

ABSTRACT

Bank has a very important role in the economic activities of a country. The number of people who use banks does not rule out the possibility of disputes between the banks and the customers. Disputes between the banks and the customers may be settled through court or outside the court. Under the Regulation of the Financial Services Authority No. 1/POJK-PER/2014 where the Financial Services Authority mandates the establishment of an Alternative Dispute Resolution Institution in the Financial Services sector. In 2015 the association in the banking sector established the Indonesian Alternative Agency for Banking Dispute Resolution (LAPSPI). LAPSPI has 3 Alternative Dispute Resolution forums namely Mediation, Adjudication, and Arbitration. This study aims to identify and explain the mechanism of banking dispute resolution through Arbitration in LAPSPI and the legal consequences of arbitration award in LAPSPI toward the parties. This research is a normative research using secondary data. Data collection is done by library study, document study and interview with Staff of Senior Analyst at the Directorate of Learning Center, Financial Services Authority in Jakarta. The data obtained in this study were processed then analyzed qualitatively. The results of the study and discussion determined that the mechanism of dispute resolution of banking through Arbitration in LAPSPI is divided into 3 (three) stages: Arbitration pre-examination, Arbitration examination, and post-Arbitration examination. As a result of the law of the arbitral award in LAPSPI for the parties, the parties are bound by the arbitral award as well as the court decision.

Keywords: Banking Dispute, Arbitration, LAPSPI