THE IMPLEMENTATION OF ONLINE ARBITRATION LAW AS A MODERN DISPUTE SETTLEMENT IN INTERNATIONAL CHAMBER OF COMMERCE (ICC)

UNDERGRADUATE THESIS



This Undergraduate Thesis is submitted as one of the requirements to obtain the

decree of Bachelor of Law at Faculty of Law

Universitas Muhammadiyah Yogyakarta

Name : FE Fikran Alfurgon

Student Number : 20140610463

Faculty : Law

Major : International Program for Law and Sharia

Field of Study : Business Law

FACULTY OF LAW

UNIVERSITAS MUHAMMADIYAH YOGYAKARTA

DECLARATION PAGE



I hereby declare that the Undergraduate Thesis which is entitled "THE IMPLEMENTATION OF ONLINE ARBITRATION LAW AS A MODERN DISPUTE SETTLEMENT IN INTERNATIONAL CHAMBER OF COMMERCE" its content is truly the work of my own and I did not do plagiarism or quotation in ways that are inconsistent with the prevailing ethnic in the scientific community. On this statement, I am ready to bear the risk/any sanctions imposed to me in accordance with applicable regulations, if in the future found a breach of scientific ethnics, I am willing to accept the sanctions.

Written by

Name : FE Fikran Alfurgon

Student Number : 20140610463

Faculty : Law

Major : International Program for Law and Sharia

University : Universitas Muhammadiyah Yogyakarta

Yogyakarta, February 14th, 2018

FE Fikran Alfurqon

DEDICATION

This Undergraduate Thesis dedicated to

My Lord, Allah SWT

Prophet Muhammad SAW

My beloved parents

Ir. H. R. Faisal

Hj. Sy. Erni Jamilah, S.KM., MM.

My lovely sisters

FE Ingkan Silta, S.E., M.BA.

FE Gestri Ulfaini, S.Pi.

FOREWORD

Alhamdulillah Walhamdulillah tsumma Alhamdulillah, thank you Allah SWT, The Most Merciful and Most Gracious who has given me His blessing and an opportunity to accomplish my Undergraduate Thesis as final project to fulfill the degree of Bachelor of Law entitled THE IMPLEMENTATION OF ONLINE ARBITRATION LAW AS A MODERN DISPUTE SETTLEMENT IN INTERNATIONAL CHAMBER OF COMMERCE at International Program for Law and Sharia, Fakultas Hukum, Universitas Muhammadiyah Yogyakarta.

First of all, I would like to express deeply grateful to my parents Papa Mama and my sisters kak Inka kak Eci for the infinity prayer, support, guide and love.

Thousand massive thanks to my advisor Ibu Dr. Fadia Fitriyanti, S.H., M.Hum., M. Kn. who guided me and motivate me to accomplish this Undergraduate Thesis as soon as possible. I also thanks to Bapak Suryanto, S.Pd., M.H.Sc. D.Ed. who did a great deal to correct and improve my English.

Allow me also to express my deepest gratitude to Bapak Nasrullah, S.H., S.Ag., MCL and Bapak Yordan Gunawan, S.H., Int. MBA., M.H. and all the lecturers of Faculty of Law for their assistance and inspiration. Deepest appreciation also goes to all staff of Faculty of Law especially to Ibu Qodriyah Isniyati, S.H, brother Hary Abdul Hakim, S.H and sister Firdausi Alamari, S.H for their assistance during my study at Faculty of Law Universitas Muhammadiyah Yogyakarta.

I would like to send gratefulness to my best friends for their time to

accompany me, Dean Adams, Bagus Hali Putranto, Rizki Habibullah, Yudha

Kusuma Wardani, Andi Rizal Ramadhan, M. Bima Aoron Hafiz, Muhammad

Dzulnafis Tanjung, Rama Cahyo Wicaksono, Widya Aulia, Kurnia Maharani,

Desy Octafiyani, S.H, Novi Yanti, S.H and beloved IPOLS Batch 2014 and 2015.

Special thanks also goes to all IPOLianS, SAFE Law Firm and Rahmatan Lil

Alamin Group for all your prayers and supports.

Finally, I do expect the thesis will give benefit for readers and their future

research.

FE Fikran Alfurqon

viii

TABLE OF CONTENT

ABS'	TRACT	i
APP	ROVAL PAGE	ii
END	ORSEMENT PAGE	iii
DEC	LARATION PAGE	iv
MO	TTO PAGE	v
DED	ICATION	vi
FOR	EWORD	vii
TAB	LE OF CONTENTS	ix
LIST	OF FIGURES	xi
LIST	OF STATUTES	xii
LIST	ABREVIATIONS	xiii
СНА	PTER ONE – INTRODUCTION	
A.	Background	1
B.	Research Question	6
C.	Research Objective	6
D.	Benefits of Research	6
СНА	PTER TWO – LITERATURE REVIEW	
A.	Arbitration	8
B.	Online Arbitration	14
C.	Dispute	17
D	Dispute Settlement	19

E.	International Chamber of Commerce (ICC)	22		
CHA	APTER THREE – RESEARCH METHOD			
A.	Type of Research	25		
B.	Type of Data	26		
C.	Method of Collecting Data	27		
D.	Data Analysis	28		
CHAPTER FOUR – FINDING AND ANALYSIS				
A.	Analysis on the Implementation of Online Arbitration Law as a Modern			
	Dispute Settlement in International Chamber of Commerce (ICC)	29		
	1. The Applied Rules for Online Arbitration in ICC	29		
	2. The Case Examination of Online Arbitration in ICC	35		
	a. Registration Stage	36		
	b. Examination Stage	40		
	c. Post-award Stage	44		
CHAPTER FIVE – CONCLUSION AND RECOMMENDATION				
A.	Conclusion	50		
B.	Recommendation	51		
BIBLIOGRAPHY				

LIST OF FIGURES

1.1 The Comparison of Dispute Settlement through Alternative			
Dispute Settlement (ADS), Arbitration, And Litigation	10		
4.1 Illustrated ICC Cost Calculator	32		
4.2 Illustrated Online Procedural Hearings under London Court of			
International Arbitration (LCIA)	47		

LIST OF STATUTES

International

United Nations Charter
New York Convention 1958
The Incoterms Rules 2010
2017 ICC Rules of Arbitration & Mediation
ICC Commission Report on Information Technology in International Arbitration
ICC Notes to Parties and Arbitral Tribunals on the Conduct of the Arbitration

Indonesia

Indonesian Law Number 30 of 1999 on Arbitration and Alternative Dispute Settlement
Indonesian Law Number 19 of 2016 on Electronic Information and Transactions

LIST OF ABBREVIATION

AAA American Arbitration Association

ADR Alternative Dispute Resolution

ADS Alternative Dispute Settlement

E-COMMERCE Electronic Commerce

ICC International Chamber of Commerce

ICC RULES International Chamber of Commerce Rules of

Arbitration and Mediation

INTERNET Interconnected Networking

IT Information Technology

LCIA London Court of International Arbitration

ODR Online Dispute Resolution

TOR Terms of Reference

UN Charter United Nations Charter