

# Juridical Analysis of the Decision on Renewal of Cultivation Rights Title Which Is Being Burdened by Mortgage Rights

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## Abstract

**Background** - One of the evidence of rights in the UUPA is the Cultivation Rights Title (SHGU), which is the right to cultivate land directly controlled by the state which is given to companies within a certain time limit for agricultural, fishery or livestock purposes. Companies that carry out business activities in the plantation sector are given HGU and in the activities of credit binding and binding of collateral for plantation business financing facilities HGU becomes the main guarantee whose binding as collateral is carried out in accordance with Law Number 4 of 1996 concerning Mortgage Rights on Land and Objects Related to Land (UUHT).

**Purpose** - The purpose of this study is to find out and analyze the value of mortgage rights on the renewal of HGU which is encumbered by mortgage rights if the land area is reduced and to find out and analyze the obstacles in managing the renewal of HGU which is encumbered by mortgage rights and how to overcome them and to find out and analyze the obstacles in managing the renewal of HGU which is encumbered by mortgage rights. This research is a type of normative juridical legal research, namely legal research that prioritizes secondary data consisting of primary legal materials, secondary legal materials, and tertiary legal materials.

**methodology** - This research is a type of normative juridical legal research, namely legal research that prioritizes secondary data consisting of primary legal materials, secondary legal materials, and tertiary legal materials. This research is descriptive-analytical in nature, namely research that seeks to describe legal symptoms or legal facts relating to the decision letter of renewal of SHGU which is being burdened by mortgage rights.

**Findings** - The land value of the renewed HGU which is encumbered by a mortgage can increase in economic value compared to the initial value at the time of the APHT binding because at the time of the initial binding of the mortgage, the HGU land was not productive / not yet producing. As for the obstacles to the HGU renewal process, among others: abandonment of HGU land and land utilization for community interests such as schools, hospitals, cemeteries and others so that it is possible to issue other rights on the land that has been utilized.

**Originality** - This research is relevant to the context of agrarian law and policy in Indonesia, In particular, regulations on the renewal of business use rights that are being encumbered by mortgage rights

Keywords: Decision on Renewal, Cultivation Rights, Mortgage Rights

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