



JIIHK is licensed under a Creative Commons Attribution 4.0 International license, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.



DOI: 10.46924/jihk.v7i2.430



# Arbitration as a Dispute Resolution Mechanism Supporting the Sustainable Development Goals in Private Higher Education

Ahmad Widad Muntazhor<sup>1\*</sup>, Bia Mangkudilaga<sup>2</sup>, Alya Dean Putri<sup>3</sup>, & M Reza Rivaldo<sup>4</sup>

<sup>1,4</sup>Program Studi Hukum Ekonomi Syariah, Universitas Indo Global Mandiri, Sumatera Selatan, Indonesia

<sup>2</sup>Bambang Hariyanto & Partners Law Firm, Indonesia

<sup>3</sup>Batusangkar District Court, Supreme Court of the Republic of Indonesia

## Correspondence

Ahmad Widad Muntazhor, Sharia Economic Law Study Program, Sekolah Tinggi Ekonomi dan Bisnis Syariah Indo Global Mandiri, Sumatera Selatan, Indonesia, Jl. Jend. Sudirman No.KM.4, RW.No.629, 20 Ilir D. IV, Kec. Ilir Tim. I, Kota Palembang, Sumatera Selatan 30129, e-mail: widadmtz@stebisigm.ac.id

## How to cite

Muntazhor, Ahmad Widad., Mangkudilaga, Bia., Putri, Alya Dean., & Rivaldo, M Reza. 2026. Arbitration as a Dispute Resolution Mechanism Supporting the Sustainable Development Goals in Private Higher Education. *Jurnal Ilmu Hukum Kyadiren* 7(2), 1560-1572. <https://doi.org/10.46924/jihk.v7i2.430>

*Original Article*

## Abstract

Private Higher Education Institutions (PTS) in Indonesia are private legal entities with full legal capacity to enter into agreements with third parties, acquire rights, assume obligations, and engage in contractual relations. In its various academic and non-academic activities supporting the Tri Dharma, civil disputes are inevitable. Litigation before the court is still commonly used, yet the judicial process is time-consuming, costly, formalistic, and publicly open to scrutiny—potentially harming institutional reputation. Arbitration emerges as an alternative dispute resolution mechanism that is normatively recognized within Indonesian law, produces final and binding awards, and provides a dispute settlement model that is faster, confidential, flexible, and more compatible with contemporary business needs. This article examines the strategic use of arbitration by PTS as an instrument of good university governance and legal risk management. A clear arbitration clause prevents forum shopping and jurisdictional conflicts before disputes escalate further. Consequently, arbitration should not merely be treated as an optional clause within contracts, but as a deliberate institutional policy to ensure legal certainty, efficiency, and the preservation of institutional credibility

**Keywords:** Arbitration, Private University, Arbitration, Alternative Dispute Resolution.

## Abstrak

Perguruan Tinggi Swasta (PTS) merupakan badan hukum privat yang memiliki kapasitas penuh untuk melakukan perbuatan hukum, termasuk membuat perjanjian dan menjalin hubungan kontraktual dengan pihak ketiga. Dalam pelaksanaan Tri Dharma Perguruan Tinggi, PTS tidak terlepas dari potensi sengketa perdata. Penyelesaian melalui pengadilan sering dinilai kurang efektif karena proses yang panjang, biaya tinggi, serta prosedur yang formal dan terbuka, yang berpotensi merugikan reputasi institusi. Arbitrase hadir sebagai mekanisme penyelesaian sengketa yang diakui secara normatif, bersifat final dan mengikat, serta menawarkan kecepatan, kerahasiaan, dan fleksibilitas yang lebih sesuai dengan kebutuhan modern. Artikel ini menegaskan pentingnya pemanfaatan arbitrase oleh PTS sebagai bagian dari penguatan tata kelola kelembagaan dan manajemen risiko hukum. Melalui perjanjian arbitrase yang tegas, PTS dapat meminimalkan eskalasi sengketa, menghindari forum shopping, dan menjaga konsistensi yurisdiksi. Dengan demikian, arbitrase tidak sekadar alternatif, melainkan instrumen strategis untuk menjamin kepastian hukum, efisiensi penyelesaian sengketa, dan perlindungan reputasi institusi.

*Kata kunci:* Arbitrase; Perguruan Tinggi Swasta; Arbitrase; Penyelesaian Sengketa.

## 1. INTRODUCTION

Higher education institutions hold a strategic position in shaping competent, ethically grounded, and globally competitive human capital. Through the implementation of the Tri Dharma of Higher Education—education, research, and community service—universities function not only as centers of intellectual development but also as drivers of social and economic advancement.<sup>1</sup> Within this framework, Private Higher Education Institutions (PTS) constitute an essential component of Indonesia’s higher education system, particularly in widening access to education and promoting a more balanced distribution of human resources. In performing their institutional mandates, however, PTS inevitably engage in a wide range of legal relations, both internal and external. Internally, such relations arise among foundations, university management, faculty, and students, while externally they are commonly formed through research partnerships, procurement activities, and infrastructure development.

As private legal entities, PTS possess full legal capacity to enter into contractual relations and to bear civil rights and obligations. The exercise of these functions, especially in activities supporting the Tri Dharma, inherently exposes PTS to the risk of civil disputes. Accordingly, a clear and adaptive understanding of effective dispute resolution mechanisms becomes indispensable.

Disputes may be addressed through judicial proceedings or through alternative, non-litigation forums. In practice, litigation often generates additional complications, given the courts’ limited ability to comprehensively accommodate the parties’ interests, the heavy caseloads faced by judicial institutions, and the resulting delays, high costs, and rigid procedural formalism.<sup>2</sup> Such conditions frequently intensify adversarial relations and frame disputes in binary terms of “winning” and “losing.” By contrast, contemporary practice increasingly favors out-of-court resolution mechanisms that provide greater procedural flexibility and allow for more balanced outcomes.

Within this context, arbitration represents a consensual, non-litigation method of dispute settlement based on a written agreement between the parties. Its defining features finality and binding force offer a higher degree of legal certainty than court proceedings. Moreover, arbitration is widely regarded as more efficient, confidential, and flexible, and comparatively economical in terms of time and expense. These attributes render arbitration particularly attractive for safeguarding institutional and commercial interests, as it enables

<sup>1</sup> H. Mulyawan Safwandy Nugraha et al., *Manajemen Perguruan Tinggi*, ed. oleh H. Mulyawan Safwandy Nugraha dan Eris Siti Riasah (Sumedang: CV. Mega Press Nusantara, 2025), hal. 16.

<sup>2</sup> Tumanda Tamba dan Mukharom, “Efektivitas Peran Mediator Dalam Penyelesaian Sengketa Non Litigasi Dalam Bidang Bisnis Maupun Hukum,” *Jurnal Ilmiah Mahasiswa Perbankan Syariah (JIMPA)* 3, no. 2 (2023): 445–60, <https://doi.org/10.36908/jimpa.v3i2.247>.

the resolution of disputes without undermining long-term relationships and supports the attainment of mutually beneficial solutions.<sup>3</sup>

Arbitration constitutes a swift, confidential, and conclusive mechanism for resolving disputes outside the judicial system. Under Law Number 30 of 1999 on Arbitration and Alternative Dispute Resolution, arbitration is defined as a method of dispute settlement grounded in a written agreement between the parties, whose outcome is final and binding. These attributes render arbitration more efficient than court litigation and enable a higher degree of legal certainty within a shorter timeframe.<sup>4</sup> In practice, arbitration may be administered through permanent institutional bodies, such as the Indonesian National Arbitration Board (BANI), or conducted on an ad hoc basis as specifically constituted by the parties.<sup>5</sup> Both models provide procedural flexibility, preserve confidentiality, and facilitate outcomes that are more responsive to the parties' mutual interests, which is particularly significant for private universities (PTS) seeking to safeguard institutional stability and reputation in an increasingly competitive academic environment.

Despite these advantages, the utilization of arbitration within higher education, especially among private universities, remains limited. Many cooperation agreements entered into by PTS continue to omit arbitration clauses, resulting in a predominant reliance on judicial proceedings, notwithstanding the substantive similarities between PTS contractual relations and commercial transactions that traditionally fall within the scope of arbitration.

At the global level, efforts to enhance effective and integrated dispute resolution mechanisms correspond with the Sustainable Development Goals (SDGs), notably SDG 16, which emphasizes the strengthening of legal institutions, the enhancement of legal certainty, and the expansion of access to justice.<sup>6</sup> In this regard, arbitration, as a non-litigation forum characterized by confidentiality, procedural efficiency, and administrative adaptability, represents a pertinent instrument for modernizing access to justice within the private sector, including higher education institutions.<sup>7</sup> Accordingly, this study examines the relevance and potential of arbitration as a dispute resolution forum for private universities, particularly in the context of business-related disputes between PTS and their

---

<sup>3</sup> Dahliani dan Hadi Tuasikal, "Penyelesaian Sengketa Perdata Melalui Non-Litigasi: Kajian Hukum dan Implementasinya di Indonesia," *Journal of Dual Legal System* 2, no. 1 (2025): 46–69, <https://doi.org/10.58824/jdls.v2i1.322>.

<sup>4</sup> Vehrial Vahrizanur dan Farahdinny Siswajanthry, "Peran Arbitrase dalam Penyelesaian Sengketa di Luar Pengadilan Menurut Undang-Undang Nomor 30 Tahun 1999," *Jurnal Hukum, Politik dan Ilmu Sosial (JHPIS)* 4, no. 2 (2025): 81–88, <https://doi.org/10.55606/jhpis.v3i2.3937>.

<sup>5</sup> Frans Hendra Winarta, *Hukum Penyelesaian Sengketa Arbitrase Nasional Indonesia dan Internasional*, ed. oleh Tarmizi, 2 ed. (Jakarta: Sinar Grafika, 2022), hal. 43.

<sup>6</sup> Ummu Salma Al Azizah, "Pengenalan Sustainable Development Goals (SDGs) dalam Perspektif Islam," in *Islamic SDGs*, ed. oleh Eko Sudarmanto (Tangerang: Minhaj Pustaka, 2025), hal. 49.

<sup>7</sup> Azizah, hal. 65.

contractual partners. The research aims to identify a model of dispute resolution that is both efficient and equitable, while preserving the institutional integrity of higher education. It is expected to contribute to the theoretical development of arbitration law in Indonesia and to provide practical guidance for private universities in managing legal risks through professional and contemporary dispute resolution mechanisms.

## 2. RESEARCH METHODOLOGY

This study adopts a normative legal research approach. The purpose of this method is to describe, examine, and analyze the application of arbitration as a dispute resolution forum for Private Higher Education Institutions (PTS). The analysis concentrates on legal principles, statutory norms, and regulatory frameworks governing arbitration within the contractual relationships between PTS and related parties. From a methodological perspective, normative legal research constitutes a scientific inquiry grounded in rational and systematic legal reasoning. The analytical framework is developed through the interpretation of positive law, legal doctrine, and relevant legal principles in order to evaluate the effectiveness of arbitration as an alternative dispute resolution mechanism in the context of private higher education.<sup>8</sup>

## 3. RESULT AND DISCUSSION

### 3.1. Legal Status Analysis of Private Higher Education Institutions

A university is a higher education institution mandated to deliver academic programs at the bachelor's, master's, doctoral, professional, and specialist levels. Law Number 12 of 2012 on Higher Education classifies universities into two categories: State Universities (PTN), which are established and administered by the government, and Private Universities (PTS), which are founded and managed by the community. Both forms constitute legal entities, although PTN operates as a public legal body, whereas PTS holds the status of a private legal entity.<sup>9</sup>

The legal status of PTS is commonly associated with that of a foundation. Under Law Number 16 of 2001 on Foundations, a foundation is defined as a legal entity whose assets are separated from those of its founders and may be utilized exclusively for social, religious, and humanitarian purposes, without a profit-oriented objective. In pursuit of these non-

---

<sup>8</sup> Irwansyah, *Penelitian Hukum Pilihan Metode & Praktik Penulisan Artikel (Edisi Revisi)*, ed. oleh Ahsan Yunus, Cetakan 5 (Yogyakarta: Mitra Buana Media, 2022), hal. 93.

<sup>9</sup> Ahmad Widad Muntazhor, "Arbitrase Sebagai Pilihan Forum Penyelesaian Sengketa Konstruksi Bagi Perguruan Tinggi Negeri Berbadan Hukum," *Lex Lata Jurnal Ilmu Hukum* 6, no. 3 (2024): 352–65, <https://doi.org/10.28946/lexl.v6i3.3704>.

profit aims, foundations are permitted to engage in business activities, including the establishment and administration of Private Higher Education Institutions.<sup>10</sup> The governance of higher education institutions is further regulated by Government Regulation Number 4 of 2014 on the Implementation and Management of Higher Education. Article 1(6) of this regulation identifies PTS as higher education institutions established and/or managed by the community, while Article 1(19) provides that their organizing bodies may take the form of foundations, associations, or other non-profit legal entities.<sup>11</sup> Article 1653 of the Indonesian Civil Code classifies legal entities into three categories: those established by the state, those formed under public authority, and those established or authorized for specific purposes.<sup>12</sup>

The foregoing classification may be further reduced into two principal categories. Legal entities established by the state and those formed under public authority constitute public legal bodies, whereas entities established or authorized for specific purposes are categorized as private legal entities. Private Higher Education Institutions (PTS), which are commonly administered by foundations, associations, or other non-profit organizations, fall within this latter category. Consequently, PTS operate as private legal persons governed by civil law. This status provides the normative basis for treating contractual relations between PTS and third parties including construction-related agreements as matters of private law, thereby rendering arbitration a relevant and appropriate forum for dispute resolution.

### 3.2. Arbitration as a Dispute Resolution Forum for Private Universities

Indonesia is currently situated within a global business environment characterized by free markets and open competition. This condition, shaped by economic integration and rapid technological development, has produced a borderless commercial landscape that simultaneously intensifies competition and expands opportunities for cross-border cooperation. In such a setting, the emergence of business disputes has become an unavoidable consequence of contemporary economic activity.<sup>13</sup> This dynamic is particularly relevant for Private Higher Education Institutions (PTS) as entities operating

---

<sup>10</sup> Cita Yustisia Serfiyani, "Restrukturisasi Perguruan Tinggi Swasta Sebagai Upaya Penyehatan dan Peningkatan Kualitas Institusi," *Jurnal Hukum Ius Quia Iustum* 27, no. 2 (2020): 410–33, <https://doi.org/10.20885/iustum.vol27.iss2.art10>.

<sup>11</sup> Meddy Nurpratama, Agus Yudianto, dan Taufansyah Firdaus, "Pengembangan Yayasan Perguruan Tinggi Swasta Membentuk Badan Layanan Kegiatan Usaha," *Jurnal Investasi* 10, no. 1 (2024): 1–7, <https://doi.org/10.31943/investasi.v10i1.297>.

<sup>12</sup> Muntazhor, "Arbitrase Sebagai Pilihan Forum Penyelesaian Sengketa Konstruksi Bagi Perguruan Tinggi Negeri Berbadan Hukum."

<sup>13</sup> Edy Santoso, *Pengaruh Era Globalisasi Terhadap Hukum Bisnis di Indonesia* (Jakarta: Kencana Prenadamedia Group, 2018), hal. 37.

under private legal status. Pursuant to Law Number 12 of 2012, higher education institutions in Indonesia are classified into State Universities and Private Universities, both of which constitute legal persons (*rechtspersoon*) capable of performing legal acts.<sup>14</sup>

As private legal entities, PTS exercise autonomy in both academic functions-education, research, and community service and non-academic functions, including institutional governance, financial management, human resources, student administration, and asset management. Within this scope of autonomy, PTS may engage in business activities and establish contractual relations with third parties to support the implementation of the Tri Dharma. Such engagements, however, inherently generate legal obligations and potential disputes.

In this context, arbitration represents a relevant dispute resolution mechanism for PTS, offering legal certainty, procedural efficiency, and reputational protection when compared with judicial litigation. As independent legal persons, PTS are authorized to manage assets, enter into commercial partnerships, and conclude business contracts in support of institutional sustainability.<sup>15</sup> These contractual relations, while necessary, also entail legal risks. Accordingly, the inclusion of arbitration as the agreed forum for dispute settlement constitutes a legally valid and strategically sound option for private universities.<sup>16</sup>

Arbitration may be conducted either on an ad hoc basis or through an institutional framework. Ad hoc arbitration, frequently described in the literature as voluntary arbitration, is constituted exclusively to resolve a particular dispute and is therefore temporary in nature. It operates only for the duration of the proceedings and ceases to exist once the award is rendered.<sup>17</sup> Because it is not administered under a permanent arbitral institution, ad hoc arbitration lacks standardized procedural rules, leaving the parties free to determine the method of appointing arbitrators, the conduct of proceedings, administrative arrangements, and applicable procedural norms.

Although this flexibility allows greater party autonomy, it may also generate practical difficulties. The need to negotiate and agree upon procedural details from the outset often leads to uncertainty and inefficiency, particularly where the parties lack experience in arbitral design. Disagreements may arise over the selection of neutral arbitrators and the formulation of fair procedures, thereby undermining the intended efficiency of the process.

---

<sup>14</sup> Ach. Fadlail, "Prinsip-Prinsip Hukum Tentang Yayasan Sebagai Pengelola Lembaga Pendidikan Tinggi Swasta," *Istidlal: Jurnal Ekonomi dan Hukum Islam* 2, no. 2 (2018): 101–9, <https://doi.org/10.35316/istidlal.v2i2.110>.

<sup>15</sup> Rohaini dan Sepriyadi Adhnan, *Masa Depan Arbitrase Indonesia: Efektivitas dan Kepastian Hukum* (Ponorogo: Uwais Inspirasi Indonesia, 2024), hal. 41.

<sup>16</sup> Miftakhul Huda, "Keadilan Dalam Hubungan Hukum Antara Dosen Perguruan Tinggi Swasta Dengan Badan," *Yuridika* 32, no. 3 (2017): 464–90, <https://doi.org/10.20473/ydk.v32i3.4852>.

<sup>17</sup> Gusri Putra Dodi, *Arbitrase Dalam Sistem Hukum Indonesia* (Jakarta: Kencana Prenadamedia Group, 2022), hal. 30-31.

For this reason, ad hoc arbitration is frequently perceived as less suitable for parties unfamiliar with arbitration practice.<sup>18</sup>

By contrast, institutional arbitration is administered by a permanent arbitral body. Its recognition is reflected in the 1958 New York Convention, which acknowledges the role of established arbitral institutions in the settlement of civil disputes outside national courts. The defining feature of this model lies in its institutional permanence. Procedural rules, organizational structures, and administrative mechanisms are predetermined and systematically applied. Consequently, once a dispute arises, the parties may rely on the existing framework of the selected institution without the need to construct procedural arrangements anew, thereby enhancing predictability and procedural efficiency.<sup>19</sup>

In contrast to ad hoc arbitration, which is constituted only after a dispute has arisen and depends largely on the parties' agreement to design specific procedural arrangements, institutional arbitration operates within a predetermined and organized framework. Owing to its structured rules and documented procedures, institutional arbitration is widely regarded as offering greater legal certainty, administrative efficiency, and procedural convenience.<sup>20</sup> As reflected in the framework of the 1958 New York Convention, contemporary arbitration is no longer conceived merely as an incidental mechanism formed post-dispute, but has developed into an institutionalized system supported by permanent arbitral bodies. The Convention implicitly affirms that civil disputes may be submitted to such institutions, provided that the parties have freely consented through an arbitration agreement. In international practice, these arbitral institutions function across different jurisdictional levels.

At the national level, arbitration bodies operate within the territorial scope and legal order of a particular state. Institutions such as the Indonesian National Arbitration Board (BANI) and comparable commercial arbitration associations serve as principal forums for domestic business disputes, applying procedures aligned with national civil law traditions. For private law entities, including private universities, national arbitration provides a familiar and reliable procedural environment while ensuring the finality and binding effect of arbitral awards.<sup>21</sup>

In addition, international institutional arbitration has evolved beyond the confines of a single national jurisdiction and is specifically designed to address cross-border disputes,

---

<sup>18</sup> Hasudungan Sinaga, Jonatan Timbul, dan Josafat Pondang, *Membedah Mediasi Sebagai Alternatif Penyelesaian Sengketa*, ed. oleh Hasudungan Sinaga (Sumedang: CV. Mega Press Nusantara, 2024), hal. 25.

<sup>19</sup> Dodi, *Arbitrase Dalam Sistem Hukum Indonesia*, hal. 330.

<sup>20</sup> Fatimah Syahrul et al., "Peranan Lembaga Arbitrase Dalam Penyelesaian Sengketa Kontrak Bisnis dan Komersial," *Jurnal Arbitrase Indonesia* 1, no. 1 (2025): 51–68, <https://ejournal.dewansengketa.id/index.php/jarbi/article/view/5>.

<sup>21</sup> Trinarti Pasaribu et al., "Kewenangan Arbitrase Dalam Penyelesaian Sengketa Bisnis di Indonesia," *Jurnal Cendikia ISNU SU* 1, no. 2 (2024): 97–105, <https://doi.org/10.70826/jcisnu.v1i2.247>.

particularly those involving parties from multiple legal systems. Institutions such as the ICC, ICSID, and the procedural framework of UNCITRAL reflect the global demand for a neutral, professional, and widely acceptable forum for dispute resolution.<sup>22</sup> In this respect, international arbitration functions both as a mechanism for harmonizing transnational contractual practices and as a tool for mitigating legal risks arising from divergences among national judicial regimes.

Regional institutional arbitration is likewise recognized, serving the interests of states within a defined geographic area. This model illustrates that the development of arbitration is not limited to national and international levels, but also responds to the requirements of regional legal and economic integration. The establishment of regional arbitral centers enhances access to non-judicial justice that is more context-sensitive and attuned to regional conditions.<sup>23</sup>

Accordingly, the differentiation of arbitral institutions demonstrates that arbitration constitutes an integral component of the transnational legal order, offering legitimate, flexible, and multi-tiered forum options. For private universities as private legal entities engaged in contractual relations, an informed understanding of this institutional spectrum is essential to ensure that arbitration clauses are formulated on the basis of jurisdictional considerations, the character of potential disputes, and the need for strategic institutional legal protection.

Contract law permits the parties to freely designate a dispute resolution forum that is legally binding, provided it is stipulated in an arbitration clause. Accordingly, the inclusion of such a clause in PTS cooperation agreements is of strategic importance. An arbitration clause should not be regarded merely as a forum selection mechanism, but as an instrument of legal protection and an element of good university governance in mitigating potential disputes arising from business collaborations and strategic projects.

### **3.3. Jurisdiction of Arbitration as a Dispute Resolution Forum for Private Universities**

As a general principle, contracting parties may agree in advance that business disputes shall be settled through arbitration, thereby incorporating the arbitration clause into the underlying contract. In the absence of such an agreement, arbitration cannot be invoked, as reflected in the maxim that there is no arbitration without consent. Where a dispute arises prior to the inclusion of an arbitration clause, the parties may subsequently formalize

---

<sup>22</sup> Endah Trihandayani, "Arbitrase dalam Penyelesaian Sengketa Bisnis Internasional," *Rewang Rancang: Jurnal Hukum Lex Generalis* 6, no. 1 (2025): 1–12, <https://doi.org/10.56370/jhlq.v6i1.800>.

<sup>23</sup> M. Iqbal Asnawi et al., "Pelaksanaan Penyelesaian Sengketa Perdata Melalui Arbitrase di Negara Berkembang," *Locus: Jurnal Konsep Ilmu Hukum* 4, no. 3 (2024): 124–40, <https://doi.org/10.56128/jkih.v4i3.402>.



their consent through a deed of compromise.<sup>24</sup> For arbitration to operate effectively, the legal system must prevent a party from circumventing this commitment by submitting the dispute to a national court. Judicial acceptance of a case that has been contractually assigned to arbitration would undermine legal certainty and diminish the binding force of the arbitration agreement.<sup>25</sup> Article II (3) of the New York Convention provides that The court of a Contracting State, when seized of an action in a matter in respect of which the parties have made an agreement within the meaning of this article, shall, at the request of one of the parties, refer the parties to arbitration, unless it finds that the said agreement is null and void, inoperative or incapable of being performed.<sup>26</sup>

This provision obliges courts of Contracting States to honor arbitration agreements and, upon application by a party, to refer the dispute to arbitration unless the agreement is invalid or unenforceable. It confirms that an arbitration agreement restricts the jurisdiction of national courts and renders the arbitral forum exclusive.<sup>27</sup> Accordingly, once the parties have consented to arbitration, the arbitral tribunal derives its authority directly from their agreement, in accordance with the principle of freedom of contract.

Article 7 of Law Number 30 of 1999 on Arbitration and Alternative Dispute Resolution provides that parties to a legal relationship may agree, through a written clause or agreement, to submit any disputes that may arise to arbitration. Such written consent constitutes a legal waiver of the right to bring the dispute before the District Court. Arbitration is therefore positioned as an extra-judicial dispute resolution mechanism, operative solely on the basis of an arbitration agreement and serving as the juridical foundation for arbitral institutions to adjudicate civil disputes between the parties.<sup>28</sup>

In doctrinal terms, the authority of an arbitral tribunal to determine its own jurisdiction is commonly referred to as the principle of competence-competence, under which courts lack authority over disputes subject to arbitration.<sup>29</sup> Although this principle is not expressly articulated in Law Number 30 of 1999, Article 3(1) affirms that a written arbitration agreement excludes the parties' right to submit the dispute to the District Court,

<sup>24</sup> Ahma Widad Muntazhor et al., "Arbitrase Sebagai Alternatif Penyelesaian Sengketa Bagi UMKM," *Repertorium* 14, no. 1 (2025), <https://doi.org/10.28946/rpt.v14i1.4769>.

<sup>25</sup> Anita Dwi Anggraeni Kolopaking, *Asas Itikad Baik dalam Penyelesaian Sengketa Kontrak Melalui Arbitrase* (Jakarta: Alumni, 2021), hal. 30.

<sup>26</sup> United Nations UNCITRAL et al., "New York Convention 1958," New York Convention Guide 1958, 1958, [https://newyorkconvention1958.org/index.php?lvl=cmepage&pageid=12&menu=684&opac\\_view=-1](https://newyorkconvention1958.org/index.php?lvl=cmepage&pageid=12&menu=684&opac_view=-1).

<sup>27</sup> Dwi Aprialdi dan Rani Apriani, "Kompetensi Pengadilan Negeri Dalam Perkara Wanprestasi Pada Upaya Arbitrase," *Jurnal Justitia Jurnal Ilmu Hukum dan Humaniora* 8, no. 4 (2021): 883–91, <https://doi.org/10.31604/justitia.v8i4.883-891>.

<sup>28</sup> Indah Sari, "Keunggulan Arbitrase Sebagai Forum Penyelesaian Sengketa Di Luar Pengadilan," *Jurnal Ilmiah Hukum Dirgantara* 9, no. 2 (2019): 47–73, <https://doi.org/10.35968/jh.v9i2.354>.

<sup>29</sup> Ahmad Widad Muntazhor, Emilia Agustin, dan Three Ramadhani, "Kewenangan Arbitrase Sebagai Pilihan Forum Penyelesaian Sengketa Konstruksi," *Ariyah: Jurnal Hukum Ekonomis Bisnis* 1, no. 1 (2025): 55–70, <https://doi.org/10.36908/ariyah.v1i1.1465>.

while Article 3(2) obliges the court to refrain from intervening, except in limited circumstances prescribed by law.<sup>30</sup> Accordingly, disputes governed by an arbitration clause fall within the exclusive jurisdiction of the arbitral forum.

Prior to the enactment of Law Number 30 of 1999, Article 615(1) of the *Rv* merely permitted the use of arbitration without establishing its exclusive character, resulting in frequent overlaps of jurisdiction between arbitral tribunals and national courts. This uncertainty has been addressed in the modern arbitration regime through the reinforcement of the principle of *pacta sunt servanda*, which accords binding force to the arbitration agreement. Once such a clause is concluded, the choice of forum is no longer discretionary but must be observed.<sup>31</sup> For private universities as private legal entities, this certainty is of particular importance, as it prevents forum shopping, preserves confidentiality, and enables efficient dispute resolution without compromising institutional stability.

With respect to enforcement, Law Number 30 of 1999 distinguishes between national and international arbitral awards. National awards are those rendered within Indonesian jurisdiction or recognized as such under Indonesian law, whereas international awards are issued outside Indonesian territory or conducted under foreign procedural law. The decisive criteria are therefore territorial jurisdiction and the applicable substantive law in the arbitral process.

The enforcement of domestic arbitral awards is governed by Articles 59–64 of Law Number 30 of 1999, which require registration of the award with the Clerk of the District Court within 30 days of its issuance. Failure to comply with this requirement results in the award lacking executory force. In contrast, the recognition and enforcement of international arbitral awards are regulated by Articles 65–69 of the same statute, under which the Central Jakarta District Court is vested with jurisdiction to grant enforcement in Indonesia.

#### 4. CONCLUSION

As subjects of private law, private universities are inherently exposed to disputes arising from contractual relations with other parties. Judicial resolution is frequently regarded as ineffective due to protracted proceedings, substantial costs, and the potential to impose additional burdens on the parties. Arbitration, by contrast, offers a more expeditious, flexible, and confidential process, culminating in a final and binding award. Accordingly,

---

<sup>30</sup> Winarta, *Hukum Penyelesaian Sengketa Arbitrase Nasional Indonesia dan Internasional*, hal. 65.

<sup>31</sup> Lale Novitri Ervia Rahma dan Muhammad Raikhan Nur Rifqi, “Reformulasi Kepastian Hukum Arbitrase Internasional Terhadap Penguatan Peran Indonesia sebagai Arbitration Hub Pasca Putusan MK No. 100/PUU-XII/2024,” *Padjadjaran Law Review* 13, no. 2 (2025): 67–77.

arbitration constitutes a more appropriate and rational mechanism for dispute settlement, particularly in light of the need for legal certainty and the enhancement of professional institutional governance.

Private universities should therefore position arbitration as a primary forum in the formulation of both academic and non-academic agreements, rather than treating it as a merely ancillary provision. A sound understanding of the structure, procedure, and legal implications of arbitration agreements must inform institutional policy, ensuring that recourse to arbitration functions as a substantive element of legal risk management. Through this approach, private universities may secure effective and efficient dispute resolution without compromising institutional stability.

## REFERENCES

### Journals

- Aprialdi, Dwi, dan Rani Apriani. "Kompetensi Pengadilan Negeri Dalam Perkara Wanprestasi Pada Upaya Arbitrase." *Jurnal Ilmu Hukum dan Humaniora* 8, no. 4 (2021): 883–91. <https://doi.org/10.31604/justitia.v8i4.883-891>.
- Asnawi, M. Iqbal, Rini Fitriani, Wahdini Syafrina Tala, John Aikel Primsa Tarigan, T. Maulana Daffa, dan Wildan Habibi. "Pelaksanaan Penyelesaian Sengketa Perdata Melalui Arbitrase di Negara Berkembang." *Locus: Jurnal Konsep Ilmu Hukum* 4, no. 3 (2024): 124–40. <https://doi.org/10.56128/jkih.v4i3.402>.
- Dahlani, dan Hadi Tuasikal. "Penyelesaian Sengketa Perdata Melalui Non-Litigasi: Kajian Hukum dan Implementasinya di Indonesia." *Journal of Dual Legal System* 2, no. 1 (2025): 46–69. <https://doi.org/10.58824/jdls.v2i1.322>.
- Fadlail, Ach. "Prinsip-Prinsip Hukum Tentang Yayasan Sebagai Pengelola Lembaga Pendidikan Tinggi Swasta." *Istidlal: Jurnal Ekonomi dan Hukum Islam* 2, no. 2 (2018): 101–9. <https://doi.org/10.35316/istidlal.v2i2.110>.
- Huda, Miftakhul. "Keadilan Dalam Hubungan Hukum Antara Dosen Perguruan Tinggi Swasta Dengan Badan." *Yuridika* 32, no. 3 (2017): 464–90. <https://doi.org/10.20473/ydk.v32i3.4852>.
- Muntazhor, Ahma Widad, Bia Mangkudilaga, Linda Lestary, dan Jenni Komala Sari. "Arbitrase Sebagai Alternatif Penyelesaian Sengketa Bagi UMKM." *Repertorium* 14, no. 1 (2025). <https://doi.org/10.28946/rpt.v14i1.4769>.
- Muntazhor, Ahmad Widad. "Arbitrase Sebagai Pilihan Forum Penyelesaian Sengketa

- Konstruksi Bagi Perguruan Tinggi Negeri Berbadan Hukum.” *Lex Lata Jurnal Ilmu Hukum* 6, no. 3 (2024): 352–65. <https://doi.org/10.28946/lexl.v6i3.3704>.
- Muntazhor, Ahmad Widad, Emilia Agustin, dan Three Ramadhani. “Kewenangan Arbitrae Sebagai Pilihan Forum Penyelesaian Sengketa Konstruksi.” *Ariyah: Jurnal Hukum Ekonomis Bisnis* 1, no. 1 (2025): 55–70. <https://doi.org/10.36908/ariyah.v1i1.1465>.
- Nurpratama, Meddy, Agus Yudianto, dan Taufansyah Firdaus. “Pengembangan Yayasan Perguruan Tinggi Swasta Membentuk Badan Layanan Kegiatan Usaha.” *Jurnal Investasi* 10, no. 1 (2024): 1–7. <https://doi.org/10.31943/investasi.v10i1.297>.
- Pasaribu, Trinarti, Habibi Natama Ritonga, Raja Brahma Sembiring, Nurhatifah Manurung, dan Muhammad Herry Samzidane. “Kewenangan Arbitrase Dalam Penyelesaian Sengketa Bisnis di Indonesia.” *Jurnal Cendikia ISNU SU* 1, no. 2 (2024): 97–105. <https://doi.org/10.70826/jcisnu.v1i2.247>.
- Rahma, Lale Novitri Ervia, dan Muhammad Raikhan Nur Rifqi. “Reformulasi Kepastian Hukum Arbitrase Internasional Terhadap Penguatan Peran Indonesia sebagai Arbitration Hub Pasca Putusan MK No. 100/PUU-XII/2024.” *Padjadjaran Law Review* 13, no. 2 (2025): 67–77.
- Sari, Indah. “Keunggulan Arbitrase Sebagai Forum Penyelesaian Sengketa Di Luar Pengadilan.” *Jurnal Ilmiah Hukum Dirgantara* 9, no. 2 (2019): 47–73. <https://doi.org/10.35968/jh.v9i2.354>.
- Serfiyani, Cita Yustisia. “Restrukturisasi Perguruan Tinggi Swasta Sebagai Upaya Penyehatan dan Peningkatan Kualitas Institusi.” *Jurnal Hukum Ius Quia Iustum* 27, no. 2 (2020): 410–33. <https://doi.org/10.20885/iustum.vol27.iss2.art10>.
- Syahru, Fatimah, Ruben Edison Simanjorang, Sigit Darmawan Hafidz, dan Bakti Nanda Siregar. “Peranan Lembaga Arbitrase Dalam Penyelesaian Sengketa Kontrak Bisnis dan Komersial.” *Jurnal Aribtrase Indonesia* 1, no. 1 (2025): 51–68. <https://ejournal.dewansengketa.id/index.php/jarbi/article/view/5>.
- Tamba, Tumanda, dan Mukharom. “Efektivitas Peran Mediator Dalam Penyelesaian Sengketa Non Litigasi Dalam Bidang Bisnis Maupun Hukum.” *Jurnal Ilmiah Mahasiswa Perbankan Syariah (JIMPA)* 3, no. 2 (2023): 445–60. <https://doi.org/10.36908/jimpa.v3i2.247>.
- Trihandayani, Endah. “Arbitrase dalam Penyelesaian Sengketa Bisnis Internasional.” *Rewang Rancang: Jurnal Hukum Lex Generalis* 6, no. 1 (2025): 1–12. <https://doi.org/10.56370/jhlg.v6i1.800>.

Vahrizanur, Vehrial, dan Farahdinny Siswajanthi. “Peran Arbitrase dalam Penyelesaian Sengketa di Luar Pengadilan Menurut Undang-Undang Nomor 30 Tahun 1999.” *Jurnal Hukum, Politik dan Ilmu Sosial (JHPIS)* 4, no. 2 (2025): 81–88.  
<https://doi.org/10.55606/jhpis.v3i2.3937>.

## Books

Azizah, Ummu Salma Al. “Pengenalan Sustainable Development Goals (SDGs) dalam Perspektif Islam.” In *Islamic SDGs*, diedit oleh Eko Sudarmanto. Tangerang: Minhaj Pustaka, 2025.

Dodi, Gusri Putra. *Arbitrase Dalam Sistem Hukum Indonesia*. Jakarta: Kencana Prenadamedia Group, 2022.

Irwansyah. *Penelitian Hukum Pilihan Metode & Praktik Penulisan Artikel (Edisi Revisi)*. Diedit oleh Ahsan Yunus. Cetakan 5. Yogyakarta: Mitra Buana Media, 2022.

Kolopaking, Anita Dwi Anggraeni. *Asas Itikad Baik dalam Penyelesaian Sengketa Kontrak Melalui Arbitrase*. Jakarta: Alumni, 2021.

Nugraha, H. Mulyawan Safwandy, Nining Andriani, Cecep Hilman, Mukhsin, M. Nasir, Fadli Firdaus, Moch. Fahmi Amiruddin, et al. *Manajemen Perguruan Tinggi*. Diedit oleh H. Mulyawan Safwandy Nugraha dan Eris Siti Riasah. Sumedang: CV. Mega Press Nusantara, 2025.

Rohaini, dan Sepriyadi Adhnan. *Masa Depan Arbitrase Indonesia: Efektivitas dan Kepastian Hukum*. Ponorogo: Uwais Inspirasi Indonesia, 2024.

Santoso, Edy. *Pengaruh Era Globalisasi Terhadap Hukum Bisnis di Indonesia*. Jakarta: Kencana Prenadamedia Group, 2018.

Sinaga, Hasudungan, Jonatan Timbul, dan Josafat Pondang. *Membedah Mediasi Sebagai Alternatif Penyelesaian Sengketa*. Diedit oleh Hasudungan Sinaga. Sumedang: CV. Mega Press Nusantara, 2024.

Winarta, Frans Hendra. *Hukum Penyelesaian Sengketa Arbitrase Nasional Indonesia dan Internasional*. Diedit oleh Tarmizi. 2 ed. Jakarta: Sinar Grafika, 2022.

## Website

United Nations UNCITRAL, Gaillard Banifetami Shelbaya Disputes, Shearman & Sterling, dan Columbia Law School. “New York Convention 1958.” New York Convention Guide 1958, 1958.  
[https://newyorkconvention1958.org/index.php?lvl=cmspage&pageid=12&menu=684&opac\\_view=-1](https://newyorkconvention1958.org/index.php?lvl=cmspage&pageid=12&menu=684&opac_view=-1).