FINAL PROJECT

IMPACT ASSESSMENT OF LITIGATION ON CONSTRUCTION PROJECTS IN RESOLVING CONSTRUCTION DISPUTES

(Study Case: SMPN 1 Wates Building Construction Project)

Submitted to Universitas Islam Indonesia Yogyakarta to Fulfill the Requirements to Obtain a Bachelor's Degree in Civil Engineering

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PLAGIARISM FREE STATEMENT

I declare truthfully that the Final Project report I have composed as a requirement for completing the bachelor program in Civil Engineering study program, Faculty of Civil Engineering and Planning, Universitas Islam Indonesia, is my own work. If there are any parts of this Final Project Report where I have quoted the work of others, I have clearly cited the sources in accordance with the norms, rules, and ethical guidelines for scientific writing. If in the future all or part of this Final Project Report was not by my own making or there is plagiarism in certain parts, I am willing to accept the sanctions, including the revocation of my academic title, according to the applicable regulations of the laws.

Yogyakarta, November 07th 2024

Who make the statement,



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PREFACE

Alhamdulillahirabbil'alamin, all praises and gratitude to Allah SWT for His endless grace and blessings. By His guidance and mercy, allowing the author to complete this Final Project with the title of *Impact Assessment of Litigation on Construction Projects in Resolving Construction Disputes: A Case Study of SMPN 1 Wates Building Construction Project.* This Final Project is prepared as a partial requirement to complete the bachelor's degree in Civil Engineering Study Program, Faculty of Civil Engineering and Planning, Universitas Islam Indonesia.

Throughout the process of completing this Final Project, the author has encountered numerous challenges and obstacles. However, with the support, encouragement, and guidance from many individuals, the author have been able to successfully complete this Final Project. Therefore, the author would like to extend my sincerest thanks and appreciation to the following individuals:

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ABSTRACT

Effective management of disputes is crucial to ensuring the success and quality of construction projects. In Indonesia disputes frequently occur due to miscommunication, payment-related issues, and contractual violations. This study examines the disputes and the litigation method used to resolve the disputes in the SMPN 1 Wates Building Construction Project, emphasizing the financial, timely, and relational consequences. The research aims to assess the impacts of using the litigation method to resolve construction disputes on construction projects.

Employing a qualitative research methodology with a descriptive approach, this study utilizes literature reviews, field observations, documentation, and structured interviews with experts and parties involved in the case study. By employing these methods, the research aims to illustrate the impacts of litigation as a dispute resolution method in the construction industry, providing a comprehensive and accurate narrative of the observed subject. The research also aligns with Law No. 2 of 2017 concerning Construction Services Law (UUJK), which encourages the use of alternative dispute resolution (ADR) methods for construction services outside the courts.

The results of this research conclude that litigation on SMPN 1 Wates project leads to negative impacts, including increased costs, time inefficiencies, and damage to stakeholders relationships and credibility. Interview findings revealed that litigation is not a suitable method to resolve construction disputes, these disputes are best addressed through methods that promote win-win solutions, while litigation tends to result in a win-lose outcome. These results underscore the importance for all parties to comprehend the effective strategies for preventing and managing disputes in construction projects.

Key words: Construction Management, Construction Dispute, Litigation

CHAPTER I
INTRODUCTION

1.1 Background

The construction industry has a very important role in a country's economic development. This sector, which often involves multiple parties such as project owners, contractors, and other related stakeholders, plays a pivotal role in shaping a nation's growth and progress. According to Masdiana (2024), The construction industry in Indonesia plays a vital role in the development of infrastructure that supports economic growth and enhances societal well-being. From the construction of roads, bridges, and office buildings to residential projects, this sector not only generates employment opportunities but also serves as a cornerstone for the nation’s progress.

When undertaking construction projects, it is essential to have an agreement that lays out the terms of the construction and serves as the foundation for the provision of construction services. This agreement is referred to as a construction work contract. According to Law No. 2 of 2017 concerning Construction Services Law (*UUJK*), A construction work contract is a comprehensive set of contractual documents that regulate the legal relationship between the service users and the service providers in the implementation of construction services. Construction work contracts contain the obligations and rights of the parties involved so that they can carry out their duties and responsibilities clearly and in detail. As a legal instrument that outlines the project's scope of work, project timelines, payment structures, and dispute resolution mechanisms, this construction work contract ensures optimal project performance.

However, in the process, disputes often arise between various stakeholders in construction projects that affect the smooth implementation of the project and the relationships between the parties involved. These disputes can include a variety of issues, such as changes to designs and plans, project delays, quality issues, or contractual disputes. Such disputes can cause disruptions to the project's progress

and escalate into legal conflicts, leading parties to pursue litigation as a resolution method. Litigation, while offering a structured legal framework for resolving disputes, often results in lengthy processes and negatively impacts the project's cost, timeline, and stakeholder relationships. According to Triana (2019), The high volume of cases combined with the limited number of judges and court clerks significantly prolongs the dispute resolution in the courts and this delay poses substantial disadvantages, particularly in business, economic activities, and the relationships between the disputing parties. Therefore, understanding the nature of disputes and litigation as a resolution method is critical to managing these challenges effectively and minimizing their negative consequences.

This research is significant because it addresses a critical gap in understanding the specific impacts of litigation on construction project outcomes, especially concerning its financial, timely, and parties relationship. While preceding studies have explored construction disputes and their resolution methods generally, this limited research focuses on the practical impacts of litigation in Indonesia's construction industry. Focusing on a specific construction project dispute that has concluded, this study provides realistic insights into the consequences and impacts of litigation, offering valuable guidance for stakeholders seeking to manage disputes more effectively within the framework of Indonesian law and the construction industry. Aligns with Law No. 2 of 2017 concerning Construction Services Law (*UUJK*), which encourages the use of alternative dispute resolution (ADR) methods for construction services outside the court system to foster deliberation to achieve win-win solutions, this research elaborates the reasons why litigation considered a less recommended method to resolve construction disputes.

The construction project that will be the research subject in this study is the SMPN 1 Wates building construction project located in Wates, Kulon Progo, Yogyakarta. The total budget allocated for the construction of this building amounts to IDR 3.5 billion, with the project having started from August 23, 2018, and is targeted for completion on December 30, 2018. The SMPN 1 Wates project includes several buildings that are planned to be built. However, the construction

process of one building has been suspended due to disputes arising during its implementation. The Kulon Progo Regional Inspectorate had earlier found irregularities in the construction process of the building. It was discovered that the building specifications did not match the initial plans framed in the construction work contract. As per the statement of the Head of the Kulon Progo Youth Education and Sports Department (*Disdikpora*), the construction process for the new buildings of SMPN 1 Wates is currently in progress and still ongoing. However, out of the three main buildings, one has been left abandoned because it was hampered by a corruption scandal.

This construction project dispute occurred because of an intrigue between the Head of the Middle School Development Division of the Kulon Progo Youth Education and Sports Department who at that time was carrying out his duties as Commitment Making Officer (*PPK*) for the construction of the SMPN 1 Wates building and the Director of CV Bintang Abadi. CV Bintang Abadi is the company responsible for executing the construction of this junior high school building project. During the trial process of this case, there were disagreements between the public prosecutor and the defendant's attorneys. The public prosecutor stated that the building construction did not comply with the initial specifications, while the defendant's attorney denied these allegations and claimed that the physical building and specifications were appropriate. Based on the technical tests conducted by experts from the public prosecutor (*JPU*), it was discovered that there were at least twelve specifications that did not comply with the planning design and contract documents. These specifications included the usage of the compacted landfill, the volume of concrete cast, and the roof specifications.

It has been observed during the investigation that the accused parties have allegedly misappropriated the budget allocated for the construction of IDR 106.226.000, -. The two defendants have been apprehended and are being tried for their involvement in the corruption case. At the reading of the judge's decision, Susi Ambarwati, S.H., the Director of CV Bintang Abadi, implicated in the corruption charge relating to the building construction of SMPN 1 Wates, has been sentenced

to a year in prison and a fine of IDR 50 million, which is subject to two months of imprisonment.

In consideration of the challenges and complexities associated with construction disputes, this research seeks to bridge the gap between theoretical knowledge and practical application. By addressing the critical impacts of litigation on costs, times, and stakeholder relationships based on the impacts emerging on dispute resolution of the SMPN 1 Wates construction project, this study underscores the urgent need for understanding the effective dispute resolution methods in Indonesia's construction industry. The findings aim to encourage stakeholders to implement practices that are both cost-effective and time-efficient, maintain harmony and collaborative environment, and foster resolutions that result in favorable outcomes for all parties involved. With these findings, this study promotes the necessity for proactive dispute prevention and alternative dispute resolution mechanisms as suggested by the Indonesian government in accordance with Law No. 2 of 2017.

1.2 Problem Formulation

Based on the background above, the problem formulation that will be discussed in this final project is, what is the impact of using litigation methods to resolve construction disputes on construction projects, particularly in terms of costs, time, and relationships and credibility of the involved parties?

1.3 Objective

The objective of this research is to analyze the impact of using litigation methods to resolve construction disputes on construction projects, particularly in terms of costs, time, and relationships and credibility of the involved parties.

1.4 Benefit

The benefits of this research are as follows.

1. Academically, this research contributes to the understanding of the dynamics of construction dispute resolution, specifically through the legal process of litigation.
2. This research will provide a comprehensive evaluation of the impact on construction projects of resolving construction disputes through litigation.
3. This research will help stakeholders to mitigate the occurrence of construction disputes.
4. This research will help stakeholders understand the best practices for managing construction project disputes.

1.5 Research Limitation

For the writing of the final project to be structured, the following observation limits are made.

1. This research focuses on dispute resolution in construction projects.
2. The dispute resolution method analyzed is the litigation method.
3. This research will focus on the legal framework regulated in Law no. 2 of 2017 and Government Regulation no. 22 of 2020 jo. Government Regulation no. 14 of 2021 concerning Construction Services Law (*UUJK*).
4. The main variables to be analyzed are the time and cost incurred during the litigation process and the party's relationships and credibility after the litigation process.
5. The data is obtained from literature review, documentation, and the results of interviews conducted with project stakeholders and legal experts involved in project dispute resolution.

CHAPTER II
LITERATURE REVIEW

2.1 General Review

In the context of construction project management, the effective resolution of disputes stands as a crucial element, influencing the overall success of projects. Understanding the landscape of dispute resolution methods is vital for project stakeholders seeking to navigate and address disputes systematically. Examining the existing literature provides valuable insights and references, which can serve as a foundation for a comprehensive exploration of dispute resolution in construction projects.

2.2 Previous Research

Kahar (2018) conducted a study on Dispute Resolution in Construction Work Contracts in North Maluku. The objective of this research is to investigate the legal measures taken by CV. Virdyatama Primandiri in resolving disputes with the Public Works Department of Sula Regency, Sula Islands. In this writing, the author uses the normative legal writing method. Normative legal research methods or library legal research methods are methods carried out by examining library materials and information from construction work contracts. Based on the analyzed cases, it has been demonstrated that if a service user fails to perform their obligations under a contract, such as non-payment of wages to a service provider after the work has been completed, the service provider is entitled to seek compensation for the remainder of the work. This compensation should reflect the losses incurred from the agreement. It can be concluded that civil disputes arising from construction work agreements can be settled either through litigation or non-litigation methods.

Priyambodo (2021) conducted a study on Construction Dispute Resolution Mechanism According to Law Number 2 of 2017 Concerning Construction Services. This research aimed to analyze the mechanism for resolving construction disputes according to Law Number 2 of 2017 concerning construction services. The

research methodology employed descriptive and interpretative analysis methods. The research findings indicate that according to Law No. 2/2017 concerning Construction Services, construction disputes are resolved through deliberation to reach a consensus. If no agreement is reached, the resolution follows the construction contract. If not specified, the parties can choose their resolution methods. The stages include Mediation, Conciliation, Arbitration, and a Dispute Board can also be formed.

Dewi (2023) conducted a study on Analysis of Dispute Resolution in Construction Contract. This research aims to identify the disputes and factors that cause construction work contract disputes and to find out methods for resolving construction work contract disputes. The research methodology employed quantitative techniques, specifically gathering data directly on-site and from respondents to ensure accuracy. The collected data was subsequently analyzed to arrive at a conclusion based on the research findings. The research findings indicate that disputes are caused by a lack of commitment from one party, issues related to the construction contract, and uncertainties in the project that create opportunities for disputes to arise. The construction work contract dispute resolution method uses alternative methods, it is consider cost and time is key indicators for successful resolution of disputes.

Abdullah (2014) conducted a study on Land Dispute Resolution Through Litigation in Mariso District, Makassar City. The objective of this research is to investigate the mechanism for resolving land disputes through litigation in Mariso District, Makassar City. Additionally, the study aims to identify the factors that inhibit the resolution of land disputes through litigation in the district. This study falls under the category of descriptive research, which is a problem-solving procedure that describes or illustrates the present state of a research object based on factual data that is presented in an objective manner. The mechanism for resolving land settlements through litigation in Mariso District, Makassar City can be carried out through the General Court and State Administrative Court. Some of the factors inhibiting dispute resolution are lack of legal certainty, lay judges, as well as high costs and time-consuming procedures.

2.3 Research Comparison

Table 2.1 Comparison of Previous and Current Research

Previous Research					Current Research
Aspect	**Kahar (2018)**	**Priyambodo (2021)**	**Dewi (2023)**	**Abdullah (2014)**	
Title	*Penyelesaian Sengketa dalam Kontrak Kerja Konstruksi di Maluku Utara*	Mekanisme Penyelesaian Sengketa Konstruksi Menurut Undang-Undang Nomor 2 Tahun 2017 Tentang Jasa Konstruksi	Analisis Penyelesaian Sengketa Kontrak Kerja Konstruksi	Studi Penyelesaian Sengketa Tanah Melalui Jalur Litigasi di Kecamatan Mariso Kota Makassar	Impact Assessment of Litigation on Construction Projects in Resolving Construction Disputes
Objectives	Investigate the legal measures taken by CV. Virdyatama Primandiri in resolving disputes with the Public Works Department of Sula Regency, Sula Islands.	Analyze the mechanism for resolving construction disputes according to Law Number 2 of 2017 concerning construction services.	Identify the disputes and factors that cause construction work contract disputes and to find out methods for resolving construction work contract disputes.	Investigate the mechanism for resolving land disputes through litigation in Mariso District, Makassar City Identify the factors that inhibit the resolution of land disputes through litigation in the district.	Analyze the impact of using litigation methods to resolve construction disputes on construction projects.

(Source: Kahar (2018), Aprilia (2017), Kurnia Dewi (2023), Abdullah (2014))

Table 2.2 Comparison of Previous and Current Research (continued)

Previous Research					Current Research
Aspect	**Kahar (2018)**	**Priyambodo (2021)**	**Dewi (2023)**	**Abdullah (2014)**	
Methods	Normative legal method. Examining library materials and information from construction contracts.	Descriptive and Interpretative Analysis Methods.	Quantitative methods. Utilize project data and distribute questionnaires.	Descriptive research. Utilize project data and literature.	Descriptive qualitative method. Collecting data from literature, project sites, and interviews with stakeholders.
Results	Service user fails to perform their obligations on contract to pay wages to service provider after work is completed, the provider can seek compensation that reflect the losses incurred from the agreement. Civil disputes from construction work agreements can be resolved through litigation or non-litigation methods.	Construction disputes are resolved through deliberation to reach a consensus. If no agreement is reached, the resolution follows the construction contract. If not specified, the parties can choose their resolution methods. The stages include Mediation, Conciliation, Arbitration, and a Dispute Board can also be formed.	The research findings indicate that disputes are caused by a lack of commitment from one party, contractual issues, and uncertainties in the project that create opportunities for disputes to arise. The construction work contract dispute resolution method uses alternative methods, it is consider cost and time is key indicators for successful resolution of disputes.	The mechanism for resolving land settlements through litigation in Mariso District, Makassar City can be carried out through the General Court and State Administrative Court. Some of the factors inhibiting dispute resolution are lack of legal certainty, lay judges, as well as high costs and time-consuming procedures.	The research findings indicate that litigation has several negative effects that significantly impact the project. The most significant impacts analyzed are the cost and time incurred for the litigation process and the relationships and credibility of the parties

(Source: Kahar (2018), Aprilia (2017), Kurnia Dewi (2023), Abdullah (2014))

Based on the Table 2.1 and

Table 2.2 above, this research is different from the previous researchs. This research presents a unique title, research objectives, methodologies, and findings. The research focuses on a case study of the dispute arising from the construction project of SMPN 1 Wates. The primary aim is to assess the impact of using litigation methods to resolve construction disputes on construction projects, particularly in terms of costs, time, and relationships and credibility of the involved parties. While preceding studies have examined construction disputes and various resolution methods in a broader context, this research specifically addresses the practical consequences of litigation within the Indonesian construction industry.

CHAPTER III
THEORETICAL BASIS

3.1 Analysis

According to Cambridge Dictionary, “Analysis is the process of studying or examining something in an organized way to learn more about it, or a particular study of something.” According to Wiradi (2006), Analysis is an activity that contains a number of activities such as mastering, differentiating, sorting things to be classified and regrouped according to certain criteria, then looking for relationships and interpreting their meaning.

3.2 Project

Project is a temporary and unique endeavor with a specific objective, typically involving a set of planned and coordinated activities. Each project is unique, presenting its own set of challenges, requirements, and deliverables. Projects are initiated to achieve specific goals or outcomes, these objectives are clearly defined at the outset and serve as the guiding purpose for the project.

Projects are often carried out to create a product, service, or result and oftentimes require collaboration among individuals with diverse skills and expertise. Projects are characterized by their temporary nature, as projects are not meant to last indefinitely, they have defined the starting point and ending point for the project. Projects involve the allocation of resources, such as time, money, and human resources, to achieve specific objectives within a given timeframe. Efficient resource management is crucial for project success. Projects can vary in size, complexity, and scope, and they are managed using project management methodologies to ensure successful completion.

3.3 Construction Project

Construction projects represent a specialized form of a project, emphasizing the creation, modification, or development of physical structures and infrastructure.

According to Kerzner (2009), Construction project is a series of activities and tasks that designed to achieve a specific goal within predetermined specifications, time frames, costs, and resource limits. According to Ervianto (2005), Construction project is a series of activities that are carried out only once and generally in short duration and within this series of activities, there is a process that manages the project resources to produce an actual outcome in the form of a building or structure.

Construction projects show unique characteristics, combining complex planning, design, procurement, and execution phases to achieve actual and often complex outcomes. These outcomes can range from residential and commercial buildings to infrastructure such as roads, bridges, and other utilities. Unlike some projects in other sectors, construction projects often involve a diverse range of stakeholders, including project owners, architects, engineers, contractors, subcontractors, and regulatory authorities. The dynamic nature of construction projects requires a systematic approach to project management, encompassing factors such as cost estimation, risk assessment, and scheduling. Success in construction projects is not only measured by the achievement of predetermined objectives but also by compliance with safety standards, regulatory compliance, and the efficient utilization of resources throughout the project lifecycle.

According to Ervianto (2005), Construction projects can be divided into two types of building groupings as follows:

1. Buildings: houses, offices, factories, and others. The characteristics of this group of buildings include:
    a. Construction projects produce places where people work or live.
    b. The work is carried out in a relatively narrow location and the condition of the foundation is generally known.
    c. Management is needed, especially for work progress.
2. Civil buildings: roads, bridges, dams, and other infrastructures. The characteristics of this group of buildings include:
    a. Construction projects are carried out to control nature so that it is useful for human interests.

b. Work is carried out on a wide or long site and the foundation conditions are very different from each other in a project.
c. Management is needed to solve problems.

These two groups of buildings actually overlap eachother but are generally planned and implemented by different planning and implementing disciplines.

3.4 Contractor

Contractor plays an important role as a key participant responsible for executing and delivering the construction project. A contractor is an individual or a group hired by the project owner to undertake specific tasks related to the construction, ranging from the execution of construction work to project management. Contractors can vary in specialization, some focusing on general construction, while others may specialize in areas such as electrical, plumbing, or structural work.

The contractual relationship between the project owner and the contractor is typically formalized through a construction work contract, outlining the scope of work, project timelines, budget, and other essential terms. Contractors are tasked with managing resources, coordinating labor, and ensuring that the construction activities align with the project specifications, safety standards, and regulatory requirements. The role of a contractor is essential to the overall success of a construction project, as their performance significantly influences the project timeline, cost-effectiveness, and the quality of the final deliverables.

According to Ervianto (2005), Contractor possesses certain rights and responsibilities that need to be fulfilled as follows:

1. Carry out work according to plan drawings, regulations and conditions, work explanation treatise (aanvullings), and additional conditions that have been determined by the service user.
2. Make implementation drawings that are approved by the supervising consultant as a representative of the service user.
3. Providing work safety equipment as required by regulations to maintain the safety of workers and the public.

4. Create work results reports in the form of daily, weekly, and monthly reports.
5. Submit all or part of the work that has been completed in accordance with applicable regulations.

3.5 Construction Work Contract

Construction work contract is a legally binding agreement that outlines the terms and conditions and states the requirement of construction services between the project owner and the contractor. This contractual document plays a pivotal role in the construction industry, outlining the rights, obligations, and expectations of both parties involved in the construction project. The construction work contract includes a comprehensive set of provisions, addressing aspects such as the scope of work, project timelines, payment terms, quality standards, and mechanisms for resolving disputes. This contractual document serves as a comprehensive guide, ensuring clarity and alignment between the involved parties throughout the construction project lifecycle.

The scope of work outlined in the contract provides a detailed description of the tasks and responsibilities assigned to the contractor, specifying the essence and extent of the construction services to be provided and then delivered. Project timelines establish clear milestones and deadlines, ensuring that the construction activities progress in an organized and timely manner. Payment terms, including the schedule of payments and any applicable penalties or incentives, are typically detailed to facilitate a transparent financial arrangement.

The quality standards outlined in the contract specify the benchmark for the expected level of workmanship and materials. These benchmarks or standards may reference to specific agreements of the parties, applicable construction standards, regulations, or specific project requirements. Importantly, the construction work contract includes provisions for handling potential disputes that may arise during the project. Dispute resolution mechanisms, such as dispute boards, arbitration, or litigation, are specified to provide a structured process for resolving disputes.

Given its pivotal role in shaping the legal framework of the construction project, a well-drafted construction work contract contributes to project clarity, risk

mitigation, and the successful execution of construction activities. Detailed preparation and commitment by both parties encourage a collaborative and transparent working relationship, ensuring that the project progresses smoothly and in accordance with the agreed terms.

The selection of an appropriate agreement for a construction project depends on its features and circumstances. The project owner must proactively identify and mitigate any possible risks that may emerge throughout the project. It is important to clearly outline and provide a clear payment system for all stakeholders involved in the project, as it can influence the type of contractual documentation necessary. According to Indramanik (2017), there are 3 types of construction work contracts based on the payment system:

1. Unit Price Contract

   The unit price contract elaborates in detail the prices per unit. The price stated includes all required costs such as profits, overhead, materials, labor, as well as unexpected costs and risk anticipation costs. The contractor receives payment from the owner based on the number of units to be worked on at pre-determined rates. By utilizing this type of contract, the project owner may not be able to know for sure the exact number of units required to finish the project. The use of this type of contract is appropriate for types of projects with estimates of the quantity of each work cannot be made accurately before the project begins.

2. Cost Plus Fee Contract

   In cost plus fee contract, the contractor will be paid for costs incurred during the construction process related to the construction work such as materials and labor. Costs for overheads will be provided by the project owner as needed and the contractor's profit amount will be paid based on the agreement of the parties. This type of contract is useful when the actual cost of the project is hard to estimate and the scope is not well-defined or the project planning has not been fully completed. With this contract, the quality of the construction work will likely be more maximum because the profit for the contractor is already determined and the cost for the construction work is fixed for the construction

because the cost paid is the actual expenses of the work executed. This type of contract will give more benefits and eliminate risk for both contractor and project owner.

3. Lump Sum Contract

   A Lump Sum Contract involves a single total fixed price for all the work specified in the contract. The contractor is responsible for completing the entire project for the agreed amount of pre-set price. The main requirement in applying this type of contract is that the construction planning and design have been completely completed along with the specifications detail so that the contractor can estimate quantities accurately. If the owner's budget is limited, then this type of contract is the right choice because it provides a definite value for the costs that will be incurred. In complex or more complicated projects, lump-sum contracts may not be the most suitable option due to its inability to account for changes in material costs, site conditions, or the owner's requests because it may result in additional expenses that are beyond the established plans.

3.6 Disputes

3.6.1 Definition of Dispute in General

According to Achmad (2003), Dispute refers to contradiction or conflict between two or more parties that arises from differing perceptions regarding an interest or ownership right, potentially resulting in legal consequences for all involved parties. Dispute signifies a divergence of opinions, interests, or claims between two or more parties, resulting in a conflict or disagreement. This conflict can manifest across various aspects of human interaction, encompassing legal, commercial, interpersonal, or societal domains.

Disputes typically arise when differing perspectives, expectations, or interpretations collide, creating tension that requires resolution. These conflicts may span a range of issues, from contractual disagreements and legal disputes to interpersonal conflicts in daily life. The resolution of disputes commonly involves negotiation, mediation, conciliation, arbitration, or, in more contentious scenarios,

legal proceedings. Effective dispute resolution processes aim to discover equitable and satisfactory solutions that address the concerns of all involved parties, promoting a sense of justice and sustaining ongoing relationships.

3.6.2 Construction Project Dispute

Disputes in construction projects refer to conflict or disagreement that arises during the planning, execution, or completion phases of a construction project. These disputes can arise from various sources, including differences in project specifications, contractual interpretations, unanticipated changes, delays, cost overruns, or disagreements among project stakeholders. Construction project disputes have the potential to obstruct progress, strain relationships between project parties, and impact the overall success of the project. Resolving these disputes in a convenient and effective manner is crucial to maintaining project continuity and mitigating potential financial and legal consequences.

Construction project disputes may involve a range of parties, including the project owner, contractors, subcontractors, architects, engineers, and other stakeholders. The complexity of construction projects, coupled with the interdependence of various tasks and parties involved, makes disputes a common challenge in the industry. Recognizing that disputes are inherent to the construction process, construction project stakeholders must adopt preventive measures and establish clear communication systems. Strategies to prevent disputes include comprehensive project planning, detailed contracts, transparent communication, and proactive issue resolution. This proactive approach not only helps in minimizing the occurrence of disputes but also encourages a collaborative environment among project participants.

The ability to manage and mitigate construction project disputes is a critical aspect of effective project management. It requires a combination of proactive risk management, clear communication, and a commitment to collaborative problem solving. By addressing disputes in a timely and constructive manner, construction projects can enhance their chances of successful completion while maintaining positive relationships among project stakeholders.

3.7 Dispute Resolution Through Litigation

3.7.1 Litigation Definition

In legal proceedings, there are two known methods for resolving cases and disputes which are litigation and non-litigation. Litigation is a process for resolving disputes with legal process through formal court proceedings. Litigation, as a dispute resolution process, serves as the final action in law enforcement (ultimum remedium) after another alternative dispute resolution attempts fail. This process involves settling a case through the legal process, requiring both parties to participate in a court session involving judge, Attorney, and court clerk.

The litigation process frequently occurs in various business sectors such as trade, banking, and construction. In contrast to alternative dispute resolution methods that aim for a win-win solution, litigation positions the involved parties as opponents, resulting in a win-lose outcome. It is important to note that the adversarial nature of litigation often complicates the resolution process.

The litigation process involves activities ranging from gathering evidence to presenting information about a case, enabling the judge to have a comprehensive understanding of the issues at hand and make a decision. The outcome of litigation is a legally binding judgment that applies to the parties involved in the case. It is imperative for both parties to understand the complexities of the legal process and the potential long-term implications associated with the court's decision.

3.7.2 Civil and Criminal Procedure Law (*Hukum Acara Pidana dan Perdata*)

Law as a social norm and regulation plays a crucial role in society, encompassing various aspects such as administration, state affairs, labor, business, and more. Law serves as a comprehensive framework in a country that addresses all aspects of societal existence. Based on Law Number 48 of 2009 concerning Judiciary Authority, the judicial institution under the Supreme Court (Mahkamah Agung) is the public court, religious court, military court, and state administrative court. The public court is constitutionally one of the judicial institution that has the authority to examine, judge, and decide of civil and criminal cases. However, among the numerous sectors of law applicable in Indonesia, private law and public law are the most relevant to disputes involving individuals and public interests. In

legal terms in Indonesia, public law is known as criminal law (*Pidana*), while private law is known as civil law (*Perdata*).

Criminal law refers to a sequence of regulations that contain how government institutions (police, Attorney, and courts) must function to achieve country goals and enforce criminal law. Criminal cases arise because there is a violation of criminal acts that have been specified in criminal law. Examples of criminal cases include cases of theft or robbery, murder, fraud, extortion, assault, corruption, tax evasion, and falsification of documents. The objective of criminal law trial include:

1. Search and discover the true and complete facts of a criminal cases honestly and precisely in accordance with the provisions of the applicable criminal law.
2. Seek and identify the perpetrator who has committed a legal violation or criminal act and perform an investigation and judgment from the court to determine whether it is proven that a criminal act has been committed and whether the defendant can be held responsible.
3. Applying the law with court judgment based on justice and in accordance with the provisions of the applicable criminal law.
4. After the court judgment has been handed down and all legal measures have been carried out, the judgment acquired fixed legal force. The criminal procedure law also regulates the principal procedures for implementing and supervising the judgment and all parties are obliged to implement the decision in justice.

Civil law is defined as a set of regulations that contain the procedures to propose a civil case to court and also regulate how the court acts and makes judgments on violations of civil law. Civil cases arise because there is a violation of individual or institutional rights as regulated in civil law. Examples of civil law include inheritance issues, debts and credits, defaults, contractual disputes, land disputes, ownership disputes, project disputes, patent rights violations, child custody disputes, defamation, and others. The objective of civil law include:

1. Provide space for individuals or institutions to stand up for their rights with legal force.

2. Regulates legal procedures and processes in proposing, adjudicating, and implementing judgment on claims regarding specific rights and obligations, ensuring the enforcement of substantive civil law through judicial institutions.
3. Controls how individuals can claim their rights and how the state, through the courts, considers and resolves civil law cases brought to the courts.
4. Providing legal protection provided by judicial institutions to prevent force of the will of other parties or vigilante justice.

In conclusion, Civil law is concerned with the rights and obligations of individuals along with regulations that regulate relationships between individuals, while criminal law is concerned with legal regulations that regulate criminal acts and provide sentences to perpetrators of crimes. In civil cases, the initiative to litigate comes from the party that feels disadvantaged. Meanwhile, in criminal cases, the initiative to litigate comes from the state authorities through their instrument, which is the Police and Public Attorney. The differences between criminal and civil law are shown in the Table 3.1, Table 3.2, and Table 3.3. Hence, the people who witness and experience criminal issues or become a victim of an incident that identifies as a criminal act can report such cases to the authorities such as the police, or in cases of corruption to the KPK (Corruption Eradication Commission of Indonesia). The process of litigation can be seen in Figure 3.1.

Table 3.1 Difference Between Criminal and Civil Law

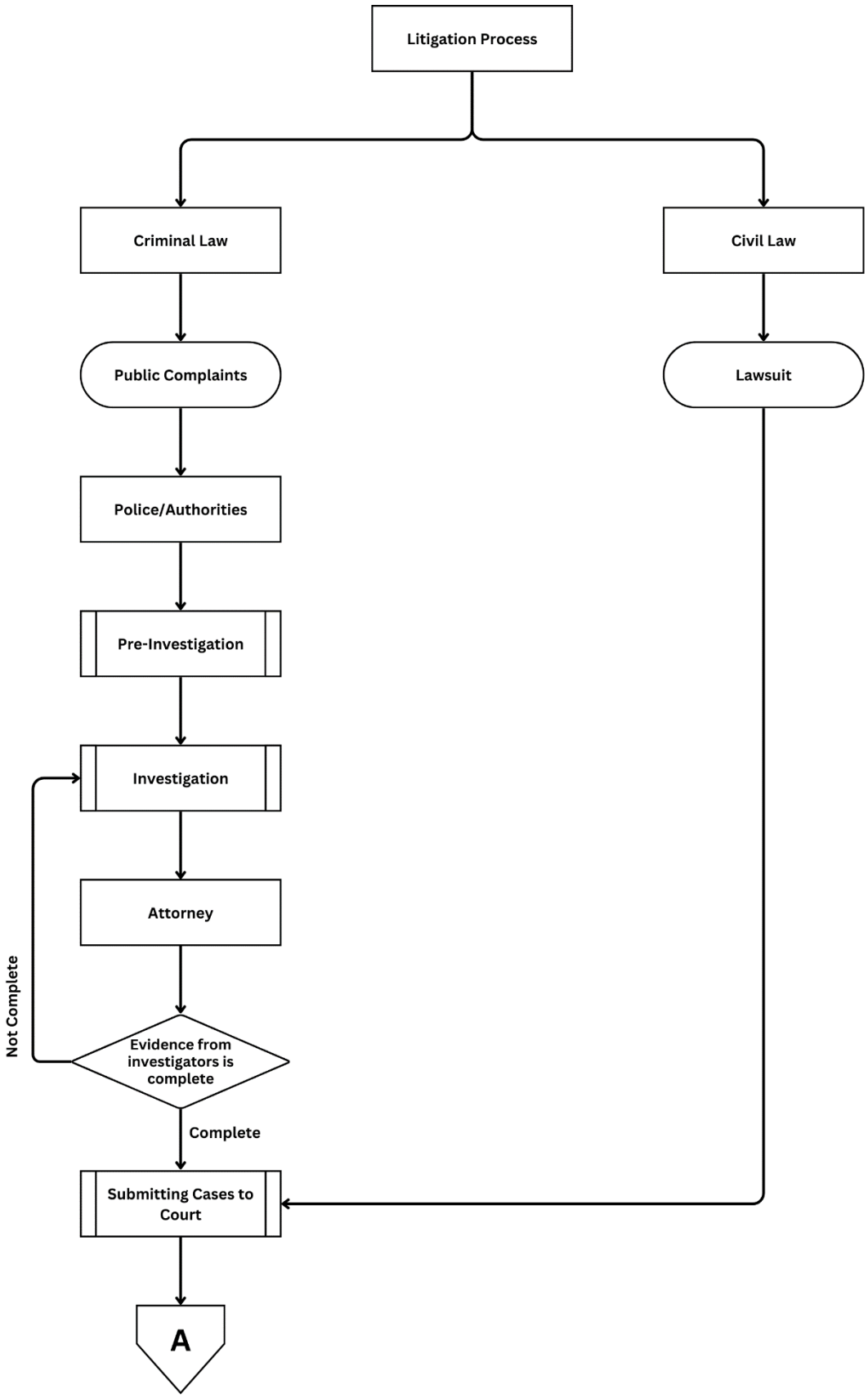
Difference	Criminal law (*Pidana*)	Civil Law (*Perdata*)
Definition	Criminal law refers to a sequence of regulations that contain how government institutions (police, Attorney, and courts) must function to achieve country goals and enforce criminal law.	Civil law is defined as a set of regulations that contain the procedures to propose a civil case to court and also regulate how the court acts and makes judgments on violations of civil law.
Concern	Criminal law is concerned with legal regulations that regulate criminal acts and provide sentences to perpetrators of crimes.	Civil law is concerned with the rights and obligations of individuals along with regulations that regulate relationships between individuals.

Table 3.2 Difference Between Criminal and Civil Law (continued)

Difference	Criminal law (*Pidana*)	Civil Law (*Perdata*)
Objective	Criminal law aims to protect public welfare, prevent crimes, and punish criminals as a form of justice.	Civil law aims to protect rights and obligations and maintain balance and justice in civil relations between individuals.
Nature	Criminal law has a proactive nature. This means that if there is a violation of criminal law norms, law enforcement can take immediate action without the need for a prior report.	Civil law has a passive nature. This means that violations of it can only be addressed by law enforcement after a lawsuit has been filed by the aggrieved party or plaintiff.
Initiative	The initiative comes from the government through law enforcers such as the police, or from the community reporting about criminal violation acts.	The initiative comes from involved parties who feel disadvantaged.
Prosecutor	The prosecutor is the public attorney representing the state encountering the suspect or defendant.	The prosecutor is the aggrieved party who files a lawsuit in court, called the plaintiff, encountering the defendant.
Litigants	The party who brings the case to court is the public attorney, while opposing party is the suspect, defendant, or convict.	The party who files the lawsuit is called the plaintiff, while the opposing party or the one being sued is called the defendant.
Judge Duty	The judge's duty is to seek the genuine truth, not limited to what the defendant has done, the judge pursues substantive truth.	The judge's duty is to seek the genuine truth and is limited to what is stated and demanded by the conflicting parties.
Resolution	Criminal cases cannot be resolved through peace, and the resolution can only be achieved through the judicial process or court, which involves investigation, trial, and a judge's verdict.	Civil cases can be resolved through court or outside the court through arbitration or other alternative dispute resolution. This resolution approach encourages the parties to reach an agreement and achieve peace.

Table 3.3 Difference Between Criminal and Civil Law (continued)

Difference	Criminal law (*Pidana*)	Civil Law (*Perdata*)
Cases	Examples of criminal cases include cases of theft or robbery, murder, fraud, extortion, assault, corruption, tax evasion, and falsification of documents.	Examples of civil law include inheritance issues, debts and credits, defaults, contractual disputes, land disputes, ownership disputes, project disputes, patent rights violations, child custody disputes, and defamation.
Sentence	The sanctions given create a deterrent effect on perpetrators of crimes, such as imprisonment, detention, fines, and even the death sentence.	The sanctions for defendants can take the form of compensation, for example in the form of money or fulfillment of demands from the plaintiff, such as fulfillment of specific performance.


Litigation Process
Criminal Law
Civil Law
Public Complaints
Lawsuit
Police/Authorities
Pre-Investigation
Investigation
Attorney
Not Complete
Evidence from investigators is complete
Complete
Submitting Cases to Court
A

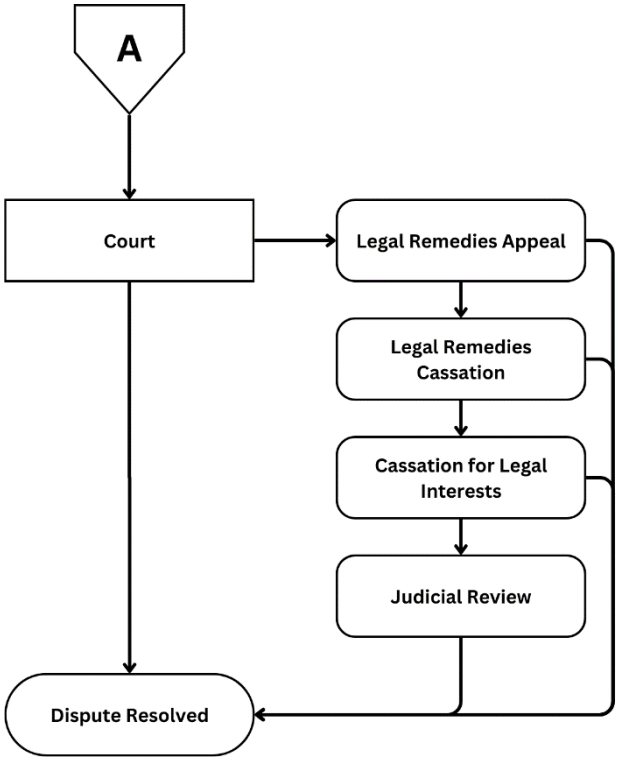


Figure 3.1 Litigation Process Flow Chart

3.7.3 Courts and Trials

Court is a place or institution that carries out trials for justice and is tasked with examining, adjudicating, and settling cases. Meanwhile, trial is everything or a process conducted in the court to apply and enforce the law in the pursuit of justice. Law number 48 of 2009 concerning Judiciary Authority is the legal basis for the state judiciary system and regulates the trials and courts in Indonesia. Trials are carried out for the sake of justice based on belief in the Almighty God and the state judiciary implements and enforces law and justice based on Pancasila.

Judicial authority is exercised by the Supreme Court (*Mahkamah Agung*) and judicial institutions under its jurisdiction, including the public court, religious court, military court, and state administrative court. In addition, the Constitutional Court also serves as a judicial institution that generally adjudicates issues involving state institutions, political institutions concerning public interests, or disputes in general elections disputes. The fourth level of these institutions under the Supreme Court is:

1. Public court, consisting of the District Court as the court of first instance and the High Court as the court of appeal and at the cassation level at the Supreme Court.
2. Religious court, consisting of the Religious Court as the court of first instance and the High Religious Court as the court of appeal and at the cassation level at the Supreme Court.
3. Military court, consisting of the Military Court as the court of first instance and the High Military Court as the court of appeal and at the cassation level at the Supreme Court.
4. State administrative court, consisting of the State Administrative Court as the court of first instance and the State Administrative High Court as the court of appeal and at the cassation level at the Supreme Court.

3.7.4 Legal Remedies

In the process of settling a case in the general court, the parties involved aim to obtain a legally binding judgment from the judge. However, in reality, not every decision handed down by a judge necessarily fulfills the criteria of justice and truth because fundamentally, judges are also human and susceptible to mistakes or lapses in judgment, potentially showing take side toward one party. Based on this, the law provides a way for dissatisfied parties to challenge a judge's decision under specific circumstances as a mechanism to prevent or fix ambiguities in a judgment.

A judge's judgment is not immune to mistakes or lapses and can potentially exhibit impartiality. Therefore, in the pursuit of truth and justice, it is essential to allow a review of every judicial judgment to reexamine and fix any errors or mistakes that may have occurred. Generally, legal remedies are available for every judicial judgment, serving as a means to prevent or correct inaccuracies within a judgment.

According to Law Number 8 of 1981 concerning Criminal Procedure Law, Legal remedies are the right of the defendant or public attorney not to accept a court decision in the form of resistance or appeal or cassation or the right of the convict to submit an application for judicial review in terms of and according to the method regulated in this law. Legal remedies serve as a recourse for parties dissatisfied with

a judge's judgment deemed contrary to what is desired and lacking in a sense of justice, aiming to prevent inaccuracies in a judgment. In theory and practice, there are two types of legal remedies recognized which are ordinary legal remedies which consist of appeal and cassation, and extraordinary legal remedies which consist of examination at the cassation level in the interest of the law and judicial review.

1. Ordinary legal remedies

The ordinary legal remedies are regulated in Law Number 8 of 1981 concerning Criminal Procedure Law chapter XVII.

a. Appeal

Appeal is one of the ordinary legal remedies that can be requested by one or both parties involved in a case against a district court decision. The parties submit an appeal if they are not satisfied with the result of the district court decision to the high court. This means that an appeal is the right of a defendant or public attorney to reject a court decision, with the aim of requesting a re-examination by a higher court as well as to test the accuracy of the application of the law and decisions of the district court.

Court decisions that can be appealed are only court decisions in the form of judgments not for acquittal decisions. The deadline for filing an appeal is 7 days from the time the decision is declared or informed to the defendant who is not present. If the time limit has passed without an appeal being submitted by the parties involved, then the parties involved are considered to accept the decision.

b. Cassation

Cassation is included in the ordinary legal remedies that can be submitted by one or both parties involved in a case against a high court decision. If a cassation petition against a lower court's decision is accepted by the Supreme Court, it means that the decision is canceled by the Supreme Court because it is considered to contain mistakes in the application of the law. The parties can propose a cassation if they are dissatisfied with the result of the high court decision to the Supreme Court except for the acquittal decision.

The cassation examination only covers all the judge's decisions regarding the law, so no re-examination carried out regarding the case, so the cassation level examination cannot be considered as a third-level court. The applicant submits the cassation application to the court clerk within 14 days after the court decision is declared and informed to the defendant. If the time limit has passed without a cassation being submitted by the parties involved, then the parties involved are considered to accept the decision.

2. Extraordinary legal remedies

The extraordinary legal remedies are regulated in Law Number 8 of 1981 concerning Criminal Procedure Law chapter XVIII.

a. Cassation level examination for legal interests

Cassation examination for legal interest is an extraordinary legal remedy that can only be submitted by the Attorney General. For the sake of legal interests, all decisions that have obtained permanent legal force from courts other than the Supreme Court can be submitted once for cassation examination by the Attorney General. In this context, it is important to remember that cassation decisions submitted for legal interest must not harm the defendant or the public prosecutor. The process of submitting a cassation request for legal purposes is carried out in writing by the Attorney General to the Supreme Court, which is then submitted by the court clerk who determines the case at the first instance. The cassation request document must also be accompanied by minutes explaining the reasons for the request.

b. Judicial review

Court decisions that have obtained permanent legal force, except in cases of acquittal or release from all legal claims, the convict or his heirs have the right to submit a request for judicial review to the Supreme Court. Submission of a request for judicial review can be done for several reasons. Firstly, there are new circumstances that support a strong assumption that if these circumstances were known at the time the trial took place the result would be a decision of acquittal or release from all legal charges or the

public prosecutor's demands would not be accepted or lighter criminal provisions would be applied to the case. Second, if in various decisions there is a statement that something has been proven, but the things or circumstances that are the basis and reason for the decision turn out to be contradictory to each other. Third, if the decision clearly shows the judge's mistake or an obvious mistake. The request for reconsideration by the applicant is submitted to the court clerk who has determined the case at the first instance by clearly stating the reasons. It is important to note that requests for reconsideration are not limited by a time period.

3.8 Construction Dispute Resolution Through Litigation

Construction dispute resolution through litigation involves the application of legal processes to settle conflicts that arise within the construction industry. When disputes cannot be resolved through alternative methods such as mediation, conciliation, or arbitration, parties may apply litigation as a formalized method of finding a legal resolution. Based on Law Number 2 of 2017 concerning Construction Services (*UUJK*), the central government has the authority to encourage the use of alternative dispute resolution for the enforcement of Construction Services outside of court.

The dispute resolution process commonly begins with the petition of a lawsuit, where the aggrieved party outlines his complaint and seeks legal resolution. The result of a court process is a decision from the judge that has permanent legal force and it requires the involved parties to comply with it. However, the judge's decision oftentimes actually worsens the problem or even sparks controversy among the public or other legal practitioners. Things that might cause controversy in the judge's decision are because of the judge's lack of understanding of the problem's substance, for example in the construction sector.

In legal studies, the litigation process presents dynamics where the parties are in opposing positions. Moreover, dispute resolution through litigation is considered as a last weapon or ultimum remedium after alternative methods fail to produce

acceptable outcomes. Accoding to Law Number 2 of 2017 concerning Construction Services (*UUJK*), the stages of alternative dispute resolution are as follows:

1. Mediation
2. Conciliation
3. Arbitration

In addition to the alternative dispute resolution mentioned above, the disputing parties have the option to establish a dispute board. This action ensures that the parties involved in the dispute have a formal mechanism in place to resolve any disagreements.

3.9 Alternative Construction Dispute Resolution

3.9.1 Mediation

According to Government Regulation Number 22 of 2020 concerning Regulations for Implementing Law Number 2 of 2017 concerning Construction Services, Mediation is an action to resolve disputes by involving a third party who serves as an adviser. It can be concluded that mediation is an alternative dispute resolution process that involves negotiations facilitated by a third party called a mediator, who possesses expertise in effective mediation procedures. The mediator, who is appointed and approved by both parties in dispute remains passive, maintains impartiality, and does not take sides. The mediator does not have the right or authority to make decisions or conclusions for the parties, but instead, acts as a facilitator to promote dialogue between parties in an atmosphere of openness, transparency, honesty, and exchange of opinions to reach a mutually agreement resolution. Therefore, the mediator functions only as a conduit for the parties in the dispute.

3.9.2 Conciliation

According to Government Regulation Number 22 of 2020 concerning Regulations for Implementing Law Number 2 of 2017 concerning Construction Services, Conciliation is an action to resolve disputes by involving a third party called a conciliator, who intervenes actively in the process. It can be concluded that conciliation is a formal process aimed at resolving a dispute by employing a neutral

third party to objectively describe and explain the facts, and make recommendations for a resolution. The conciliator is required to offer their opinion on the problem or issue at hand, the best possible alternatives for resolution, the advantages and disadvantages of each party, and the legal consequences of various outcomes. Based on these considerations, the conciliator will offer suggested dispute resolution recommendations to the parties involved. If both parties agree to the proposed solution, it becomes the final and binding agreement. The conciliation process is a valuable mechanism for resolving disputes in a respectful, fair, and efficient manner.

3.9.3 Arbitration

According to Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution, Arbitration is a method of resolving a civil dispute outside the general court based on an arbitration agreement made in writing by the parties in dispute. Based on the definition above, it can be concluded that arbitration is a mechanism for resolving civil disputes outside the general court process. Hence, arbitration is only applicable in civil disputes, as it cannot be applied to criminal cases. The purpose of arbitration is to resolve disputes that cannot be resolved through negotiation and consultation, or third party intervention, and to avoid resolving disputes through judicial institutions, which are often perceived to be time consuming.

Examination of disputes using arbitration proceedings should be concluded within a maximum of 180 days after the arbitrator or arbitration council has been established. However, if necessary and agreed upon by all parties involved, this time period may be extended. In the event that the arbitrator or arbitration council fails to provide a decision within the specified timeframe without valid reasons, the arbitrator will be punished by paying compensation to the parties involved for any losses incurred due to the delay. Sometimes the implementation of arbitration may be slow but not as slow as if it went through a general court process.

It is important to highlight that any written arbitration agreement is considered final and binding on all parties involved. All disputes examined by the arbitrator council are conducted in private, as confidentiality is a fundamental aspect of the arbitration process. There are several reasons why individuals prefer

to use arbitration to seek justice, including confidentiality, relatively faster and cost-effective, decided by experts, and also the credibility of the courts that seems to have decreased.

3.9.4 Dispute Board

According to Government Regulation Number 22 of 2020 concerning Regulations for Implementing Law Number 2 of 2017 concerning Construction Services, Dispute Board is an individual or a team established by mutual agreement of the parties involved, from the beginning of the arrangement of the construction work contract to prevent and resolve disputes. Dispute Board is a specific mechanism in construction dispute resolution that operates as a proactive and preventive action to address conflicts during the lifecycle of a construction project. The authority of the Dispute Board to prevent and resolve disputes arises after the parties agree to use the Dispute Board in the construction services engagement clause and create a tripartite Dispute Board agreement.

Comprising impartial experts with diverse backgrounds, the dispute boards play a dual role by actively engaging in ongoing project monitoring and serving as a rapid response party when disputes arise. This approach differentiates it from other dispute resolution methods. The dispute board's involvement at various project stages enables it to develop an intimate understanding of the project dynamics and contractual obligations.

In the event of a dispute, the Dispute Board promptly intervenes, offering recommendations or decisions aimed at mitigating conflicts before they escalate. This proactive strategy contributes to the prevention of disputes and the maintenance of constructive project relationships. The collaborative nature of the dispute board encourages communication between project stakeholders, promoting an atmosphere of openness and transparency.

While not replacing formal and other alternative dispute resolution processes, the dispute board operates as a supplementary, efficient, and collaborative mechanism that aligns with the industry's goal of minimizing disputes and ensuring the successful completion of construction projects. The Dispute Board's decision is final and binding on both parties if there is no disapproval within a period of 28

days. In case of disapproval from the parties or one of the parties to the decision of the Dispute Board, the parties take the desired actions to resolve the dispute.

3.10 Legal Sources

3.10.1 Legal Sources for Construction Dispute Resolution

In the pursuit of equitable solutions and effective resolution of construction disputes, Construction Dispute Resolution relies on several primary legal sources. These sources include, but are not limited to, the following:

1. Law Number 2 of 2017 concerning Construction Service. The content material in this Law includes responsibility and authority, Construction Services business, implementation of Construction Services business, security, safety, health and sustainability of construction, construction workforce, coaching, Construction Services information system, community participation, dispute resolution, administrative sanctions, and transitional provisions.
2. Government Regulation no. 22 of 2020 jo. Government Regulation no. 14 of 2021 concerning Implementing Regulations for Law Number 2 of 2017 concerning Construction Services. This Government Regulation regulates the implementation of several articles mandated in Law Number 2 of 2017.
3. Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution. This law regulates the resolution of disputes or differences of opinion between parties in a certain legal relationship who have entered into an arbitration agreement stating that the dispute or difference of opinion will be resolved by arbitration or through alternative dispute resolution.
4. Ministerial Regulation of Public Works and Public Housing Number 11 of 2021 concerning Procedures and Technical Guidelines for the Construction Disputes Board.

3.10.2 Legal Sources for Litigation

To ensure justice and resolve conflicts within the legal framework, Litigation relies on several primary legal sources. These sources include, but are not limited to, the following:

1. Law Number 48 of 2009 concerning Judiciary Authority. Contains comprehensive guidelines and regulations regarding Judicial Authority.
2. Law Number 14 of 1985 jo. Law Number 5 of 2004 jo. Law Number 3 of 2009 concerning Supreme Court. This law regulates the position, structure, authorities, and procedural law of the Supreme Court.
3. Law Number 2 of 1986 jo. Law Number 8 of 2004 jo. Law Number 49 of 2009 concerning Public Trial.

3.10.3 Legal Sources for Civil Law

In order to uphold fairness and protect societal rights and interests, Civil Law relies on several primary legal sources. These sources include, but are not limited to, the following:

1. HIR (*Herziene Inlandsch Reglement*) is the provisions of civil procedural law that apply to Java and Madura regions.
2. RBg (*Rechtsreglement voor Buitengewesten*) is the provisions of civil procedural law that apply to regions outside Java and Madura.
3. B.W (*Burgerlijk Wetboek*) is a legal product provision from the Dutch East Indies which applies in Indonesia based on the principle of concordantie. *Burgerlijk Wetboek* known in Indonesia as the Civil Code (*KUH PERDATA*).
4. Law Number 20 of 1947 concerning Judicial Repetition Regulations in Java and Madura.
5. Law Number 48 of 2009 concerning Judiciary Authority. Contains comprehensive guidelines and regulations regarding Judicial Authority.
6. Law Number 14 of 1985 jo. Law Number 5 of 2004 jo. Law Number 3 of 2009 concerning Supreme Court. This law regulates the position, structure, authorities, and procedural law of the Supreme Court.
7. Law Number 2 of 1986 jo. Law Number 8 of 2004 jo. Law Number 49 of 2009 concerning Public Trial.

3.10.4 Legal Sources for Criminal Law

In order to maintain justice and protect society, Criminal Law relies on several primary legal sources. These sources include, but are not limited to, the following:

1. Law Number 1 of 2023 concerning Criminal Code. The Criminal Code (*KUHP*) is material criminal law that regulates all prohibited acts and the provisions for the threat of criminal punishment.
2. Law Number 8 of 1981 concerning Criminal Law Procedural Code. The Criminal Law Procedural Code (*KUHAP*) is a regulation that contains the implementation of criminal procedural law carried out by state power instruments guided by the Criminal Code.
3. Law Number 48 of 2009 concerning Judiciary Authority. Contains comprehensive guidelines and regulations regarding Judicial Authority.
4. Law Number 14 of 1985 jo. Law Number 5 of 2004 jo. Law Number 3 of 2009 concerning Supreme Court. This law regulates the position, structure, authorities, and procedural law of the Supreme Court.
5. Law Number 2 of 1986 jo. Law Number 8 of 2004 jo. Law Number 49 of 2009 concerning Public Trial.

CHAPTER IV
RESEARCH METHODOLOGY

4.1 Types of Research

This research employs a qualitative methodology with a descriptive approach. The utilization of a qualitative method allows for an in-depth understanding of the phenomena under study. Qualitative research focuses on gathering and analyzing data in the form of words and human actions, rather than quantifying or analyzing numerical data. As a result, the data collected in this study is not subjected to statistical analysis but is instead interpreted to provide insights into the observed behaviors and outcomes. This descriptive research does not involve manipulating or altering the variables under investigation but instead aims to present an accurate narrative of existing conditions. In descriptive qualitative research, the objective is to illustrate and explain phenomena as they naturally occur. The study employs techniques such as interviews, field observations, and documentation to gather information directly from the case study. By employing these methods, the research aims to clearly illustrate the impacts of litigation as a dispute resolution method in the construction industry, offering insights into how such legal processes influence project outcomes and stakeholder dynamics.

4.2 Subject and Object of Research

Research subject is one of the main components of research because it contains the key variables that will be the focus of the analysis. According to Arikunto (2010), the subject of research refers to the object, thing or person, places of data for inherent research variables, and those at issue. In this research, the subject of research is the building construction project of SMPN 1 Wates.

The object of this research will be the impact of using litigation methods to resolve construction disputes on construction projects. The project is located in Wates District, Kulon Progo Regency, Special Region of Yogyakarta. The location of the project can be seen in the Figure 4.1.

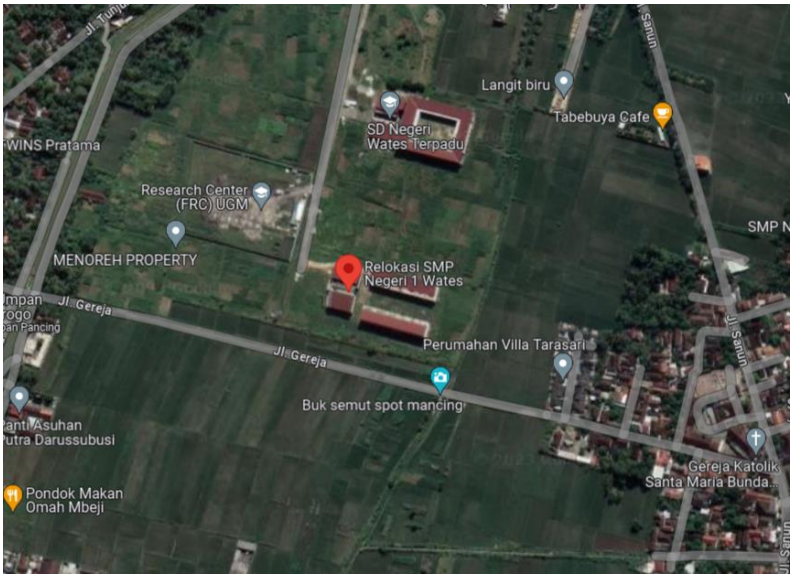


Figure 4.1 Project Location (45V2+JQ3)
(Source: Google Maps, 2023)

4.3 Method of Data Collection

To carry out an accurate and precise analysis, relevant data is required along with the data that is directly related to the research subject/object. The methods of data collection that will be used in this research are as follows:

1. Primary Data

   Primary data is the data that is collected directly from the source or gathered specifically for a particular research. Primary data collection methods involve direct interaction with respondents or the research environment. Examples of primary data collection methods include interviews, observations, and documentations. The use of primary data provides complete control over the data collection process, and the results obtained are in accordance with the specific research objectives.

2. Secondary Data

   Secondary data is the data that has already been collected by another party or has previously existed for purposes other than the current research project. This data can be obtained from several sources including research reports, academic journals, scientific literature, and other sources of information. The use of

secondary data utilizes existing information and eliminates the need to collect new data from scratch.

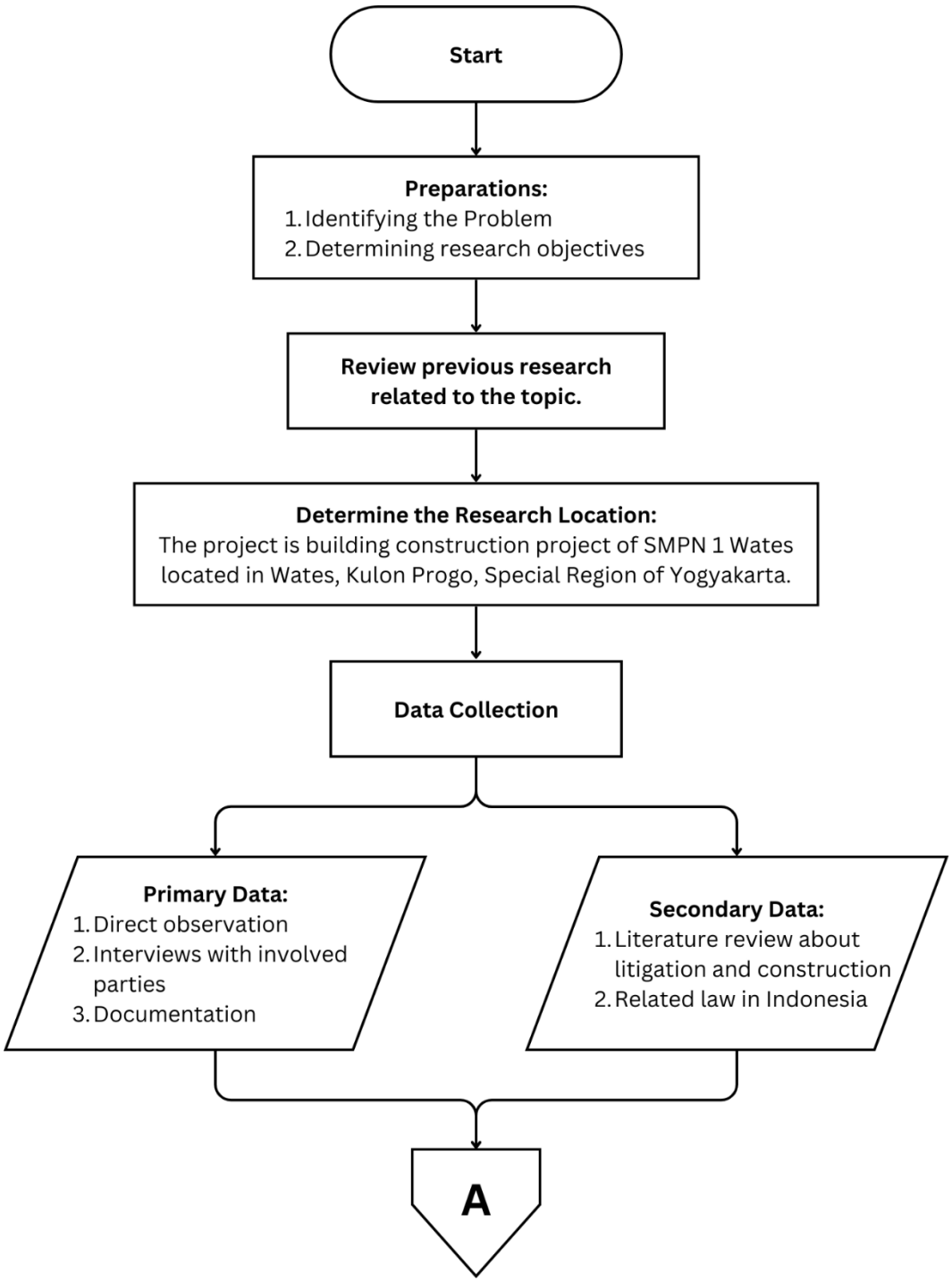
4.4 Data Analysis

Research should be conducted systematically to obtain appropriate results. The research will be conducted in several stages as follows:

1. Gathering relevant information or data from existing literature, academic journals, reports, and other scholarly sources related to the research topic. The data collected includes the methods of dispute resolution and related laws in Indonesia. This stage establishes a theoretical foundation for the research.
2. Conduct direct observations to gain a contextual understanding of the specific construction dispute related to the SMP N1 Wates project. Observe the project site, interactions between stakeholders, and any visible challenges or complexities that contribute to the dispute.
3. Performs interviews with key stakeholders involved in the building construction project of SMPN 1 Wates. Interview project owners, contractors, legal experts, and other relevant parties to gather information, their perspectives, experiences, and challenges related to dispute resolution.
4. Data analysis is carried out to clarify and convey the information that has been collected. All data, both primary and secondary data, will be analyzed to determine dispute resolution on the SMPN 1 Wates building construction project and its impact on the construction project.
5. After analyzing the necessary data, it is possible to draw conclusions about the impact of using litigation methods to resolve construction disputes on contractors and construction projects. The collected data is then checked and discussed with experts to verify the validity and reliability of the data. Once it is confirmed that the conclusions drawn are accurate and reflective of the actual conditions, the final conclusions are made.

4.5 Research Flowchart

The sequence of research steps will be illustrated in the research flowchart shown in Figure 4.2.



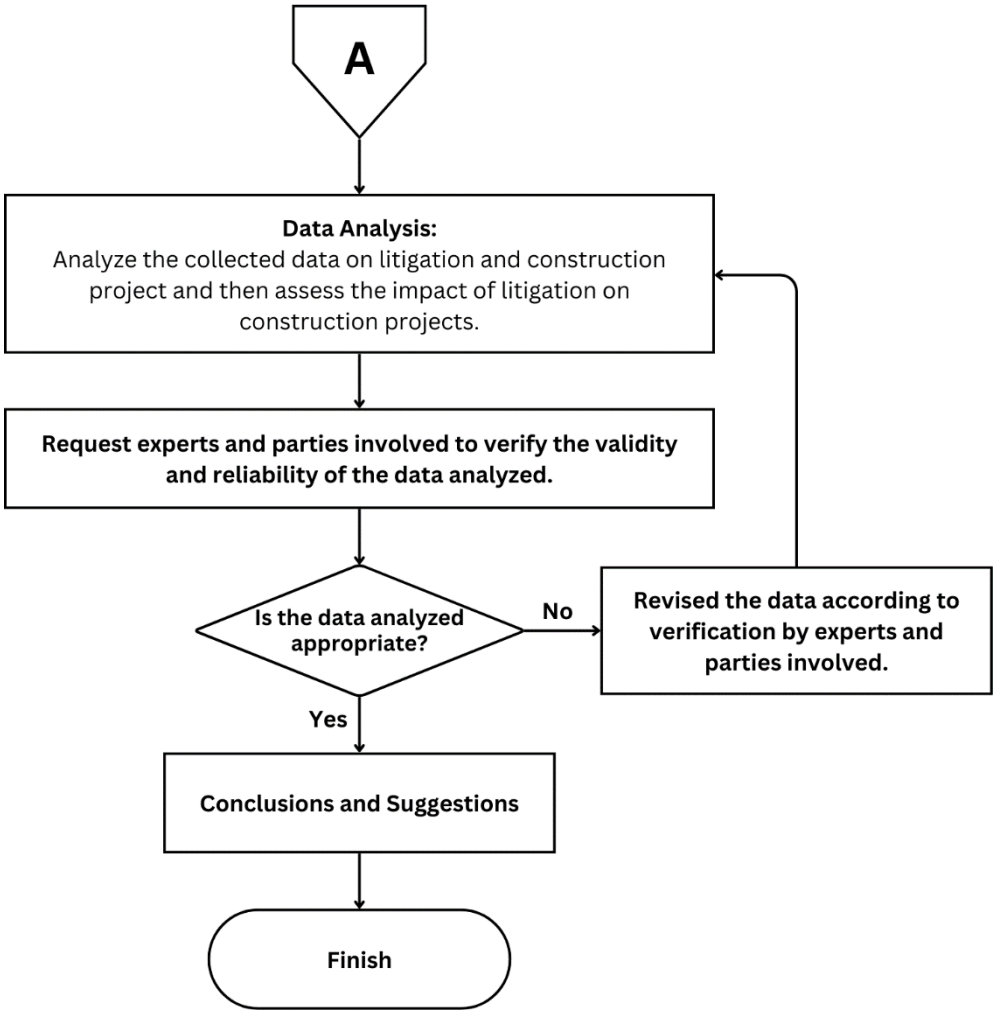


Figure 4.2 Research Flow Chart

CHAPTER V
ANALYSIS AND DISCUSSION

5.1 Project Overview

The construction work of SMPN 1 Wates building is located in Wates District, Kulon Progo Regency, Special Region of Yogyakarta. The project, which began on August 23, 2018, and is targeted for completion on December 30, 2018, aims to replace the current building of SMPN 1 Wates with a new building to support modern educational needs. The main contractor responsible for the construction work is CV Bintang Abadi. This project consists of three main two-story buildings including classrooms, libraries, laboratories, and other essential facilities, with a total budget allocation of IDR 3.5 billion. Despite the comprehensive planning and contractual agreements, the project encountered several challenges, leading to disputes that required resolution through litigation.

5.2 Research Implementation

The implementation of this research began with a comprehensive literature review to establish a theoretical foundation and identify existing studies related to construction disputes and litigation. Subsequently, primary data collection was conducted through direct observations at the project site of SMPN 1 Wates to understand the practical aspects of the construction process and the factors leading to the disputes. Interviews with relevant parties were performed to obtain qualitative insights into the specifics of the disputes and the litigation process.

Additionally, relevant project documents and records of legal proceedings were thoroughly reviewed to provide a detailed contextual understanding of the disputes. To ensure the reliability and validity of the collected data, follow-up interviews were conducted with the experts, focusing on verifying and cross-checking the initial findings.

5.3 Data Analysis

The data gathered from various sources, including direct observations, interviews with stakeholders, project documentation, and literature reviews, are analyzed to provide a comprehensive understanding of the dispute and its resolution through litigation. This analysis aims to highlight the complexities of construction disputes and assess the impact of litigation as a resolution method.

5.3.1 Planning and Tendering Process of SMPN 1 Wates Project

The Youth Education and Sports Department of Kulon Progo Regency allocated a budget in 2018 for the construction of an educational building, specifically the relocation of *SMP Negeri 1 Wates*, with a budget ceiling of IDR 4.796.050.000, - from the Regional Revenue and Expenditure Budget of Kulon Progo Regency for the fiscal year 2018. In its implementation, the Regent of Kulon Progo appointed Drs. Sumarsana, M.Si., the Head of the Youth Education and Sports Department, as the Budget User. Drs. Sumarsana, M.Si., as the Budget User, designated Jujur Santoso, S.Pd.,M.Hum., as the Commitment Making Official (*PPK*) responsible for the execution of the SMPN 1 Wates relocation project. The main duties and authorities of Jujur Santoso, S.Pd.,M.Hum, as the Commitment Making Official are as follows:

1. Signing the Memorandum of Understanding (MoU), Contract Agreement, and Work Order, as well as documents related to activities in the Institutional and Infrastructure Section of Junior High School Education.
2. Establishing the plan for the procurement of goods/services, which includes:
    a. Technical specifications and pricing
    b. Budget Plan (RAB)
    c. Independent Cost Estimate (HPS)
    d. Procurement Plan for Goods/Services
    e. Contract Drafting
3. Publish the Appointment Letter for Goods/Services Providers.
4. Approving purchases or signing receipts/Work Orders/Agreements.
5. Executing contracts with Goods/Services Providers.
6. Controlling the execution of contracts.

7. Reporting the progress/completion of goods/services procurement to the Budget User every quarter.
8. Reporting the work results, including budget absorption and obstacles encountered in the procurement process, to the Budget User every quarter.
9. Reporting the project progress, including budget absorption and implementation obstacles, to the Budget User every quarter.
10. Safekeeping and maintaining the integrity of all procurement documents for goods/services.

Following the procurement process for the planning consultancy services for the SMPN 1 Wates project, CV. Erlangga Pura was appointed as the planning consultant for the building construction project of SMPN 1 Wates. The Work Order was signed on February 15, 2018, at the office of the Youth Education and Sports Department of Kulon Progo Regency. This document was signed by Jujur Santoso, S.Pd.,M.Hum, in his capacity as the Commitment Making Official, and Yulianto, ST., as the Director of CV. Erlangga Pura. The Work Order, which concerned the planning consultancy for package II of the construction and rehabilitation of infrastructure for junior high schools, had a value of IDR 49.885.000, -. The planning consultancy work produced planning documents and a budget plan for the relocation construction of SMPN 1 Wates, amounting to IDR 4.790.050.000, -. The recapitulation of the Budget Plan can be seen in Table 5. 1 and Table 5. 2.

Table 5. 1 Planning Consultant Recapitulation of Budget Plan

NO.	WORK DESCRIPTION	TOTAL PRICE (Rp.)
A	**PREPARATORY WORK**	28.666.072,00
B	**1ST FLOOR**	
I	CUT AND FILL WORK	233.498.643,87
II	MASONRY WORK	307.559.132,07
III	CONCRETE WORK	2.608.930.655,76

Table 5. 2 Planning Consultant Recapitulation of Budget Plan (continued)

NO.	WORK DESCRIPTION	TOTAL PRICE (Rp.)
C	**2ND FLOOR**	
I	BRICK AND PLASTER WORK	58.864.631,95
II	REINFORCED CONCRETE WORK	768.779.434,16
III	ROOF WORK	348.292.672,00
TOTAL		**4.354.591.241,80**
TAX 10% *(PPN)*		435.459.124,18
TOTAL		4.790.050.365,98
ROUNDUP		**4.790.050.000,00**

After finalizing the draft contract and the self-estimated cost, which was based on the budget plan prepared by the planning consultant CV. Erlangga Pura, amounting to IDR 4.790.050.000, -, the selection process for the goods/services provider was initiated. The procurement process began, and the tender was announced with the following details:

Project Name : Construction/Rehabilitation of Junior High School Infrastructure
Package Name : Expenditure on Building and Construction - Procurement of Educational Facility Buildings - Relocation Construction of SMP Negeri - APBD Package II
Package Budget : Rp. 4.796.050.000, -
Estimated Price : Rp. 4.796.050.000, -
Funding Source : Regional Budget (*APBD*)
Tender Period : July 2018

Among the ten bidders who submitted proposals, CV. Bintang Abadi, under the leadership of its director, Susi Ambarwati, S.H., offered a bid of IDR 3.329.808.000, -. After thorough a comprehensive evaluation and qualification verification process, CV. Bintang Abadi was officially announced as the winning

bidder on August 3, 2018. This selection marked a significant milestone in the procurement process, ensuring that the project would proceed with a qualified and cost-effective contractor. The decision to award the contract to CV. Bintang Abadi reflects the project's commitment to both quality and fiscal responsibility.

After the appointment process of CV. Bintang Abadi as the provider of goods or services for the SMPN 1 Wates building construction project was finalized, the Department of Youth Education and Sports immediately announced CV. Kurnia Teknik as the direct procurement winner for the work of Supervising Consultant. CV. Kurnia Teknik was prepared to carry out technical supervision of the implementation of the SMPN 1 Wates relocation project. This direct appointment was justified by the fact that CV. Kurnia Teknik and CV. Erlangga Pura, the Planning Consultant, operate under the same management, ensuring a streamlined and cohesive oversight process.

After the process of appointing the contractor and supervisor parties has been completed, on August 23, 2018, in the meeting room of the Kulon Progo Youth Education and Sports Department, the Work Commencement Order and Work Contract Agreement were formally signed. These critical documents were signed by Susi Ambarwati, S.H., as the Director of CV. Bintang Abadi, and Jujur Santoso, S.Pd.,M.Hum., as the Commitment Making Officer. The contract value was set at IDR 3.329.808.000, - with a contract period of 130 calendar days, starting from August 23, 2018, and ending on December 30, 2018. CV. Bintang Abadi, as the designated contractor for the SMPN1 Wates building project, was tasked with the following responsibilities:

1. Contract Implementation
2. Quality of goods/services
3. Accuracy of calculation of quantity or volume
4. Accuracy of delivery time
5. Accuracy of delivery place

The Budget Plan for the construction of the SMPN 1 Wates building for the fiscal year 2018 has been approved with a total value of IDR 3.329.808.000, -. This budget encompasses all projected costs associated with the project. Details of the

Budget Plan can be seen in Table 5. 3, Table 5. 4, Table 5. 5, Table 5. 6, and Table 5. 7. The Recapitulation of the Budget Plan are presented in Table 5. 8.

Table 5. 3 Contractor Budget Plan

No.	WORK DESCRIPTION	UNIT	VOLUME	UNIT PRICE	TOTAL PRICE
A	**PREPARATORY WORK**				
1	Project signage	ls	1,00	450.000,00	450.000,00
2	Circular zinc fence Height 2.00 m	m’	128,00	95.000,00	12.160.000,00
3	Measurement and Bouwplank installation	m’	1,00	35.000,00	4.760.000,00
4	Heavy equipment mobilization	ls	1,00	4.000.000,00	4.000.000,00
5	Site cleaning	ls	1,00	4.000.000,00	4.000.000,00
	Total A				**25.370.000,00**
B	**1st FLOOR**				
I	**CUT AND FILL WORK**				
1	Footplat Excavation	m^3	676,38	53.974,00	36.506.934,12
2	Land fill	m^3	225,46	16.125,00	3.635.542,50
3	Land Fill Elevation (Compaction)	m^3	843,00	98.910,00	83.381.130,00
4	Foundation sand fill, thickness :100mm	m^3	64,75	172.350,00	11.159.662,50
5	Entrance land fill	m^3	250,00	98.910,00	24.727.500,00
	Total I				**159.410.769,12**

Table 5. 4 Contractor Budget Plan (continued)

No.	WORK DESCRIPTION	UNIT	VOLUME	UNIT PRICE	TOTAL PRICE
II	**MASONRY WORK**				
1	Continuous black split stone foundation pair 1pc : 5pp	m^3	99,75	560.900,00	55.949.775,00
2	Black split stone pair under footplate 1pc: 5pp	m^3	224,00	560.900,00	125.641.600,00
3	Red brick pair 1pc : 6pp	m^2	336,90	88.002,00	29.647.873,80
4	Plastering 1pc : 6pp	m^2	336,90	41.902,00	14.116.783,80
	Total II				**225.356.032,60**
III	**CONCRETE WOK**				
1	Continuous Concrete Foot Plate 100cm f'c = 21.7 Mpa	m^3	123,20	4.125.612,00	508.275.398,40
2	Cast sloof beam S1 250 x 500 f'c = 21.7 Mpa	m^3	26,25	3.724.281,00	97.762.376,25
3	Cast sloof beam S2 200 x 400 f'c = 21.7 Mpa	m^3	16,00	3.535.281,00	56.564.496,00
4	Cast S3 sloof beam 150 x 200 f'c = 21.7 Mpa	m^3	2,25	3.801.473,00	8.553.314,25
5	Cast column K1 400 x 400 mm fc = 21.7 Mpa	m^3	61,44	5.094.877,00	313.029.242,88
6	Practical column 1Pc : 2Pp : 3Kr	m'	84,00	56.050,004	4.708.200,00
7	Cast lateu beam 100 x 150 camp 1Pc : 2Pp : 3 Kr	m'	160,00	77.537,00	12.405.920,00
8	Cast beam B1 300 x 600 f'c = 21.7 Mpa	m^3	30,24	5.142.369,00	155.505.238,56

Table 5. 5 Contractor Budget Plan (continued)

No.	WORK DESCRIPTION	UNIT	VOLUME	UNIT PRICE	TOTAL PRICE
9	Cast beam B2 250 x 400 f'c = 21.7 Mpa	m^3	12,88	4.995.444,00	64.341.318,72
10	B3 beam cast 200 x 400 f'c = 21.7 Mpa	m^3	3,36	4.837.999,00	16.255.676,64
11	Concrete cast, plate thickness 120mm f'c 21.7 Mpa	m^3	96,00	4.681.869,00	449.459.424,00
12	Concrete stairs, plate thickness 120mm f'c 21.7 Mpa	m^3	6,06	4.681.869,00	28.372.126,14
	Total III				**1.715.232.731,84**
C	**2nd FLOOR**				
I	**MASONRY WORK**				
1	Red brick pair 1pc : 6pp	m^2	365,10	88.002,00	32.129.530,20
2	Plastering 1pc : 6pp	m^2	365,10	41.902,00	15.298.420,20
	Total I				**47.427.950,40**
II	**REINFORCED CONCRETE WORK**				
1	Cast column K2 350 x 350 mm f'c = 21.7 Mpa	m^3	22,54	5.472.877,00	123.358.647,58
2	Cast column K3 150 x 300 mm f'c = 21.7 Mpa	m^3	1,08	5.143.400,00	5.554.872,00
3	Practical building column 1Pc : 2Pp : 3Kr	m'	42,00	56.050,00	2.354.100,00
4	Practical roof column 1Pc : 2Pp : 3Kr	m'	49,00	56.050,00	2.746.450,00

Table 5. 6 Contractor Budget Plan (continued)

No.	WORK DESCRIPTION	UNIT	VOLUME	UNIT PRICE	TOTAL PRICE
5	B3 beam cast 200 x 400 f'c = 21.7 Mpa	m^3	6,94	4.837.999,00	33.575.713,06
6	Cast beam B4a 200 x 500 f'c = 21.7 Mpa	m^3	9,58	4.837.999,00	46.348.030,42
7	Cast beam B4b 200 x 500 f'c = 21.7 Mpa	m^3	3,19	4.837.999,00	15.433.216,81
8	Cast beam B5 150 x 300 f'c = 21.7 Mpa	m^3	2,35	4.995.444,00	11.739.293,40
9	Roof beam ring 10/15 mixed 1Pc : 2Pp : 3Kr	m'	194,00	77.537,00	15.042.178,00
10	Cast lateu beam 100 x 150 camp. 1Pc : 2Pp : 3Kr	m'	168,00	77.537,00	13.026.216,00
11	Concrete cast, plate thickness 120 mm f'c = 21.7 Mpa (main)	m^3	31,68	4.681.869,00	148.321.609,92
12	Cast concrete, plate thickness 100 mm f'c = 21.7Mpa (edge)	m^3	13,20	4.637.805,00	61.219.026,00
13	Cast concrete, Listplank width 10 x 100 mm f'c = 21.7 Mpa	m^3	13,40	4.637.805,00	62.146.587,00
	Total II				**540.865.940,19**
III	**ROOF WORK**				
1	Install light steel roof frame (main)	m^2	896,00	150.000,00	134.400.000,00
2	Install Onduline roof (2.0 x 0.95) x 3 mm (main)	m^2	896,00	139.347,00	124.854.912,00

Table 5. 7 Contractor Budget Plan (continued)

No.	WORK DESCRIPTION	UNIT	VOLUME	UNIT PRICE	TOTAL PRICE
3	Install the 4 x 4 cm hollow roof frame (center)	m^2	168,00	200.000,00	33.600.000,00
4	Install a 0.3 mm thick transparent Spandek roof	m^2	168,00	107.500,00	18.060.000,00
5	Install transparent Spandek ridge	m’	28,00	90.000,00	2.520.000,00
	Total III				**313.434.912,00**

Table 5. 8 Contractor Recapitulation of Budget Plan

NO.	WORK DESCRIPTION	TOTAL PRICE (Rp.)
A	**PREPARATORY WORK**	25.370.000,00
B	**1ST FLOOR**	
I	CUT AND FILL WORK	159.410.769,12
II	BRICK WORK	225.356.032,60
III	CONCRETE WORK	1.715.232.731,84
C	**2ND FLOOR**	
I	BRICK AND PLASTER WORK	47.427.950,40
II	REINFORCED CONCRETE WORK	540.865.940,19
III	ROOF WORK	313.434.912,00
TOTAL		**3.027.098.336,15**
TAX 10% *(PPN)*		302.709.833,62
TOTAL		3.329.808.169,77
ROUNDUP		**3.329.808.000,00**

In accordance with the Budget Plan, the total contract value for the SMPN 1 Wates building construction project amounts to IDR 3.329.808.000, -. This figure covers all aspects of the project, including materials, labor, tax, and other associated costs. Following contractual agreements, a down payment of 20% of the total contract value is required to initiate the project. The breakdown of the total project cost and the down payment details are presented in Table 5. 9 and Table 5. 10.

Table 5. 9 Total Project Cost

Description	Netto	Tax (10%)	Brutto
Work Price	3.027.098.181,82	302.709.818,18	3.329.808.000,00
Total	**3.027.098.181,82**	**302.709.818,18**	**3.329.808.000,00**

Table 5. 10 Down Payment Cost

Description	Netto	Tax (10%)	Brutto
20% Down Payment	605.419.636,36	60.541.963,64	665.961.600,00
Payment Received	**605.419.636,36**	**60.541.963,64**	**665.961.600,00**

The payment mechanism for the SMPN 1 Wates building construction project is divided into three stages. The first stage, Payment Stage I, includes 40% of the total contract value. However, the disbursement of Payment Stage I is subject to several requirements, including the submission of a progress report indicating that at least 45% of the work has been completed. The details of Payment Stage I can be seen in Table 5. 11.

Table 5. 11 Payment Stage I

Description	Netto	Tax (10%)	Brutto
Payment Stage I	1.210.839.272,73	121.083.927,27	1.331.923.200,00
Down Payment Refund (50%)	302.709.818,19	30.270.981,81	332.980.800,00
Payment Received	**908.129.454,54**	**90.812.945,46**	**998.942.400**

Payment Stage II involves the disbursement of 80% of the total contract value. The contractor will receive up to 80% of the total contract amount, adjusted proportionally with the down payment. This payment is subject to conditions similar to Payment Stage I, with the key requirement being a progress report that confirms at least 90% of the project work has been completed. The details of Payment Stage II can be seen in Table 5. 12.

Table 5. 12 Payment Stage II

Description	Netto	Tax (10%)	Brutto
Payment Stage II	1.210.839.272,73	121.083.927,27	1.331.923.200,00
Down Payment Refund (50%)	302.709.818,19	30.270.981,81	332.980.800,00
Payment Received	**908.129.454,54**	**90.812.945,46**	**998.942.400**

Payment Stage III represents the final disbursement, bringing the total amount paid to 100% of the contract value. The contractor will receive the full contract amount at this stage. The contractor must ensure that all conditions are met, including the submission of a progress report indicating 100% project completion. The details of Payment Stage III are presented in Table 5. 13.

Table 5. 13 Payment Stage III

Description	Netto	Tax (10%)	Brutto
Payment Stage III	302.709.818,18	30.270.981,82	332.980.800,00
Payment Received	**302.709.818,18**	**30.270.981,82**	**332.980.800,00**

In addition to the Budget Plan, CV. Bintang Abadi, the contractor for the SMPN 1 Wates building project, has also prepared a list of expert and technical personnel. This list, which is in line with the requirements outlined in the

construction contract, details the qualifications and specific roles of each individual involved. It ensures that the project is overseen and executed by highly skilled professionals and ensures that the project adheres to the design specifications and meets quality standards. Furthermore, the involvement of these experts is crucial for the timely and successful completion of the project. The list of the expert and technical personnel assigned to this project can be seen in Table 5. 14.

Table 5. 14 Expert and Technical Personnel List

No.	Name	Date of Birth	Education	Roles	Work Experience (Years)	Profession / Expertise
1.	Ir. Haniq Hirmawan	Februari 17	S1 Civil Engineering	Site Manager	5	SKA Building Engineering Expert – Intermediate
2.	Bambang Riawan, ST	May 10, 1974	S1 Civil Engineering	Executive	5	SKA Building Engineering Expert – Intermediate
3.	Ir. Syamsuri	March 5, 1960	S1 Civil Engineering	OHS Officer	5	SKA Construction K3 Expert– Young
4.	Suraji	August 16, 1989	SMA/SLTA	Logistics	5	-
5.	Novi Riyanto	November 11, 1990	STM/SMK Civil Engineering	Drafter	5	SKT Drafter / Draftman
6.	Kodiran	December 13, 1990	SMA/SLTA	Administration	5	-

5.3.2 Project Execution and Implementation

After the planning stage was finished, on August 27, 2018, a site measurement was conducted, attended by key stakeholders involved including Jujur Santoso, S.Pd.,M.Hum., and Eko Suratman, S.IP., as the Technical Implementation Activity Officers *(PPTK)*, Yulianto, S.T., Hendrawan Novantoro, and Angga Ayung Pratama, representing the Supervisory Consultant along with Bambang Widayanto and Slamet Riyadi representing the contractor, CV. Bintang Abadi. The Measurement Report (UITZET) was then signed by the relevant parties, including Susi Ambarwati, S.H., and Jujur Santoso, S.Pd.,M.Hum. However, it should be noted that Susi Ambarwati, S.H., was listed in the document but was not present during the actual site measurement. This measurement marked a significant step in the project's initial phase, establishing the foundation for subsequent construction activities.

During the project execution, Susi Ambarwati, S.H., or the contractor parties, proposed several adjustments and modifications to Jujur Santoso, S.Pd.,M.Hum., including modifications to the footplate foundation structure and the replacement of the transparent spandex roof nok with a galvalum roof nok. The change to the footplate foundation was necessitated by an error in the original design planning documents prepared by CV. Erlangga Pura, which led to an insufficient volume calculation. These proposed changes were approved by Jujur Santoso, S.Pd.,M.Hum., and were followed by the necessary documentation to formalize the changes. It is important to note that despite the additional work volume required, the overall contract value remained fixed at IDR 3.329.808.000,-.

The construction of the SMPN 1 Wates building project was intended to follow the execution methods outlined in the work contract. However, in practice, the expert personnel working on-site were not the experts or key personnel of CV. Bintang Abadi listed in the List of Expert and Technical Personnel as specified in the contract documents. Instead, the work was carried out by Slamet Wiyadi and Bambang Widayanto, with assistance from Kodiran, who managed worker attendance, and Bima Bhakti Nusantara, S.H., M.H. Additionally, Susi Ambarwati, S.H., who was expected to be present on-site to supervise and direct the construction,

never attended the construction site. Despite the non-compliance with the contractual requirement for qualified expert personnel, neither Jujur Santoso, S.Pd.,M.Hum., nor the Supervisory Consultant issued any warnings to Susi Ambarwati, S.H. Consequently, it can be concluded that Susi Ambarwati, S.H., has failed to fulfill the contractual obligations, and Jujur Santoso, S.Pd.,M.Hum., should have imposed sanctions on CV. Bintang Abadi as the Service Provider. However, there is no such action taken by Jujur Santoso, S.Pd.,M.Hum.

Despite the issues related to the non-compliance of personnel, the down payment of 20% and subsequent payment stages were executed according to the amounts and conditions specified in the work contract. Construction work on the SMPN 1 Wates building project continued until December 19, 2018, when Susi Ambarwati, S.H., formally requested a physical inspection and handover of the construction work. The request indicated that the project would be completed by December 20, 2018. Based on this request, Jujur Santoso, S.Pd.,M.Hum., instructed the Work Inspection Committee to conduct a site inspection. On December 21, 2018, all relevant parties, including Bima Bhakti Nusantara, S.H., M.H., representing CV. Bintang Abadi visited the project site for the inspection. During the inspection, it was discovered that the work was not yet 100% complete, issues included porous concrete and columns, insufficient dimensions and volumes of beams and columns, and incomplete landfill and access roads, which were specified in the budget plan. Consequently, a Defect Provisional Hand Over (PHO) was issued on December 21, 2018, listing the following deficiencies:

1. Site clearance
2. Repair of porous concrete
3. Removal of formwork following concrete curing time
4. Completion of landfill work and access road

These items were required to be addressed by December 29, 2018. The Defect PHO was signed by the relevant parties and Bima Bhakti Nusantara, S.H., M.H., as the representative of CV. Bintang Abadi. However, Bima Bhakti Nusantara, S.H., M.H., did not have the authority to sign the Defect PHO, as it should have been signed by Susi Ambarwati, S.H., the authorized Director of CV. Bintang Abadi.

Due to Susi Ambarwati's absence, Jujur Santoso, S.Pd.,M.Hum., requested Bima Bhakti Nusantara, S.H., M.H., to sign the Defect PHO.

Due to the identified deficiencies in the work, as outlined in the defect list (PHO), the SMPN 1 Wates building construction project could not be considered 100% complete. Consequently, the Provisional Hand Over (PHO) could not be conducted, and the final payment stages of 100% could not be processed. Despite these issues, Jujur Santoso, S.Pd.,M.Hum., who was aware of the existing deficiencies, did not reject Susi Ambarwati, S.H. request for the PHO. Instead, with an alibi of the approaching deadline for the 2018 regional budget disbursement and to prevent any delay in payments to CV. Bintang Abadi, Jujur Santoso, S.Pd.,M.Hum., along with Susi Ambarwati, S.H., proceeded with the PHO process. They signed the Provisional Hand Over documents and other related paperwork, creating a misleading impression that the project had been fully completed.

Despite the project not being fully completed, the Payment Stage III of 100% payment was still processed and received by Susi Ambarwati on December 27, 2018. This final payment was approved and signed by all stakeholders, including Drs. Sumarsana, M.Si., the Head of the Youth Education and Sports Department who also serves as the Budget User. The approval of this payment occurred with the full awareness of all the signed parties that the SMPN 1 Wates construction project had not yet reached full completion. Furthermore, the deficiencies listed in the Defect PHO were not addressed by Susi Ambarwati, S.H. and Jujur Santoso, S.Pd.,M.Hum., and no further site inspections were conducted by the Supervisory Consultant before the contract concluded on December 30, 2018.

5.3.3 Factors Causing the Dispute

The dispute in the SMPN 1 Wates building construction project occurred due to multiple factors, including miscommunication, failure to fulfill contractual obligations, and significant payment issues. One of the key problems was the release of the final payment while the construction work was still incomplete. These issues were compounded by the fact that several parties involved did not adhere to the terms outlined in the contract. Furthermore, the actions of certain individuals violated various applicable laws and government regulations. The specific

violations and contractual breaches by Susi Ambarwati, S.H. as Director of CV. Bintang Abadi and Jujur Santoso, S.Pd.,M.Hum., as Commitment Making Officer are outlined as follows:

1. Law Number 17 of 2003 concerning State Finance:
    a. Article 3 paragraph (1)
2. Government Regulation Number 58 of 2005 concerning Regional Financial Management
    a. Article 54 paragraph (2)
    b. Article 61 paragraph (1)
3. Presidential Regulation Number 16 of 2018 concerning Government Procurement of Goods/Services
    a. Article 4
    b. Article 6
    c. Article 7 paragraph (1)
    d. Article 17 paragraph (2)
    e. Article 57
    f. Article 58
    g. Article 78 paragraph (3)
4. Regulation of the Minister of Domestic Affairs Number 59 of 2007 concerning Amendments to the Regulation of the Minister of Domestic Affairs Number 13 of 2006 concerning Guidelines for Regional Financial Management
    a. Article 4 paragraph (1)
    b. Article 4 paragraph (2)
    c. Article 132 paragraph (1)
5. Attachment to the Regulation of the Government Goods/Services Procurement Policy Agency Number 9 of 2018 concerning Guidelines for the Implementation of Procurement of Goods/Services Through Providers
    a. Number 1.5 Contract Implementation
    b. Number 1.6 Handover of Work Results
    c. Number 7.12 Payment for Work Performance
    d. Number 8.1 Handover of Work Results

6. General Conditions of Contract (SSUK):
   a. Letter B.2 Contract Completion, Number 3.1 Handover of Work
   b. Letter C. Rights and Obligations of Provider, Number 45.1 Rights and Obligations of Provider
   c. Letter D Rights and Obligations of PPK, Number 6.1 Rights and Obligations of PPK
   d. Letter E Personnel and/or Equipment of Provider, Number 6.4 Core Personnel and/or Equipment
   e. Letter F Payment to Provider, Number 6.6 Payment, Number 6.9 Suspension of Payment
7. Special Conditions of Contract (SSKK):
   a. Authorized Representatives of the Parties
      - For PPK : Jujur Santoso, S.Pd.,M.Hum.
      - For Provider : Susi Ambarwati, S.H.
      - For Work Supervisor : Maryana, S.T.
   b. Payment phase III is 100% of the total contract value. Payment phase III must be accompanied by:
      - Physical progress has reached 100%
      - Minutes of handover of the first stage of work made by the employer/service user, this document must be ratified by the Commitment Making Officer
      - Photo documentation (showing 100% progress) and or photos of previous stages if the bill is not collected
      - Statement of commitment to maintain the building during the maintenance period
      - Maintenance guarantee in the form of a Bank guarantee worth 5%
      - Report of payment
      - Payment receipt, stamped Rp. 6,000,-
      - Other supporting administrative documents.

Based on the Technical Inspection Report for the SMPN 1 Wates building construction project, issued by the expert team from the Civil Engineering Department at Politeknik Negeri Semarang, a comprehensive document analysis was conducted. The analysis covered the following documents:

1. The Planning, Supervision, and Construction Contracts for the SMPN 1 Wates Building Project, Kulon Progo District, Fiscal Year 2018
2. The Final Implementation Report of the SMPN 1 Wates Building Construction Project, Kulon Progo District, Fiscal Year 2018
3. Construction Implementation Documents
4. Other relevant project data

In addition, a technical analysis was performed, including an inspection and technical testing of the physical construction work. This involved measuring the thickness, length, width, and height of the building, as well as conducting a hammer test to assess the concrete characteristics. The conclusions of these technical analyses can be seen in Table 5. 15, Table 5. 16, and Table 5. 17.

Table 5. 15 Technical Analysis Results

No	Description	Terms on Contract	Inspection Results	Unit	Compliance (Yes / No)
1	Sloof 1st Floor fc’	21,7	35	MPa	Yes
2	Column 1st Floor fc’	21,7	40	MPa	Yes
3	Column 2nd floor fc’	21,7	37	MPa	Yes
4	Floor plate 2nd floor fc’	21,7	25	Mpa	Yes
5	Beam 2nd floor fc’	21,7	29	MPa	Yes
6	Land Fill Volume	828,35	429,38	m3	No
7	Sloof S1 Dimension	25 x 50	25 x 50	cm	Yes
8	Sloof S1 casting volume	24,65	24,75	m3	Yes
9	Sloof S2 Dimension	20 x 40	20 x 40	cm	Yes

Table 5. 16 Technical Analysis Results (continued)

No	Description	Terms on Contract	Inspection Results	Unit	Compliance (Yes / No)
10	Sloof S2 casting volume	17,47	17,56	m3	Yes
11	Sloof S3 Dimension	15 x 20	15 x 23	cm	Yes
12	Sloof S3 casting volume	1,62	0,93	m3	No
13	practical column reinforcement diameter	12	9,20	mm	No
14	Column K2 reinforcement diameter	12D16	12 D15,87	-	Yes
15	Column K2 dimension	35 x 35	35 x 35	cm	Yes
16	Floor plate casting volume	99,30	93,11	m3	No
17	Stair Plate Thickness	12	13	cm	Yes
18	Stair Plate casting volume	5,54	5,35	m3	No
19	Beam B1 Dimension	30 x 60	30 x 60	cm	Yes
20	Beam B2 Dimension	25 x 40	25 x 40	cm	Yes
21	Beam B4a Dimension	20 x 50	20 x 49	cm	Yes
22	Beam B4a casting volume	10,49	10,05	m3	No
23	Plate casting volume (120mm)	5,54	5,35	m3	No
24	Plate casting volume (100mm)	14,39	10,39	m3	No
25	Light Steel Roof Frame Area	864,00	846,75	m2	No
26	Hollow Roof Frame 4x4 Area	130,00	121,67	m2	No

Table 5. 17 Technical Analysis Results (continued)

No	Description	Terms on Contract	Inspection Results	Unit	Compliance (Yes / No)
27	Hollow Roof Frame Dimension	40 x 40	36,5 x 40	mm	No
28	Galvalum Roof Top Length	25,00	23,95	m	No

The technical analysis of the project reveals discrepancies between planned and actual volumes for certain work items, resulting in deviations from the contractual agreement. These discrepancies, resulting from the actions of Susi Ambarwati, S.H., in collaboration with Jujur Santoso, S.Pd.,M.Hum., have adversely affected the financial interests of the Kulon Progo Regency. Their actions have unjustly enriched Susi Ambarwati, S.H., causing a financial loss of IDR. 106.226.000, -. The breakdown of the cost losses incurred provided in Table 5. 18.

Table 5. 18 Financial Loss Breakdown

No.	Work Items	Total Loss (Rp)	Gross Value (Rp)	Net Loss (Rp)
A	**Preparatory Work**	34.670.000,00	34.670.000	0,00
B	**1st Floor**			
I	Cut and Fill Work	166.392.394,55	126.930.568,58	39.461.825,97
II	Masonry Work	164.315.655,00	164.315.655,00	0,00
III	Reinforced Concrete Work	1.813.573.974,73	1.781.050.670,17	32.523.304,56
C	**2nd Floor**			
I	Masonry Work	0,00	0,00	0,00
II	Reinforced Concrete Work	553.517.587,73	524.519.995,58	28.997.592,15
III	Roof Work	294.628.724,16	289.385.249,16	5.243.475,00
Total		**3.027.098.336,79**	**2.920.872.138,49**	**106.226.197,68**
Rounded		**3.027.098.000,00**	**2.920.872.000,00**	**106.226.000,00**

5.3.4 Litigation Outcomes

The litigation process regarding the SMPN 1 Wates building construction project is initiated in response to public reports and classified as a criminal case, specifically a criminal act of corruption. The trial aimed to adjudicate the contractual disputes and determine the parties responsible for the project's deficiencies. The court proceedings focused on identifying the specific breaches of contract, as well as the project mismanagement that contributed to the project's inability to fulfill its contractual obligations. This process revealed systemic failures in project execution, management, and oversight, which ultimately led to significant legal and financial consequences. Additionally, the legal investigation confirmed that the individual's actions not only violated contractual obligations but also breached several laws and governmental regulations.

The court findings revealed that key individuals, including Susi Ambarwati, S.H., and Jujur Santoso, S.Pd.,M.Hum., played significant roles in the mismanagement of the project. Their actions, which involved violations of contractual obligations and failure to comply with relevant regulations, led to financial enrichment at the expense of the state. The court confirmed that the financial loss to state finances of the Kulon Progo Regency Government amounted to IDR 106.226.000, - directly benefiting Susi Ambarwati, S.H. Consequently, the project, which was part of the evidence in the trial, faced delays, as all ongoing construction work had to be suspended pending the conclusion of the litigation.

Based on *Pengadilan Negeri Yogyakarta* Decision Number 6/Pid.Sus-TPK/2023/PN Yyk and Number 7/Pid.Sus-TPK/2023/PN Yyk, several final decision of the court on Susi Ambarwati, S.H., and Jujur Santoso, S.Pd.,M.Hum., are as follows:

1. Susi Ambarwati, S.H., Director of CV. Bintang Abadi
    a. Declaring the Defendant Susi Ambarwati, S.H., legally proven and proven guilty of committing the crime of "Collaborative Corruption".
    b. Sentencing the Defendant Susi Ambarwati, S.H., to 1 year in prison and a fine of Rp50.000.000, -

c. Sentencing Defendant Susi Ambarwati, S.H., to pay compensation for state financial losses of Rp106.226.000, -

2. Jujur Santoso, S.Pd., M.Hum., Commitment Making Officer
   a. Declaring Defendant Jujur Santoso, S.Pd., M.Hum., legally proven and promised guilty of committing the crime of "Collective Corruption"
   b. Sentencing Defendant Jujur Santoso, S.Pd., M.Hum., to 1 year and 3 months in prison and a fine of Rp50.000.000, -

5.3.5 Impact of Litigation on Costs

The impact of litigation on costs is a significant issue in the field of construction project management. The findings of this research indicate that litigation frequently results in substantial financial burdens for all parties involved. Based on the results of the observations and interactive discussion between Dr. Muhammad Zaki Mubarrak, S.H.,M.H, and the author, litigation is not a suitable approach to resolving construction disputes, particularly in terms of cost-effectiveness. Mr. Zaki emphasized that litigation consumes excessive resources, as illustrated by the case of Susi Ambarwati. Although the alleged financial loss to the state was only IDR 106.226.000, - from the total project value of IDR 3.329.808.000,-, the overall cost incurred by Susi Ambarwati throughout the litigation process reached approximately IDR 1.500.000.000, -. These expenses included legal fees, lawyer fees, expert fees, witness fees, administrative costs, court costs, evidence collection costs, documentation costs, security costs, transportation costs, and other related costs. A comparison chart of project value, total losses, and total litigation costs can be seen in Figure 5.1.



Figure 5.1 Comparison Chart of Project Value, Total Losses, and Litigation Costs

The costs incurred for legal proceedings that frequently extend beyond the initial financial dispute underscore the ineffectiveness of litigation as a method for resolving construction project disputes. Alternative dispute resolution methods, such as mediation, conciliation, arbitration, and dispute board would be more effective in finding mutually beneficial solutions, as they could minimize both costs and time expenses while achieving favorable outcomes for all parties involved. Furthermore, the analysis reveals that the excessive costs associated with litigation can drain resources that could otherwise be allocated to project execution and development. The overwhelming financial strain not only impacts the parties directly involved but also extends to the overall project budget.

5.3.6 Impact of Litigation on Time

The impact of litigation on the timeline of construction projects is another critical aspect of dispute resolution. The findings from this research highlight that litigation leads to substantial delays that interfere with the timely completion of construction projects. According to the observations and discussions conducted with legal experts, litigation can extend the duration of dispute resolution significantly, often taking years to reach a final judgment. In the case of Susi

Ambarwati and Jujur Santoso, the initial court session was held on May 25, 2023, while the verdict from the *Pengadilan Negeri Yogyakarta* was decided on October 2, 2023. This indicates that the legal process for this case spanned five months. Furthermore, the pre-investigation and investigation processes have begun since early 2022, highlighting the extended duration involved in resolving disputes through litigation. The discussions with legal experts also pointed out that the lengthy nature of litigation often arises from procedural complexities and the potential for multiple appeals.

The analysis further reveals that delays incurred due to litigation not only affect the immediate parties but also have a cascading effect on the overall construction schedule. Stakeholders, including contractors and subcontractors, may face idle time and lost productivity as they wait for the litigation process to conclude. These delays can disrupt planned activities, hinder resource allocation, and lead to a domino effect on subsequent project phases. Moreover, the time consumed in litigation can drain valuable resources that could have been better utilized in advancing the project. Time invested in court proceedings detracts from the parties' ability to focus on project execution and may ultimately lead to increased costs due to the need for extended financing and resource management. In conclusion, the impact of litigation on time significantly hampers the efficiency and effectiveness of construction project management, emphasizing the need for alternative dispute resolution methods that prioritize timely resolutions.

5.3.7 Impact of Litigation on Relationships and Credibility of the Involved Parties

The impact of litigation on stakeholder relationships and credibility is a crucial factor that can have lasting implications for all parties involved in a construction project. The findings of this research indicate that the adversarial nature of litigation can significantly damage professional relationships, leading to mistrust and hatred among stakeholders. Litigation often transforms collaborative efforts into contentious battles, eroding the mutual respect and cooperation essential for successful project execution.

The litigation of the SMPN 1 Wates construction project not only created divisions among the involved parties but also negatively affected the reputations of

those associated with the dispute. The public and transparent nature of court proceedings exposes the stakeholders to scrutiny, which can degrade their credibility within the industry. For instance, the case of Susi Ambarwati and Jujur Santoso illustrates how litigation can lead to reputational harm that extends beyond the immediate financial implications, potentially affecting future business opportunities and partnerships.

Furthermore, the damage to relationships often continues long after the litigation has concluded. Stakeholders may find it challenging to re-establish trust and collaborate effectively in future projects, as the continuous effects of the dispute can create a toxic atmosphere. The adversarial process inherently fosters a "win-lose" mentality, discouraging open communication and collaboration that are vital for project success. In contrast, utilizing alternative dispute resolution methods, such as mediation, conciliation, arbitration, and dispute boards could promote more constructive dialogue and facilitate the preservation of relationships due to their confidential nature. These alternative methods encourage collaborative problem-solving and strive for win-win solutions, allowing stakeholders to reach mutually beneficial agreements while maintaining their credibility and fostering a positive working environment. The impact of litigation on stakeholder relationships and credibility underscores the importance of considering alternative methods for dispute resolution in construction projects. The preservation of professional relationships and the maintenance of credibility among stakeholders are critical components of successful project management.

5.4 Discussion

The analysis of the SMPN 1 Wates Building Construction Project dispute highlights several critical findings related to the use of litigation as a method for dispute resolution. The primary issues identified were contractual breaches, project mismanagement, and the financial enrichment of certain individuals at the expense of state finances. The most notable issue of this dispute was the financial loss sustained by the Kulon Progo Regency Government, amounting to IDR 106.226.000, - as a result of the actions of key project stakeholders, including Susi

Ambarwati, S.H., and Jujur Santoso, S.Pd., M.Hum. The legal outcomes from the *Pengadilan Negeri Yogyakarta* confirmed the responsibility of the key individuals for the losses, leading to their prosecution and sentencing. These violations not only led to significant cost discrepancies but also highlighted a failure to adhere to both legal and contractual obligations.

The litigation or legal proceedings also contributed to further delays in the project's implementation. Ongoing work was suspended during the legal proceedings, as the project was classified as evidence in the trial. This not only delayed the project's completion but further complicated the resolution of the contractual issues. The litigation method, in this context, proved to be an inefficient method of resolving construction disputes, demonstrating its limitations in delivering timely and effective outcomes.

According to the results of the observations and interactive discussion between Dr. Muhammad Zaki Mubarrak, S.H.,M.H, and the author, litigation is not a suitable approach to resolving construction disputes both in terms of time and cost effectiveness. Mr. Zaki emphasized that litigation consumes excessive resources, as illustrated by the case of Susi Ambarwati. Although the alleged financial loss to the state was only IDR 106.226.000, - from the total project value of IDR 3.329.808.000,-, the overall cost incurred by Susi Ambarwati throughout the litigation process reached approximately IDR 1.500.000.000, -. Furthermore, the duration of litigation proceedings often spans several years before a final judgment is reached. In the case of Susi Ambarwati and Jujur Santoso, the initial court session was conducted on May 25, 2023, with the verdict from the *Pengadilan Negeri Yogyakarta* delivered on October 2, 2023. Mr. Zaki recommended that alternative dispute resolution methods, such as mediation, conciliation, arbitration, and dispute board would offer more effective avenues for reaching mutually beneficial solutions. These methods have the potential to minimize both costs and time expenditures while ensuring fair outcomes for all parties involved.

To further examine the impact of litigation on construction disputes, the findings reveal several key issues that emerged in the SMPN 1 Wates project. The deficiencies in project execution, such as the discrepancies between the planned and

implemented work volumes as displayed in Table 5. 15, Table 5. 16, and Table 5. 17, played a major role in the escalation of the dispute. The project's financial mismanagement, as shown by the losses incurred by the Kulon Progo Regency Government, not only highlighted the risks associated with inadequate supervision but also emphasized the legal repercussions of failing to meet contractual obligations. The misalignment between the project's progress and the payment mechanisms, including the premature final payment, exacerbated the financial strain, leading to further complications. These factors collectively contributed to the decision to resolve the dispute through litigation, which, while legally necessary, proved inefficient both in terms of time and cost.

The SMPN 1 Wates project dispute underscores the importance of clear and enforceable contractual agreements in construction projects. The lack of adherence to the terms of the contract, coupled with poor oversight and communication, significantly contributed to the project's failure to meet its objectives. This highlights the need for stronger governance mechanisms and regulatory frameworks within the construction industry to ensure compliance and minimize disputes. Additionally, the legal proceedings revealed that litigation, while necessary in some criminal cases such as corruption, may not always be the most effective solution for resolving technical disputes in construction. This case illustrates how alternative dispute resolution methods, such as mediation, conciliation, arbitration, and dispute board have offered a more efficient and less costly resolution, mitigating both financial losses and damage to stakeholder relationships. The broader implications indicate that policy reforms aimed at promoting the utilization of ADR could significantly reduce the risk of prolonged legal battles and all the negative impacts of litigation. To provide a comprehensive analysis of the impact of litigation on construction projects, Table 5. 19 and Table 5. 20 compares findings from interviews and observations with literature and applicable laws.

Table 5. 19 Comparison of Findings from Interviews and Observations with Literature and Applicable Laws

Litigation Impact	Interview/ Observation Findings	Literature Review	Applicable Law
Costs	• High legal fees for litigation • Prolonged court process increased costs	Priyambodo (2021), Construction dispute resolution through litigation results in win-lose decisions and often fail to incorporate common interests, tends to create new problems, slow resolution processes, require high costs, and potentially raise hostility between the disputing parties.	Article 91 Government Regulation No. 22 of 2020: Construction dispute resolution is executed with the principles of fast, cheap, legal clarity, maintaining good relations and the case cannot be opened to the public.
Time	• Litigation caused project delays • Procedural complexities • Potential for multiple appeals • Idle time for stakeholders	Triana (2019), The high volume of cases combined with the limited number of judges and court clerks significantly prolongs the dispute resolution in the courts and this delay poses substantial disadvantages, particularly in business, economic activities, and the relationships between the disputing parties.	Article 91 Government Regulation No. 22 of 2020: Construction dispute resolution is executed with the principles of fast, cheap, legal clarity, maintaining good relations and the case cannot be opened to the public.

Table 5. 20 Comparison of Findings from Interviews and Observations with Literature and Applicable Laws (continued)

Litigation Impact	Interview/ Observation Findings	Literature Review	Applicable Law
Relationships and Credibility	• Strained Stakeholders Relationships • Credibility damaged • Loss of Future Collaboration	Triana (2019), The disputing parties are forced to accept the court's decision, even though the decision is considered to be unjust for one of the parties. This win-lose nature of the decision often leads to hostility between the parties.	Article 88 Law No. 2 of 2017: Construction disputes must be resolved through deliberation to reach a consensus. Article 5 Law No. 2 of 2017: To foster a conducive, transparent, and healthy business environment in construction services, the central government has the authority to encourage the use of alternative dispute resolution outside the courts.

CHAPTER VI
CONCLUSION AND RECOMMENDATION

6.1 Conclusion

Based on the analysis conducted on the dispute in the SMPN 1 Wates building construction project, it has been proven that litigation has several negative effects that significantly impact the project. Litigation is also considered a less recommended method for resolving disputes in construction projects. While litigation may offer a formal resolution mechanism, it tends to exacerbate project challenges rather than resolve them efficiently. The following outlines the key impacts observed:

1. Cost

   The decision to resolve the construction dispute through litigation had a significant financial impact on the project. Litigation processes lead to increased project costs due to legal expenses, extended project timelines, the need for additional resources to handle disputes, and the need for potential corrective work led to an increase in overall project costs. These additional costs strained the project budget, making the final expenditure considerably higher than the initial estimates.

2. Time

   Litigation resulted in an extended project schedule. Delays caused by legal disputes often result in the postponement of project completion. This delay in the completion schedule led to inefficiencies and added pressure on the parties to complete the remaining work within a compressed timeframe.

3. Relationships and Credibility of the Involved Parties

   Litigation can damage professional relationships and credibility between the involved parties. Trust between the parties rusted, and the credibility of key individuals and organizations was compromised. This breakdown in relationships may affect future collaborations and project opportunities, lowering the professional reputation of those involved.

6.2 Suggestions

Based on the analysis and conclusions obtained after conducting this research, several suggestions that the author can provide are as follows:

1. All stakeholders must adhere strictly to the terms and conditions outlined in the work contract throughout the project's execution. Clear compliance with contractual obligations helps maintain transparency, accountability, and mutual trust among parties, reducing the likelihood of misunderstandings that could lead to disputes. Regular monitoring and evaluation of contract performance are essential to ensure that each party fulfills their responsibilities as agreed. In case any deviations occur, timely discussions and corrective actions should be taken to prevent minor issues from escalating.
2. To avoid such disputes in future construction projects, it is essential for all involved parties to take preventive actions from the beginning. Early identification and management of potential conflicts through clear communication and comprehensive planning with including detailed provisions regarding dispute resolution mechanisms in the constrution work contract can help prevent disputes from escalating to the litigation stage.
3. It is highly recommended that alternative dispute resolution (ADR) methods, such as mediation, conciliation, arbitration, and dispute board be considered. These methods are more cost-effective and time-efficient compared to litigation, allowing for faster dispute resolution without damaging relationships or causing significant project delays.

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APPENDIX

Appendix 1 Research Permit Application Letter

UNIVERSITAS ISLAM INDONESIA

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Nomor : 241/Sek. Prodi PSTS/20/TA/IX/2024
Hal : **Permohonan Izin Penelitian Tugas Akhir**

Kepada Yth.
Dr. Muhammad Zaki Mubarrak, S.H., M.H.
Founder/Lawyer DUAZ & Co. BUILDING & LAW
Jl. Selorejo, No. 224, Ngringin, Condongcatur, Depok
Sleman, Yogyakarta

Assalamu'alaikum Warrahmatullahi Wabarakatuh,

Untuk memenuhi salah satu syarat guna menyelesaikan studi pada Prodi Teknik Sipil Program Sarjana, setiap mahasiswa wajib melaksanakan penelitian Tugas Akhir yang berkaitan dengan ketekniksipilan. Dalam proses tersebut diperlukan data-data pendukung baik dari instansi Pemerintah BUMN maupun perusahaan swasta/Proyek.

Berdasarkan hal tersebut, kami mohon bantuan Bapak/Ibu untuk dapat memberikan izin penelitian dan pengambilan data yang akan digunakan untuk keperluan penyusunan Tugas Akhir bagi mahasiswa Prodi Teknik Sipil Program Sarjana Jurusan Teknik Sipil Fakultas Teknik Sipil dan Perencanaan Universitas Islam Indonesia Yogyakarta. Adapun nama mahasiswa tersebut adalah:

Nama	:	**Ayovi Saputra**
NIM	:	**19511022**
Judul Tugas Akhir	:	***Impact Assessment of Litigation on Construction Projects in Resolving Construction Disputes (Study Case: SMPN 1 Wates Building Construction Project)***

Demikian permohonan ini kami sampaikan, atas bantuan dan kerjasamanya kami ucapkan banyak terima kasih.

Wassalamu'alaikum Warrahmatullahi Wabarakatuh.

Yogyakarta, September 2024

Sek. Prodi Teknik Sipil – Program Sarjana,

FAKULTAS TEKNIK SIPIL DAN PERENCANAAN

Dinia Anggraheni, S.T., M. Eng

Dosen Pembimbing Tugas Akhir,

Albani Musyafa, S.T., M.T., Ph.D

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Nomor: 2484303674/Perpus./10/Dir.Perpus/IX/2024

Bismillaahirrahmaanirrahiim

Assalamualaikum Wr. Wb.

Dengan ini, menerangkan Bahwa:

Nama	: Ayovi Saputra
Nomor Mahasiswa	: 19511022
Pembimbing	: Albani Musyafa', S.T., M.T., Ph.D.
Fakultas / Prodi	: Teknik Sipil dan Perencanaan/ Teknik Sipil
Judul Karya Ilmiah	: IMPACT ASSESSMENT OF LITIGATION ON CONSTRUCTION PROJECTS IN RESOLVING CONSTRUCTION DISPUTES (Study Case: SMPN 1 Wates Building Construction Project)

Karya ilmiah yang bersangkutan di atas telah melalui proses cek plagiasi menggunakan **Turnitin** dengan hasil kemiripan (*similarity*) sebesar **7 (Tujuh) %.**

Demikian Surat Keterangan ini dibuat untuk dapat dipergunakan sebagaimana mestinya.

Wassalamualaikum Wr. Wb.

Yogyakarta, 10/14/2024
Direktur

UNIVERSITAS ISLAM INDONESIA
DIREKTORAT PERPUSTAKAAN
YOGYAKARTA

Muhammad Jamil, SIP.

Appendix 3 Interview Transcript

Interviewer : Ayovi Saputra
Interviewee : Dr. Muhammad Zaki Mubarrak, S.H.,M.H
Location : Yogyakarta
Date : August 20th, 2024
Topic : Impact Assessment of Litigation on Construction Projects In Resolving Construction Disputes

Question 1: Apa faktor utama yang menyebabkan sengketa pada proyek pembangunan gedung SMPN1 Wates dibawa ke pengadilan?

Mr. Muhammad Zaki Mubarrak: "Faktor utama yang menyebabkan kasus ini sampai ke pengadilan adalah belum selesainya 100% pekerjaan yang diserahkan pada saat batas waktu pengerjaan. Jadi awalnya sebelum kasus ini masuk proses pengadilan dan sebelum adanya pengaduan masyarakat ke pihak kejaksaan, ditemukan kekurangan volume pada beberapa komponen pekerjaan sehingga diadakannya audit lalu setelah itu masalah ini terus berkembang hingga proses penyelidikan dan berlanjut ke pengadilan sehingga sengketa ini diklasifikasikan sebagai kasus Tipikor (Tindak Pidana Korupsi)."

Question 2: Apa saja sengketa yang sering terjadi pada proyek konstruksi?

Mr. Muhammad Zaki Mubarrak: "Kalau dalam konteks pengadilan, sengketa dibedakan menjadi dua, yaitu sengketa pidana dan perdata. Kalau sengketa pidana yang paling sering terjadi sudah pasti persoalan kurang volume atau tidak sesuai dengan kontrak, jika sumber dana proyek tersebut berasal dari APBN maka kasus tersebut termasuk dalam kasus korupsi, tapi jika sumber dana berasal dari non-APBN maka itu termasuk kasus penipuan. Kalau sengketa perdata itu perselisihan antara dua pihak yang bersengketa yang mana outcome dari pengadilannya dalam

bentuk ganti rugi atau pemenuhan tuntutan yang diajukan, kalau kasusnya bervariasi seperti ketidaksesuaian dengan kontrak dan ingkar janji."

Question 3: Bagaimana pandangan bapak mengenai penyelesaian sengketa konstruksi melalui Litigasi, dari segi efektivitas biaya dan waktu?

Mr. Muhammad Zaki Mubarrak: "Sengketa konstruksi sangat tidak cocok jika diselesaikan melalui litigasi. Sengketa dalam proyek konstruksi sebaiknya diselesaikan dengan win-win solution bukan melalui litigasi yang sifatnya win-lose solution. Selama konstruksi tersebut tidak diidentifikasi kan sebagai gagal struksur dan kekurangan volume yang terjadi masih bisa ditoleransi dan bisa diperbaiki maka pihak owner bisa meminta pelaksana untuk memenuhi kekurangannya atau bisa menggunakan metode alternatif penyelesaian sengketa. Seperti dalam kasus ini, kerugian negara yang harus diganti oleh bu susi hanya sebesar 106 juta, tetapi biaya yang dikeluarkan oleh bu susi untuk proses pengadilan ini bisa mencapai 1,5 miliar, terdengar tidak masuk akal tapi inilah realita dari litigasi."

Question 4: Apakah benar dalam penyelesaian sengketa konstruksi lebih dianjurkan untuk menggunakan alternatif penyelesaian sengketa? Jika iya, apa alasannya?

Mr. Muhammad Zaki Mubarrak: "Dalam menyelesaikan sengketa konstruksi lebih baik menggunakan metode alternatif penyelesaian sengketa seperti mediasi dan arbitrase. Bahkan negara juga menganjurkan penggunaan alternatif penyelesaian sengketa untuk menyelesaikan sengketa konstruksi dalam undang-undang yang berlaku."

Question 5: Apakah ada kasus sengketa khusus yang akan lebih baik jika diselesaikan melalui litigasi?

Mr. Muhammad Zaki Mubarrak: "Sengketa yang lebih baik atau wajib diselesaikan melalui litigasi adalah permasalahan yang jelas melanggar hukum, contohnya suap, kalau terjadi suap harus dilaporkan ke pihak berwajib karena itu adalah tindak kriminal. Tetapi kalau murni sengketa konstruksi sebaiknya jangan melalui litigasi."

Question 6: Apa keunggulan litigasi jika dibandingkan dengan alternatif penyelesaian sengketa lainnya?

Mr. Muhammad Zaki Mubarrak: “Keunggulan utama litigasi dibandingkan dengan alternatif penyelesaian sengketa lainnya terletak pada kepastian hukum yang diberikan dan putusannya yang final. Proses litigasi menghasilkan putusan pengadilan yang sifatnya mengikat secara hukum dan memiliki kekuatan eksekusi. Ini berbeda dengan metode alternatif seperti mediasi atau arbitrase, di mana hasilnya lebih bergantung pada kesepakatan antara para pihak. Selain itu, dalam litigasi, semua bukti dan argumen disajikan secara terbuka, sehingga ada transparansi dalam prosesnya. Litigasi juga bisa menjadi pilihan yang lebih tepat jika salah satu pihak tidak kooperatif atau jika terdapat pelanggaran hukum yang serius. Bagi pihak yang bersalah, litigasi memberikan efek jera dan konsekuensi yang lebih besar.”

Question 7: Berapa lama proses litigasi pada kasus ini dari inisiasi hingga penyelesaian?

Mr. Muhammad Zaki Mubarrak: “Kasus ini dari sidang pertama hingga putusan akhir memakan waktu 6 sampai 8 bulan, dan selama itu progress proyek harus dihentikan dan tidak boleh ada aktifitas disana karena selama proses persidangan proyek tersebut berstatus sebagai barang bukti. Hal ini membuktikan kekurangan penggunaan litigasi yang lainnya, karena dengan penundaan proyek selama itu sudah pasti kualitas konstruksi nya tidak akan maksimal.”

Question 8: Apa saja dampak dari litigasi terhadap proyek?

Mr. Muhammad Zaki Mubarrak: “Dampak dari litigasi terhadap proyek sangat signifikan dan biasanya berdampak negatif. Litigasi dapat menyebabkan keterlambatan dalam penyelesaian proyek karena proses hukum yang panjang dan kompleks. Selain itu, litigasi juga menambah beban biaya yang besar, baik dari segi biaya hukum, biaya pengacara, maupun biaya terkait pengadilan lainnya. Akhirnya, kualitas proyek juga dapat terpengaruh karena pekerjaan terhenti atau tertunda

selama proses hukum berlangsung, yang mengganggu jadwal dan hasil akhir dari proyek tersebut."

Question 9: Apa saja dampak dari litigasi terhadap para pihak terkait?

Mr. Muhammad Zaki Mubarrak: "Litigasi dapat memberikan beberapa dampak signifikan bagi para pihak yang terlibat. Pertama, dari segi biaya, litigasi biasanya memakan biaya yang sangat besar, termasuk biaya pengacara, biaya administrasi, dan biaya persidangan, yang dapat membebani kedua belah pihak. Selain itu, waktu yang diperlukan untuk menyelesaikan sengketa melalui litigasi sering kali sangat panjang, karena prosesnya yang formal dan melibatkan beberapa tahapan yang memerlukan waktu. Dari sisi hubungan antara para pihak, litigasi cenderung bersifat konfrontatif, sehingga berpotensi merusak hubungan kerja yang sebelumnya terjalin, baik di antara kontraktor, pemilik proyek, maupun pihak ketiga yang terlibat. Ketika proses litigasi selesai, hubungan yang semula kooperatif dapat berubah menjadi tegang, dan hal ini dapat mempengaruhi reputasi serta kredibilitas para pihak terkait."

Question 10: Apa tantangan yang sering dihadapi dalam penyelesaian sengketa konstruksi?

Mr. Muhammad Zaki Mubarrak: "Tantangan yang sering dihadapi dalam penyelesaian sengketa konstruksi pertama, kesulitan dalam memahami detail teknis proyek konstruksi itu sendiri sering kali menjadi kendala, baik bagi pengadilan maupun para pihak yang terlibat dalam sengketa. Proyek konstruksi melibatkan banyak dokumen teknis, spesifikasi, dan standar yang memerlukan pemahaman mendalam, sehingga sering kali butuh waktu dan keahlian khusus untuk menganalisisnya secara tepat. Kedua, lamanya waktu yang dibutuhkan untuk menyelesaikan sengketa. Proses litigasi formal bisa berlangsung sangat lama karena melalui berbagai tahapan, seperti pengajuan bukti, pemeriksaan saksi, dan putusan akhir, yang semuanya memerlukan waktu. Ketiga, biaya penyelesaian sengketa melalui litigasi cenderung sangat tinggi, yang pada akhirnya bisa mengakibatkan kerugian finansial lebih lanjut di luar kerugian yang disebabkan oleh sengketa itu

sendiri. Keempat, penyelesaian sengketa berdampak pada hubungan kerja antara para pihak dan merusak reputasi para pihak yang terlibat."

Question 11: Bagaimana menurut anda sengketa serupa dapat dicegah pada proyek konstruksi?

Mr. Muhammad Zaki Mubarrak: "Untuk mencegah sengketa serupa pada proyek konstruksi, ada beberapa langkah yang dapat diambil oleh semua pihak yang terlibat. Pertama, komunikasi yang jelas dan teratur. Banyak sengketa terjadi karena miskomunikasi atau kurangnya pemahaman bersama mengenai detail proyek, spesifikasi, atau perubahan yang diperlukan selama pelaksanaan proyek. Dengan adanya komunikasi terbuka dan koordinasi yang baik antara kontraktor, pemilik proyek, konsultan, dan pihak lainnya, potensi salah paham dapat diminimalisir. Kedua, penegakan dan pemahaman kontrak juga sangat penting. Semua pihak harus memahami secara rinci isi kontrak, termasuk tanggung jawab, hak, dan kewajiban masing-masing. Penyusunan kontrak yang jelas dan komprehensif, serta pelatihan yang memastikan semua pihak memahami kewajiban mereka, dapat mencegah terjadinya pelanggaran atau perselisihan terkait kontrak. Ketiga, penting untuk melakukan pemantauan dan pengawasan proyek secara berkala. Pengawasan yang ketat dan berkualitas terhadap pekerjaan di lapangan akan membantu mengidentifikasi potensi masalah lebih awal, sebelum berkembang menjadi sengketa yang lebih serius."

Interviewer : Ayovi Saputra
Interviewee : Albani Musyafa', S.T., M.T., Ph.D.
Location : Yogyakarta
Date : August 20th, 2024
Topic : Impact Assessment of Litigation on Construction Projects In Resolving Construction Disputes

Question 1: Apa faktor utama yang menyebabkan sengketa pada proyek pembangunan gedung SMPN1 Wates dibawa ke pengadilan?

Mr. Albani Musyafa': "Faktor utama yang menyebabkan kasus ini dibawa ke pengadilan memang berkaitan dengan dugaan korupsi dan kerugian negara. Namun, dari perspektif hukum, penting untuk dipahami bahwa kondisi di lapangan sering kali lebih kompleks daripada sekadar pelanggaran kontrak. Pencairan pembayaran 100% meskipun pekerjaan belum sepenuhnya selesai bukan semata-mata kesalahan satu pihak, melainkan bisa terjadi karena adanya kesepakatan bersama dan tekanan untuk menyelesaikan proyek sesuai tenggat waktu, termasuk dari pihak pengguna anggaran. Selain itu, beberapa kekurangan dalam pekerjaan sebenarnya bisa diperbaiki melalui mekanisme internal seperti perbaikan pasca-proyek, tanpa harus langsung membawa kasus ke ranah pidana. Fakta bahwa proyek sudah hampir selesai dan temuan Defect PHO tidak ditindaklanjuti bukan berarti ada niat untuk merugikan negara, melainkan bisa jadi karena kurangnya komunikasi efektif antara pihak terkait. Namun, sayangnya, dalam proses ini muncul persepsi adanya kerugian negara, sehingga mendorong aparat penegak hukum untuk membawa kasus ini ke pengadilan sebagai tindak pidana korupsi."

Question 2: Bagaimana pandangan bapak mengenai penyelesaian sengketa konstruksi melalui Litigasi, dari segi efektivitas biaya dan waktu?

Mr. Albani Musyafa': "Kalau bicara soal litigasi dalam sengketa konstruksi, dari segi biaya dan waktu memang bisa dibilang kurang efektif. Proses pengadilan itu panjang dan rumit, mulai dari persidangan pertama sampai putusan akhir bisa

memakan waktu bertahun-tahun. Selain itu, biaya yang dikeluarkan juga besar, ada biaya pengacara, administrasi pengadilan, transportasi, bahkan konsumsi selama persidangan. Waktu dan energi yang habis selama proses litigasi sebenarnya bisa dimanfaatkan untuk menyelesaikan proyek atau mencari solusi yang lebih cepat dan murah, seperti mediasi atau negosiasi. Memang, ada kalanya litigasi jadi pilihan terakhir kalau pihak-pihak yang terlibat sudah benar-benar buntu atau tidak ada itikad baik. Tapi kalau masih bisa diselesaikan dengan jalan damai, menurut saya lebih baik hindari litigasi, karena efeknya bukan cuma soal biaya dan waktu, tapi juga bisa merusak hubungan kerja antar pihak yang terlibat."

Question 3: Apakah benar dalam penyelesaian sengketa konstruksi lebih dianjurkan untuk menggunakan alternatif penyelesaian sengketa? Jika iya, apa alasannya?

Mr. Albani Musyafa': "Betul, dalam banyak kasus sengketa konstruksi, alternatif penyelesaian sengketa seperti mediasi, arbitrase, atau negosiasi memang lebih dianjurkan dibandingkan litigasi. Alasannya sederhana: alternatif-alternatif tersebut biasanya lebih cepat, fleksibel, dan biaya yang dikeluarkan lebih rendah. Misalnya, mediasi memungkinkan para pihak untuk duduk bersama, mencari solusi yang saling menguntungkan tanpa harus terikat dengan proses formal seperti di pengadilan. Selain itu, proses alternatif juga menjaga hubungan baik antar pihak yang terlibat. Dalam dunia konstruksi, menjaga hubungan profesional sangat penting karena para pihak sering kali masih akan bekerja sama di proyek lain di masa depan. Kalau sengketa diselesaikan melalui litigasi, hubungan tersebut bisa rusak akibat proses yang panjang dan melelahkan secara emosional."

Question 4: Apakah ada kasus sengketa khusus yang akan lebih baik jika diselesaikan melalui litigasi?

Mr. Albani Musyafa': "Ada beberapa jenis sengketa yang memang lebih tepat jika diselesaikan melalui litigasi. Kalau kasusnya melibatkan pelanggaran hukum serius, seperti korupsi atau penipuan, litigasi memang tidak bisa dihindari karena sudah masuk ranah hukum pidana. Tapi, untuk sengketa teknis atau perbedaan pandangan

terkait kontrak, alternatif penyelesaian sengketa jelas lebih efektif dan lebih baik bagi semua pihak."

Question 5: Apa keunggulan litigasi jika dibandingkan dengan alternatif penyelesaian sengketa lainnya?

Mr. Albani Musyafa': "Keunggulan utama litigasi dibandingkan dengan alternatif penyelesaian sengketa lainnya adalah kepastian hukum dan kekuatan mengikat dari putusan pengadilan. Litigasi menghasilkan keputusan final yang wajib dipatuhi oleh para pihak, dengan dukungan otoritas negara untuk menegakkan putusan tersebut jika diperlukan. Selain itu, dalam proses litigasi, setiap pihak memiliki hak yang sama untuk menyampaikan argumen dan bukti di hadapan hakim yang independen dan tidak memihak. Keunggulan lainnya adalah transparansi. Proses persidangan terbuka untuk umum, hal ini sangat penting, terutama dalam kasus-kasus yang menyangkut kepentingan publik atau kerugian negara. Litigasi juga dapat menjadi pilihan terbaik jika ada pihak yang tidak kooperatif atau menolak untuk menyelesaikan sengketa secara damai. Dalam situasi seperti ini, putusan pengadilan memberikan solusi yang tegas dan jelas."

Question 6: Apa saja dampak dari litigasi terhadap para pihak terkait?

Mr. Albani Musyafa': "Dampak litigasi terhadap para pihak terkait bisa sangat kompleks. Dari sisi finansial, proses litigasi sering kali menuntut biaya yang sangat besar. Dalam kasus tertentu, seperti sengketa pada proyek SMPN 1 Wates, biaya litigasi dapat jauh melebihi nilai kerugian yang dipermasalahkan. Ini menjadi beban tersendiri, terutama bagi pihak yang kalah dalam persidangan, karena mereka tidak hanya harus menanggung biaya sengketa tetapi juga kewajiban membayar ganti rugi. Selain itu, litigasi dapat menyebabkan ketegangan emosional dan konflik antara para pihak. Proses yang berlarut-larut dan sifatnya yang kompetitif sering kali memperburuk hubungan, bahkan mengakibatkan rusaknya hubungan bisnis yang sebelumnya baik. Di sisi lain, dampak hukum juga signifikan, terutama jika putusan pengadilan menetapkan adanya pelanggaran pidana, seperti korupsi. Hal

ini bisa merusak reputasi dan kredibilitas pihak yang terlibat serta membawa implikasi hukum lanjutan."

Question 7: Mengapa menurut bapak metode alternatif seperti mediasi, konsiliasi, arbitrase, dan dewan sengketa lebih dianjurkan dalam sengketa konstruksi?

Mr. Albani Musyafa': "Metode alternatif seperti mediasi, konsiliasi, arbitrase, dan dewan sengketa lebih dianjurkan dalam sengketa konstruksi karena beberapa alasan. Pertama, metode alternatif ini menawarkan fleksibilitas yang lebih besar dibandingkan litigasi. Prosesnya bisa disesuaikan dengan kebutuhan dan kondisi masing-masing pihak. Dalam proses mediasi atau konsiliasi, pihak-pihak yang terlibat memiliki kebebasan untuk memilih mediator atau konsiliator yang memiliki keahlian spesifik dalam bidang konstruksi, sehingga solusi yang dihasilkan lebih relevan dan sesuai dengan sengketanya. Kedua, dari segi waktu dan biaya, penyelesaian sengketa melalui metode alternatif biasanya lebih efisien. Proses litigasi dapat berlangsung berbulan-bulan atau bahkan bertahun-tahun, sementara mediasi atau arbitrase sering kali bisa diselesaikan dalam waktu yang jauh lebih singkat. Hal ini tentu saja mengurangi biaya yang harus dikeluarkan oleh para pihak, baik dalam hal biaya hukum maupun biaya operasional yang terkait dengan sengketa tersebut. Ketiga, metode alternatif juga memfasilitasi pendekatan penyelesaian yang lebih kolaboratif, yang penting dalam konteks proyek konstruksi di mana hubungan jangka panjang antara para pihak sering kali diperlukan. Proses yang lebih bersahabat ini mengurangi antagonisme yang dapat muncul dalam litigasi dan memungkinkan para pihak untuk bernegosiasi kembali persyaratan kontrak yang lebih baik, jika diperlukan. Terakhir, metode alternatif memungkinkan para pihak untuk menghasilkan solusi yang lebih kreatif dan berorientasi pada kepuasan, karena mereka dapat berkolaborasi dalam merancang solusi yang tidak hanya memenuhi aspek hukum tetapi juga mempertimbangkan kebutuhan praktis dari masing-masing pihak."

Appendix 4 Picture of Interview Process



Appendix 5 Validation Certificate

SURAT KETERANGAN VALIDASI DATA

Pada Hari Selasa, tanggal 03 Desember 2024 yang bertandatangan dibawah ini:

Nama : Albani Musyafa', S.T., M.T., Ph.D.

NIK :

Selaku : Dosen Teknik Sipil / Saksi Ahli Susi Ambarwati, S.H.

Menyatakan bahwa telah melakukan verifikasi dan validasi data pada Tugas Akhir yang berjudul "Impact Assessment of Litigation on Construction Projects in Resolving Construction Disputes (Study Case: SMPN 1 Wates Building Construction Project)"

Adapun data yang kami verifikasi dan validasi adalah sebagai berikut:

- Putusan Nomor 6/Pid.Sus-TPK/2023/PN Yyk
- Putusan Nomor 7/Pid.Sus-TPK/2023/PN Yyk
- Interview Transcript (Albani Musyafa', S.T., M.T., Ph.D.)

Demikian surat pernyataan ini dibuat untuk dapat dipergunakan sebagaimana mestinya.

Yogyakarta, 03 Desember 2024

Albani Musyafa', S.T., M.T., Ph.D.

Appendix 6 Picture of Construction Project Analyzed

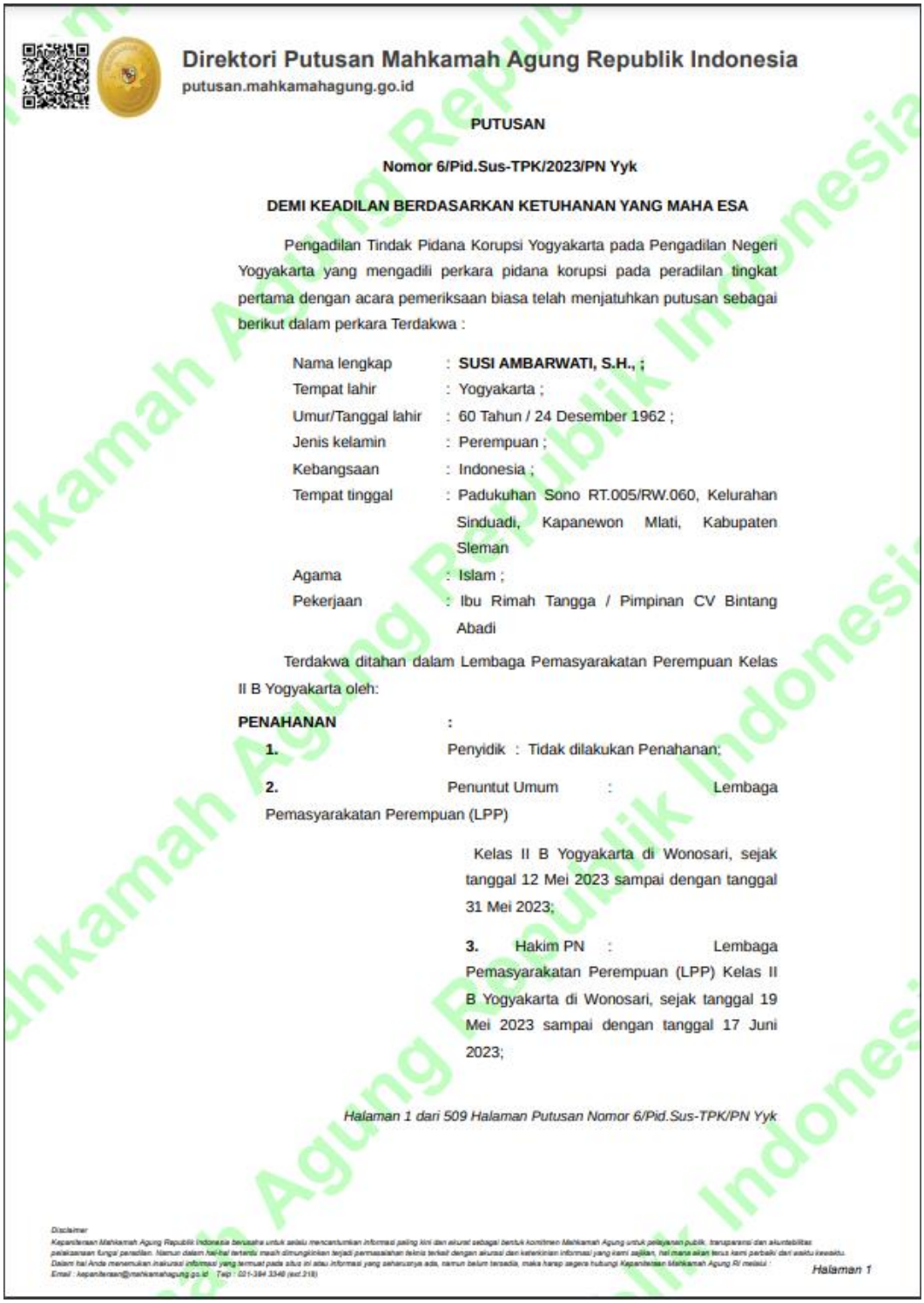


(Source: detik.com)



(Source: Tribun Jogja)

Appendix 7 Decision Number 6/Pid.Sus-TPK/2023/PN Yyk



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PUTUSAN

Nomor 6/Pid.Sus-TPK/2023/PN Yyk

DEMI KEADILAN BERDASARKAN KETUHANAN YANG MAHA ESA

Pengadilan Tindak Pidana Korupsi Yogyakarta pada Pengadilan Negeri Yogyakarta yang mengadili perkara pidana korupsi pada peradilan tingkat pertama dengan acara pemeriksaan biasa telah menjatuhkan putusan sebagai berikut dalam perkara Terdakwa :

Nama lengkap	:	**SUSI AMBARWATI, S.H., ;**
Tempat lahir	:	Yogyakarta ;
Umur/Tanggal lahir	:	60 Tahun / 24 Desember 1962 ;
Jenis kelamin	:	Perempuan ;
Kebangsaan	:	Indonesia ;
Tempat tinggal	:	Padukuhan Sono RT.005/RW.060, Kelurahan Sinduadi, Kapanewon Mlati, Kabupaten Sleman
Agama	:	Islam ;
Pekerjaan	:	Ibu Rimah Tangga / Pimpinan CV Bintang Abadi

Terdakwa ditahan dalam Lembaga Pemasyarakatan Perempuan Kelas II B Yogyakarta oleh:

PENAHANAN :

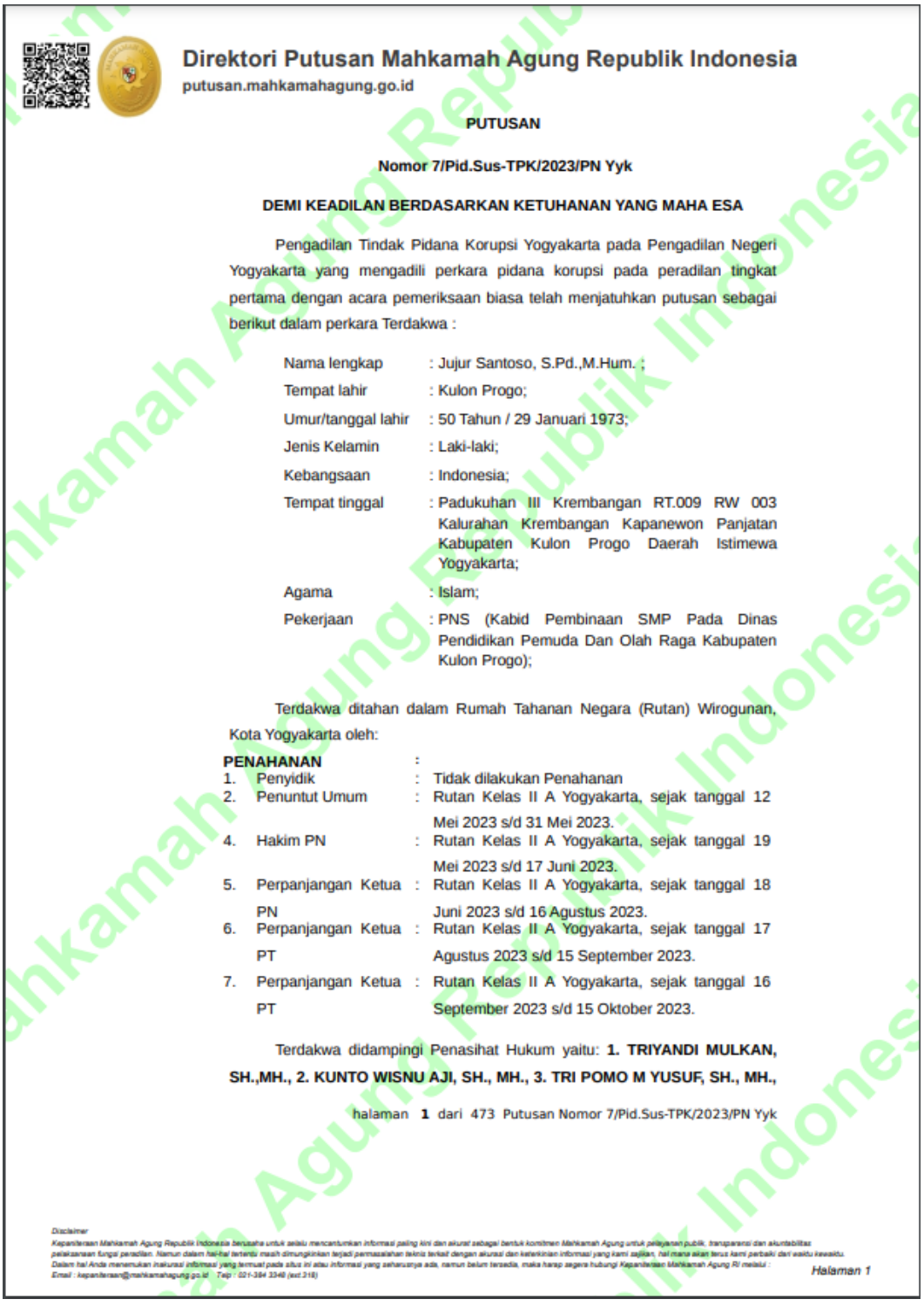
1. Penyidik : Tidak dilakukan Penahanan;

2. Penuntut Umum : Lembaga Pemasyarakatan Perempuan (LPP) Kelas II B Yogyakarta di Wonosari, sejak tanggal 12 Mei 2023 sampai dengan tanggal 31 Mei 2023;

3. Hakim PN : Lembaga Pemasyarakatan Perempuan (LPP) Kelas II B Yogyakarta di Wonosari, sejak tanggal 19 Mei 2023 sampai dengan tanggal 17 Juni 2023;

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Dalam hal Anda menemukan inakurasi informasi yang termuat pada situs ini atau informasi yang seharusnya ada, namun belum tersedia, maka harap segera hubungi Kepaniteraan Mahkamah Agung RI melalui :
Email : kepaniteraan@mahkamahagung.go.id Telp : 021-384 3348 (ext.318)

Appendix 8 Decision Number 7/Pid.Sus-TPK/2023/PN Yyk



PUTUSAN

Nomor 7/Pid.Sus-TPK/2023/PN Yyk

DEMI KEADILAN BERDASARKAN KETUHANAN YANG MAHA ESA

Pengadilan Tindak Pidana Korupsi Yogyakarta pada Pengadilan Negeri Yogyakarta yang mengadili perkara pidana korupsi pada peradilan tingkat pertama dengan acara pemeriksaan biasa telah menjatuhkan putusan sebagai berikut dalam perkara Terdakwa :

Nama lengkap	: Jujur Santoso, S.Pd.,M.Hum. ;
Tempat lahir	: Kulon Progo;
Umur/tanggal lahir	: 50 Tahun / 29 Januari 1973;
Jenis Kelamin	: Laki-laki;
Kebangsaan	: Indonesia;
Tempat tinggal	: Padukuhan III Krembangan RT.009 RW 003 Kalurahan Krembangan Kapanewon Panjatan Kabupaten Kulon Progo Daerah Istimewa Yogyakarta;
Agama	: Islam;
Pekerjaan	: PNS (Kabid Pembinaan SMP Pada Dinas Pendidikan Pemuda Dan Olah Raga Kabupaten Kulon Progo);

Terdakwa ditahan dalam Rumah Tahanan Negara (Rutan) Wirogunan, Kota Yogyakarta oleh:

PENAHANAN :

1.	Penyidik	:	Tidak dilakukan Penahanan
2.	Penuntut Umum	:	Rutan Kelas II A Yogyakarta, sejak tanggal 12 Mei 2023 s/d 31 Mei 2023.
4.	Hakim PN	:	Rutan Kelas II A Yogyakarta, sejak tanggal 19 Mei 2023 s/d 17 Juni 2023.
5.	Perpanjangan Ketua PN	:	Rutan Kelas II A Yogyakarta, sejak tanggal 18 Juni 2023 s/d 16 Agustus 2023.
6.	Perpanjangan Ketua PT	:	Rutan Kelas II A Yogyakarta, sejak tanggal 17 Agustus 2023 s/d 15 September 2023.
7.	Perpanjangan Ketua PT	:	Rutan Kelas II A Yogyakarta, sejak tanggal 16 September 2023 s/d 15 Oktober 2023.

Terdakwa didampingi Penasihat Hukum yaitu: **1. TRIYANDI MULKAN, SH.,MH., 2. KUNTO WISNU AJI, SH., MH., 3. TRI POMO M YUSUF, SH., MH.,**

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