AUCTION SERVICE STRATEGY AND THE CERTAINTY OF AUCTION LAW LAND AND BUILDING RIGHTS IN THE PANDEMIC TIME OF COVID-19

Elpina¹, Mariah Sunanggok Purba², Nelvitia Purba³, Rudy Pramono⁴
¹₂ Simalungun University
³ Universitas Muslim Nusantara Al Washliyah;
⁴ Pelita Harapan university
email: ¹elpina321@gmail.com,
² mariapurma77@gmail.com
³ nelvitiapurba@umnaw.ac.id
⁴ rudy.pramono@uph.edu (corresponding author)

ABSTRACT

Auction as a means of selling goods is needed to complement the existing legal system, where this auction sale needs to be regulated to fulfill a sense of justice, security, speed and guarantee legal certainty. In the Covid pandemic era 19 Medan North Sumatra shows a decline in auction performance for Class I Auction Officers, especially the main auction results during the last 2 months (March-April 2020). The data analysis method used in this research is descriptive qualitative method, namely by describing and analyzing the data that has been obtained and then described in relation to this auction strategy during the Covid 19 pandemic. From the results of research it can be stated that: The auction implementation procedure due to the disease outbreak due to Corona Virus Disease 2019 (Covid-19) ensures that auction services are still carried out by the State Wealth and Auction Service Office (SWASO) by taking into account the existing situation and conditions. For example, it is stipulated that the auctions are made entirely online using e-Auction application and carried out at the SWASO. The presence of sellers / witnesses can be accommodated using video conferencing technology. Obstacles in the execution of mortgage will be challenged by the Debtor or other third party, not all of the applicants of auction are willing to carry out the auction online, because if it is carried out conventionally the level of practice will be higher. For this reason, auction rules need to be reinforced in future regulations. The implementation of auction must be regulated under certain conditions such as: The Covid 19 Pandemic period and it can still be carried out conventionally.

Keywords: Auctions, Covid 19 Pandemic Period, Online implementation.

I. BACKGROUND

In the auction implementation, there are often obstacles experienced by creditors as auction applicants and auction buyers, for example in the auction of credit objects collateral for immovable property (land and buildings on it) which are bound with mortgage rights, often the auction buyer gets obstacles in emptying the auction object because the existence of resistance from debtors or third parties. In submitting this resistance / verzet, debtor uses various reasons, such as denying that the debtor has neglected his obligations to the creditor and stating that the creditor is not yet time to execute guarantee / collateral. Then it can also happen that the debtor does not recognize the amount of debt which includes all costs that have been incurred by the creditor in advance for the purpose of imposition of security rights.

In addition to obstacles due to resistance from debtors or parties in vacating the auction object, the creditor (bank) experiences obstacles related to the procedure for vacating the auction object which is held through a private auction center, because the head of court does not want to give court fiat regarding the execution of vacant, before the bank first receives a letter of introduction from the State Wealth and Auction Service Office (SWASO) even though there is an auction minutes confirmed by the SWASO.
We are currently facing a pandemic outbreak the spread of *Corona Virus Disease* 2019 (Covid-19) which has caused tremendous losses, not only in the health sector but also in the economic sector by slowing down national economic growth (Mukidi et al, 2021). This has an impact on the implementation of duties and functions of Directorate General of State Assets (DGSA), especially in the auction sector. Data compiled by Auction Division of the Regional Office of DGSA North, Central, Gorontalo and North Maluku (Kanwil DGSA Suluttenggomalut) including in Medan, North Sumatra shows a decline in auction performance for Class I Auction Officials, especially the main auction results for the last 2 months (March- April 2020) Based on the things stated above, the basis for the author to conduct research related to this auction during Covid 19 pandemic.

II. RESEARCH METHOD

a. Research Approach

The approach method used in writing this study is Normative Law Research, What is meant by normative law method research is the normative research method carried out by examining library materials or secondary data alone. This research was conducted to identify the concepts and principles as well as the principles of auction and mortgage rights. The method of thinking used is the deductive method of thinking (a way of thinking in drawing conclusions drawn from something that is general in nature which has been proven to be correct and the conclusion is aimed at something specific).

b. Research Specifications

This research is research, sociological or empirical (field research). In obtaining primary data, observations and interviews were carried out with officials related to the implementation of auction and legal certainty of auction of mortgage rights over land and buildings linked to auction principles.

c. Sources and data collection techniques

1. Data Source

This research, based on the implementation of auctions and legal certainty of auction mortgages on land and buildings connected with auction principles.

2. Data Collection Techniques

Data collection techniques are carried out through data analysis that can be obtained in statutory regulations, textbooks, journals, research results, encyclopedias, bibliographies, *library research*, namely library research, where in this study the authors collect data from literature and study technical manuals and theories that can be used as research materials for this dissertation and supporting materials in research.

Further field research (*Field work Research*), namely direct research into the field by: a. Observation, collecting data by making direct observations in the field b. Interviews, observations through direct interviews with information, c. Documentation, data collection is carried out to obtain secondary data in the form of documents or archives, and scientific papers relevant to this research.

3. Analysis Technique

The data analysis method used in this research is descriptive qualitative method, namely describing and analyzing data that has been obtained and then described in the form of an actual explanation.

a. Data collection, is the stage of collecting data obtained from interviews, observations, library research and documentation and other secondary data that have been successfully obtained.

b. Data reduction is a process of reduction which is defined as a process of selecting, focusing on simplifying, abstracting and transforming “rough” data that appears from written notes in the field. The data reduction process is not a one-time process, but an iterative process during the qualitative research process.

c. Presentation of Data
d. Conclusion Withdrawal

The third interactive analysis activity is to draw conclusions and carry out verification.
III. DISCUSSION AND ANALYSIS

1. Procedure for Conducting Auctions during the Covid-19 Pandemic

As a process to improve welfare conditions, the term "welfare" actually does not need to use the word "social" anymore, because it clearly refers to a 2407 country or a field that is included in the area of state development. The 'education' and 'health' sectors are also included in the development area of 2407 country and do not use 'social' or 'human' frills. In other countries, the term that is widely used is 'welfare', which conceptually covers all processes and activities for the welfare of citizens and describes the state's state services and state protection schemes for disadvantaged groups (Suharto, 2005b). The field of welfare (welfare) is the main domain of 2407 state workers, like doctors in the field.

Mortgage Execution Auction Opportunities and Challenges as well as Legal Protection for Creditors by Febry Arisandi Credit recovery is an effort and opportunity for banks / creditors to resolve bad / problematic loans, as for one of the ways it can be carried out with Mortgage Execution Auction in accordance with Article 6 of the Law - Mortgage Law which basically regulates if the Debtor is in default, the holder of First Mortgage has the right to sell the object of Mortgage on his own power through a public auction and to take the payment of debt from the proceeds of the Sale.

To reduce extraordinary losses, not only in the health sector but also in the economic sector by slowing national economic growth due to the catastrophic disease outbreak due to Corona Virus Disease 2019 (Covid-19), ensure that auction services are still carried out by State Wealth and Auction Service Office (SWASO) by taking into account the existing situation and conditions. For example, it is stipulated that the auctions are made entirely online using e-Auction application and carried out at the SWASO. The presence of sellers / witnesses can be accommodated using video conferencing technology.

2. Barriers to Conducting Auction

That in the course of the execution of Insurance Rights Auction, there will be challenges from the Debtor or other third party, to cancel auction and or cancel the results of auction by filing a Civil Law suit or filing a State Administrative Law suit, for example some time ago we represented our client as a bank in Indonesia, where after carrying out the auction for the execution of mortgage rights, the Minutes of Auction were sued by the Debtor at the State Administrative Court, but the debtor's claim was completely rejected by State Administrative Court because in essence the Minutes of Auction were not the object of a State Administration dispute because it was only an Official Report Implementation of the auction as a series of acts of a civil nature.

Constraints or obstacles to the implementation of this auction during Covid-19 pandemic were that not all wanted to carry out the auction online, stating various reasons, including: Difficulties in accessing and using e-Auction application and the reasons for the auction, conventionally the level of practice will be higher, besides that the implementation of the type of voluntary non-execution auction carried out by Class II Auction Officials will be constrained because they do not have an online auction application, therefore the auction rules need to be affirmed in the future rules for the implementation of the auction must be regulated, under certain conditions such as: The Covid 19 Pandemic and it can still be done conventionally.

Efforts to explore the potential of the auction must be carried out optimally against the potential in all fields, especially for the type of non-voluntary execution auction. Currently, this type of auction is still dominated by motor vehicle auctions from finance companies, even though there is a large auction potential from the auction of assets of State / Regional Owned Enterprises (SROE) in the form of Persero and auction of privately owned goods that have not been properly explored. For this reason, it is necessary to synergize, especially with the Auction Hall and Class II Auction Officials in finding sources of new auction objects such as company-owned scrap and reject goods from e-commerce. Third, optimize auction marketing in collaboration with all stakeholders. Another strategy to increase auction results is to conduct auction marketing in various ways, for example joint marketing with banks. This can be done by regularly publishing auction information both on DJKN's portal and banking circles. In addition, it is necessary to conduct cross marketing between banks so as to expand the auction marketing area. Furthermore, periodic brochures / auction catalogs can be made which can be distributed widely in bank offices, SWASO, and other crowded places. The hope is that these efforts can improve auction results to be more optimal.

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IV. CONCLUSION

Procedure Class I Auction Officer may conduct an executable auction including a decision / determination. Court and documents equivalent to it, compulsory non-execution auction and voluntary non-execution auction. What is meant by documents that are equated with a court decision / order, one of which is the auction for the execution of mortgage rights.

The auction procedure due to the disease outbreak due to Corona Virus Disease 2019 (Covid-19) ensures that auction services are still carried out by State Wealth and Auction Service Office (SWASO) by taking into account the existing situation and conditions. For example, it is stipulated that the auctions are made entirely online using e-Auction application and carried out at SWASO. The presence of sellers / witnesses can be accommodated using video conferencing technology.

In the auction implementation during Covid-19 pandemic, not all wanted to carry out an auction online, stating various reasons, including: Difficulties in accessing and using e-Auction application as well as the reasons for conventional auction, the level of behavior would be more high, besides that, the implementation of voluntary non-executable auction types carried out by Class II Auction Officials will be constrained because they do not have an online auction application. : This Covid 19 pandemic period can also be done conventionally. The strategy for increasing auction results is to conduct auction marketing in various ways, for example joint marketing with banks.

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