ABSTRACT

The title of this research is “Parties Liability of Build Operate Transfer (BOT) Contract”. Generally, the main issues are contractual relation between local government and investor in BOT contract and legal consequences if the implementation of BOT contract effects loss to one because of default or unlawful act (onrechtmatigedaad). By using normative method through statute approach and conceptual approach. This study give answer that Build Operate Transfer (BOT) contract is one form of contract is nameless (onbenoemde overeenkomst) which was created as the needs of local government in the framework of project financing and building public facilities needed by people on the land controlled by local government. BOT contract is one example of government contract, which is income or non-procurement contract and should be based on specific provisions regulating the build, operate and transfer namely Government Regulation Number 6 Year 2006 regarding Management of State-owned Property/Region and Minister of Home Affairs Regulation No. 17 Year 2007 on Guidelines for Technical Management of Local Property, although in BOT contract is also found the existence of freedom of contract principle. BOT contract encompas local government, if the investor did breach, local government will impose sanction to the investor as set forth in the BOT contract include the termination of the contract unilaterally, disbursement performance bond, and the imposition of fines to investor. Nevertheless regulated in wiritng BOT arrangement, if local government doing default that make losses to investor, then investor can still ask for the fulfillment of their rights and compensation for losses suffered either through consultation with local government or by submitting a claim to the Court or Institute for Dispute Resolution Alternative dispute resolution clauses relies on the BOT contract. Investor can ask for compensation of material and/or immaterial form of money to the Government, the extension of the BOT or the demands of managing other objects along relevant to the loss suffered. Therefore, implementation BOT contract between Local Government and investor required intensively supervision done by Special Team, toward property belong to regional which being as BOT object. Then at the time performed BOT object submitting again to Local Government, buildings and public facilities comply with promised specification in the early and its submit be implemented timely with the end of the term BOT contract duration.

Keyword : BOT/ Contract/ Liability