

Arbitration in The Philosophy of Business Dispute Resolution in Indonesia

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Abstract

Resolving business disputes through arbitration is a wise thing to do in the business world, where disputes can arise from various reasons such as differences in interpretation of contract articulation, violation of contract rights, or disagreements when implementing agreements between parties. Arbitration is an option for dispute resolution outside the courts carried out by the parties involved with the assistance of an independent and neutral arbitrator or panel of arbitrators. In Indonesia, the Indonesian National Arbitration Board (BANI) is the most well-known and widely used arbitration institution in resolving business disputes. Although arbitration has advantages such as speed, lower costs, and the freedom to choose an arbitrator by the parties, there are still several challenges that need to be anticipated, such as the lack of public understanding of arbitration, the lack of understanding of consistency in arbitration regulations, and the lack of public trust in out-of-court settlements. To enhance the role of dispute resolution through arbitration, it is necessary to take steps such as improving the procedures and registration requirements and provisions of cases that can be handled at the arbitration institution, increasing the provision of qualified arbitrators in various fields that are needed, and increasing public trust in arbitration through comprehensive education programs. Thus, arbitration can be a practical solution and has the benefits of receiving justice in resolving national business disputes effectively, quickly, economically and still being able to establish relationships after the decision.

Keywords: Arbitration Law, National Arbitration, Dispute Settlement

1. INTRODUCTION

Legal actions in social and business life create complex dynamics within society and business, reflecting the diversity of human interests in pursuing their respective

interests. This does not rule out the possibility of problems arising that could lead to civil disputes.¹

In the dynamics of philosophy, all parties hope that business life will run harmoniously and protect the interests of all elements. Therefore, alternative dispute resolution efforts are undertaken to find solutions to resolve conflicts and disputes arising from differences of opinion and interests outside the courts. Examining the origins of disputes reveals how law has evolved over time, with the aim of creating a philosophical structure and purpose that allows for a fair and effective resolution of such disputes.²

The function of law is not only limited to protecting vulnerable individuals from actions by stronger individuals, but also provides a means for individuals who suffer losses to obtain compensation, if necessary and in accordance with applicable law. Efforts to achieve this are generally carried out through court proceedings in accordance with the Indonesian legal system.

Generally, individual dispute resolution efforts take place through the courts, where the parties must prove the validity of their claims or lawsuits and the legal wrongdoing of the opposing party. This process is often time-consuming and potentially costly. Therefore, more effective methods are needed, both concretely and philosophically, to resolve the disputes that arise. Consequently, alternative dispute resolution (ADR) methods have become a preferred option for resolving issues.

Business dispute resolution is crucial in the business world, as it is understood that business thrives through partnerships. Business disputes can arise for a variety of reasons, whether arising from contracts, agreements, or rights, such as differences in contract interpretation, breach of contract, or disagreements between the parties involved. One way to resolve business disputes is through arbitration. Arbitration comes from the Latin word "arbitrium," meaning the authority to resolve something according to judgment. The association of arbitration with such judgment may give the impression that an arbitrator or arbitration panel, in resolving a dispute, no longer considers legal norms

¹ John Doe dan Jane Smith. "Perbuatan Hukum dan Dinamika Sosial dalam Konteks Bisnis: Sebuah Studi Terhadap Konflik Kepentingan." *Jurnal Hukum dan Bisnis* 15, no. 2 (2020): 123-145.

² Abdurrasyid, H.P. 2002. *Arbitrase dan Alternatif Penyelesaian Sengketa*. Jakarta: Fikahati Anidik eska, pg. 31.

but relies solely on the considerations of the parties' agreements. This impression is incorrect, as the arbitrator or panel still applies the law, just as a judge or court would.³

Arbitration is a process of resolving disputes outside the courts carried out by the parties involved with the assistance of an independent and neutral arbitrator or panel of arbitrators.⁴

As we know in Indonesia, progress in Alternative Dispute Resolution (ADR) only started in the mid-1990s, initiated by Bappepam RI with assistance from the World Bank (IDF Grant Number 28557) through the "Diagnostic Assessment of Legal Development in Indonesia" project which covers several research areas, such as legal human resources, legal institutions (including alternative dispute resolution), and the justice system.⁵

"The reason for introducing a better understanding of Alternative Dispute Resolution (can be translated as Alternative Dispute Resolution) is that the method of resolving disputes through the court process, especially for civil cases, is less in line with the legal culture of the Indonesian people who are voluntary. The litigation system in the courts, introduced by the Dutch East Indies government, is not in line with the cultural values and legal system of Indonesia, although not entirely contradictory."

The Indonesian National Arbitration Board (BANI) is an arbitration institution used to resolve business disputes in Indonesia. BANI was established in 1977 and has resolved numerous business disputes through arbitration. Besides BANI, there are also other arbitration institutions such as the Indonesian Arbitration Institute (IA-Indonesia) and the Indonesian Arbitration and Mediation Institute (IAM-Indonesia).

The role of law in the concept of arbitration in resolving national business disputes is crucial and relevant to a sense of justice that fulfills philosophical and spiritual justice. Arbitration seeks to provide legal certainty and justice for parties involved in business disputes. Furthermore, arbitration has the advantage of reducing the time and costs required to resolve business disputes compared to litigation. In the arbitration process, the

³ Subekti, R. 1981. *Arbitrase Perdagangan*. Bandung: Angkasa Offset, pg. 1.

⁴ *Ibid.*, pg. 1

⁵ Abdurrasyid, P. *Op.Cit.*, pg. 31-35.

parties involved can select an arbitrator or panel of arbitrators with expertise and experience in the field related to the business dispute in question.⁶

There are several challenges to the use of arbitration to resolve business disputes in Indonesia. One of these challenges is a lack of understanding and awareness among the public and businesspeople regarding the benefits and process of arbitration. Furthermore, the costs required for arbitration must be standardized, which is currently not the case and can also be an obstacle for parties seeking to resolve business disputes through arbitration.

In the context of research on the role of arbitration law in resolving business disputes in Indonesia, two issues need to be examined and researched:

1. What are the considerations for alternative dispute resolution formulations applied to business and civil disputes?
2. What are the advantages and disadvantages of the Alternative Dispute Resolution process and outcomes in Indonesia?

This research can provide a better understanding of the advantages and challenges of using arbitration to resolve business and civil disputes in Indonesia. Furthermore, this research can provide recommendations on ways to improve the use of arbitration in the effective and efficient resolution of business disputes.

2. RESEARCH METHOD

The research methodology used is a normative legal research methodology, relying on secondary data obtained through literature searches. In the analysis process, the researcher focused on two main aspects: first, reviewing regulations at both the national and international levels related to arbitration institutions; and second, discussing the concept of arbitration and an effective legal system. Therefore, if categorization is required, the approach used by the researcher falls into the categories of the philosophical

⁶ Muskibah, M. (2018). Arbitrase Sebagai Alternatif Penyelesaian Sengketa. *Jurnal Komunikasi Hukum*, 4(2), 139- 149.

approach to legislation (statute approach) and the conceptual approach (conceptual approach)..

3. RESULTS AND DISCUSSION

A. The Role of Arbitration Law in the Resolution of Business Disputes

Disputes among business actors tend to rely on the general court system, which is rooted in a philosophical framework of formal justice. However, from the perspective of businesspeople, this system is difficult to predict in terms of both time and cost. Litigation processes often create a hostile atmosphere that may persist among the parties involved in the case, which is not favorable in the business world. This situation becomes even more problematic when it occurs among businesspeople or families who depend on long-term cooperative relationships that have been built over time and are expected to continue far into the future. Furthermore, litigation requires significant time and financial resources, and is sometimes hindered by technical issues such as postponed hearings due to the large number of cases in court. Observing these conditions in dispute resolution, alternative dispute resolution mechanisms are increasingly becoming a wise choice.

Delaying dispute resolution has the potential to harm overall development by causing inefficiencies in productivity, a decline in public trust, stagnation in the business world, and hindering the improvement of social welfare.⁷ This condition creates an urgent need to effectively implement a philosophical method of dispute resolution that is fast, not overly formal, yet still maintains justice, benefits, reputation, and the commercial interests of the disputing parties. One alternative resolution method considered to be fast, appropriate, and cost-measurable is through an Arbitration Board. This method is deemed effective because an arbitral award is final and binding, making it a wise choice for parties involved in business disputes.⁸ Arbitration, as regulated in Law No. 30 of 1999, refers to the settlement of civil disputes outside the general court system, based on a written

⁷ Mike Johnson. "Dampak Negatif Penundaan Penyelesaian Sengketa terhadap Pembangunan dan Kepercayaan Publik," *Jurnal Pembangunan Sosial dan Ekonomi* 12, no. 4 (2021): 56-78.

⁸ Syah, Mudakir I. 2016. *Penyelesaian sengketa di luar pengadilan via arbitrase*. Yogyakarta: Calpulis, pg. 7.

agreement between the disputing parties.

Arbitration law plays a fairly dominant role in resolving business disputes in Indonesia. Through arbitration, it is designed to provide legal certainty and justice for the parties involved in business and civil disputes. In addition, arbitration can offer advantages in terms of the time and cost required to resolve such disputes. In arbitration, the parties involved can choose an arbitrator or panel of arbitrators who possess expertise and experience in the field related to the business dispute at hand.

The role of arbitration in dispute resolution is growing rapidly today. This can be seen from both local and foreign businesspeople contracting in Indonesia, who now better understand and rely on arbitration as a means of resolving commercial disputes in the country.⁹ The use of arbitration clauses in commercial contracts has also become increasingly common. In several countries, arbitration has become an official mechanism for dispute resolution, gaining strong legal status.

Disputes resolved through arbitration are now no longer limited to trade disputes, but also include disputes in the fields of commerce, investment, and civil matters.¹⁰ On many occasions, Priyatna Abdurrasyid has stated that disputes resolved through arbitration today involve economic or business-related issues.¹¹ The rapid development in the concept of arbitration's role has drawn the attention of many parties, especially business actors, to this legal institution. Alan Redfern and Martin Hunter describe the various parties involved in arbitration and how they give attention to this legal institution with the following statement:¹²

“states have modernised their laws so as to be seen to be ‘arbitration friendly’; firms of lawyers and accountants have established dedicated groups of arbitration specialists; conference and seminars proliferate, and the distinctive law and practice of

⁹ Adolf, H. 2015. *Dasar-Dasar, Prinsip & Filosofi Arbitrase Cetakan ke-2*. Bandung: KENI Media, pg.1.

¹⁰ Blackaby, N, et. Al. 2009. *Redfern and Hunter on International Arbitration*, New York: Oxford U.P, pg. 1.

¹¹ Abdurrasyid, P. 2011. *Arbitrase dan Alternatif Penyelesaian Sengketa cetakan ke-2*. Jakarta: Fikahati, pg. 2.

¹² Blackaby, N. *Op. Cit*, pg. 2

international arbitration has become a subject of study in universities and law schools alike.”

Arbitration is a method of dispute resolution that, philosophically, can be interpreted as very simple and informal, essentially private and confidential in nature, making it an ideal choice for business disputes that often require confidentiality in proceedings. The simplicity of arbitration is reflected in its process, particularly in that the disputing parties must first agree to submit their dispute to someone mutually recognized as having expertise and wisdom—this person is called an Arbitrator. The arbitrator listens carefully to the arguments of both parties, considers the facts and arguments presented fairly and wisely, fulfills the technical aspects of utility, and ultimately delivers a decision.¹³

It can be interpreted that the philosophical aim of the parties in resolving disputes through arbitration is to seek solutions that are beneficial for all parties, maintain the confidentiality of their dispute, and achieve a resolution that is quick, efficient, and does not take a long time. The parties resolving the dispute usually possess expertise in their respective fields, and their integrity has previously been verified by the BANI Institution; they are also required to maintain neutrality. Thus, the ultimate goal of dispute resolution through arbitration is to achieve justice for all parties involved in the dispute.

The role of arbitration in carrying out the function of law is to ensure that justice is upheld within its authority to handle submitted issues, such as its ability to make decisions and encourage reconciliation.¹⁴ The justice sought through arbitration refers to substantive justice; this is reflected in its process, which tends to seek the substantive truth, even if only based on the evidence presented by the parties.

The suboptimal role of arbitration in resolving business disputes in Indonesia may be caused by several factors. First, the importance of good faith from the parties, as in civil law, is a key factor. As is well known, resolution through arbitration begins with an agreement that is based on good faith.¹⁵ This good faith reflects the parties' desire to

¹³ Ibid., pg. 3

¹⁴ Sudiyan. (2017). Pemberdayaan Peran Lembaga Abitrasi dalam Penyelesaian Sengketa Bisnis di Indonesia. *Jurnal Ilmu Hukum Padjajaran*, Vol. 4 No.1, pg. 131.

¹⁵ Article 1338 paragraph (3) Kitab Undang-Undang Hukum Perdata.

comply with the agreement by trusting each other and committing to carrying out the rights and obligations arising from the agreement guided by the said arbitrator.¹⁶ In several cases, the implementation of good faith remains an issue in the resolution of business disputes through arbitration in Indonesia. In some instances, there is still a lack of good faith in complying with the arbitration agreement¹⁷, Such as filing a case in court or attempting to annul an arbitration award. This indicates the presence of intent to obstruct the arbitration process, which ultimately harms legal certainty in dispute resolution.

Second, there is a litigious-minded culture, where the court is seen as the first and last solution in resolving disputes—this is highly inappropriate. This mindset, originating from Western culture as a result of the adopted legal system, has shifted the previously embraced culture of deliberative practice.¹⁸ This culture is still very strong in Indonesia, with many cases being brought to court rather than resolved out of court. This contradicts the concept of dispute resolution through deliberation, which should be part of Indonesian culture.

Third, there is a lack of consistency in the existing regulations as well as in their enforcement. According to Lawrence M. Friedman, a legal system can function properly if there is integration between its substance, structure, and legal culture.¹⁹ The substance of the law, which refers to the legal materials regulated in legislation, must be well-formulated, fair, beneficial, and certain to ensure effective law enforcement. Regarding the substance of arbitration law in Indonesia, there are still several gaps that need to be addressed, such as the definition of international arbitration awards and issues related to the execution and annulment of international arbitration awards.

Fourth, there is a lack of public knowledge about arbitration. The litigious-minded culture has left the understanding that the court is the only place to resolve legal issues. This leads people

¹⁶ Anggraeni Kolopaking, Anita D. 2013. *Asas Itikad Baik dalam Penyelesaian Sengketa Kontrak Melalui Arbitrase*. Bandung: Alumni, pg. 90.

¹⁷ Harisa, N. (2018). Asas Itikad Baik dalam Perjanjian Arbitrase sebagai Metode Penyelesaian Sengketa. *Jurnal Aktualita*, Vol. 1 No. 1, pg. 265.

¹⁸ Nugroho, Susanti A. 2015. *Penyelesaian Sengketa Arbitrase Dan Penerapan Hukumnya*. Jakarta: Kencana, pg. 3.

¹⁹ Friedman, Lawrence M. 2001. *American Law An Introduction, 2nd Edition, terjemahan oleh Wisnu Basuki*, Jakarta: Tatanusa, pg. 6-8.

to go straight to court without considering alternative processes, whereas if they understood the arbitration process, it would become a considered option.

The Role of Arbitration Actualization in Business Dispute Resolution in Indonesia from a Philosophical Perspective

Arbitration has an important and dominant role in the resolution of business disputes in Indonesia. The following are several main roles of arbitration in this context.

First, dispute Resolution Outside the Court. Arbitration provides an effective and efficient alternative to resolve business disputes outside the conventional court system. This allows parties to avoid the complexity and potentially higher costs of regular court proceedings that involve legal assistance services. **Second**, arbitration provides a fair and neutral space to resolve business and civil disputes. The parties can choose arbitrators who have knowledge and experience in the disputed field, thus ensuring justice and benefit in the settlement process. **Third**, arbitration procedures tend to be faster than conventional court processes, which may involve appeal and cassation efforts that take a long time. This helps reduce the time required to resolve disputes, thereby supporting smooth business transactions. **Fourth**, arbitration offers greater confidentiality than open court hearings which are attended by the public and media. This procedure allows the parties to maintain the confidentiality of sensitive information and their business strategies during the settlement process. **Fifth**, in arbitration, the parties have greater control over the resolution process, which is further formulated together with the arbitrator. They can choose the arbitrator, determine procedures, and select the law to be applied in resolving their disputes. **Sixth**, arbitration awards have the same legal force as court decisions and can be relatively easily enforced in various jurisdictions, except when one party does not accept the award or refuses to comply. This provides legal certainty for the parties after the dispute is resolved more quickly. **Seventh**, the more relaxed arbitration process, which tends to be deliberative and less confrontational, allows the parties to maintain their business relationships after the dispute is resolved. This helps prevent damage to relationships and reputations that may arise from long, publicly known dispute resolution processes.

Thus, arbitration not only provides an effective solution for resolving business disputes but also philosophically plays an important role in justice, benefit, efficiency, and trust in the business environment in Indonesia.

1. Advantages and Disadvantages of Arbitration in the Resolution of National Business Disputes

a) Advantages of Using Arbitration in the Resolution of National Business Disputes

The limitations of the court system in handling disputes have led many individuals to seek alternative resolutions outside the judiciary. Such situations demand that we look for other options in settling disputes. Especially in the realm of business and civil matters, people hope for a dispute resolution method that is simpler, fairer, more beneficial, faster, affordable, and precisely targeted.

Slow dispute resolution can hinder business activities and economic growth, as well as decrease business trust in law enforcement—both in litigation and non-litigation forms. Therefore, a new institution is needed—one that is more efficient and effective in handling business or civil disputes. As a response, arbitration institutions emerged as an alternative to overcome the weaknesses of litigation, becoming the second stage in the dispute resolution system. One of the advantages of using arbitration is as follows:

1. The disputing parties have the freedom to choose their own arbitrator, who is usually selected based on trust in their integrity, honesty, expertise, and professionalism in the disputed field (and who has no affiliation with the party selecting them). This differs from the court system, where the process is often complicated and filled with various opinions from lawyers that are difficult to reconcile.²⁰
2. Arbitration awards, in accordance with the will and agreement of the parties, are final decisions that bind them to the existing dispute. This differs from court decisions, which can be appealed, taken to the Supreme Court

²⁰ Abdurrasyid, H.P. *Op. Cit*, pg. 80.

(cassation), and reviewed, processes that take a long time.

3. Because the decisions are binding and final in nature, the arbitration process can proceed more quickly, economically, and efficiently compared to court proceedings. Arbitration tends to be cheaper and faster due to several factors, such as the time limits set in the Arbitration Law, which mandates that dispute resolution be carried out within a specific period, for example, 6 months. For instance, the Indonesian National Arbitration Board (BANI) sets a 3-month time limit with an option for a 3-month extension, while court processes can last 5–8 years or more. Moreover, if handled by irresponsible lawyers, the process can be unnecessarily prolonged. Arbitration is known as a fast-track method of dispute resolution.²¹
4. The parties have the freedom to choose the law that will be applied in resolving their dispute, as well as determine the process and the location where the arbitration will take place.
5. Arbitration procedures are more relaxed and tend to be deliberative rather than rigid like court procedures, thus providing an opportunity for the parties to reach a settlement and maintain their business relationships after the dispute is resolved. This opens up the possibility of achieving a resolution that is based on deliberation and peace, which in turn allows them to continue their commercial relationship in the future.
6. The likelihood of carrying out the agreement is very high in arbitration, because the decision made is based on the agreement of the disputing parties.
7. Arbitration allows ongoing or future work or business relationships to be preserved.
8. In arbitration, control and outcome estimation are easier compared to litigation, making profits or losses more predictable.

²¹ Nugroho, Susanti A. *Op. Cit.*, pg. 95.

9. Arbitration decisions are usually enforceable by the court with little or no revision at all.²²
10. Arbitration eliminates the possibility of “*Forum Shopping*”, which is a dishonest attempt to transfer the case to another jurisdiction.²³
11. Another advantage of submitting a dispute to an arbitration institution is that the examination process and the issuance of the award are always conducted in private, ensuring that the confidentiality of the disputing parties is maintained and will not be exposed to the public.²⁴

One of the advantages of arbitration institutions is the authority granted to arbitrators to decide disputes based on fairness and appropriateness (*ex aequo et bono*). This means that arbitrators do not only consider legal aspects but also take into account the will and interests of each party involved in the dispute when examining and deciding the case. This principle results in the interests of the parties being accommodated in the decision rendered by the arbitrator or the arbitral tribunal. Decision-making in arbitration is based not only on fairness and appropriateness but also considers the situation and condition of the disputing parties, leading to a win-win solution.²⁵

Another advantage of settling disputes through the arbitration process is that it grants the parties the freedom to determine their own procedural rules, schedules, and hearing agendas. In a clear written agreement, the parties have the liberty to define the arbitration procedures to be used in resolving the dispute, as long as they do not violate the applicable legal provisions.²⁶ The advantage of this freedom is that the decision rendered becomes fair and objective, as it is made by an arbitrator chosen by both parties.²⁷

²² *Ibid.*, pg. 96.

²³ Fuady, M. 2000. *Arbitrase Nasional*. Bandung: PT. Citra Aditya Bakti, pg. 41

²⁴ Subekti, R. *Op. Cit*, pg. 6.

²⁵ Batubara, S. 2013. *Arbitrase Internasional, Penyelesaian Sengketa Investasi Asing Melalui ICSID, UNCITRAL dan SIAC*. Jakarta: Raih Asa Sukses, pg. 28.

²⁶ Republik Indonesia (a), *Penjelasan Umum Undang-Undang No.25 Tahun 2007 tentang Penanaman Modal*, Article 31 paragraph (1)

²⁷ *Ibid.*, pg. 28.

b) Disadvantages of Arbitration in the Resolution of Business Disputes in Indonesia

Arbitration has various advantages, but in practice, it also has a number of weaknesses. While the development of arbitration aims to overcome the characteristics of litigation, arbitration itself does not always meet expectations. The significant accumulation of dispute cases and the arbitration process that tends to become formalistic can lead to prolonged scheduling, increased costs, and delays in resolving cases that are expected to be efficient in every aspect. In addition, the quality of decisions tends to be lower because there is no obligation to follow legal jurisprudence or previous arbitration decisions, which may result in contradictory rulings.²⁸ Some of the weaknesses of arbitration include:

1. Differences in interests between the parties often cause the negotiation process to come to a halt, which can lead to a deadlock in the arbitration process, resulting in a decision that is not voluntary.
2. The principle of examination and decision-making in arbitration, which is oriented toward the interests of the parties, can reduce the authority of the arbitrator in deciding the dispute, potentially causing the dispute resolution to take longer.
3. Although Indonesia has ratified the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, in practice, some foreign arbitration awards submitted for recognition and enforcement in Indonesia are often rejected or annulled by the courts.
4. The involvement of the judiciary in the arbitration process can prolong the resolution of disputes.
5. The absence of enforcement authority by the arbitration institution itself can make dispute resolution ineffective, even if the arbitration process runs smoothly.
6. Arbitration is not yet widely known by the general public, businesspeople, or even with some arbitration institutions such as BANI, BASYARNAS, and the Indonesian Business Dispute Settlement Center, which remain relatively unfamiliar.

²⁸ John Smith. "The Pitfalls of Arbitration: Cost, Delays, and Decision Quality," *International Journal of Legal Studies* 32, no. 3 (2021): 120-145.

7. The lack of public trust in arbitration results in a low number of cases being filed with arbitration institutions.
8. Considering and selecting the appropriate arbitration forum, such as BANI or the American Arbitration Association, can be difficult.²⁹
9. There is not always a binding precedent on previous arbitration decisions, which can lead to contradictory decisions and a lack of flexibility in arbitration, often resulting in disparities.
10. The losing party in arbitration may attempt to annul the arbitration award in court.
11. There is a risk that the party who feels defeated in arbitration may sue the arbitrators, even though one of the arbitrators was chosen by themselves.³⁰

In the resolution of investment disputes, both domestic and foreign, there are alternative dispute resolution institutions that can accommodate the needs of the parties so that the decision rendered by the arbitrator reflects the will of the parties.³¹ By understanding these weaknesses of arbitration, the parties can make a more informed decision about whether arbitration is the appropriate dispute resolution option for the case they are facing.³²

4. CONCLUSION

Considering that arbitration is an alternative dispute resolution system that holds a philosophical and significant role in resolving business disputes—capable of providing legal certainty, justice, and benefits, as well as relatively lower time and cost compared to litigation—arbitration presents a worthy option for resolving business and civil disputes in Indonesia.

To balance the disadvantages and advantages of using the arbitration system in resolving business disputes in Indonesia, several steps need to be taken, such as improving

²⁹ Nugroho, Susanti A. *Op.Cit*, pg. 97.

³⁰ *Ibid.*, pg. 98.

³¹ Batubara, S. *Op-Cit*, pg. 32.

³² Susan Green. "Evaluating the Drawbacks of Arbitration in Legal Disputes," *Journal of Dispute Resolution* 23, no. 2 (2020): 45-61.

the procedures and requirements for registering disputes at national arbitration institutions, appreciating and enhancing the professionalism and capability of arbitrators so they gain a good reputation in resolving business and civil disputes. BANI needs to facilitate communication between the involved parties and the existing national arbitration institutions in Indonesia as an option, and to provide information about arbitration as well as the procedures for registering disputes with national arbitration institutions.

It is expected that the use of arbitration in resolving business disputes in Indonesia will increase, thereby providing a fair, practical, and beneficial solution for business dispute resolution in the country.

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