

ABSTRACT

The accelerated toll road projects with Public Private Partnership (PPP) scheme under Build Operate Transfer (BOT) contract is one of the most strategic infrastructure developments representing one of efforts to boost regional economic potential development to further realize an equal distribution of people's welfare. Due to the fact that road construction needs a great deal of fund and excellent technical capability while government's financial capacity is limited, investment is needed to build a partnership to speed up the realization of a safe, well-organized, and smooth toll road.

Public-private partnership in term of toll road construction project is implemented under *Public Private Partnership* (PPP) scheme as laid down in the Law Number 38 of 2004 on Road, and the Government Regulation No. 15 of 2005 on Toll Road, and the Presidential Decree No. 13 of 2010 on Public Private Cooperation in the Provision of Infrastructures.

As response to recent critical requirement for the availability of toll roads to support land transportation, the accelerated project is conducted based on public-private partnership under Toll Road Concession Agreement (PPJT) generally known as Build Operate Transfer (BOT) contract. According to this context, the principles set forth in PPP will relate *synergically* with the principles applicable in the Law of Contract to achieve a fair agreement. The principle of good faith commonly applied in PPP and the Law of Contract should govern overall processes of contract despite government's Public Entity status at all times. Commercial characteristic of public-private partnership will allow the parties to gain fair profit; provided that they are willing to uphold the principle of good faith since negotiation until contract implementation process.

Keywords: Toll Road Concession Agreement, Public Private Partnership Principle, Contract Law Principles, Good Faith Principle.