

## **Legal Consequences Of Cancellation Of Certificate of Right to Building Because Of Administrative Defects**

**Zamillatun Nisa <sup>1)\*</sup>, F. X. Arsin Lukman <sup>2)</sup>**

<sup>1,2)</sup> Master's Programme in Notarial Studies, Faculty of Law, Pancasila University, Indonesia

\*Corresponding Author

Email: [zamillatunn@gmail.com](mailto:zamillatunn@gmail.com), [fx\\_arsin@yahoo.com](mailto:fx_arsin@yahoo.com)

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### **Abstract**

*Land that contains various elements, including natural resources, and whose surface can be used for buildings or agriculture often causes disputes. Therefore, to regulate land issues, the state has established a legal regulation called the Basic Agrarian Law. To provide legal certainty and as a follow-up to the provisions regarding land ownership through land rights, the UUPA also regulates the registration of land parcels, whereby the registering party will obtain a certificate as proof of legal and valid land ownership. The UUPA also regulates the government's obligation to carry out land registration throughout Indonesia as a form of legal certainty regarding land rights. Researchers will use normative legal research methods to answer the questions in this study. Normative legal research methods involve using legal principles and doctrines to answer the legal questions examined in this study. The answers are expected to produce a theory or concept that can be used as a guideline for problems encountered in the future. Cancellation of building rights certificate (SHGB) due to administrative defects result in the loss of legal validity of the rights that have been granted, because the process of issuing certificates is not carried out according to the procedure, using unauthorized documents, or without careful verification of juridical and physical data. In practice, a SHGB issued on a flawed legal basis would lose legitimacy and could be annulled through an administrative decision by the Minister of ATR/BPN or through a court ruling. This confirms that accuracy in the examination and validation of physical and juridical data is very important so as not to cause legal conflicts in the future. Thus, the cancellation of the SHGB not only cancels the right to land, but also serves as a reminder that the land administration system must be run with the principles of prudence, legality, and legal certainty.*

**Keywords: Legal Consequensec, Cancellation, Building Right.**

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## **INTRODUCTION**

Land that contains various elements, including natural resources, and whose surface can be used for buildings or agriculture often causes disputes. Therefore, to regulate land issues, the state has established a legal regulation called the Basic Agrarian Law (hereinafter referred to as the UUPA). Land regulated in the UUPA is not land from various perspectives, but rather land that is legally related to land rights. Act Number 5 Year 1960 about basic agrarian regulation (hereinafter referrer as UUPA) Section 4 Verse (1), namely: “Based on the state's right to control land as stipulated in Article 2, it is determined that there are various rights over land that can be owned and granted to other parties, either individually or jointly, including legal entities”. (H.M Arba, 2019) Types of land rights, each type of land rights have their own principles and characteristics, both how to obtain and how to transfer. (Mudakir Iskandar Syah, 2019)

To provide legal certainty and as a follow-up to the provisions regarding land ownership through land rights, the UUPA also regulates the registration of land parcels, whereby the registering party will obtain a certificate as proof of legal and valid land ownership. The UUPA also regulates the government's obligation to carry out land registration throughout Indonesia as a form of legal certainty regarding land rights. (Urip Santoso, 2010)

Certificate is an official document issued by an authorized institution which serves as proof of ownership or control over a particular right. In the context of land, the certificate becomes valid and authentic evidence indicates that a person has rights to the land. This certificate issued by the National Land Agency (BPN) as the competent authority in the management of land administration

in Indonesia. (Soetandyo, 2001) The types of land rights certificates include: Certificate of property rights (SHM), Certificate of building rights (SHGB), Certificate of Business Use Rights (SHGU), Certificate of Use Rights (SHP), Certificate of management rights (SHPL), Certificate of Unit rights flats (SSHRS), Certificate of lease rights (SEWA). This certificate is given with a clear legal basis and procedures that must be followed so that the right to the land is recognized and protected by the state. (Mudakir Iskandar Syah, 2019)

Proof of ownership rights to construct and own a building on land that is not owned by the person for a certain period of time, that person may have Building Use Rights (HGB). Building Use Rights are regulated in UUPA Section 35 Verse (1), which states that “Rights granted to the holder of the rights to construct and own a building on land that is not owned by the holder of the rights for a maximum period of 30 years”. From a land law perspective, HGB is secondary in nature because it is based on rights arising from land that is owned, managed, or state-owned, with characteristics that can be distinguished from other land rights, namely the characteristic of HGB having a specific term. (Urip Santoso, 2019)

In the UUPA, the concept of land rights is divided into two types: 1) Primary rights, which are rights that can be obtained directly from the people's rights and are owned or controlled directly by individuals or legal entities, such as ownership rights, building use rights, business use rights, and usage rights; and 2) Secondary rights, which are temporary land rights, such as collateral rights, business rights, driving rights, and rental rights. (Rinto Manulang, 2011)

Each stage of granting rights has strict administrative requirements it must be formally fulfilled. Non-compliance or negligence in compliance formal and material requirements in this process can potentially cause administrative defect in the issued certificate. In practice, publications SHGB is inseparable from the risk of administrative errors. Disability administrative may be a violation of the established procedure, nonconformity of documents, or negligence of officials in applying the provisions happens. In state administrative law, procedural or substantial errors this kind can cause an administrative decision is considered invalid and can be canceled. Cancellation certificate due to administrative defects is one forms of supervision over the actions of administrative officials. Terms regarding the cancellation is regulated in the regulation of the Minister of ATR / BPN number 9 year 1999, particularly Section 106 to Section 110, which allows cancellation is carried out when a right is granted unlawfully.

The existence of administrative defects in the issuance of HGB implies the emergence of legal uncertainty for rights owners and third parties obtaining rights legally. This condition is contrary to the principle of certainty law as stipulated in Section 28D Verse (1) of the Basic Law of the state Republic of Indonesia in 1945, namely that “everyone has the right to recognition, guarantee, protection, and fair legal certainty, as well as equal treatment in before the law”.

One example of a case that reflects the legal issues regarding cancellation of building rights certificate (SHGB) due to administrative defects is the no decision. 201/G/2019 / PTUN-JKT, which starts from the publication SHGB No. 427 / warehouse on land of 6.354 m<sup>2</sup>, located on the road Suryakencana No. 162, Bogor City, on behalf of O.C.H., based on SK Kanwil BPN West Java No. 281/HGB / BPN.32/2017. However, in 2019, the Minister ATR / BPN publishes Decision No. 6/Pct/KEM-ATR/BPN/VII / 2019 cancel the SHGB, on the basis of findings of administrative defects as contained in the inspection report of the Inspectorate General Ministry of ATR / BPN. O.C.H. then sued the cancellation decision the Jakarta Administrative Court in case No. 201/G/2019 / PTUN-JKT. In This Is It, R.B.P. participate as defendant intervention, because it claims to have legal relations on the same land. PTUN Jakarta in its decision Grant O's lawsuit.C.H. and stated that the cancellation of SHGB by Minister of ATR/BPN is not valid, because it is not done through legal procedures provide space for clarification, as well as judged contrary to the principles general good governance.

This decision was upheld by the High Administrative Court of Jakarta in Decision No. 174/B/2020 / PT.TUN.JKT. The appellate panel of judges judging that the act of cancellation by

state officials is not sufficiently based on internal audit results without a formal process that ensures the rights of parties. Therefore, the cancellation of the SHGB is considered a violation of the precautionary principle in land administration. In The Supreme Court Decision No. 35/K/TUN / 2021, Court granted the appeal of the Minister of ATR/BPN and defendant intervention and canceling decision 201/G/2019 / PTUN-JKT and No. 174/B/2020 / PT.TUN.JKT. The Supreme Court considered that before the issuance of SHGB No. 427 / warehouse, there has been a dispute between O ownership right. C.H. and R.B.P. top same plot of land, and that the deed of passage and assignment of rights between T.H and O.C.H which is used as the basis for the application HGB questioned its validity. In this case, the Supreme Court held that there is ownership issues that should have been resolved first through the judiciary general authorities, so the lawsuit filed by O.C.H. cannot be Roger that.

As in the research conducted by Khusnul Hidayati and Gunarto (2024) Disputes involving land in the future require the establishment of a court focused on land, whose function is to avoid overlapping between decisions and other decisions that could lead to conflict and legal uncertainty. This means that legal certainty can be reflected in the judge's decision, which is of course oriented towards the law. Legislation, administrative decisions, and justice in dispute resolution are the main objectives of the judicial process.

This case also has to do with the criminal process as stated in Decision No. 237/Pid/2023 / PT DKI. In this case, the party previously present as an intervention in the case TUN examined related the use of documents that serve as the basis for land claims, such as deeds sale and purchase and other supporting documents. Based on the evidence, the court states that there has been a forgery of these documents, used as evidence of ownership in a series of legal proceedings, included in the tune. This criminal verdict shows that the problem land administration can extend into the realm of criminal law, especially when the tool the evidence used turned out to be invalid or inauthentic The series of cases, from first degree to criminal, provide picture that the cancellation of SHGB due to administrative defects not solely procedural issues, but can develop into a conflict of rights, status ownership, and the validity of legal documents that affect each other cross jurisdiction.

Cancellation of a certificate due to an administrative defect is one of the forms of supervision over the actions of administrative officials. The provisions regarding the cancellation are regulated in Act Minister of ATR / BPN Number 9 Year 1999, in particular Section 106 to Section 110, which allows cancellation to be made if a right is given unlawfully. The existence of administrative defects in the issuance of SHGB implies the emergence of legal uncertainty for rights owners and third parties who obtain rights legally. This condition is contrary to the principle of legal certainty as stipulated in Section 28D Verse (1) of the Constitution 1945, namely that *“Everyone is entitled to recognition, guarantees, protection, and certainty of fair law, as well as equal treatment before the law.”*

## RESEARCH METHODS

Researchers will use normative legal research methods to answer the questions in this study. Normative legal research methods involve using legal principles and doctrines to answer the legal questions examined in this study. The answers are expected to produce a theory or concept that can be used as a guideline for problems encountered in the future. (Peter M. Marzuki, 2023) The main focus of this research is to conduct a normative assessment of the consequences of SHGB cancellation from the perspective of law and the administrative system, as well as the resolution of disputes arising from SHGB cancellation due to administrative defects in accordance with the provisions of the applicable laws and regulations.

In this study, the legislative approach was carried out by examining the legal provisions governing the cancellation of Building Use Certificates for Building Use Rights (SHGB) due to administrative defects, with a focus on normative regulations related to the cancellation process, its legal consequences, and how dispute resolution can be pursued as regulated in the laws and regulations applicable in the field of land and state administration.

## RESULT AND DISCUSSION

The certificate of title to a land plot is the result of the land registration process, which contains information about the physical and juridical data of the land. Physical Data includes an explanation of the boundaries of the land plot, location, land area, as well as buildings that stand on it if they exist and are considered relevant. Meanwhile, juridical data includes information regarding the legal status of the land, ownership of buildings on it, the identity of the rights holder, the rights of other parties who burden the land, as well as other matters directly related to the land plot in question, Government Regulation Number 24 Year 1997 (hereinafter referred as PP HGB) Section 32, Certificate of land rights, is a strong evidence of ownership of land rights, as long as the physical and juridical data contained therein in accordance with the data in the measurement letter and land Book managed by the Land Office (hereinafter mentioned as BPN).

The certificate that has been issued legally contains the name of a person or legal entity that occupies the land in good faith. In the future, if another party claims to have rights to the land, they will lose their right to claim those rights if they do not submit a written objection within 5 years of the certificate's issuance. (Putu Astika Yasa dan I Nyoman Bagiastra, 2021)

Although the government has tried to provide legal certainty over the right to land ownership, but in practice there are still often problems that end up being disputed in court. The land issue should be analyzed substantially by taking into account the land law policy on which it is based. Until now, land conflicts are present in various forms, such as vertical conflicts between the community and the government or authorities; horizontal conflicts between residents; and conflicts between the community and investors or business actors. Certificate problems themselves are often triggered by data inaccuracies in the BPN system, inefficient archive management, information recording errors, and less optimal use of Information Technology. (Rizky Heriansyah, et.all, 2025)

The implementation of land administration in Indonesia is carried out by BPN based on the authority granted UUPA, PP HGB, and various derivative regulations. Demands for information disclosure have increased, in line with public expectations for efficient and accountable services from BPN. This openness is seen as an effort to build public confidence in the policies and decisions issued by BPN. (Michael Adi Nugraha dan Maulana Noer Aziz, 2024)

Building rights certificate is a certificate of land rights granted by the state to an individual or legal entity to establish and own a building on land that is not his own, with a maximum period of 30 years, which can be extended for a maximum of 20 years as in Section 35 of the Constitution and can be renewed in accordance with applicable regulations. This right is generally granted on state land, land management rights, or freehold land under a specific agreement between the HGB holder and the landowner. (Boedi Harsono, 2005)

PP HGB in Section 23 Verse (1), the extension or renewal of right to use is regulated in Section 27 Verse (2) and the transition of right to use regulated in Section 34 Verse (2) must be recorded in the land book at the Land Office. Registration of the granting, transfer and removal of building rights aims to realize the purpose of land registration in accordance with Section 19 Verse (1) of the UUPA and Section 3. (Ni Ketut Ayu Pradnyani Shanti, et.all, 2025)

Basically, HGB has expired, the land has the status of state land. However, this does not mean that the land belongs to the state, but only that its legal status has changed. Previous rights

holders still have priority rights to the land, as stipulated in Section 1 Verse (1) of the decree of the Minister of Agrarian Affairs/Head of BPN number 6 Year 1998. If the HGB land wants to be transferred there are 2 (two) ways that can be done, among others: a. Right to privacy; b. Using the house sale and transfer and assignment Act, c. Using the deed of passage and assignment of Rights, drawn up by a notary. The granting of SHGB on state land is usually through an application to the BPN accompanied by proof of physical possession, a deed of passing rights, or a statement of ownership. Determination of land status as national land becomes key in the evaluation of new rights applications. (Rezky Ramadhan Rizal & Achmad Busro, 2024)

The mechanism for granting rights and issuing certificates, including SHGB, requires a structured administrative stage, ranging from verification of juridical and physical documents, field inspections, issuance of rights granting decisions (SKPH), to registration in the land book and issuance of certificates. If any of these mechanisms is bypassed or negligently executed, then the whole process becomes legally flawed and can lead to the cancellation of the rights granted, and even the imposition of administrative sanctions on negligent officials.

The first administrative stage is the collection of physical data, which includes measuring land plots and mapping. The second stage is the collection of Juridical data, namely the verification of ownership documents or rights, such as the deed of sale and purchase, deed of grant, or deed of waiver/passing rights. The next stage is the announcement of data within a certain period to provide an opportunity for other parties to file objections. After there are no objections or have been resolved, proceed with field evidence, data validation by BPN, and finally the issuance of certificates.

If there is an administrative legal defect in the process of issuing the certificate or based on a court decision that has permanent legal force, a person can cancel the HGB. A legal defect means a condition where a prescribed legal procedure contradicts applicable legal provisions or shows a discrepancy between regulations and reality. Based on the regulation of the Minister of Agrarian Number 9 of 1999 about procedures for granting and canceling State Land Rights and management rights (hereinafter referred as PMA) Section 107, the forms of legal defects include: (a) errors in the procedural stages; (b) errors in the application of legal norms; (c) inaccuracy in determining the object of rights; (d) errors; (h) errors in physical and juridical information; and (i) other forms of administrative errors relating to the process of issuing rights. (Chania Putri Ayu, 2024)

In the land law system in Indonesia, the basis for applying for land rights, including SHGB, can come from various forms of documents, such as Deed buy-sale, agreement of grant, agreement of exchange, and deed of passing rights. These deeds are generally made by the land deed officer (PPAT), while in certain conditions such as state land or former HGB that has expired the application can be attached with a statement deed or notarial deed stating physical control or operation of interests on the land.

A deed drawn up by a notary regarding the passing and transfer of land rights must take into account the validity of the previous ownership, since such legality is the basis of an agreement. Control over land that is not specifically regulated in the basic agrarian law (UUPA) remains subject to the provisions of Section 1320 of the Civil Code. The validity of a sale and purchase agreement is determined by the material and formal conditions as stipulated in the Civil Code. The material terms refer to the provisions of Section 1320 of the Civil Code, while the formal terms cover the structure and content of the deed, including the initial part, principal, and main content of the deed. Both material and formal requirements must be met in order for the process of transferring land rights to be legally valid. In addition, the seller must also own the rights to the land sold and ensure that the land is not in dispute. (VVO Mona, 2024)

Deed of sale and purchase (AJB) is an authentic document prepared in front of the land deed Office (PPAT) as valid evidence of the transition of rights to land and buildings. In every land sale and purchase transaction, making AJB in the presence of PPAT is a requirement that

must be met. This deed must be designed carefully and completely because it will be the main legal basis in the process of registering changes in property rights at the Land Office, as well as for the purpose of encumbering land rights. As an official authorized by the state, PPAT is required to work prudently and responsibly, considering that the AJB they make has a high evidentiary value and ensures legal certainty for the parties. However, in practice it is not uncommon to find negligence by PPAT which actually results in losses for one or both parties to the transaction. (Bekti Farahtika Sari, et.all, 2021)

Indonesia's land administration system is based on the principle land registry is orderly and legally valid. This is confirmed in UUPA Section 19 which states that registration land is made to ensure legal certainty. In practice, this process is further regulated in PP HGB, which requires the inspection of the field, checking history of rights, as well as the preparation of accurate physical and juridical data before issued a certificate.

In order to maintain the dignity and dignity of the profession of land deed officials (PPAT), a code of Ethics has been drawn up and determined by the Association of land deed officials (Ippat). This code of conduct was passed through the decree of the Minister of Agrarian Affairs and Spatial Planning/head of the National Land Agency on April 27, 2017. Its compilation is carried out collectively and is intended as a professional code of Conduct for PPAT and temporary PPAT. In it, contained provisions governing the responsibility, integrity, and work ethics that must be upheld by every member of IPPAT in carrying out their duties: a. PPAT obligations; b. The ban; c. Sanctions; d. How To Enforce The Code Of Ethics.

Cancellation of building rights certificate (SHGB) due to administrative defects cause very significant legal consequences, both to the existence of the right itself and to the parties concerned. SHGB issued on an invalid legal basis will lose its judicial legitimacy.

Be explicit about what is meant by an administrative defect. However, a more detailed provision is stipulated in PMA Section 35, which explains that the cancellation of a legal product can occur due to administrative defects and/or juridical defects. Some of the causes include: (a) errors in the procedure for issuing land rights, registration of rights, as well as maintaining registration data; (b) technical errors in the measurement process; (c) errors in the issuance of replacement certificates; (d) incompatibility of procedures in the issuance of certificates of mortgage Rights; (e) improper application of regulations; (f) errors in the determination of the subject or object of rights; (g) determination of the type of rights that do not match; (h) overlap in ownership or rights to land; (i) conflicts with forest areas; (j) errors in land consolidation or determination of land objects landform; (k) ; (m) there are criminal court decisions that have permanent legal force stating the existence of criminal acts such as forgery, fraud, or embezzlement; (n) the use of documents or data that do not come from authorized agencies; and (o) legal considerations in court decisions that indicate defects in the issuance process or in legal acts of transfer of rights, even if not explicitly stated in. (Putu Rama Ari Pratama, et.all, 2023)

Non-compliance in the administrative aspect may be the basis for the cancellation of the certificate as proof of ownership of the land. Based on Act BPN Numer 3 Year 2021 (hereinafter referrer as PBPN) Section 62 about management of assessment and settlement of land cases, there are various forms of administrative violations that can trigger it, among others: a. Land rights that are not in accordance with the procedure; b. Errors in the process of registration of certificates during the transfer or replacement of rights; c. Inaccuracies in the registration of customary land rights; d. Errors in the measurement, mapping, or calculation of land area; e. Dispute over title or ownership of the certificate; f. Incompatibility of data subjects and objects of rights; and g. The existence of violations in the implementation of land law enforcement. (Wa Ode Yulni Farida, 2025) The legal consequences of the cancellation of an administratively defective SHGB are as follows:

1. Certificate can be canceled by law, based on PBPN Section 71 Verse (2), BPN can cancel the SHGB if there are proven defects in administrative law, as evidenced by: (a) a court decision

with permanent legal Force, (b) the results of an internal examination, or (c) information from law enforcement officials. On this basis, HGB issued not according to the procedure can be canceled administratively and lose its legal force as evidence of land rights. According to PP HGB Section 32 Verse (2), land certificates issued illegally, especially if the issuance process is administratively flawed, can be canceled if within 5 (five) years there is an objection from the injured party. Thus, if it is proven that there is an administrative defect in the issuance of the HGB and there are objections raised within the time limit, then the certificate can be considered null and void. Cancellation of the HGB due to administrative defects resulted in the abolition of the legal force of the certificate and the loss of land rights. This is in accordance with UUPA Section 40 Verse (1) letter b which states that the right to use the building is removed because it is canceled due to non-fulfillment of the conditions for granting the right.

2. The abolition of SHGB results in land becoming state land, based on Section 46 letter b Number 3 of government regulation number 18 of 2021 on management rights, Land Rights, apartment units and Land Registration, building rights can be removed if the rights are canceled by the minister before the period ends due to administrative defects. This removal has legal consequences as stipulated in Section 47 Verse (1) which states that the abolition of building Rights results in land becoming state land, unless otherwise specified by a court decision.
3. The abolition of HGB results in land becoming state land, based on PP HGB Section 46 letter b Number 3, HGB can be removed if the rights are canceled by the minister before the period ends due to administrative defects. This removal has legal consequences as stipulated in Section 47 Verse (1) which states that the abolition of building Rights results in land becoming state land, unless otherwise specified by a court decision.

Within the framework of the national legal system, there are several paths dispute resolution that can be taken by the parties when it occurs cancellation of SHGB due to administrative defects. The path can be taken tiered or simultaneous, depending on the object of the dispute and the legal position of the parties. The path is described as follows:

#### 1. Administrative mediation

Administrative mediation is a non-litigation settlement mechanism conducted by land officials within the Ministry of ATR/BPN, as stipulated in the regulation of the Minister of ATR / BPN number 11 year 2016. The purpose of administrative mediation is to avoid escalation dispute through clarification, re-examination of documents, and confirmation against interested parties. In the context of administration land, administrative mediation into a form of implementation principles administrative prudence, especially when there are reports of disputes, overlapping ownership, or objections from other parties. In the example decision case number 201 / G / 2019 / PTUN-JKT, mediation was not taken administrative against objection R.B.P.S. before the release of BPN resulted in the emergence of conflicts that led to a lawsuit to Administrative court. This shows that the optimization of the role of BPN in facilitate administrative clarification is a crucial part in maintain orderly land administration.

#### 2. State Administrative Court (PTUN)

If administrative mediation does not produce results or decisions Administrative has been issued, then the next path is through a lawsuit to the Administrative Court. Based on the provisions of Section 1 Number 9 and Section 53 Verse (1) Law No. 5 of 1986, a person or legal entity Civil can file a lawsuit if they feel aggrieved by a administrative decisions that are considered contrary to regulations legislation. In case number 201 / G/2019 / PTUN-JKT, O.C.H sued the decision to cancel the SHGB by the Minister of ATR / BPN. The legal process continues until the Cassation level (decision No. 35 K/TUN / 2021), where the Supreme Court held that the cancellation SHGB legally valid because it found non-compliance procedures

and administrative data. PTUN line has a strategic function in testing legality of administrative decisions and determine whether the action in accordance with the principles of proportionality, accuracy, and protection of rights on the ground.

### 3. General Court (civil and criminal)

In addition to the administrative court, dispute resolution can be done through the court generally when the object of dispute with respect to aspects of civil (e.g. claims of ownership on the basis of sale and purchase) or criminal (such as falsification of documents). In this case, Section 118 HIR is the basis absolute competence of civil justice, while Section 263 of the Criminal Code used to ensnare the crime of mail forgery. In the example relevant case, judgment No. 237/PID/2023 / PT DKI strengthen finding that the deed of sale and purchase used by R.B.P proved invalid legally because it is not made in accordance with applicable regulations. Findings this reinforces the administrative decision on the cancellation of the SHGB, given the document on which the claim of ownership is based is invalid. The collaboration between the criminal verdict and the Administrative Act indicates the importance of legal system integration in the protection of lawfulness land rights.

### 4. Arbitration

Dispute resolution through arbitration can be reached if there arbitration clause in the agreement on which the transfer or land tenure. Based On Act Number 30 Year 1999, arbitration is a form of dispute resolution that is private and final, whose decision is inviolable by the General Court except in limited circumstances. Although in the fourth ruling analyzed arbitration path is not used, but in land practice, arbitration may be an alternative option in the event of a dispute arising from contractual relationships, such as land use cooperation or transfer of rights under a valid written agreement.

### 5. Direct party mediation

Direct party mediation is a dispute resolution through dialogue or deliberation conducted by the parties outside the process formal administrative and judicial. Although not specifically regulated in one regulation, but this approach is in line with the principle of deliberation as reflected in various principles of national law. The agreement reached through the mediation of the parties can be set forth in form of deed of agreement or minutes and become the basis for correction administratively by land officials. In the context of System Administration, the results of this mediation can be used to update juridical and physical data in the land book, as long as it meets the principle of legality and not contrary to applicable law.

The power of mediation lies in the family approach and flexibility of the procedure. However, to give it legal force, the results mediation must be in the form of an authentic and non-conflicting deed with applicable law. In the context of System Administration land, mediation agreement can be used as a basis for data changes physical and juridical if it meets the formal and material requirements. Direct party mediation is very effective in preventing escalation social conflict and accelerate the settlement of local disputes. Therefore that, although it does not have a specific legal umbrella, this approach remains recognized in the Indonesian legal system based on the principles of customary law and the principle of deliberation.

By reviewing these pathways, dispute resolution cancellation SHGB due to administrative defects should consider the urgency initial screening through administrative mechanisms and clarification of data before the application for rights is processed. The results of the four trials showed that the act of cancellation can be justified juridically as long as it is based on the finding of inappropriate procedures, omissions in the clarification of documents, or use of invalid documents. Therefore, the formation of the system unified verification and application of the precautionary principle in administration land becomes an important foundation to prevent the recurrence of similar disputes in the future.

Overall, the settlement of the cancellation of HGB due to defects administration needs to emphasize the integration between administrative mediation, verification careful document, the use of appropriate legal channels, as well as the involvement of alternative dispute resolution mechanisms. Corrective action through cancellation administration must still be based on legitimate procedures and pay attention the principle of proportionality. Thus, the National Land system can run more accountable, orderly, and ensure optimal protection of land rights.

## CONCLUSION

Cancellation of building rights certificate (SHGB) due to administrative defects result in the loss of legal validity of the rights that have been granted, because the process of issuing certificates is not carried out according to the procedure, using unauthorized documents, or without careful verification of juridical and physical data. In practice, a SHGB issued on a flawed legal basis would lose legitimacy and could be annulled through an administrative decision by the Minister of ATR/BPN or through a court ruling. This confirms that accuracy in the examination and validation of physical and juridical data is very important so as not to cause legal conflicts in the future. Thus, the cancellation of the SHGB not only cancels the right to land, but also serves as a reminder that the land administration system must be run with the principles of prudence, legality, and legal certainty.

Settlement of disputes due to cancellation of SHGB due to administrative defects can conducted through several channels, namely administrative mediation, a lawsuit to Administrative Court (PTUN), the general court, or alternative routes such as arbitration. Administrative mediation by BPN be the first step it is necessary to resolve the conflict in a non-litigious manner. When not achieved agreement, then the party who feels aggrieved can take the lawsuit to PTUN to test the legality of the cancellation decision. In the case of cases involving the use of false documents or unlawful acts, settlement can also proceed to the general court either in the realm civil and criminal. Comprehensive dispute resolution approach, by integrating the administrative, judicial, and criminal TUN, indicates that the protection of land rights must be pursued systematically and based on the principles of justice and legal certainty.

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