Arbitration of Business Disputes within the Asian Economic Community: Context Indonesia and Malaysia

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Keyword: Arbitration, Implementation, Prospect, ASEAN Economic Community.

Abstract: Settlement of business disputes by arbitration is the most popular choice for business people, especially in the current MEA era. The focus of the study are: 1.How to process business disputes arbitrarily in Indonesia and Malaysia. 2.How are the prospects related to dispute resolution demands in the era of the ASEAN Economic Community. With the normative juridical approach, the authors find that in the ASEAN region there are several arbitration institutions that deal with arbitration issues including the Indonesian National Arbitration Board in Indonesia and the Kuala Lumpur Arbitration Center in Malaysia. The author proposes the results of the research as follows, there are some differences and similarities in the process of dispute resolution through arbitration between the State of Indonesia and Malaysia from several aspects including aspects: regulation, trial process, decision strength, time and cost. And from the two countries that have the prospect of arbitration settlement in the era of MEA is arbitration in Indonesia by having several advantages in the arbitration settlement process, namely the period and cost of the arbitration process. In conclusion, that the arbitration process in the State of Indonesia has good prospects compared to the Malaysian State, so that it can be used as an example to equalize the arbitration process in the ASEAN region even though countries in ASEAN have different legal systems.

1 INTRODUCTION

Within the scope of The Association of Southeast Asian Nations (ASEAN) there is an agreement that frees its members to trade freely within the ASEAN region called the ASEAN Economic Community (MEA). The MEA was initiated from a joint agreement at the Summit held in Kuala Lumpur, Malaysia which resulted in a shared vision of the Southeast Asian countries (ASEAN Vision 2020). That is, making the Southeast Asia region as a prosperous region with development and economic development equally in each member country. At the Malaysian Summit resulted in a new consensus, which in consensus contains about the declaration of Cebu. With the signing of the Cebu Declaration, consensus decisions from year to year become a concrete step to make ASEAN a free trade area covering all components of economic activity. Starting from goods, labor (skilled), investment, capital, to services. In the course of trade activities not only talk about the advantages, disadvantages and business strategies that businesspeople have to deal with, but also about the legal aspects of a dispute. If there is a trade dispute there are two ways to resolve the issue, namely dispute settlement with litigation or with non-litigation. Litigation is a process of dispute resolution in court, while non-litigation is an out-of-court dispute settlement. Traffickers tend to opt for non-litigation adhesive settlement routes due to fast and efficient non-litigation settlement. In addition, the settlement of cases outside the court is acknowledged in Indonesian legislation. There are two kinds of ways to resolve disputes that have been implemented, namely through litigation and non-litigation. One of the non-litigation pathways is the arbitration process. In Indonesia, as a legal state, there has long been an arbitration process that can be seen based on the legal system regarding arbitration (Harahap, 2001).

Several other previous studies related to arbitration are: **1)** Investment Arbitration Bagi Negara Berkembang Dan Terbelakang (Sefriani, 2013, Yustisia, Vol.2.No 2, Mei-Agustus 2013).The

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main problem statements in this research is what factors cause almost no developing countries and last developing countries win before the investment arbitration. 2).UUK Dan PKPU) No 37 Th 2004 Mengesampingkan Berlakunya Asas Pacta Sunt Servanda Dalam Penyelesaian Sengketa Kepailitan *(*Rahayu Hartini, 2015, Yustisia, Vol 2 .No.2). This study was to formulate a concept of return policies / principles of the law of "pacta sunt servanda" in Law No. 37 Year 2004 regarding Bankruptcy in bankruptcy to resolve disputes arbitration clause.
3). Fair And Equitable Treatment Standard In Nternational Investment Agreements (Sefriani, 2018, Yustisia, Vol 7, No.1). In the last five years, the number of investors who suit against host state in the international arbitration forum increased significantly. Almost all lawsuits used fair and equitable treatment (fet) standard which has been violated by the host state. most of international investment agreements including those that were made by indonesia contain fet standard clauses. 4).Legal Approaches To Online Arbitration: Opportunities And Challenges In Indonesia, (Agustina Fitrianingrum), Rina Shahriyani Shahrullah, Elza Syarief, 2016, Mimbar Hukum, Vol 28 No.2). This research provides arguments and evidences that the relevant Indonesian national laws support the use of online arbitration. 5).Modern Arbitration Legislation': A Comparison Between Australian And Indonesian Laws (Rina Shahriyani Shahrullah, 2012, Media Hukum, Vol 24, No 2). This research analyzes Law No. 30 of 1999 of Indonesia to ascertain whether this Indonesian law constitutes modern arbitration legislation in the context of international commercial arbitration. Law No. 30 of 1999 will be compared with the International Arbitration Act 1974 (Cth) and the International Arbitration Amendment Act 2010 (Cth) of Australia. 6).Public Policy Violation Under New York Convention (Michelle Ayu Chinta Kristy, Zhengzheng Jing, 2015, Media Hukum, Vol 5 No 1). This article would firstly provide a comparative study of the court's interpretation towards public policy as mentioned under Article V (2) b of the New York Convention between non-arbitration-friendly-law Indonesia and arbitration-friendly-law China.7). Akibat Pemilihan Forum Dalam Kontrak Yang Memuat Klausa Arbitrase (Bambang Sutiyoso, 2012, Mimbar Hukum, Vol 24 No.1). In practice, deviation where courts may ignore the arbitration clause, the parties' good faith and consistency of the court play a significant role to further develop the arbitration process.

One way of solving non-litigation disputes is through an arbitration process. Excess arbitration from the side of procedural law there is flexibility that remains within the legal corridor. On the other hand, arbitrators possessing both legal and technical knowledge, as well as the timeliness of the trial, become the surplus arbitration itself so that the trial can proceed effectively. In addition, the continuation of business relations between the parties is also considered. Even did not close the possibility of good relations and cooperation can still continue. Dispute resolution outside the court is closed to the public (close door session) so that the confidentiality of the parties is guaranteed, then the proceedings are faster and more efficient and the decisions given are win-win solutions. The process of settling disputes outside this court avoids delays caused by administrative procedures as well as proceedings in general courts. Dispute resolution outside the court is called the Alternative Dispute Resolution (Pamolango, 2015).

BANI is the founder of the Asia Pacific Regional Arbitration Group (APRAG) consisting of 42 arbitration agencies from various countries in Asia Pacific, according to data of dispute settlement by business actors through arbitration institutions continue to increase from year to year. Data BANI Arbitration Center said, cases registered in BANI in the period 2007-2016 as many as 728 cases. This number increased to 238% compared to 1997-2006 with 215 cases registered. Previously, in the period 1987-1996 there were 56 registered cases.

Arbitration is the choice of business actors to resolve the problem without going through a judicial institution that is often long because of the appeal process, cassation, and review. In addition, the arbitration has principles such as efficiency, accessibility, protection of the rights of the parties, final and binding, fair and just, and in accordance with the sence of justice from the community, thus, the element of "deterrant" of the offender will be guaranteed, and disputes, will be prevented (Fuady, 2000). Indonesia has also ratified the Convention on the Recognition and Enforcement of the Foreign Arbitration Awards (New York Arbitration Convention), which is widely known as the New York Convention, on August 5, 1981 by Presidential Decree No. 34 of 1981 and announced in State Gazette Number 40 of 1981 and officially registered on October 7, 1981.

The State of Malaysia also uses arbitration as an alternative to litigation in resolving legal disputes. The Malaysia arbitration institution based in Kuala Lumpur is known as Kuala Lumpur Regional Center for Arbitration (KLRCA). KLRCA also spurred the growth of international arbitration in Malaysia which many became the choice of international embezzlers

to solve their case or dispute. KLRCA has experienced stable workload increase every year. Prior to 2010, the number of cases enrolled in the KLRCA was between ten and 20 cases per year. In 2012, KLRCA registered 85 new cases; in 2013, the proposed annual case increased to 156 and in the third quarter of 2014, the center has received 226 cases. According to KLRCA statistics, nearly 20% of arbitration cases in 2013 are international, increasing from previous years.

2 METHOD

According to Peter Mahmud Marzuki (2008), formulating legal research as a process to find a rule of law, legal principles, and legal doctrines in order to answer the legal issues faced. In this study the author analyzes the dispute resolution arbitrarily in the ASEAN economic community (MEA) in the context of Indonesia and Malaysia. This research is a normative juridical nature, namely seeing law as human behavior in society (Sunaryo 2012). By applying the approach method through statue approach, comparative approach, historocal approach, canseptual approach and case approach.

Data Source: using 3 types of legal material, namely: primary, secondary and tertiary. a) Primary legal material, which consists of legislation, official records/minutes in the making of legislation and decisions of judges. Primary huku materials include:Law No. 1 of 1970 concerning Basic Provisions of the Judicial Authority, Law No. 30 of 1999 concerning Arbitration and Alternative Dispute Settlement, Presidential Decree No. 34 of 1981, 2017, Malaysia Arbitration Rules, Malaysian Arbitration Act. b).Secondary: in the form of legal books, legal journals, legal writing/views of legal experts contained in the mass media that are relevant to the subject matter of writing this law. c).Tertiary: encyclopedia, dictionary, glossary and other ingredients.

Legal Material Collection Techniques: conducted by means of Study: Documents, Literature and Internet studies. A). Document Study: it is the collection of data that is owned by the parties involved and the search for legislation in matters relating to the research process. B). Literature Study: by searching and searching library materials from various literature or books or journals.c). Internet study: by searching and searching for materials through the internet or website to complete other legal materials.

Technical Analysis of Legal Material. Analysis is done by analyzing problems with qualitative legal concepts and materials. Qualitative research method is a way / more effort to find aspects of understanding deeply in a problem. Qualitative research is a research that is descriptive in nature, tends to use analysis and emphasizes the process of meaning.

3 FINDINGS AND DISCUSSION

3.1 Business Dispute Settlement Process through Arbitration in the Era of ASEAN Economic Community in Indonesia and Malaysia

In resolving business disputes there are two types of dispute resolution methods that have been applied in Indonesia, namely through litigation and non-litigation. Litigation is a dispute resolution process in a court, where all parties to a dispute face each other to defend their rights before a court. The end result of a dispute resolution through litigation is a decision stating a win-lose solution (Amriani, 2012). Definition of Litigas itself is a lawsuit over a conflict that is ritualized to replace the actual conflict, where the parties give to a decision making two conflicting choices (Margono, 2012). This litigation pathway procedure is more formal (very formalistic) and very technical (very technical). As J. David Reitzel said "there is a long wait for litigants to get trial", let alone to get a decision that has a permanent legal force, to settle it in just one judicial institution, must wait in line. This condition causes people to look for other alternatives, namely the settlement of disputes outside the formal justice process. Dispute resolution outside the formal justice process is what is called "Alternative Dispute Resolution" or ADR (Harahap, 2009).

Whereas dispute resolution through non-litigation has been known as an alternative dispute resolution, which is explained in Article 1 number (10) of Law Number 30 of 1999 concerning Arbitration and APS, which reads as follows: "*Alternative Dispute Settlement is a dispute resolution or dissenting institution through a procedure agreed upon by the parties, namely the settlement of disputes outside the court by means of consultation, mediation, conciliation, or expert judgment.*".

One way to resolve disputes in a non-litigation manner is through an arbitration process. Excess arbitration from the side of the procedural law there

is flexibility that remains in the corridor of the law. On the other hand, arbitrators who have knowledge of both legal and technical aspects, as well as the timeliness of the trial, become an advantage of the arbitration itself so that the trial can proceed effectively. In addition, continued business relations between the parties are also considered. Not even close the possibility of good relations and cooperation can continue. The role of arbitration as an effort to resolve international-scale trade disputes began at the end of the 18th century, which was marked by the birth of the Jay Treaty on November 19, 1794. This agreement took place between the United States and Britain. With this agreement, there are procedures for fundamental changes regarding settlement of international trade disputes. If prior to this agreement trade disputes were carried out through diplomatic channels, then changed the way the characters became international arbitrations. The old solution is often disappointing. Settlement tends to be influenced by political interests (Harahap, 1997).

The word arbitration is derived from the words arbitrare (Latin), arbitrage (Dutch), arbitration (English), schiedspruch (German), and arbitrage (French), which means the power to settle a matter according to wisdom or peace by the arbitrator or referee. the understanding of arbitration according to Subekti is the means of resolving a particular judge who is not related to various formalities, is quick and gives a decision, because in the last instance and binding, that is easy to implement because it will be obeyed by the parties (Gautama, 1976). Arbitration is the settlement of a dispute (case) by a person or some referee (arbitrator) who is jointly appointed by the parties who are litigating not through the court. Based on the opinion of the two experts, it can be concluded that the notion of arbitration, namely: the settlement process between the parties that entered into an agreement to show someone or more as an arbitrator in deciding a case whose nature is final and binding (Subekti. 1980).

Acording Priyatna Abdulrrasyid "Arbitration is an alternative mechanism for dispute resolution which is a form of legal action recognized by law in which one party or more surrenders, disagreement, disagreement with one other party or more to one person (Arbitrator) or more (arbiter-majlis) professional experts, who will act as judges or private judiciary who will apply the procedures for the law of peace that has been jointly agreed by the parties to arrive at a final and binding decision" (Abdulrasyid). Then HMN Poerwosujtipto uses the term arbitration for arbitration which is defined as a peace court, where the parties agree that their disputes about personal rights that they can control are fully examined and tried by impartial judges appointed by their own parties and the decisions are binding on both parties party (Poerwosutjipto, 1992).

3.2 Arbitration in Indonesia

In Indonesia the interest to settle disputes through arbitration began to develop in line with the enactment of Law No. 30 of 1999 on Arbitration and Alternative Dispute Resolution (APS). One of the institutions authorized to settle the case through arbitration is BANI with SK no. SKEP/152/DPH/1997 dated 30 November 1997 and managed and supervised by the Board and Advisory Board consisting of public figures from the business sector. In the period 2007-2016 BANI successfully completed 782 cases. BANI is domiciled in Jakarta and has representatives in several major cities in Indonesia, namely Surabaya, Bandung, Medan, Denpasar, Palembang, Pontianak and Jambi(“PDF.pdf,” n.d.). In the provisions of Article 66 of Law No. 30 of 1999 on Arbitration and Alternative Dispute Resolution (APS), it can be determined the scope /subject matter which can be settled through arbitration namely (“arbitrationindonesia.pdf,” n.d.): Commerce; Banking; Finance, Investment; Industry and; Intellectual Property Rights (HAKI). The Arbitration Mechanism in Indonesia is as follows.

Registration. Registration and submission of arbitration applications by parties initiating the applicant's arbitration process. Request for Arbitration. (Notice of Arbitration) Application for Arbitration must include (Poerwosutjipto, 1992): a) Name and address of the parties; b) Clause or Arbitration Agreement; c) Information about the facts and the legal basis for the Arbitration Application; d) Details of the problem; and e) Claims and / or value of demands requested (Statement of Claim). Besides that the applicant must attach to the application an authentic copy of the agreements related to the dispute concerned and can also attach other documents that the Applicant deems relevant. If additional documents or other evidence is intended to be submitted later, the Applicant must confirm this in the Application (Poerwosutjipto, 1992).

Arbitrator Appointment. In Article 8 letter f of Law No. 30 of 1999 concerning Arbitration and Alternative Dispute Settlement (APS). Determination of the number of arbitrators is not regulated but the applicant can submit a proposal regarding the desired number of arbitrators in an odd number. And in the

BANI regulation the number of arbitrators is regulated as much as 1 (one) or 3 (three) arbitrators.

Respondent's response. In this case the respondent must submit an answer within 30 (thirty) days to deliver an answer or appoint an arbitrator by including clear and valid reasons. The maximum extension of this time is 14 days. And the answers submitted must be in writing (Poerwosutjipto, 1992).

Counter Claim. The Respondent intends to file a counterclaim (reconciliation), then the claim can also be included along with the submission of the Answer Letter. This counter-claim can also be submitted no later than the first trial. However, under certain conditions, the Respondent may file a counterclaim on a date by providing reasonable guarantees. Of course, this is also done with the authority and policy of the Assembly. And the procedure is like a request from the beginning.

Examination Session. The process of arbitration examination must be conducted in a closed manner using Indonesian language, must be made in writing and hear the information of the parties and the final decision is at the latest set within 30 (thirty) days after the closing of the trial. Before giving a final decision, the Assembly or arbitrator also has the right to give preliminary decisions or partial decisions. However, if it is deemed necessary to extend the time to determine the final decision according to the consideration of the Assembly or arbitrator, then the final decision can be set at a later date.

Article 28 Undang-Undang No.30 Tahun 1999 tentang Arbitrase dan Alternatif Penyelesaian Sengketa (APS), The Assembly or arbitrator may consider using a foreign language in accordance with the agreement if there are parties or even foreign arbitrators who cannot use Indonesian, or the part of the transaction that is the cause of the dispute is carried out in a foreign language (other than Indonesia).

In Law No. 30 of 1999 concerning Arbitration and Alternative Dispute Settlement (APS) article 48 paragraph (1) which reads "The examination of the dispute must be completed within a maximum of 180 (one hundred and eighty) days after the arbitrator or the arbitral tribunal is formed" . But within this time period the examination period can be extended with the following factors: a) One party submits a special application, b) It is the result of the stipulation of a provisional decision or other interlocutory decision, c) Considered necessary by the Assembly or arbitrator.

The place of the arbitral tribunal has been determined by the arbitrator or the arbitral tribunal, but if agreed by all parties where the arbitral proceedings may change and the Arbitrator or the arbitral tribunal may hear witness testimony or hold a meeting deemed necessary at a particular place outside the place of arbitration. In Article 60 of Law No. 30 of 1999 concerning Arbitration and Alternative Dispute Settlement (APS) it has been determined that the arbitration award is final and has permanent legal force and is binding on the parties.

3.3 Arbitration in Malaysia

In the State of Malaysia the arbitration is governed by the rules, Arbitration Rules 2017 and the Malaysian Arbitration Act. With the shading institution is Kuala Lumpur Regional Center for Arbitration (KLRCA). The KLRCA/AIAC is independent in resolving the arbitration case. The agency in 2016 has resolved the case of 522 cases with details as follows(“PDF.pdf,” n.d.):

a. 61% of all arbitration are disputes from the construction sector and other related sectors; b. 60% of all mediations are disputes from the construction sector and related sectors; c. 84% of appointments are for adjudication; d. 50% increase in ADNDR (Asian Domain Name Dispute Resolution) cases compared to 2015; e. 71% of all arbitration matters governed under KRLCA regulations (KLRCA 2013 arbitration rules and KLRCA quick arbitration rules); f. Total 416 pledges made by KLRCA for all disputes; g.134% increase in cases of adjudication compared to 2015;h. Total RM1, 537,979,679.80 amount of funds in disputes for adjudication; i. Total USD295.470.992, 84 and RM468, 209,113.39 amounts in arbitration dispute.

In the preliminary section of Arbitration Rules 2017 rules explained that the subject matter that can be resolved through the arbitration body is all the subject of the dispute whose parties have agreed to settle the existing case of arbitration institution unless the case is contrary to public policy.

The appointment of the Arbitrator, that the party completing the free arbitration determines the arbitrator's amount for a period of 30 (thirty) days. If the parties fail to determine the number of arbitrators then the KLRCA determines it and if the KLRCA appoints a single arbitrator, an arbitrator or emergency arbitrator shall be in compliance with the rules. The KLRCA determines the number of arbitrators by determining(“PDF.pdf,” n.d.): a) In the case of an international arbitration, it consists of three arbiters, b) In the case of a domestic arbitration, it consists of a single arbitrator.

Regarding the proceedings, that a sole arbitrator or arbitral assembly shall announce the proceedings

to be held in private. Submission of the trial must be closed and the date of the hearing must be submitted in writing to the parties. The arbitrator gives 3 (three) months for technical review. The deadline starts running since the arbitrator announces a closed session. The deadline may be extended by the arbitrator with the consent of the parties and after consultation with the KLRCA chairman. The Chairman of the KLRCA may influence the arbitration decision against the perceived irregularities regarding the form of rewards and errors in interest and cost calculations.("PDF.pdf," n.d.) But if it is deemed appropriate the chairman of KLRCA shall notify the arbitrator in writing that the technical review has been completed. The Parties undertake to execute the verdict immediately without delay, and irrevocably waive their right to any review or other appeal to the Court or other judicial authorities. Verdicts may be lawful, and the parties agree that the award shall be final and binding on the parties from the date on which the verdict is signed. The term of dispute settlement at KLRCA is settled with a term agreed by the parties, but KLRCA offers a fast-track arbitration process with a maximum of 160 (one hundred and sixty) days settlement.("PDF.pdf," n.d.) Arbitration shall be conducted at the arbitrator's place, if it does not agree to it, then the place of arbitration may be exercised in the choice of the parties by determining by observing the circumstances and according to the objectives.("PDF.pdf," n.d.)

The arbitration mechanism in Malaysia is as follows **Registration.** The applicant submits a written application accompanied by: a) A copy of the arbitration clause in writing. b) A copy of the contract documentation in which the arbitration clause exists or in connection with which the arbitration arises. c) a copy of the notice of arbitration accompanied by a confirmation that it has been or is being served on all other parties by one or more means to be identified in the confirmation. d) Pay registration fees.

When the applicant submits an initial application with all complete documentation is considered the date on which the arbitration has begun.

Arbitrator Appointment. The party completing the arbitration is free to determine the number of arbitrators with a period of 30 (thirty) days. If the parties fail to determine the number of arbitrators, the KLRCA party determines it and if the KLRCA appoints a single arbitrator, the arbitration member or emergency arbitrator must comply with the regulations. KLRCA determines the number of arbitrators by determining:a).In the case of international arbitration, consists of three arbitrators, b).In the case of domestic arbitration, it consists of one single arbitrator.

Trial Process. Single arbitrators or arbitrator assemblies must announce the trial is held in a closed manner. Submission of hearings must be closed and the date of trial must be submitted in writing to the parties. The arbitrator gives 3 (three) months for technical review. The deadline starts running since the arbitrator announces a closed trial. The deadline can be extended by the arbitrator with the agreement of the parties and after consultation with the head of the KLRCA. The Chair of the KLRCA may impose arbitration decisions on perceived irregularities regarding forms of awards and errors in the calculation of interest and fees. But if it is deemed appropriate the KLRCA chairman must notify the arbitrator in writing that the technical review has been completed.

The parties undertake to carry out the decision immediately without delay, and irrevocably waive their right to all forms of appellate review or another route to the Court or other judicial authorities. Decisions can be made legally, and the parties agree that the decision is final and binding on the parties from the date the decision is signed.

The time period for dispute resolution at KLRCA is settled within a period agreed by the parties, but KLRCA offers fast track arbitration process with a maximum settlement of 160 (one hundred sixty) days.

Arbitration is held at the arbitrator's place, if it does not approve it, then the place of arbitration can be carried out at the party's choice by determining by considering the circumstances and according to the objectives. Based on the results of research on the arbitration process in Indonesia and Malaysia, it can be seen in the following table:

Table 1.
Comparison of the Arbitration Settlement Process in Indonesia and Malaysia

No	Indicator	Country		Information
		Indonesia	Malaysia	
1	Name of the arbitration body	BANI	KLRCA	There is a similarity of nomenclature
2	Legal Basic	1. The 1970 Act on Basic Provisions of	1. Arbitration Rules 2017.	There is a difference

		Judicial Power. 2. Law no. 30 of 1999 on Arbitration and ADR. 3.Presidential Decree No. 34 of 1981	2.Malaysian Arbitration Act.	
3	Arbitration Process	1.Registration 2.Performers Arbitrators 3.Respondent's Response 4.Changing Requests 5.Field of Examination	1.Registration 2.Performers Arbitrators 3.The trial process	There is a difference
4	Number of Arbitrators, Appointment	1 or 3 arbitrators. (article 8 (2) of Law No. 30 of 1999 on Arbitration and APS)	1. The parties are free to choose the number of arbitrators. 2. 1 or 3 arbitrator rule 4 number 3 KLRCA ARBITRATION RULES (As revised in 2017).	There is a difference
5	Time period	The slowest time in 180 (one hundred and eighty) days. (Article 48 of Law No. 30 of 1999 on Arbitration and APS)	1.The agreement of the parties 2.a quick arbitration arbitrationprocess with a maximum of 160 (one hundred and sixty) days	There is a difference
6	Place of trial	The courtroom is fixed by the arbitrator, but if agreed upon by all parties the venue may change. (Article 37 of Law No. 30 of 1999 on Arbitration and APS)	The parties may decide by themselves or be determined by the arbitrator. (Rule 7 No. 1 KLRCA ARBITRATION RULES (As revised in 2017).	similar
7	Form of Decision	The verdict is final and binding. (Article 60 of Law No. 30 of 1999 on Arbitration and APS)	The verdict is final and binding. (Rule 12 No. 10 KLRCA ARBITRATION RULES (As revised in 2017).	similar
8	Fee	Terms of fees are based on the value of the speech.	Terms of fees are based on the value of the speech.	There is a difference

Objectives of the ASEAN economic community which provides for bribery and simplification of the bureaucracy/ regulation to promote the development of the world of commerce in ASEAN. B. Appointment of Arbitrator, appointment of arbitrator which does not take long, as described in Article 8 letter f Act no. 30 of 1999 on Arbitration and Alternative Dispute Settlement in which the determination of the number of arbiters is not regulated but the applicant may propose about the number of arbiter desired in odd number 1 or c. Duration, in Indonesia the arbitration process takes 180 (one hundred and eighty) days, which makes the parties more efficient in the time used in arbitration. In Malaysia and Thailand do not specify the exact timing of the arbitration process, but Malaysia offers arbitration proceedings with 160 (one hundred and sixty) days which at a cost different from ordinary arbitration. However, in a fixed period of time it often makes the arbitration ruling not see the case, the decision is likely to be terminated because the prescribed time should not be bypassed.d. The cost of arbitrage in Malaysia is differentiated between fees for arbitrators and institutional fees, in addition to Malaysia also distinguish between international arbitrage fees and domestic arbitrage fees. The ideal concept is the cost of arbitration in Indonesia that has no distinction in fees.

In the era of MEA that open free market among ASEAN countries currently make the trade intensity

between high inter-state business actors can potentially increase the dispute both in quality and quantity and business actors prefer dispute settlement with non-litigation process is litigated, because litigation process has a fairly complicated aspect in dispute settlement where the parties are related to the standard rules of the court, and the process of settling non-litigation chosen is by way of arbitration.Arbitration is chosen by the business actor because the arbitration is efficient in time and cost, the identity of the parties in secret and the final and bind ing arbitral award. And the reason the authors chose Indonesia as the prospect of arbitration in the era of MEA as described above in line with the spirit and objectives of the MEA which provides bribery and simplification of bureaucracy/regulation in order to encourage the development of trade in ASEAN. Completion of arbitration in the era of the MEA will have to be faster, practical and efficient which in accordance with the soul of the MEA.

4 CONCLUSION

That the business dispute resolution process through the arbitration institution in the era of the MEA is increasingly needed with the consideration that in this era of MEA, the intensity of trade transactions between the merchants both domestic and between countries increasing both quality and quantity. In line with the growing world of trade would have the potential to increase the problem of law (conflict) is increasingly intense both quality and quality. However, from the results of the study produced by the authors of 2 (two) arbitration agencies in Indonesia and Malaysia, there are differences related to the legal basis, arbitration process, duration and cost. Given the different aspects of impact, it will have an impact on traders that involve traders in ASEAN countries, who are given the freedom to choose arbitration institutions in ASEAN countries. With different ways of working of 2 (two) arbitration institutions in Indonesia and Malaysia, and the absence of standardization of the same settlement process it is possible in the event of a pulling out in choosing that arbitrage institutions. Of the two arbitration institutions, namely Indonesia and Malaysia, which have an impact in the dispute settlement process, mainly related to the arbitration process, term and cost. Based on the above differences, according to the authors, the Indonesian arbitration institution has more positive prospects to serve as a model for arbitration institutions in ASEAN countries, although it is recognized that each of the ASEAN law system is different. The authors' views are in line with the spirit and objectives of the ASEAN economic community which provides for banning and simplifying the bureaucracy / regulation to promote the development of the trading world in ASEAN.

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