in Article 69 to Article 72 shall be stipulated in the Ministerial Regulation.