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Reconstruction Of Dispute Resolution Mechanism Through Arbitration In Civil Procedure Law

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Abstrak

Penelitian ini bertujuan untuk menganalisis dan merekonstruksi mekanisme penyelesaian sengketa melalui arbitrase dalam hukum acara perdata di Indonesia guna meningkatkan efektivitas dan efisiensi, khususnya dalam aspek pelaksanaan putusan dan pembatasan intervensi yudisial. Dalam praktiknya, meskipun arbitrase telah diakui sebagai mekanisme penyelesaian sengketa yang final dan mengikat, pelaksanaannya masih menghadapi sejumlah kendala. Salah satu masalah utama adalah ketergantungan pada pengadilan negeri dalam eksekusi putusan arbitrase, yang sering kali membuka ruang bagi intervensi yudisial yang tidak perlu, mengurangi efisiensi, dan menimbulkan ketidakpastian hukum. Hambatan lain terkait arbitrase di Indonesia adalah biaya yang tinggi dan aksesibilitas yang terbatas, terutama bagi kalangan usaha kecil dan menengah. Penelitian ini menggunakan metode penelitian hukum normatif dengan pendekatan analisis peraturan perundang-undangan, doktrin hukum, dan prinsip-prinsip umum dalam hukum acara perdata yang mengatur arbitrase. Sumber-sumber primer, seperti Undang-Undang Nomor 30 Tahun 1999 tentang Arbitrase dan Alternatif Penyelesaian Sengketa, serta bahan hukum sekunder, seperti jurnal ilmiah dan literatur hukum, digunakan untuk mendukung analisis ini. Hasil penelitian menunjukkan bahwa rekonstruksi terhadap mekanisme arbitrase diperlukan, terutama dengan menegaskan pembatasan intervensi yudisial dalam pelaksanaan putusan arbitrase. Selain itu, peningkatan peran lembaga arbitrase domestik seperti Badan Arbitrase Nasional Indonesia, serta adopsi teknologi dalam prosedur arbitrase, dapat mengurangi biaya dan mempercepat proses penyelesaian sengketa. Dengan integrasi teknologi, seperti penggunaan platform digital untuk arbitrase daring, arbitrase dapat menjadi lebih inklusif dan efisien, terutama bagi pelaku bisnis di berbagai skala. Oleh karena itu, reformasi yang menyeluruh terhadap regulasi arbitrase di Indonesia sangat diperlukan untuk menciptakan mekanisme penyelesaian sengketa yang lebih responsif terhadap dinamika ekonomi dan kebutuhan masyarakat.

Kata kunci: *Arbitrase, Hukum Acara Perdata, Intervensi Yudisial*

Abstract

This paper analyses and reconstructs Indonesia's civil procedural law arbitration dispute settlement process to increase efficacy and efficiency, notably in executing rulings and reducing court involvement. Although arbitration is a final and binding dispute settlement procedure, its implementation is nevertheless difficult. The reliance on district courts to execute arbitration rulings frequently leads to unwarranted judicial involvement, lowers efficiency, and causes legal confusion. High fees and restricted accessibility for small and medium firms are other arbitration challenges in Indonesia. Statutory laws, legal theories, and general principles in civil procedural law guiding arbitration are analysed using a normative legal research technique. This research relies on primary sources like Law Number 30 of 1999 on Arbitration and Alternative Dispute Resolution and secondary sources like scientific publications and legal literature. The research found that court participation in arbitration decision implementation is limited, indicating the necessity to restructure the arbitration procedure. Increased use of local arbitration institutions like the Indonesian National Arbitration Board and technology in arbitration proceedings may lower costs and speed up conflict settlement. Technology, such online arbitration platforms, may make arbitration more accessible and efficient, particularly for small and large businesses. Thus, Indonesia requires a thorough arbitration reform to make conflict resolution more sensitive to economic realities and societal requirements.

Keywords: Arbitration, Civil Procedure, Judicial Intervention

INTRODUCTION

Social interactions frequently include problems or disagreements, particularly in commercial and corporate settings. Differences of opinion, conflicts of interest, and loss worries can produce disputes. An effective and efficient conflict resolution process is needed under this scenario (Yassine et al., 2024). Litigation is the typical method of corporate conflict resolution. It starts with a district court case and finishes with a judge's ruling. There are non-litigation conflict resolution methods as well as litigation.

Alternative institutions resolve disputes outside of court in non-litigation conflict resolution. Law Number 30 of 1999 on Arbitration and Alternative conflict settlement governs Indonesia's non-litigation conflict settlement methods, including arbitration and ADR (Wantu et al., 2023).

Arbitration stems from the Latin word *arbitrare*, meaning wisdom-based conflict resolution. Arbitration is voluntary conflict settlement using a neutral third party, such as a person or an ad hoc organization. Abdul Kadir describes arbitration as the voluntary submission of a disagreement to an expert for resolution with the understanding that the judgment is final and binding (Muskibah, 2018). Article 1 of the Law on Arbitration and Alternative Dispute Resolution defines arbitration as a written agreement between disputing

parties to resolve civil disputes outside of the courts.

This definition defines arbitration as a civil agreement between parties to settle a dispute via an arbitrator and to accept and comply with the arbitrator's judgment (Abdussamad et al., 2024). The parties must agree in writing to arbitrate to start the process. Before a disagreement arises, an arbitration provision in the main agreement might specify this agreement. A signed and notarized deed of compromise may be made after the disagreement if the arbitration provision is not included. Arbitration awards result from the procedure (Situmorang, 2020). The arbitrator or arbitration panel must rule within 30 days of the dispute hearing under Arbitration and Alternative Dispute Resolution. The parties have 14 days from the decision date to obtain a rectification for an administrative mistake.

The arbitrator or his counsel might register the arbitration judgment with the district court to enforce it. Following registration, the district court chairman has 30 days to direct arbitration award execution. Besides arbitration, alternative dispute resolution may be used to resolve disputes. The parties reach a consensus or agreement outside the court via Alternative Dispute Resolution (ADR) with or without a neutral third party. ADR uses consultation, discussion, mediation, conciliation, and expert evaluation to resolve disputes via mutually accepted processes, according to Arbitration and Alternative Dispute Resolution Article 1 number 10.

In contrast to litigation, ADR offers several benefits. These benefits include voluntariness (no compulsion), speedier processes, non-judicial rulings, secrecy, flexibility in conflict settlement arrangements, and time and cost efficiency. Alternative Dispute Resolution/ADR also improves agreement implementation and party relations. Arbitration is speedier, more efficient, and final than litigation, but civil procedural law presents significant challenges to its application.

Lack of public and legal practitioner comprehension of arbitration's benefits and processes is a common issue. One drawback of this approach is uncertainty about registration and arbitration judgments (Bianti, 2023). Law Number 30 of 1999 on Arbitration and Alternative Dispute Resolution regulates arbitration proceedings, but its implementation, particularly after the ruling, is lacking. Implementing verdicts that need district court permission typically leads to unnecessary judicial interference or delayed ratification procedures, which undermines arbitration's speedy and final nature.

Arbitration and litigation in civil procedural law sometimes overlap. While arbitration is an extra-court method, some court rulings suggest that arbitration organizations may not be fully independent. Further clarification of the limitations and extent of general judicial participation in the arbitration process and harmonization between civil rules applicable in

court and arbitration legislation are needed.

Arbitration should be more accessible to small and medium-sized enterprises, who frequently feel constrained by its high prices and procedural difficulties. Rebuilding the arbitration system to be more inclusive and in accordance with contemporary economic trends requires procedural fairness, cost reduction, and simplicity without compromising arbitral rulings' integrity and finality.

This rebuilding must also include how technology accelerates arbitration and supports cross-border conflict settlement. International arbitration demands national legal system changes as company transactions grow global and commercial disputes get more complicated. Online arbitration platforms and processes may speed up the process and lessen reliance on time-consuming traditional methods. To address these challenges, Indonesia must reconstruct its dispute resolution mechanism through arbitration in civil procedural law to create a more efficient, effective, and responsive arbitration system for the ever-changing business world.

This study asks: (1) How can the reconstruction of the dispute resolution mechanism through arbitration in civil procedural law improve the arbitration process in Indonesia, especially in terms of decision implementation and judicial intervention? (2) What are the key impediments to arbitration in Indonesia that need rebuilding, and how might technology and accessibility assist more inclusive and speedy conflict resolution?

RESEARCH METHOD

This study employs the normative legal research approach to analyze legal materials on reconstructing conflict resolution systems via arbitration in Indonesian civil procedural law (Amirudin & Zainal Asikin, 2004). This research covers arbitration rules and regulations, pertinent legal concepts, and civil law principles, especially those linked to arbitration's efficacy and efficiency in resolving conflicts. Law Number 30 of 1999 on Arbitration and Alternative Dispute Resolution, other rules and regulations, and court judgments connected to arbitration will be used to address the issue formulation. This research is also enriched by books, scholarly papers, law journals, and other literature on arbitration and non-litigation conflict settlement in Indonesia and elsewhere.

To address the first issue formulation, a normative analysis will examine how Indonesia's arbitration award implementation process might be made more effective and efficient, particularly in terms of court involvement and award implementation. This research will explore how Indonesian civil procedural law procedures, where district courts routinely intervene in arbitration rulings, affect arbitration finality and freedom. This research will

examine arbitration award implementation requirements, identify challenges, and examine relevant legal documents and court judgments to determine if judicial involvement is consistent with arbitration principles.

To address the second issue formulation, this research will conduct a normative analysis of the primary barriers to arbitration in Indonesia, including cost, procedural complexity, and disputing party accessibility. This method will examine how technology may enhance dispute settlement speeds and accessibility and conduct a juridical-analytical investigation of practical elements that affect arbitration effectiveness. Using key legal ideas including the theory of justice, procedural efficiency, and participation in arbitration, this research will examine solutions that integrate technology and online processes to improve inclusive, cost-effective, and fast dispute resolution. This research should provide ways to rebuild arbitration processes to meet current corporate demands.

RESULT AND DISCUSSION

1. Reconstruction of Arbitration in Civil Procedure Law Regarding the Enforcement of Decisions and Limitation of Judicial Intervention

The parties to a dispute may choose to have it heard by a neutral third party, called an arbitrator, who will then make a final and legally enforceable ruling outside of a regular court. This process is known as arbitration in civil procedural law (Iza Rumesten et al., 2024). Law 30 of 1999, which regulates arbitration explicitly, has been around for a while and is well-established in the legal traditions of many nations, including Indonesia. As an alternative to the time-consuming and sometimes costly judicial procedures, arbitration seeks to resolve civil law disputes more quickly and efficiently (Muhtar et al., 2023).

According to Abdul Kadir, parties to a dispute might agree to submit it to an impartial third party for resolution via arbitration if they believe the third party is qualified to do so. According to this point of view, the most important component of arbitration is the voluntary element, which occurs when the disputing parties decide to avoid going to court and instead have the arbitrator make a final ruling (Harahap et al., 2023). Kadir states that, with very few exceptions outlined in the Rules for Arbitration and Alternative Dispute Resolution, the arbitrator's judgment is final and binding and cannot be appealed or cassated.

This stance is consistent with that of international arbitration specialist Gary Born, who has said that arbitration gives the parties more freedom and control over their own dispute resolution process and final decision. According to Born, one major perk of arbitration is that its decisions are final, unlike in traditional litigation, where parties sometimes have to go through drawn-out and convoluted appeal processes. Thus, parties seeking a swifter and

more private settlement to their issue, outside from the public scrutiny inherent in court procedures, often choose for arbitration.

In Indonesian law, arbitration is defined as a process whereby the parties to a civil dispute agree in writing to resolve the disagreement via arbitration rather than through the general courts (Article 1 of Law Number 30 of 1999). Based on this description, it is clear that arbitration is a branch of civil law that serves as a substitute for litigation in general courts. Its main goal is to resolve disputes in a way that is amicable, expedited, and adaptable. The importance of having a written agreement to resolve disputes through arbitration is highlighted by Arbitration and Alternative Dispute Resolution. This agreement can be an arbitration clause in the main contract or a separate agreement made after the dispute has occurred.

There are certain concerns about the execution of arbitral judgments, particularly when it comes to court involvement, despite the fact that arbitration is acknowledged as a quicker and more effective method of conflict settlement. The fact that the district court is responsible for carrying out arbitration decisions is, according to certain legal scholars like Lawrence W. Newman and David Zaslowsky, a drawback of the process. For arbitral awards to be enforced, district courts often need to register them, which allows the regular legal system to step in. The independence of arbitration as a conflict resolution process and the prompt execution of arbitration rulings, according to Newman and Zaslowsky, are both jeopardized by such interference (Dammann & Hansmann, 2008).

Furthermore, issues of accessibility and expense are further obstacles to the arbitration notion. In situations involving internationally renowned arbitration institutions or arbitrators, the expense of arbitration might exceed that of litigation, despite the fact that arbitration is supposed to be more efficient and less costly than litigation in principle. For these and other reasons, arbitration is not always an option for small and medium-sized firms when a dispute arises. Reducing costs and increasing accessibility for parties engaged in business disputes should be the goal of improvements in arbitration proceedings, according to certain experts like Michael Pryles (Nottage, 2003).

Particularly within the framework of Indonesian civil process law, the central emphasis of arbitration is the execution of the binding and final arbitration judgment and the restriction of judicial interference with the verdict. The independence of the arbitration process, in which the parties are allowed to settle their differences via an arbitrator rather than a court, is one of arbitration's main attractions. Nevertheless, issues concerning the execution of arbitration rulings often surface. Legal execution of an arbitrator's ruling requires its registration with the district court, as per Law No. 30 of 1999 on Arbitration and

Alternative Dispute Resolution (Supeno et al., 2019). The efficiency and finality of arbitration are often undermined when they are reliant on district courts for enforcement, even when arbitral rulings are final. This is because district courts provide the possibility of intervention by judicial authorities.

There is a high likelihood of delays or outright refusals to execute arbitration awards when courts become involved in the process, particularly when it comes to implementing the ruling. The reason for this is that arbitration verdicts in Indonesia cannot be reviewed, cassed, or appealed, despite this being specifically stated in the legislation. District courts' refusal to confirm arbitration awards on administrative or technical grounds is an often cited example of overreach by the judiciary. This demonstrates that, despite the fact that the purpose of arbitration is to provide the parties complete independence, the court nonetheless plays a major role in the latter rounds of arbitration. This intervention has the potential to nullify the arbitration ruling in some instances, which goes against the idea of arbitration as a legally enforceable means of resolving disputes.

According to legal scholars like Gary Born, the only time the courts should step in to enforce arbitral rulings is when there have been flagrant abuses of process or of core legal rights. One of the key reasons parties choose arbitration over litigation, according to Born, is because it reduces the efficacy of arbitration and creates legal ambiguity. When courts intervene too often, this, in turn, leads to litigation (Gary, 2021). Protecting the autonomy and finality of arbitration requires clearly defined limits on court participation in civil procedural law, as this ruling emphasizes.

A key problem in Indonesian law is the task of finding a balance between the autonomy of arbitrals and the requirement for judicial control. If the arbitral award is proven to have been issued due to fraud or a major breach of the law, for example, the parties have the right to seek its annulment in court under Article 70 of the Arbitration and Alternative Dispute Resolution Act. But district courts tend to apply the annulment requirements too liberally, which leads to needless interference and drags out the process of resolving the disagreement. The current state of affairs calls for a more stringent overhaul of the legislation governing the role of courts in arbitration.

Additional obstacles that hinder the efficient execution of arbitral rulings include the expense and accessibility of arbitration. In spite of the common belief that arbitration would save time and money compared to litigation, the fact is that arbitration expenses may really add up, particularly when dealing with internationally recognized arbitrators or arbitration institutes. Because of this, arbitration is not a good choice for parties with little financial resources, such as small and medium-sized companies. Michael Pryles is one of several

authorities who have called for changes to the arbitration system in an effort to make it more accessible and affordable, with others proposing the use of technology to shorten the time it takes for arbitration (Jansen et al., 2017).

The rebuilding of Indonesia's civil procedural law should prioritize the establishment of more explicit and explicit regulations concerning the boundaries of judicial involvement (Mangku, 2012). Reducing the district courts' involvement to purely technical matters essential to ensuring procedural fairness and providing less oversight of arbitration rulings are two possible solutions. This means that arbitration verdicts may be put into action more quickly and efficiently, without the risk of undue interference by the courts.

Two major concerns in Indonesian civil process law concerning arbitration are the difficulties in implementing arbitral judgments, which are often impeded by court interference, and the difficulties in making sure that arbitration may be inclusive and operated properly. Both of these problems are interconnected because they have an impact on how well the arbitration process works to resolve disputes outside of court. The reliance on the district court to execute the judgment is the primary concern when it comes to implementing arbitration rulings.

Despite the fact that the arbitration ruling is final and binding as per Law Number 30 of 1999, the district court has a crucial role in determining whether or not to execute the order. The possibility of judicial intervention often emerges when arbitration awards are required to be recorded with the district court in order to acquire legal effect. For administrative or technical reasons, or even for legal grounds that are not within the purview of arbitration, the district court may postpone or reject the arbitral judgment. An otherwise expedited procedure becomes bogged down because of this, which goes against the whole idea of finality that ought to underpin arbitration.

The provisions in Article 70 of the arbitral and Alternative Dispute Resolution Act for the filing of an application to annul an arbitral judgment in the event of fraud or a significant breach of the law, further complicating the question of judicial involvement. While this provision is crucial for upholding justice, issues emerge when the annulment clause is interpreted widely by the district court (Arsyad, 2023). Because of this loophole, the losing party in an arbitration case might seek to have the judgment nullified, which just makes the process of settling the issue take longer. The lengthy procedure that is typical of litigation in conventional courts is really the inspiration for arbitration. In order for arbitration to serve its purpose, this matter emphasizes the need for stronger enforcement and explicit constraints on involvement by state courts.

A second issue with the effectiveness of arbitration in Indonesia is the expense and accessibility of the process. While it's true that arbitration might save time and money compared to litigation, it can really end up costing a pretty penny—especially when dealing with foreign arbitration organizations or overseas arbitrators. Furthermore, certain organizations, particularly actors from small and medium businesses, find the arbitration processes to be too complicated, which prevents them from using arbitration as a conflict resolution alternative. The general public's and the legal profession's lack of familiarity with arbitration only serves to worsen the situation.

The need to update the arbitration process by using technology is related to this cost problem as well. With the use of technology, the arbitration process may move much more quickly, expenses associated with travel and document delivery can be significantly reduced, and more people can be involved via digital platforms. Online arbitration is one example of how technology has helped certain foreign countries streamline their arbitration procedures, cutting down on both time and money (Bradford, 2018). To overcome barriers to accessibility and make arbitration useful for all segments of society, not just corporations, Indonesia should follow suit.

Consequently, to resolve concerns about the execution of arbitration rulings and the restriction of judicial involvement, it is necessary to fortify the legislative structure that restricts the authority of district courts to step in unless there are exceptional circumstances. The power to reject or delay the implementation of arbitration rulings should only be retained by district courts in cases of obvious and quantifiable major breaches, and not for administratively-related technical reasons. It is also necessary to update Indonesia's arbitration rules to include technological solutions that streamline processes and save expenses.

In order to make arbitration more accessible, there has to be a greater push to educate both the general public and businesses on its advantages. In order to lessen the reliance of small and medium-sized firms on the courts and promote the use of arbitration as a more effective alternative conflict resolution, it is important to educate and teach them on arbitration procedures.

These are the two most important considerations for revising Indonesia's civil process legislation to include arbitration as a means of conflict settlement. Technology has the potential to make arbitration a more efficient and accessible tool for settling commercial disputes in Indonesia by making it easier to enforce arbitration rulings and decreasing the role of the courts.

2. Key Obstacles to the Implementation of Arbitration in Indonesia and Integration of Technology for Inclusive and Efficient Dispute Resolution

There are a number of social and legal hurdles that make arbitration a less viable alternative dispute resolution option in Indonesia. From a legal standpoint, there are a lot of unknowns when it comes to putting these regulations into practice, even though Law Number 30 of 1999 about Arbitration and Alternative Dispute Resolution has given a very solid legal foundation for arbitration as a mechanism to resolve disputes outside of court. The district court's ability to delay or reject the execution of an arbitration judgment—an award that ought to be final and enforceable—is one of the key issues. Because of this, arbitration loses some of its speed and efficiency benefits and the process of resolving the issue takes longer than necessary. Furthermore, from a sociological point of view, the general public in Indonesia still has a poor grasp of arbitration. Despite arbitration's reputation as a more efficient and adaptable alternative to litigation, many business players, particularly those representing small and medium-sized firms, lack sufficient understanding of this process. Since general courts are more conversant with and dependable within the framework of Indonesian law, they often favor litigation in these courts. One of the key problems with arbitration's broad adoption is the public's and lawyers' lack of familiarity with the concept and its benefits. Another issue is that many parties, particularly those with less financial means, find arbitration to be too expensive in comparison to district courts.

A major factor affecting arbitration's efficacy as a method for alternative conflict resolution is the presence of legal and sociological hurdles to its adoption in Indonesia. From a legal standpoint, one of the primary reasons arbitration often fails to fulfill its initial intent is because the responsibility of district courts in carrying out arbitration rulings is not well defined (Anggraeni, 2020). The idea of arbitration as a final and binding conflict settlement is undermined when district courts may postpone or even invalidate an arbitral ruling. The effectiveness of arbitration is diminished, and the parties concerned are more likely to incur further losses (financially and reputationally) as a result of this court interference, which may further lengthen the period for conflict settlement.

Increased legal uncertainty is a direct outcome of the rules' vagueness on the boundaries of judicial involvement. If the court suspends or re-tests the resultant award, the parties who chose arbitration as a dispute resolution procedure may lose faith in its efficiency (Yuningsih, 2017). Consequently, fewer and fewer people will have faith in arbitration as a viable alternative dispute resolution process. Instead, businesses may opt to go back to the tried-and-true method of going to court, where decisions are more likely to be firmly enforced despite the lengthier process. This suggests that arbitration falls short of its

intended goal of providing a more adaptable and expedited means of resolving problems.

The general public and legal professionals' ignorance of the arbitration process is another major barrier, according to sociologists. Many Indonesian organizations, particularly those involved in small and medium-sized businesses, are still hesitant to employ arbitration because they are confused about the process and believe it would cost more than litigation. Inadequate socialization and education on the advantages of arbitration is the root cause of this misunderstanding.

Consequently, arbitration is still not widely used, and most people, especially small company owners, prefer the tried-and-true method of going to court, despite the fact that this might wind up costing more and taking more time. This suggests that arbitration isn't used as often as it should be in industries that may benefit from its adaptability and efficiency, particularly when it comes to handling straightforward commercial conflicts that need a settlement quickly.

The adoption of inclusive arbitration is further impeded by financial obstacles. The involvement of foreign arbitrators or big arbitral organizations often results in expensive arbitration procedures. Compared to the costs of litigation in regular courts, the expenses associated with arbitration, such as the salaries of arbitrators and the overhead of the arbitration institution, are much greater. Unfortunately, this means that arbitration is more often employed by huge corporations or parties with plenty of financial resources, and not by people or small businesses (Ilias et al., 2023). As a result of this requirement, arbitration will only be available to a wealthy few, leaving smaller and less well-off parties with no choice except to resort to the slower and more cumbersome traditional court system.

Additionally, arbitration practice in Indonesia has not entirely embraced technological integration, despite the fact that it should be a solution to these problems. The use of technology has the ability to greatly improve accessibility to arbitration, shorten processing times, and lower overall costs. Online arbitration methods, for instance, may cut down on travel time, expedite evidence filing, and bring together parties in various parts of the world without physically meeting. Traditional arbitration procedures continue to incur exorbitant costs and take an inordinate amount of time because technology is not adequately integrated. This means that arbitration will not evolve into an inclusive process that can keep up with the demands of a globalized, digitally-driven corporate environment, and that many effective conflict settlements will go unfulfilled.

An integrated strategy addressing legal, social, and technical dimensions is necessary to resolve the challenges to arbitration implementation in Indonesia. From a legal standpoint, it is critical to update the regulatory framework that creates confusion when

arbitration verdicts are put into practice. This may be achieved by revising Law Number 30 of 1999, which deals with arbitration and alternative dispute resolution. The change aims, among other things, to confirm the boundaries of court involvement in the enforcement of arbitration rulings. Rather than delaying execution for purely technical administrative reasons, district courts should be able to reconsider judgments only in circumstances of blatantly egregious infractions, such as fraud or failure to adhere to the fundamental norms of procedural fairness (Baiquni, 2022). Maintaining the finality of arbitral rulings by this stringent limits on the scope of judicial intervention would boost parties' trust in the arbitration procedure.

To lessen reliance on district courts, it is also critical to develop domestic arbitration mechanisms. It is necessary to provide arbitration institutions like the Indonesian National Arbitration Board more power when it comes to carrying out rulings. For example, there should be circumstances when the board may immediately carry out verdicts without having to register them with the district court. The establishment of a self-executing awards system allows for the automated enforcement of arbitration rulings, eliminating the need for judicial participation. If this system can be implemented, arbitration will be able to operate autonomously, giving the parties concerned more assurance that their conflicts would be resolved quickly and efficiently. A key goal from a sociological standpoint should be to educate the general public about arbitration. Small and medium business players, as well as legal practitioners, should be among the many groups that get more extensive education on the merits and processes of arbitration. Working together with educational institutions, trade groups, and NGOs that prioritize equal justice is a great approach to get the word out. It is imperative that university law curricula have a greater focus on alternative conflict resolution processes like mediation and arbitration. More parties will recognize that arbitration is an efficient, flexible, and fair alternative to traditional litigation in district courts if the public is made more aware of it.

One important way to circumvent the cost and accessibility limitations is to use technology in the arbitration process. To make arbitration more accessible and efficient, online arbitration must gain widespread acceptance (Hutagalung, 2023). One of the biggest problems with arbitration has been the expense of it. With digital platforms, you can cut down on things like travel expenses to go to hearings, excessive administrative costs, and arbitrator fees that can be tailored to fit the online procedure. Also, technological advancements have made it simpler to conduct cross-border arbitration, meaning that parties located in various parts of the world may still take part without actually having to meet in person (Hartati et al., 2024). Policymakers should push for investments in digital

infrastructure and modernization of dispute resolution institutions to increase the use of technology in arbitration.

If we want arbitration to go forward more swiftly without compromising the legitimacy of the legal process, we need more adaptable procedural norms that can handle new technologies as they emerge. A well-defined and legally enforceable set of rules is required to facilitate the electronic submission of evidence, the conduct of online hearings, and the exchange of messages between the disputing parties and the arbitrators. Therefore, technology may be used to streamline processes and make arbitration more open and equitable.

Fixing the problems with arbitration in Indonesia would need sweeping changes to the system, including new rules and the introduction of relevant technological tools. To make arbitration a viable, final choice free from undue court meddling, current rules need updating. In contrast, building an arbitration process that is accessible and inclusive to all participants, irrespective of company size or location, requires both a greater public knowledge of the issue and the widespread use of relevant technological solutions. It is believed that arbitration will be able to better meet the demands of today's fast-paced businesses as a result of a mix of legislative change, public education, and technology innovation.

CONCLUSION

The analysis of the reconstruction of the arbitration mechanism in Indonesian civil procedure law found that despite arbitration's recognition as a final and binding mechanism, it still encounters many challenges when put into practice. The reliance on district courts to carry out arbitration rulings is a major issue since it allows for judicial interference, which decreases efficiency and creates legal ambiguity. To maximize the finality of arbitration rulings, court interference must be strictly limited. Furthermore, change is necessary to make the arbitration process more accessible and affordable, particularly for small and medium-sized firms, due to its high cost. One possible answer to this problem is to use technology, such as online arbitration, to save expenses, speed up the process, and make it more accessible. Another is to strengthen local arbitration institutions like the Indonesian National Arbitration Board I. The use of technology in arbitration has made it a more appealing alternative to traditional litigation due to its increased speed, efficiency, and cost-effectiveness. In order to build an arbitration system that is more inclusive, efficient, and adaptable to changes in the corporate world, it is necessary to restructure the dispute resolution mechanism in Indonesia through the use of technology, as well as by revising

regulations to reduce the role of the judiciary and enhance the role of arbitration institutions.

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