



Statement by

**The Delegation of Indonesia
at the Special Committee on the Charter of the United Nations and
on the Strengthening of the Role of the Organization**

Agenda Item on Arbitration

February 2021

Mr. Chair,

At the outset, my delegation would like to associate itself with the statement on Arbitration delivered by the representative of the Islamic Republic of Iran on behalf of the Non-Aligned Movement (NAM).

Therefore we would like to add the following statement in my national capacity.

Indonesia is of the view that the discussion on the subtopic, “Exchange of information on State practices regarding the use of arbitration”, as mandated by resolution A/75/140, is pertinent in providing a platform for delegations to enhance the culture of invoking peaceful settlement of disputes mechanisms.

Furthermore, we understand that, along with negotiation, mediation, inquiry, conciliation, and judicial settlement, Article 33 of the UN Charter identifies arbitration as a means for the pacific settlement of inter-State disputes. More specifically, arbitration represents a consensual procedure for the final settlement of disputes between States based on law by adjudicators of their own choosing.

Mr. Chair,

The Indonesian Government have used Arbitration as a mean of peaceful settlement of dispute in the last few years which mainly through the International Centre for Settlement of Investment Disputes (ICSID) and the Permanent Court of Arbitration (PCA).

In 2013 and 2014, we have settled our dispute respectively with Rafat Ali Rizvi, and Churchill Mining PLC through ICSID. More recently, our Government has also settled the investment dispute with Indian Metal Ferro & Alloys Limited (IMFA) in 2019 through PCA.

Mr. Chair,

Turn into national/domestic context of Indonesia, international arbitration falls under the Arbitration Law (Law No. 30 of 1999):

- Most of the parts of the Law concern domestic arbitration such as procedure for arbitration, requirements of the arbitrator, the arbitration award, enforcement of the award, and investment arbitration. The provisions of the Indonesia's Arbitration Law are not established based on the UNCITRAL Model Law. However, it does provide the procedure and requirements for enforcing an international arbitration award.
- The Arbitration Law also implements the enforcement of the UN Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958. Indonesia has ratified the New York Convention and enforced it since 5th January 1982.
- The main arbitration centre in Indonesia is the Indonesian National Arbitration Board (Badan Arbitrase Nasional Indonesia/BANI). In addition, there are several special arbitration bodies that handle disputes in certain areas of law and industries.

Mr. Chair,

This year, Indonesia's Arbitration Law observes its 22nd anniversary. Against this backdrop, there are some suggestions/ideas to revise the Law to accommodate current arbitration trends and practices in the dispute resolution industry.

These encompass matters such as remote/virtual proceedings, electronic management of arbitration, emergency and fast-track examination, synchronization with relevant legislations, and other relevant matters.

In this regard, the Indonesian Government stands ready to work with the parliament, private sector, academia, and all stakeholders in further considering the above-mentioned ideas to be regulated within the Arbitration Law.

Mr. Chair,

In order to further promote the use of alternative dispute mechanisms including arbitration, the government has undertaken a number of strategies, including (i) strengthening cooperation between Government and other stakeholders, (ii) advancing capacity building to enhance knowledge and understanding concerning arbitration, including its recent trends and practices; and (iii) continuously improve the implementation of arbitration law.

I thank you.

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