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THIRD PARTY IN INTERNATIONAL COMMERCIAL ARBITRATION: INDONESIA PERSPECTIVE

Abstract:

Arbitration Agreement between the parties is the important sources of law in the arbitration proceeding, especially in International Commercial Arbitration. Arbitration Agreement, which could be made before and after the dispute, provide jurisdiction to the arbitral tribunal to settle the dispute. Traditionally, the arbitration agreement provide that only the parties in the agreement could be bound the arbitration proceeding. However, in commercial arbitration there is a circumstances, which has third party could be bound to arbitration proceeding.

Indonesia has already arbitration law based on Law No. 30 Year 1999 in regard with Arbitration and Alternative Dispute Resolution. This law stipulate how is arbitration proceeding could be proceed in Indonesia, include third party issues in arbitration proceeding which is stipulate in Article 30. Commonly, how is third party could be bound the arbitration proceeding also regulate in Arbitration Rules of the Institutional Arbitration such as ICC with ICC Rules. Indonesia has Institutional Arbitration namely Indonesia National Board of Arbitration, which has BANI rules as Arbitration Rules. In Indonesia the arbitration proceeding also applies the Indonesia Procedural of Civil Law as a source.

This article will discuss how is third party could be bound the arbitration proceeding in Indonesia, especially in regard with Commercial Arbitration. The discussion will examine number of issues. First, how is Indonesia Arbitration Law require the definition of third party in arbitration proceeding, compared with international convention or model law. Second, how is Indonesia Arbitration Law, especially Article 30 could be interpreted when there is third party would like to join the arbitration proceeding and how the regulation on Indonesia Procedural of Civil Law could be used to decide or consider third party in arbitration proceeding. This two issues need more elaboration, since Indonesia Arbitration Law has not give more explanation or sample case to explain this article. The result of discussion will be an input for Indonesia to amend the Arbitration Law.

Keywords:

ARBITRATION AGREEMENT, THIRD PARTY, INTERNATIONAL COMMERCIAL ARBITRATION

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