ABSTRACT

Force majeure is a contractual clause commonly found in government construction work contracts, defining the circumstances that qualify as absolute or relative force majeure. This research aims to address two key questions: First, can the force majeure clause be invoked to justify the cancellation and termination of construction work contracts amidst the Covid-19 pandemic? Second, what is the method of accountability for risks associated with construction work contracts in light of the pandemic? Employing normative juridical research methods, this study concludes that the Covid-19 pandemic alone cannot serve as an automatic basis for contract cancellation or nullification under the force majeure clause. The service user, typically the government, may demand the successful completion of
the project from the providers. However, the pandemic qualifies as a relative force majeure, shifting the liability for risk during contract implementation to the provider, subject to court decisions. Thus, legal events qualifying as force majeure during the Covid-19 outbreak will be determined by court decisions.

**Keywords:** Force Majeure, Government Construction Contracts, Cancellation and Termination of Contract, Covid-19 Outbreaks

**INTRODUCTION**

Infrastructural development drives economic growth and this is the reason the 1945 Constitution stipulates that the state is obliged to facilitate the general needs of every citizen to ensure economic development through the procurement of goods and services. The objective of developing infrastructures, however, involves the provision of services related to building constructions through a procurement system. It was also reported from several perspectives that the progress of the Indonesian state is closely related to the procurement activities of these construction services.¹

The scope of construction services based on Article 12 of the Construction Services Law Number 2 of 2017 includes construction planning and supervision which is also known as consulting,

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implementation works, and integrated works. The job classifications for each of these business fields include: 1) construction services consulting works such as architectural, engineering, integrated engineering, landscape architecture, regional planning works, and others, 2) construction implementation works such as building and civil constructions, installation services, special construction works, pre-fabrication, completion of a building, and equipment rentals, and 3) integrated construction works such as buildings, planning and sketching of civil buildings, fulfillment or supply of goods and services, and subsequent application of the goods.²

The procurement in construction usually begins with the selection of appropriate service providers by the government through tenders, appointments, direct procurement, and the application of internet technology or electronics. The conditions to be fulfilled, job specifications, and deadlines for implementation are usually stipulated by the government. Moreover, the payment plan as well as the procedures related to the method to be used are usually stated.³


³ See Ruparathna, Rajeev, and Kasun Hewage. "Review of Contemporary Construction Procurement Practices." Journal of Management in Engineering 31, No. 3 (2015): 04014038. Furthermore, it is also emphasized that procurement in the construction sector in Indonesia has faced challenges in terms of potential state loss. Here are some factors that contribute to this issue: 1). Corruption: Corruption is a significant concern in the procurement process in many countries, including Indonesia. It involves the misuse of power or position for personal gain, leading to financial losses for the state. Corruption can occur at various stages, such as bid rigging, bribery, and kickbacks, resulting in inflated project costs and substandard construction quality. 2). Lack of transparency: Transparency is crucial for ensuring fair and competitive procurement processes. However, a lack of transparency can lead to favoritism, biased decision-making, and
The agreement between the government and the contractor to carry out the construction work is manifested through a contract which is considered crucial due to the high risks associated with the work for the contracting parties such as building failure, default, and force majeure circumstance. The contract is also expected to provide an understanding of the philosophical basis for the contractual relationship between the parties as well as the legal principles and norms during the period of making and implementing the agreement.

An agreement or contract is a legally binding relationship that is governed by a set of rules or norms. It outlines specific orders, obligations, and prohibitions that both parties are expected to adhere to. The implementation of a contract is contingent upon a particular set of actions or circumstances, which may include external factors such as the Covid-19 pandemic.\(^5\)

The Covid-19 pandemic, which was first discovered in November 2019 and has affected Indonesia and numerous countries worldwide, poses a significant threat to human health due to its contagious nature. In response, the government has issued several regulations aimed at ensuring public health safety. These include Government Regulation Number 21 of 2020, which focuses on implementing large-scale social restrictions to accelerate the handling of Covid-19. Additionally, Presidential Decree Number 11 of 2020 has been enacted to declare a public health emergency, while the Minister of Health Regulation Number 9 of 2020 provides guidelines for implementing large-scale social restrictions in the context of Covid-19. Furthermore, Presidential Decree Number 12 of 2020 designates the spread of Covid-19 as a non-natural disaster.

These regulations are implemented to protect public health and prevent the further spread of the virus. In the context of agreements or contracts, they may have implications for the fulfillment of contractual obligations and the performance of contractual duties. Parties may face challenges in meeting contractual requirements or

face unexpected delays or disruptions due to the pandemic and the associated regulations.\(^6\)

Covid-19 has greatly affected the business sectors globally including in the construction industry. It impairs the supply line and causing shortage of labor in several countries. Construction projects face various kinds of uncertainties, from the project planning, project management, and project implementation.\(^7\) Moreover the risks related to construction involve more than just works done in the construction site. There is movement to and from sites to be considered, including travel for people to get to work, possibly to and from communal lodgings.\(^8\)

The legal objectives associated with the implementation of construction work contracts basically stipulate the rights and

\(^6\) It is also further highlighted that it is important for individuals and businesses to review their contractual terms, particularly force majeure clauses or other provisions that address unforeseen circumstances. These clauses may provide guidance on the parties' rights and obligations in situations like the Covid-19 pandemic, including potential modifications or extensions of contractual deadlines, dispute resolution mechanisms, or the possibility of contract termination under specific conditions. As the situation and government regulations surrounding the pandemic may evolve, it is advisable to stay updated on any new or revised regulations, guidelines, or legal provisions that may impact the implementation of contracts and legal obligations during this period. Consulting legal professionals or seeking guidance from relevant government authorities can provide specific advice tailored to individual circumstances. See also Susan Olivia, John Gibson, and Rusan Nasrudin. "Indonesia in the Time of Covid-19." *Bulletin of Indonesian Economic Studies* 56, No. 2 (2020): 143-174; Januarita, Ratna, and Yeti Sumiyati. "Legal Risk Management: Can The COVID-19 Pandemic be Included as a Force Majeure Clause in a Contract?." *International Journal of Law and Management* 63, No. 2 (2021): 219-238; Cindy Kang, et al. "The Applicability of Force Majeure Clause During the Covid-19 Pandemic in Indonesia and France." *Jurnal Komunikasi Hukum (JKH)* 7, No. 2 (2021): 907-923.


obligations of the parties involved and also regulate and determine the possible legal actions related to force majeure and its ability to cause a default. It is important to note that a party entitled to the completion of the project can sue for contract implementation, cancellation, and termination as well as compensation claims.

Force majeure is defined as a condition that causes a debtor to default due to the inability to fulfill obligations after a contract has been made. In this case, the debtor is not obliged to bear the risk because it is difficult to predict certain unforeseen circumstances such as natural disasters, floods, and accidents during the process of signing the contractual agreement. Due to the said unforeseen circumstances that emerged out of the debtor’s will thus it can be used as the exemption to pay compensation claims.

The notion of force majeure regulated in Civil Code differentiates the absolute and relative force majeure. Absolute force majeure is defined as the situation where the debtor is unable to perform his obligation. However, if the implementation of the obligation is still possible with great sacrifices thus it can be categorized as relative force majeure.

Force majeure is a legal concept rooted in civil law and originating from Roman law. It has been widely adopted and recognized by countries that follow civil law systems, with France being particularly notable in this regard. In the event of a force majeure occurrence, the parties involved in a contract are relieved

from fulfilling their obligations, irrespective of any specific terms explicitly stated in the contract.12

There are several studies that previously have covered the issue related to this research, which are: First, the research conducted by Inri Januar with the title of, “Pelaksanaan Prestasi Dalam Keadaan Memaksa Yang Terjadi Pada Masa Pandemik”.13 The research studied the implementation of obligation during pandemic. The second research is done by Putu Bagus Tutuan Aris Kaya, “Kajian Force Majeure Terkait Pemenuhan Prestasi Komersial Pasca Penetapan Covid-19 Sebagai Bencana Nasional”.14 This research covered the legal issues with force majeure related to the performance of obligation after the government declared Covid-19 as national disaster. The third research is done by Annisa Dian Arini titled, “Pandemi Corona Sebagai Alasan Force Majeure Dalam Suatu Kontrak Bisnis”.15 This research also reviewed the similar issue with the previous researches which is regarding the business contract implementation and force majeure during corona pandemic. The fourth research is done by Joel Timothy Milendra with the title “Analisa Klausula Force Majeure Pada Perjanjian Pemborongan Pekerjaan Antara PT. Sinergi Mega Karya dengan PT. Nansari Indonesia Dalam Situasi Pandemsi Covid-19”.16 This research examined the establishment

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16 Joel Timothy Milendra, “Analisa Klausula Force Majeure pada Perjanjian Pemborongan Pekerjaan antara PT. Sinergi Mega Karya dengan PT. Nansari Indonesia dalam Situasi
of force majeure clause in contracting work agreement. Lastly is research done by Kunarso, A. Djoko Sumaryanto, “Eksistensi Perjanjian di tengah Pandemi Covid-19”. This research examined the contract performance during covid pandemic.

Based on the previous researches and study, this research has different ideas and new constructs in examining force majeure as the reason for cancellation and termination of construction contract during Covid-19 pandemic. By using statutory approach and case law approach, the new ideas can be seen from how to make changes on the stipulation of criteria for force majeure clause that must be include in the contract. Therefore, this research has an important urgency, considering that this research provides ideas to establish construction work contract that guarantees legal certainty to the parties involved.

Force majeure has absolute and relative nature. The absolute nature is when it is impossible to fulfill obligations due to a certain condition, while the relative is when the obligation cannot be fulfilled under normal circumstances until a certain time. Articles 1244 and 1245 of the Civil Code state that defaulting debtors (broken promises) do not need to pay compensation when the agreement is not fulfilled due to unpredictable conditions or a force majeure. This kind of situation was observed during the Covid-19 pandemic which created problems for legal review, specifically regarding clauses related to cancellation and termination of construction work contracts due to force majeure, as well as to find the accountability over the risk of construction contract affected by the covid-19 pandemic.

This study employs a normative legal research methodology, which involves evaluating legal norms and rules through the analysis

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of legislation and legal materials. The research approach encompasses both a statutory approach and a case study approach. To gather relevant legal materials, secondary sources are utilized, obtained through library research. These sources encompass reference books, scientific articles, mass media publications like newspapers and magazines, as well as court decisions. The analysis of these legal materials follows a systematic process, comprising several stages. Initially, a description of the legal materials is provided, outlining their content and context. Then, the materials are systematically organized and categorized based on relevant themes or topics. Finally, the legal materials are interpreted, enabling the extraction of meaningful insights and the formulation of conclusions aligned with the research objectives.

FORCE MAJEURE AS A REASON FOR THE CANCELLATION & TERMINATION OF CONSTRUCTION WORK CONTRACTS DURING THE COVID-19 PANDEMIC

In business conduct during pandemic covid-19, debtors who have contractual obligations use the pandemic situation to exempt themselves from fulfilling their obligations and some of the business actors also use the pandemic to terminate the contract. The government itself has declared pandemic covid-19 as public health emergency.

The Government Regulation Number 21 of 2020 concerning Large-Scale Social Restriction (PSBB) which then followed by Emergency Enforcement of Restriction on Public Activities (PPKM) micro scale has caused unforeseen circumstances to emerge out of will
of the parties before the work agreement is enforced. Social distancing and work from home are used as the main reasons for construction service providers to not to carry out their obligations. The implementation of force majeure due to covid-19 in the construction service sectors is strengthened by Presidential Decree Number 12 of 2020 regarding the Stipulation of Non-Natural Disasters of the Spread of COVID-19 as a National Disaster. The non-natural disasters caused by the covid-19 outbreak is thus declared as a national disaster.\textsuperscript{18}

A force majeure clause is a common inclusion in various business contracts, including construction work contracts. In Indonesian law, the concept of force majeure, also known as "overmacht," is regulated in the Indonesian Civil Code under Article 1244 and Article 1245. These articles stipulate that if a debtor or indebted party is unable to fulfill their obligations due to force majeure, they may not be held liable and are exempt from paying compensation for losses, costs, or interest. In accordance with this concept, when one party is unable to fulfill all or part of its obligations due to force majeure, that party cannot be held accountable and does not bear the risks resulting from the force majeure event. Consequently, the inclusion of a force majeure clause in a contract aims to prevent the parties who have agreed to the contract from suffering losses in the form of costs,

damages, or interest. By including a force majeure clause, the parties can allocate the risks associated with unforeseen events beyond their control. If a force majeure event occurs, the clause allows for the suspension or modification of contractual obligations, reducing the potential financial impact on the non-performing party. This serves to provide a level of protection and fairness for both parties involved in the contract.

The regulation on force majeure can be found in the Indonesian Law on Construction Services Article 47 letter j, which defines *overmacht* as an event arising out of will and capabilities of the related parties that pose a loss for the other party. The definition of force majeure or *overmacht* on the Article 47 paragraph (1) letter j of the Construction Service Law has not yet describing which circumstances that can be classified as force majeure, thus this article raises multiple interpretations in its application. The categories which classify force majeure should have been mentioned, for example natural disaster, non-natural disaster, and so on.

The definition of force majeure, as outlined in various laws, regulations, and court decisions, entails the fulfillment of several key elements. Firstly, there must be the occurrence of a natural event. A natural event refers to a situation that was not foreseeable at the time the contract was established. Additionally, the presence of this natural event causes an inability to perform or fulfill contractual obligations either at a specific time or in their entirety.

Force majeure can manifest in different forms. It can arise when an agreement or contract becomes impossible to execute under normal circumstances. Alternatively, force majeure may arise when the debtor faces difficulties in fulfilling their obligations as stipulated in the agreement. Given the impact of the Covid-19 situation on health and the economy, force majeure clauses in construction work contracts can lead to non-performance of the contract.
In the context of construction projects, force majeure events related to the Covid-19 pandemic can disrupt the smooth execution of contractual obligations. Factors such as lockdowns, supply chain disruptions, labor shortages, and government-imposed restrictions can impede the progress and completion of construction work. As a result, force majeure provisions in construction contracts may come into effect, offering relief to the affected parties.

It is crucial to define force majeure events clearly within the contract, specifying the specific circumstances and risks that would trigger their invocation. By doing so, the parties can establish a framework for addressing the consequences of force majeure events, such as the suspension of obligations, extension of deadlines, or renegotiation of terms, thereby mitigating the potential adverse effects on contract performance.

Based on the objective theory, the debtor or contractor as service provider in the event if performance of the contract is impossible to be conducted, they may provide reasons that the non-performance occurs due to overmacht or force majeure. The subjective theory on the other hand classifies force majeure or force compels as a situation where due to the personal condition of the debtor that the debtor is unable to carry out his obligation or fulfill the performance of the contract.¹⁹

The coronavirus that emerged in November 2019 was designated by the government as a pandemic and this led to the imposition of large-scale social restrictions with a significant effect on the sustainability of different activities associated with human life. These regulations also have the ability to cause the cancellation or termination of existing contractual agreements. Therefore, the construction service providers as the debtors and the government as

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the users are expected to fulfill the obligations agreed upon in the contracts made in order to avoid juridical liability.

Force majeure is defined as the deviation from the obligations permitted by laws, thereby presenting risks to the agreements made. However, the regulations made to restrict the activities of the people do not have a direct impact on all sectors and this means it is impossible for all legal subjects to declare force majeure.20

Article 1244 of the Civil Code states that debtors cannot be asked to be responsible for the losses associated with the lack or delay in the implementation of an agreement due to unexpected circumstances and the absence of bad faith. Furthermore, Article 1245 of the Civil Code stipulates that the debtor can be acquitted of any reimbursement of costs, losses, and interest associated with the inability to fulfill contractual obligations due to force majeure such as an unexpected event.

Furthermore, in Article 1246 of the Civil Code stipulates that losses caused by the non-fulfillment of obligation in general must be replaced with the losses experienced by the sufferer and also with the benefits he could expect. (gederfdewinst). Meaning, in the event the debtor has breached the contract, the creditor is entitled to compensation. Based on the doctrine in civil law, it is generally accepted that the damages incurred by default are usually predetermined.21

Imperative provisions regarding force majeure is also regulated in Indonesian Civil Code Article 1444 and Article 1445

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which regulates that in the event the assets which constitute as the subject matter of the agreement are destroyed, cannot be traded, or lost, to the extent that the debtor is not aware of the existence of the asset, the agreement shall then be void even if the debtor fails to deliver those assets. In the event if the debtor has any rights or claims for compensation to the creditor related to the assets that are destroyed and cannot be traded, the debtor hence obligated to release those rights to the creditor.

Mariam Darus Badrulzaman opines that there are 3 (three) elements that have to be fulfilled to classify a condition as force majeure, those are as follows:22

1. Obligations are not fulfilled
2. The causes are beyond the fault of the debtor
3. The causative factor was not anticipated and cannot be accounted for

Meanwhile, Article 1245 of the Civil Code states that there is no reimbursement of losses and interest costs if due to force majeure or because of coincidence, the debtor is prevented from giving or doing something that is required, or doing an act that is prohibited for him. Referring to the article mentioned above, the main elements that can cause force majeure circumstances are:

1. The existence of unexpected events.
2. There are obstacles that make an achievement impossible to carry out.
3. The inability is not caused by the fault of the debtor.
4. Such inability cannot be charged risk to the debtor.23

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Ezeldin and Helw stated that force majeure is one of a very critical risks in the construction activity. Although force majeure clause frequently be found in the construction contract, the requirements to enforce that clause is varied and are different in other countries. The argument for the existence of force majeure has to meet several requirements namely: the fulfillment of obligation is hindered or prevented, the obstruction to the fulfillment of obligation is beyond fault of the debtor, and the circumstances led to the non-fulfillment are not the debtor’s risk. Additionally, force majeure event has to be an event beyond reasonable control of the affected party, and the affected party must take steps to avoid or mitigate such event to occur, and the ability of the affected party is hindered by the event.

These explanations showed that force majeure is an unpredictable event that cannot be pinned on the debtor. Debtor who can prove the existence of force majeure can request for negotiations to get a postponement of fulfillment of obligations, after which the creditor can demand for the repayment. However, the Covid-19 pandemic can be categorized as a relative force majeure in the procurement of construction work. This means the project can be implemented even though there is a very high risk for workers to be affected by the virus.


The inability of a party to fulfill the obligations in accordance with the agreement made indicates such party has defaulted or broken a promise. The aggrieved party is allowed by law to claim compensation in the form of reimbursement of costs, losses, and interest which are only required when the defaulting parties have been declared negligent in fulfilling their commitments. However, in the case of force majeure, Articles 1244, 1245, 1444, and 1445 of the Civil Code state that there is not going to be any reimbursement. When examined, the provisions of these articles place more emphasis on the procedure for compensation and interest, but the said provisions itself still can be used as the basis for force majeure situation.²⁸

When further examined regarding the inclusion of force majeure into a contract, there is no provision which states that force majeure must be regulated in a contract in order for it to be used its legality as the basis for force majeure circumstances. The inclusion of force majeure clause is there to further strengthen its application.²⁹ The interpretation of covid-19 as force majeure is frequently associated with clausula rebus sic stantibus which means that a contract can be canceled or terminated should there is any fundamental change in the circumstances covering in the contract.³⁰

The cancellation and termination of a construction work contract are usually linked to the non-fulfillment of the conditions validating

a contract. These conditions are stated in Article 1320 of the Civil Code including: agreement, competence, specific object, and Halal cause.

The agreement and competence are subjective conditions that normally lead to the cancellation of an agreement or a contract when they are not fulfilled. Meanwhile, specific object and halal cause are objective conditions that can lead to the declaration of the agreement or contract as null and void by law.

The cancellation has legal consequences for the whole or part of a contract. According to Budiono, the cancellation of a part is usually associated with the invalidation of one out of several clauses without disturbing the whole contract. This is expected to be applied to the sections or clauses considered to be unimportant or nonessential.31

This means the cancellation process focuses on the fulfillment of the contract’s validity while force majeure is related to the conditions preventing a debtor from fulfilling the obligations stated in the contract. This simply shows that it is impossible to request the cancellation or declaration of the construction work contracts during the Covid-19 pandemic as null and void based on force majeure. Force majeure clause whether it is included or not in the contract, in principle it can still be used as the legal basis to eliminate the obligation for paying compensation, as long as the said force majeure situation really did emerge.32

The amount of budget that has been spent to tackle the covid-19 situation should be considered as the special force majeure circumstances. There are various regulations and contract standards that have yet included covid-19 as force majeure in its contract

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clause. Therefore, it is important for parties who are seeking remedies based on the force majeure clause to show that the sole reason for the failure of the performance obligation is caused by covid-19. The implementation of force majeure should be done with case-by-case analysis where the non-fulfillment of the contract is due to covid-19.

The provisions regarding the termination of construction work contracts are contained in Article 40 letter I of the Construction Services Law and clause 41 of the General Contract Conditions (SSUK). These two provisions stipulate that the termination can be conducted by the service user which is the government or the Commitment Making Officer (PPK) in this case and by the construction service provider unilaterally when one of the parties is in default or for other reasons determined in a limited manner. This can be achieved without having to submit a request for cancellation to the court as regulated in Articles 1266 and 1267 of the Civil Code.

The fulfillment of this condition usually leads to the legal termination of the contract and all the parties are expected to return to the original state as if there had not been a contract. Moreover, the termination conditions in Article 1266 of the Civil Code are always required to be included in a reciprocal contract and assumed to be satisfied when one of the parties fails to fulfill the contractual obligations. It is important to note that the contract cannot be terminated by law but through a request made to the court. This is in line with the provision of the article that there is a need for a reciprocal contract, a default, and the termination should be based on a court decision. The judge's decision stipulating that the contract has been

terminated is usually based on the following arguments:  

1. Historical reason, according to Article 1266 of the Civil Code, the termination of the contract occurs because of the judge’s decision.  
2. Article 1266 paragraph (2) of the Civil Code states firmly that the default is not allowed by law to terminate the contract.  
3. The judge has the authority to give *terme de grace* (a grace period for parties declared to have defaulted to fulfill the obligation to the other parties) and this means that the contract has not been terminated.  
4. Parties entitled to receive the obligation can also demand fulfillment from the party that defaulted.  

In relation to the Covid-19 pandemic, the construction work contracts cannot be automatically terminated based on force majeure. This is against Article 55 Presidential Regulation on the Procurement of Goods and Services Number 16 of 2018 as amended by Presidential Regulation Number 12 of 2021 which states that a contract can be terminated in the event of a force majeure. Moreover, both parties can make changes when the contract is allowed to continue such as the extension of time for completion beyond the fiscal year due to force majeure.  

The Electronic Work Document Standard states that a contract can be terminated through a written notification accompanied by the reasons for the termination, appropriate sanctions, and the obligations to be fulfilled by the party whose contract was unilaterally terminated. However, the construction work contracts during the Covid-19 pandemic cannot be automatically terminated because the condition is not absolute force majeure. Therefore, it is possible for the government as the service user to demand the fulfillment of the contractual obligations from the service provider.

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LIABILITY FOR THE RISK OF IMPLEMENTING CONSTRUCTION WORK CONTRACTS DURING THE COVID-19 PANDEMIC

The State is obligated to provide legal protection to its citizens. Legal protection according to Satjipto Raharjo is to provide shelter for the human rights that have been violated or harmed by other party and the protection is given to the people so that they can enjoy the rights granted by the law.\textsuperscript{36} Whereas Philipus M. Hadjon opines that legal protection is a preventive and repressive measure.\textsuperscript{37} There are two types of legal protection for the people:\textsuperscript{38}

1. Preventive legal protection
   It is where the legal subjects are given the opportunity to file objections or opinions before a government decision is put into force or gets definitive form. The aim is to prevent the dispute from arising.

2. Repressive legal protection
   Repressive legal protection aims to settle the dispute.
   According to Agus Yudha Hernoko there are several theories that can be applied to the risk liability in the event of force majeure situation occurs, namely:\textsuperscript{39}

1. Objective Theory, which is based on the assumption that it is impossible for everyone, meaning that it is impossible for

\textsuperscript{36} Satjipto Raharjo, Ilmu Hukum, (Bandung: PT. Citra Aditia Bakti, 2014).

\textsuperscript{37} Philipus M. Hadjon, Perlindungan Hukum bagi Rakyat Indonesia, (Surabaya: PT. Bina Ilmu, 1987).

\textsuperscript{38} Hadjon, 1987, p. 20.

\textsuperscript{39} Agus Yudha Hernoko, Hukum Perjanjian Asas Proporsionalitas dalam Kontrak Komersial, (Jakarta: Kencana Prenada Group, 2021).
everyone to carry out the obligation of the contract (vide Article 1444 Indonesian Civil Code).

2. Subjective Theory, on the assumption that the fulfilment of the contract obligation is impossible for the debtor, meaning the relative impossibility to carry out the contract obligation given the individual circumstances or subject of the debtor.

The liability for the risks associated with the implementation of a contract is also related to force majeure. This mostly focuses on the party to pay the compensation when a force majeure event makes it impossible to fulfill the contractual obligations. Moreover, the risk is defined as the responsibility of bearing losses when the inability to complete a project is not the fault of the parties involved in the contract.\(^\text{40}\) It is also explained as the obligation to compensate when there is a force majeure hindering the completion of the construction work.\(^\text{41}\) This simply shows that the notion of risk is related to force majeure.

There are no regulations regarding risk in the construction work contracts or the Construction Services Law but the liability for risk in reciprocal contracts is regulated in Articles 1460, 1545, and 1553 of the Civil Code. It was stated in Article 1460 that the risk from the time of purchasing goods in the sale and purchase agreement is to be borne by the buyer even when the goods have not been delivered and the seller has the right to demand for payment. Article 1545 shows that the risks in an exchange contract should be borne by the owner of the object that is supposed to implement the contractual agreement but fails to do as required. Meanwhile, Article 1553 states that when a leased item is destroyed without the fault of any of the parties during the rental period, the lease agreement is null and void by law and this means the owner bears the loss.

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This shows there is a conflict in the provisions of these articles, thereby leading to the agreement of contract law experts to apply Article 1545 as the main provisions in regulating risks in reciprocal contracts and Article 1460 as the dead normative provisions.\footnote{Mariam Darus Badrulzaman, *Kompilasi Hukum Perikatan*, (Bandung: PT Citra Aditya Bakti, 2016)} A construction work contract is a reciprocal contract and this means the risk in the event of a force majeure is to be borne by the service user. However, the Covid-19 pandemic is a non-natural disaster categorized as a relative force majeure. This means the risks associated with the construction work contracts during the period are not necessarily borne by the service user because the obligations can be fulfilled after the pandemic after certain changes have been made to the contracts. This simply means the risk of force majeure liability associated with the realization of government construction work contracts in Indonesia during the pandemic is borne by both the service user and provider.

From several of the court decisions regarding covid-19, which are High Court Decision No. 276/pdt/2021/PT SMG, District Court Decision No. 5/Pdt.G/2021 PN Pwr, Decision Number 53/Pdt/2020 PT SMG, Decision Number 62/Pdt.G/2020 Pwr, the opinion from Otto Hasibuan is used as the basis for the court decision in which the pandemic covid-19 cannot be classified as force majeure, however in the event if someone is unable to carry out his will beyond his capabilities due to administrative conditions, natural disasters and non-natural disasters, therefore in that case it can be said that force majeure has indeed occurred. Moreover, only the Judges who are able to determine whether a covid-19 can be considered as force majeure or not, and the government has no capacity in determining such situation. Based on this, hence the main elements that can be said as force majeure are unexpected events, unexpected non-natural covid-
19 disasters, obstacles that prevent the fulfilment of contract obligation.

CONCLUSION

The findings of the research indicate that the cancellation of a contract is associated with the fulfillment of validity conditions, while force majeure refers to events that prevent the debtor from fulfilling their contractual obligations. Therefore, it is not possible to declare construction work contracts null and void solely due to the Covid-19 pandemic. The pandemic does not meet the criteria for absolute force majeure, allowing the government as the service user to demand completion of the projects from the service provider. It is important to recognize that a construction work contract falls under the category of a reciprocal contract, and the risks arising from force majeure in such agreements are typically borne by the creditor, as prescribed by law. However, in the case of the Covid-19 pandemic, which can be considered a relative force majeure, the risk of implementing the work contracts may not necessarily be solely borne by the construction service user. It is possible to modify the terms of the contract to fulfill the contractual obligations after the pandemic concludes. Consequently, the liability for risk in this situation is shared by both the service user and the provider, aligning with court decisions. Based on the above, it is suggested that service users and construction service providers consider incorporating criteria for both absolute force majeure and relative force majeure into construction work contracts. This would help establish a clear framework for allocating risk liability in the event of force majeure caused by a pandemic outbreak. By doing so, the parties involved in the construction work contract can achieve legal certainty regarding their rights and obligations.
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