



The Effectiveness of Enforcement of International Arbitration Awards in the Alternative Dispute Resolution Regime

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Abstract

The aim of this research is to create a more accommodating arbitration model law by measuring the effectivity of international arbitration award implementation in accordance with UU No. 30/1999 regarding Arbitration and ADR law in international business dispute. The study analyzes the enforcement of international arbitration award implementation in relation to fairness and legal certainty. The research method is normative empirical, using statutes, conceptual, cases and sociological approaches. The technique of data gathering was carried on by observation, interview and library research. The conclusion of this research is that the implementation of international arbitral awards is still not effective due to normative barriers from the law itself, as well as institutional, support infrastructures and human resources barrier. Steps need to be taken to reinforce the implementation of the arbitration awards in relation to create legal certainty in a normative sense.

Keywords: *International Business Disputes; International Arbitration; Enforcement of Arbitral Awards, Law No. 30/1999, UNCITRAL Model Law*

Introduction

Indonesia's bid to accelerate its national economic development in the ever-changing global economy requires international cooperation with other global states. Such efforts may be accomplished by improvement of investment and business climate of the country. In recent years, the data have shown a steady increase in foreign investment in the table below.

Table 1. Foreign Direct Investment Realization up to First Trimester Year 2019¹

YEAR	TOTAL	
	Project	Investment (US\$ Mil)
2010	3,076	16,214.8
2011	4,342	19,474.5
2012	4,579	24,564.7
2013	9,612	28,617.5
2014	8,885	28,529.7
2015	17,738	29,275.9
2016	25,321	28,964.1
2017	17,510	15,553.41
2018	21,972	29,307,901.4
Q1-2019	9,815	6,080,722.6

Source: BKPM website, 2019

Such accomplishment has been attributed to Indonesia's effort in improving bureaucracy, security, stability and efficiency of its foreign investment processes. To further increase the positive trend, Indonesian government shall continue to innovate by facilitating a more comprehensive approach to investment through better law and regulations in conducting business and investment, including business dispute resolution mechanism and procedures.

One key regulatory instrument in business dispute resolution that has been established in Indonesia is Law No. 30 / 1999 concerning Arbitration and Alternative Dispute Resolution, which prescribed the procedures and avenues for non-litigative options outside of court for business disputes.

Arbitration has always been a relevant and preferred option for global businesses, for its confidentiality, presided by professionals in the trades, and produced an award that are specific, legally certain, final and binding. Priyatna Abdurrasyid wrote:

“Arbitration is an alternative mechanism for dispute resolution in a form of legal action that is sanctioned by law in which one or more parties submit their disputes – their different views – disagreement with other parties – to a third individual (an arbitrator) or more (arbitrators tribunal) which regarded as professional expert, which shall act as judge/private court who will conduct the a legal mechanism for accord that has been agreed upon by the parties in order to arrive in a final and binding decision”²

In international business dispute resolution, international arbitration is the preferred alternative resolution method for out of court settlement. The characteristics of arbitration of being fast and efficient make it a preferred choice for cross-border businesses. Erman Rajagukguk³ wrote:

“Firstly, most international parties are not familiar with legal system of other countries. Second, there are doubts against the country's court objectivity in examining and deciding a case that contains foreign aspects. Third, the foreign parties may also doubt the qualification and the competency of the court in a developing country in examining a case that involves international trades and transfer of technology. Fourth, a perception that a dispute resolution through the formal court procedure will take a long time.”

In relation to international commercial dispute resolution, Indonesia is a signatory state and ratified the New York Convention and therefore recognizes the dispute resolution method through

¹ Data captured from <http://www.bkpm.go.id/id/investasi-di-indonesia/statistik> accessed on Monday, 05 August 2019

² Priyatna Abdurrasyid, *Arbitrase Dan Alternatif Penyelesaian Sengketa (APS), Suatu Pengantar*, Fikahati Aneska, Jakarta, 2002, page 56-57.

³ Erman Rajagukguk in M. Yahya Harahap, *Arbitrase*, Second edition, fourth print, Sinar Grafika, Jakarta, 2006, page 4.

arbitration as well as its arbitration awards issued outside of Indonesia, both by domestic and international arbitration bodies, which awards prescribe an execution within Indonesia border. Such enforcement of International Arbitration awards is regulated in Section II, Chapter VI of Law No. 30 / 1999, article 65 to 69. In practice, there are still barriers in enforcing the award of some international arbitration cases that are failed to be executed in Indonesia. Within the last 10 years since the promulgation of the Law no. 30 / 1999, the District Court of Central Jakarta has recorded 115 international arbitration cases originating from various international arbitration bodies such as *International Chamber of Commerce (ICC)*, *Singapore International Arbitration Center (SIAC)* and *London Court of International Arbitration (LCIA)*.

Table 2. Registration of International Arbitration Awards at Central Jakarta District Court Year 2007-2017⁴

Year	International Arbitration Award
2007	6
2008	2
2009	7
2010	8
2011	15
2012	10
2013	23
2014	10
2015	14
2016	10
2017	10
Total	115

The accompanying status of the enforcement of the international awards is as follows:

Table 3. International Arbitration Awards at Central Jakarta District Court Year 2007-2017⁵

Award	Total
Received Exequatur	58
Rejected/Non-Exequatur	3
Annulment	2
Examination process	11
Request for an annulment	1
Registered only/No information on exequatur	40
Total	115

⁴ Source: Central Jakarta District Court, 2017 and Mohamed Idwan Ganie, on Roadshow SIAC New Rules 2016 in Jakarta, 16 November 2016.

⁵ Source: Idham Ganie, Roadshow SIAC New Rules, Jakarta, 16 November 2016. Mutiara Hikmah, Arbitrase dan Perkembangannya di Indonesia, paper delivered during BANI Seminar on Internasional Arbitration and Investment, in Jakarta, 19 Desember 2016. Central Jakarta District Court, 2017

From the data above, 4.4% of the awards were rejected for execution by the Central Jakarta District Court at the complaint of one of the party in arbitration.

A prominent example of international arbitration awards that failed to be executed are between PT Lirik Petroleum (plaintiff) against PT Pertamina (Persero) and PT Pertamina EP (as respondents), which arbitration awards was issued by International Chamber of Commerce (ICC) Paris. ICC tribunal found against the respondents (Pertamina) and the award was applied for execution to Central Jakarta District Court. Pertamina then filed for annulment of the arbitration award stating that the arbitration should have been conducted as domestic arbitration instead of international arbitration, and therefore must subject to the regulation for domestic arbitration. Eman Suparman in “Arbitrase & Dilema Penegakan Keadilan” wrote, “when it comes to the issue of recognition and enforcement of international arbitration awards in Indonesia, there have never been legal certainty from the beginning.”⁶ Such view highlighted the issue in positive arbitration law still leaves a loophole that allow for potential conflict, vague norms, and legal uncertainty.

In its substance, Law No. 30 / 1999 does contain what seems to be a double standard in its treatment of arbitration awards. Ideally, an award shall be final and legally binding to the parties. However, there are some articles within the law that may cause inconsistency with the procedure being upheld by international arbitration institutions, which present several barriers in the enforcement of international arbitration awards in Indonesia. Such barriers may hinder the economic, business, and investment climate in Indonesia. Our research shall seek a model of legal norms within Indonesia’s arbitration law so that it shall be more accommodative towards international arbitration.

Based on the background explained above, this thesis shall study (1) how to test the effectiveness of the enforcement of international arbitration in Law No. 30 / 1999 concerning Arbitration and Alternative Dispute Resolution in regards to business dispute resolution, and (2) steps that may need to be taken in enhancing the enforcement of international arbitration award in the effort to create a law environment that are just and legally certain.

This research concerns legal reform and the type of research is normative empirical. In order to understand the legal issues, some method of approach is applied, namely statute approach, conceptual approach, case approach, and sociology approach, by examining the law and regulation concerning dispute resolution are effective in the society. Data for this research is gathered from primary data sources and law resources, as well as secondary and tertiary law resources. Techniques employed in gathering law resources is interview and literature studies, both extensively and intensively. The bodies of collected data are then analyzed in academical manner by identification, classification, construction, and development of relevant issues to arrive to a conclusion.

To validate the legal arguments used in responding to formulated subject matter, several relevant theories are used as base. The base theories also employed to systemized the discoveries in this research, to formulate prediction based on such discoveries, and to provide explanation in response to the questions being discussed. Theories that are selected for this research are theory of justice, of legal certainty, of law enforcement and legal system, and theory of effectiveness of law. Conceptual basis of this research provides the scope that focuses on dispute resolution and arbitration, within the context of business and commerce.

Result and Discussion

1. Barriers in Enforcement of International Arbitration Awards

Arbitration was intended as an effective and efficient mechanism for business dispute resolution outside of court. In practice, there are some barriers, especially when it comes to enforcement of arbitration awards. Losing parties sometimes are reluctant to implement the awards and then file a

⁶ Eman Suparman, *Arbitrase & Dilema Penegakan Keadilan*, Fikahati Aneska, 2012, page.13

complaint to court which prolong the dispute, as Andriani Nurdin, former Chairwoman of Central Jakarta District Court, mentioned that there are obstacles came from the parties although the choice of arbitration as an alternative dispute resolution has been agreed and written in the agreement by them and should be followed by good faith⁷. The normative and administrative barriers in law and regulations allow this to happen and hinder the efficiency and effectiveness of the enforcement of awards, both in domestic and international arbitration.

From Table 3 above, we can see that of 115 international arbitration awards since the promulgation of Law No. 30 / 1999, there has been 50% of the awards requires application for court execution, 3% has been rejected for execution, 2% annulled, 1% is still under consideration, and only 35% are registered without requesting the need for court execution.

A substantial percentage of awards that does not request for court execution shown that international arbitration awards can be enforced, but an even higher number of request for court execution, and in some cases the court even reject or annul the awards, shows that international arbitration awards still facing a considerable barrier if it needs to be enforced in Indonesia. This also indicates that the Law No. 30 / 1999 has not been effective when it comes to the enforcement of international arbitration awards.

To measure the efficiency and effectiveness, we may examine and analyse the success rate, failure rate, and various factors effecting the enforcement and application of law. The factors are, according to Soerjono Soekanto⁸:

1. The law itself.
2. The officers of the law, the apparatus that shape and apply the law
3. Structures and facilities supporting the enforcement of the law
4. Society, environment upon which the law is being enforced
5. Culture, as the result of endeavour, ideas, and sensibility originating from human aspiration in their social life.

The normative factors and difficulties arising therefrom shows that, by itself, arbitration laws may be inadequate to preside over the implementation of international dispute resolution, over the arbitrators as well as the court system involvement within the process. The arbitration law may be insufficiently compatible with the criteria prescribed in the internationally recognized UNCITRAL Model Law for arbitration, which ideally guide the member states in formulating their national arbitration law to harmonize with commonly accepted international law.

Human resource factor of law officers and apparatus including arbitrators, which plays a significant role in effectiveness of enforcement of international awards. Charles Moxley stated that the quality of a good arbitrators depends on ability, experiences, fair-mindedness as well as responsiveness, in presiding over a dispute.⁹ A good grasp of the substantive issues of a dispute is key in producing an awards that satisfy all parties in the dispute.

Enforcement of law depends on how the law itself is accepted and understood by the society, how it is being implemented and adhered to by the society in order to achieve the objective of the law. As stated by Clarence Dias, effectiveness of arbitration law requires not only accessibility by the society towards mechanism of dispute resolution, but it also need to be deemed effective in resolving a dispute.

⁷ Andriani Nurdin, "Pengakuan dan Pelaksanaan Putusan Arbitrase Internasional (Recognition and Enforcement of International Arbitration Awards)", paper delivered at IARBI-BANI One Day Seminar *Is Indonesian Arbitration Law Friendly to Business?* in Jakarta, 2 October 2013, page 1-2

⁸ Soerjono Soekanto, *Faktor-Faktor yang Mempengaruhi Penegakan Hukum*, PT. Raja Persada, Jakarta, 2008, page 8.

⁹ Charles J. Moxley Jr., "Selecting the Ideal Arbitrator", in American Arbitration Association, *Handbook on Arbitration Practice*, JurisNet LLC, New York, 2010, page 55.

The culture of law in the society contains attitude, views and responses of society towards the law also determines the effectiveness of the law. Indonesia's culture promotes communality and collective well-being become a basis for any dispute resolution, preferring to resolve rather than to decide. M. B. Hooker indicates that Indonesia's socio-cultural has a history of dispute resolution practice that are similar to arbitration and mediation, with the objective of collective well-being and each party understanding of the other party.¹⁰

Lack of good faith in implementing the awards by one of the party is also a problem. Frans Winarta suggested in an article that the culture of arbitration in Indonesia allowed the court to intervene into an area that should be arbitration jurisdiction. A party's attorney often lacking in arbitration techniques and mechanisms, instead focusing on material gain and taking the dispute through all the stages of court systems, all the way until the final legal efforts has been exhausted. Arbitration, on the other hand, prefers that the decision is final and binding, once and for all.¹¹

Insufficient training and lack of knowledge of court officials and law enforcement officers also affecting the effectiveness of international arbitration awards. Judges that may be excellent in implementing the law may lack understanding of business processes. Administrative officers of the court understanding of arbitration also play a role in the execution of an arbitration awards. The lag of information technology exacerbates this issue due to lack of updates of the latest information, telecommunications, and other administrative tasks that involve digital technology causes confusions and delay in application of an awards.

2. Law Strategy to Improve Effectiveness of Enforcement of International Arbitration Awards.

Business has played a central role in shaping the law. A good portion of law is intended to regulate business activities, both domestic and international businesses. Madjedi Hasan¹² emphasizes the importance of certainty, fairness and unity to allow a business environment that are just, accessible, conducive and to protect the interest of the business players. The universally accepted values of law in international business environment originated from the value of social life of the society. Allsop stated, "law is life, and life is infused with values".¹³ The values he referred to are based on fairness, utility, and legal certainty.

Legal certainty is a prerequisite for a business contract, which is drafted to provide protection and certainty to business players and investors to their appropriate interests. A contract shall be based on fairness, equality, equity, and harmony, while ensuring unity and sustainability of the investment and the business itself.¹⁴

¹⁰ "The essential of arbitration is the decision by the middleman, but the adat situation may more properly described as mediation. A dispute is not settled until both parties become so sensitive to each other's feeling, circumstances and standpoint on the matter that they agree upon mutual adjustment which meets the *esse est percipi, the special particularity of situation*" M.B. Hooker, *Adat Law in Modern Indonesia*, Oxford University Press, Kuala Lumpur, 1978, page. 54 in N. Krisnawenda, *Hibridisasi Dalam Penyelesaian Sengketa Bisnis Melalui Arbitrase dalam Rangka Mencapai Kepastian Hukum, Ringkasan Disertasi*, Universitas Padjadjaran Bandung, 2011, page 40.

¹¹ Frans Hendra Winarta on Pleno Kamar 2016: Menuntun Kembali pada Esensi Arbitrase, *Hukum Online*, 24 Februari 2017, accessed from <http://www.hukumonline.com/berita/baca/lt58afcf5929dea/menuntun-kembali-pada-esensi-arbitrase> dated 17 August 2017

¹² Written interview dated 16 October 2017.

¹³ "Law is not just command; it is societal will amenable to rational and general expression, engendering loyalty and consent through its utility and practicality and through its characteristics of certainty, fairness and justice", Allsop, Justice James, "Values in law: how they influence and shape rules and the application of law", (FCA) *FedJSchol* 15, 2016, page 5 & 8

¹⁴ The core values and the meta-values, which shaped a system. The importance of unity and sustainability that symbolize our life system, which are basic values to all legal products and policies, including a contract. Therefore, a contract should not be against

In most business dispute, disagreement most always arises in relation to a stipulation in a contract. Therefore, it is crucial that an arbitrator or an arbitration tribunal that presided over such dispute to observe the principle “pacta sunt servanda” (a contract is binding). The arbitrators shall first examine that the contract meet the values for fairness and utility to ensure that he can render a decision that are final and binding to the parties.

In the Law No. 30 / 1999 concerning Arbitration and Alternative Dispute Resolution, Indonesia law prescribe a legal guidance for dispute resolution outside of court, recognizing international arbitration bodies and practitioners, as well as their legitimacy in conducting and issuing an international arbitration awards to be enforceable in Indonesia.

There are 6 stipulations in the Law No. 30 / 1999 that concerns about international arbitration. Article 1(9) provides definition for international arbitration, and articles 64 to 69 which regulates the recognition and enforcement of international arbitration awards. In practice, these stipulations are still causing difficulties for arbitrators in resolving an international business dispute or for Indonesian court to determine whether an arbitration awards is international or domestic in nature. Other than the 6 articles above, there are ambiguities in some other articles in the law as to whether it apply specifically to domestic arbitration, to international arbitration, or to both domestic and international.

As Indonesia has ratified New York Convention 1958 and a member state of UNCITRAL¹⁵, it follows that Indonesia to adopt the stipulation of the international commerce arbitration which commonly known as Model Law. By reforming the Law No. 30 /1999 to be more adapted to Model Law, a more comprehensive law regime may be created with also implicates various policies that are beneficial to both the states and the business.

One of many ways to reform or upgrade the Law No. 30 / 1999 is to regulate domestic and international arbitration separately. An example of such structure for arbitration law is Fiji, which has separate law for domestic and international arbitration.¹⁶ This separation will eliminate confusion regarding which articles apply to which arbitration.

Beside the normative barriers, we also see several complications in enforcement of arbitration award. These complications are arising from the competencies of law enforcement officers and organizational apparatus, human resources and supporting facilities and infrastructures of the current court system, as well as socio-cultural norms in the society in general.

To overcome the above difficulties, it is important to focus on improving the competence of the officers and apparatus through training and education, especially in their knowledge in arbitration and its

or threatened the unity and the sustainability of a social system. Hayyan ul Haq, “*Creating Appropriate Legal Framework in the Utilization of Intellectual Property Products*”, Journal of International Commercial Law and Technology Vol.9, No.2 (2014), pages 73 & 76, accessed from <https://www.neliti.com/publications/28842/creating-appropriate-legal-framework-in-the-utilization-of-intellectual-property> dated 18 July 2018

¹⁵ Indonesia has become a member of UNCITRAL board, for periods of 1977-1983 and 2013-2019, and reappointed for the third time for period 2019-2025, as said by Abdul Kadir and Prof. Huala Adolf, Indonesia appointment as a member of UNCITRAL showing to the world that Indonesia has participates actively in the making of international trade law and for Indonesia to get advantage for the development of regulations related to the trade law by adopted the modern rules of international trade issued by UNCITRAL. Accessed from Hukum Online 29 November 2012 (<https://www.hukumonline.com/berita/baca/lt50b76f4d8fba6/indonesia-ditunjuk-jadi-anggota-uncitral>) and Republic Indonesia Ministry of Foreign Affairs, 18 December 2018 (<https://www.kemlu.go.id/id/berita/berita-perwakilan/Pages/Indonesia-Terpilih-Kembali-sebagai-Anggota-UNCITRAL-periode-2019-2025.aspx>) dated 20 December 2018

¹⁶ On 2017, Fiji has an international arbitration law which is separation of the international arbitration articles from the former state law regarding arbitration. The ADB and UNCITRAL has helped on drafting the law, with the aim to increase bigger foreign investment through the reclimate and increasing the foreign investor trust there. Meanwhile the former law still being used for domestic arbitration. So that, Fiji become the country that has the most update on international arbitration law regime in Asia Pacific. João Ribeiro-Bidaoui, during discussion session at “BANI International Seminar on Indonesia and The Development of International Arbitration”, in Jakarta, 28 November 2017 and Press Release: Fiji Enacts International Arbitration Act to Implement the New York Convention, November 2017

internationally accepted mechanism. There are a number of training courses available for judge candidate (PPC/pelatihan calon hakim) that schedules an audience and field study to arbitration center such as BANI to gather in depth knowledge on arbitration practice.¹⁷ Other arbitrators professional organization such as Indonesian Arbitrators Intistute (IArbI) and Internasional Mediation and Arbitration Center (IMAC) also offers courses for general public that wish to gain knowledge and competencies to become professional arbitrators or mediators. Further, a number of seminars on arbitration held by relevant government bodies, professional organizations and academia is also available, such as LAPSPI in cooperation with the Supreme Court and several universities.¹⁸

To keep up with the current updates and to improve the knowledge of the international arbitration, as well as to increase understanding and familiarity with arbitration, a robust publication and information dissemination for public access is important. A reliable information technology infrastructure for government apparatus, court officers, arbitrators and arbitration centers to collect and synchronize all information, regulations, and to updates on arbitration and ADR into a robust digital archival system need to be easily accessible and published periodically with appropriate consideration given to confidentiality principle of arbitration.

A hybrid arbitration mechanism may improve acceptability and quality of an arbitration awards. This is due to the nature of the combined method that employed both arbitration and mediation techniques which resulted in containing advantages of both arbitration and mediation (med-arb) into a more mutually beneficial goal of mediation while still maintaining the final and binding characteristics of arbitration awards, which would hopefully lead to voluntary implementation of awards by the parties. With hybrid arbitration, an arbitration awards will likely have a better chance of being more effective in implementation without significant challenges from the parties or society in general.¹⁹ Mahatma Gandhi suggests that a cultural amicable settlement of arbitration and mediation is preferred in resolving disputes in society.²⁰ Hybrid arbitration has already accepted form of international dispute settlement by international arbitration centers and incorporated into their respective rules. Article 45 of CIETAC prescribes, subject to consent of parties, “*the arbitral tribunal may conciliate the case in a manner it considers appropriate.*” Other example, Article 7(2) of 2014 Mediation Rules of the Arbitration Institute of the Stockholm Chamber of Commerce, authorized “med-arb”, and General Rules 4(d) of IBA Conflicts Guidelines stated “*a(n) arbitrator may assist the parties in reaching a settlement of the dispute, through conciliation, mediation or otherwise, at any stage of the proceedings.*”²¹

¹⁷Interview with N. Krisnawenda, general secretary of BANI, dan <https://www.wartaekonomi.co.id/read245261/tingkatkan-pemahaman-arbitrase-calon-hakim-ma-kunjungan-ke-bani> accessed dated 20 November 2019

¹⁸ LAPSPI (Lembaga Alternatif Penyelesaian Sengketa Perbankan Indonesia) cooperates and coordinate with Supreme Court to conduct Mediation, Adjudication, Arbitration (MAA) training. One of the aim is to get the assurance of LAPSPI arbitration award. LAPSPI, *Rencana Kerja dan Anggaran Tahun 2020 Lembaga Alternatif Penyelesaian Sengketa Perbankan Indonesia*, Jakarta, 2019, page 21

¹⁹ M. Husseyn Umar, *A Brief on Arbitration in Indonesia*, Fikahati Aneska, Jakarta, 2015, page 26

²⁰ Gandhi often use the term of arbitration and mediation in turn in his effort to solve a legal problem. According to him, “*Differences we shall always have but we must settle them all, whether religious or other, by arbitration*” and advocates dialog, mediation, and compromise. As a lawyer, Gandhi believes that “*lawyers are mediator rather than mere conductors of legal proceeding*” and realize that the true purpose of a lawyer is to unite parties in dispute in a good relationship and continue their cooperation. S. Saba, *Integrating Gandhian Conflict Resolution Techniques in Legal Studies: An Indispensable Path for Legal Professionals*, International Journal of Peace, Education and Development, 7(1): 21-24, June 2019 Renu Publishers, page 21-22 accessed from <https://renupublishers.com/images/article/157726087605.pdf> pada 20 Februari 2020 dan Y.P. Anand, *Conflict Resolution: The Gandhian Approach (The Theory and Practice of Satyagraha)*, *An Outline Presentation* hlm. 12-13 diakses dari https://www.mkgandhi.org/articles/conflict_resolution.htm in 20 February 2020

²¹ Gaitis, James.M (eds.), *The College of Commercial Arbitrators: Guide to Best Practices in Commercial Arbitration*, Fourth Edition, Juris Net, LLC, New York, 2017, page 608

Conclusion

1. From the examination of the effectiveness of enforcement of international arbitration awards in accordance to Law No. 30 / 1999 concerning Arbitration and Alternative Dispute Resolution in resolving business dispute, we find that the law is inadequate in ensuring the effective enforcement of international arbitration awards. The problem arises from normative barriers within the law itself, namely (a) normative inconsistencies, (b) conceptual inconsistencies, and (c) practical inconsistencies in implementation. These inconsistencies lead to legal uncertainty, which affects the quality of investment growth, business development, as well as law enforcement. Organizational barriers in terms of human resources as well as facilities and infrastructures also play a role in the effectiveness of enforcement of international arbitration awards.
2. Measures that are available to be taken in the strategy of enhancing the enforcement of international arbitration awards to ensure legal certainty that are normatively fair can be summed up in general by ensuring the coherence of norms and policies related to the enforcement of arbitration awards. Effectiveness of enforcement of awards must start from the awards itself, as for it to be effective, it has to be based on faith in the norms/regulations as well as trust in the officers/arbitrators and the quality of the awards itself. Therefore, it is important to compile a standard indicator in formulating an award and harmonization of concepts that are used in drafting the awards, to ensure fairness, unity, and sustainability of business and investment. Step needs to be taken to strengthen the organizations and resources in the court system and arbitrators through competence based education and training. Improvement on facilities and infrastructures, including information technology to keep up with the current world standard is crucial to enhance the organizational capacity.

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