ABSTRACT

Construction services have an important role to support the growth and development of various fields, especially in economic, social, and cultural. Along with the development of the construction services in Indonesia, construction dispute cases also increased. Construction dispute can be assumed as the extension of the problem of claims rejected. There are many ways of dispute resolution either through the court (litigation) or others that has been set by the government regulations, such as UU 18/1999 and PP 29/2000. Besides Indonesian government regulations, international standards of construction contracts FIDIC Conditions of Contract for Construction MDB Harmonised Edition 2006 also explains the construction dispute resolution through Dispute Board. To avoid construction dispute resolution by court which tends to be protracted, the construction service providers tend to choose Alternative Dispute Resolution, which are fast, easy, has legal certainty, and do not ruin the relations between two parties. Based on the analysis, the main reason for Alternative Dispute Resolution option is the involvement of two parties in the decision making process.

Key words: alternative dispute resolution, litigation, construction dispute, construction service provider.