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ALTERNATIVE DISPUTE RESOLUTION IN ISLAMIC BUSINESS PRACTICES OUTSIDE OF COURT

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ABSTRACT

Using non-litigation methods to resolve business disputes has long been an option. This is because the litigation process in court takes a long time and is a complicated procedure, has a win-lose nature that is not yet able to embrace common interests, tends to give rise to new problems, requires expensive costs and is unresponsive. As a general rule, people are involved in sharia economic disputes and want to resolve all conflicts that arise quickly, efficiently and cheaply. The parties to a dispute are free to choose the method of dispute resolution and the applicable law in accordance with the agreed agreement, but may face many obstacles in reaching an agreement. One of them is by resolving disputes through a body that has been formed by the Indonesian Ulema Council, namely the National Sharia Arbitration Board. Arbitration institutions can resolve problems quickly and precisely, the results of arbitration decisions are absolute and cannot be intervened by the court and there are no territorial restrictions in resolving disputes, therefore many entrepreneurs and business people tend to choose the arbitration route. The aim of this research is to determine alternatives for dispute resolution in Islamic business practices outside the court. This type of research and approach is normative research using a normative juridical legal research approach. National Sharia Arbitration Board has the authority to resolve fairly and quickly muamalah (civil) disputes arising in the fields of trade, finance, industry, services and others which according to law and statutory regulations are fully controlled by the disputing party, and the parties agree in writing to submit the settlement to the National Sharia Arbitration Board in accordance with the procedures of the National Sharia Arbitration Board.

Keyword: Dispute Resolution, Islamic Business, Outside Of Court

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INTRODUCTION

Economic growth which is influenced by global flows makes the economy grow rapidly and complexly, giving birth to various forms of business cooperation. The basic concept of business is that when someone is lacking in fulfilling their life's needs, other people can fulfill their needs with trade (business). [1] One business that can be done to meet needs is to run a business that adheres to sharia principles. Considering that business activities are increasing day by day, it is impossible to avoid disputes (*disputes/differences*) occurring between the parties involved. Disputes arise due to various reasons behind them, especially because of *a conflict of interest* between the parties. Disputes that occur between parties in trade or business activities are business disputes.

Sharia business disputes are disputes between individuals, groups of people, or business entities that are legal entities or non-legal entities, which give rise to legal consequences between one another in relation to business activities carried out according to sharia principles. What is called sharia economics are business activities carried out according to sharia principles, which include, among others; Sharia Banks, Sharia Insurance, Reinsurance, Sharia Mutual Funds, Sharia Bonds and Sharia Medium Term Securities, Sharia Securities, Sharia Pawnshops, Sharia Financial Institution Pension Funds and Micro-Sharia Financial Institutions.[2]

Using non-litigation methods to resolve business disputes has long been an option. This is because the litigation process in court takes a long time and is a complicated procedure, has a win-lose nature *that* is not yet able to embrace common interests, tends to give rise to new problems, requires expensive costs and is unresponsive. As a result, judges are unable to provide solution options for the parties to the dispute.

In a number of laws and regulations related to sharia economics, there are no specific rules governing formal and substantive laws and regulations related to sharia economics. The provisions of sharia economic law that exist to date are provisions contained in fiqh books and to a greater extent contained in National Sharia Council fatwas and Bank Indonesia product regulations.

The increasing number of business collaborations will create more opportunities for business disputes to occur between the parties involved. All Fatwas of the National Sharia Council of the Indonesian Ulema Council regarding muamalah (civil) relations always end with the provision: "If one party does not fulfill its obligations or if a dispute occurs between the two parties, then the resolution will be carried out through the Sharia Arbitration Board after no agreement has been reached through deliberation." .

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[1] Hamdi Agustin, *Studi Kelayakan Bisnis Syariah*, (Jakarta: PT. RajaGrafindo, 2017) p 7.

[2] Riris Fadaniyah, "*Upaya Penyelesaian Sengketa Ekonomi Syari'ah Jalur Non-Litigasi Melalui Medias*". Dalam Jurnal Ekonomi dan Islam. Volume 5. Nomor 1. 2021, p. 80

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As a general rule, people are involved in sharia economic disputes and want to resolve all conflicts that arise quickly, efficiently and cheaply. The parties to a dispute are free to choose the method of dispute resolution and the applicable law in accordance with the agreed agreement, but may face many obstacles in reaching an agreement. One of them is by resolving disputes through a body that has been formed by the Indonesian Ulema Council, namely the National Sharia Arbitration Board. Arbitration institutions can resolve problems quickly and precisely, the results of arbitration decisions are absolute and cannot be intervened by the court and there are no territorial restrictions in resolving disputes, therefore many entrepreneurs and business people tend to choose the arbitration route.[3]

Law Number 30 of 1999 explains that arbitration is an alternative institution that has the authority to help resolve civil problems when there are differences or disputes between the two parties regarding the contract agreement.[4]

The agreement that has been agreed upon by the parties contains a clause as above, which automatically eliminates the rights of the parties to submit a dispute resolution or difference of opinion contained in the agreement to the District Court where the defendant is domiciled. The District Court loses its authority to examine and adjudicate the dispute as stated in the fatwa of the National Sharia Council of the Indonesian Ulema Council and also regulated in Article 3 of Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution, and has the obligation to reject disputes that have an arbitration clause. . Parties who agree to resolve sharia business disputes through arbitration can use procedural procedures and arbitration rules in accordance with the choice of law agreed in the arbitration contract. The parties can resolve disputes through the National Sharia Arbitration Board.

By reviewing the cases submitted by the disputing parties to the National Sharia Arbitration Commission regarding disputes between Islamic banks and their problems, to resolve them the National Sharia Arbitration Board uses two different laws, namely the fatwa of the National Sharia Council and the Civil Code. This was done to close legal gaps in resolving a case.

Starting from the character of the comprehensiveness and universality of Islamic law and the awareness to apply it in its totality (*kaffah*), it is not only implemented at the ritual level (worship), but also at the social level (*muamalah*). One manifestation of the muamalah aspect is through economic activities which are then implemented in banking practices. The main objective of establishing a financial institution based on sharia is none other than an effort by Muslims to base

[3] Abdul Rachman Dkk. "*Peran Badan Arbitrase Syariah Nasional Majelis Ulama Indonesia (Badan Arbitrase Syari'ah Nasional-Mui) Dalam Mengatasi Sengketa Perbankan Syariah Di Indonesia*. *Dalam Jurnal Madani Syariah.* Volume 5. Nomor 2. 2022, p, 110.

[4] *Ibid.* , p . 111.

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their economic life on the Al -Qur'an and As-Sunnah. According to Khursid Ahmad in a report by *the International Association of Islamic Banks* , by the end of 1999 there were more than two hundred Islamic financial institutions operating throughout the world, both in Muslim-populated countries as well as in Europe, Australia and America.

Business problems occur not only in businesses conducted conventionally but also in businesses implemented according to sharia. Currently the sharia business is developing starting from the rapid progress of sharia banks so that sharia businesses are starting to become popular. Bank Muamalat is a pioneer bank that applies the sharia concept which was founded by the Indonesian Ulema Council , the government and Muslim business people in 1991.

Factors that cause sharia business disputes, namely; The contract is determined unilaterally and is not open, the contents of the contract are considered too difficult. One party is careless and not careful about the risks of the agreement being carried out, one party does not have honest and trustworthy characteristics in carrying out the contract and one of the parties cannot carry out the contract according to the agreement. and also violate the law.[5]

METHOD

This type of research and approach is normative research using a normative juridical legal research approach. Normative legal research is also called doctrinal legal research, where law is conceptualized as what is written in statutory regulations (*law in books*), and research on legal systematics can be carried out on statutory regulations or written law. The nature of the research used is descriptive analysis, which means, this research explains what is true about a legal event or legal condition. By using a normative juridical approach that describes systematically so that conclusions can be drawn from the overall research results.

DISCUSSION

Alternative legal basis for Dispute Resolution in Islamic Business Practices Outside of Court

In various laws and regulations relating to sharia business, there are no specific rules governing formal law (procedural law) and material law regarding sharia business. The existing sharia business legal regulations are the provisions contained in fiqh books and to a small extent contained in the fatwas of the National Sharia Council, and in Bank Indonesia regulations. Looking at the cases submitted by the disputing parties to the National Sharia Arbitration Board regarding disputes

[5] Rosidah, N., & Zaidah, L. M. "*Efektifitas Penerapan Prinsip Syariah dalam Penyelesaian Sengketa Ekonomi Syariah di Badan Arbitrase Syariah Nasional (BADAN ARBITRASE SYARI'AH NASIONAL)*". *Dalam Journal of Sharia Economic Law.* Volume 3. Nomor 1. 2020, p. 20-21.

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between Sharia Banks and their problems, in resolving them the National Sharia Arbitration Board uses two different laws, namely the fatwas of the National Sharia Board and the Civil Code. This is done to fill legal gaps in resolving a case.

Before the birth of legislation governing formal law and material law regarding sharia economics, in resolving sharia business disputes it was the opposite of judges. The Religious Courts control the law of agreements contained in general civil law, as well as all the fatwas of the Indonesian National Sharia Council and the Indonesian National Waqf Council. Currently the Religious Civil Working Group of the Supreme Court of the Republic of Indonesia, in collaboration with the Center for the Study of Islamic Law and Society, is preparing a kind of Sharia Business Law Compilation to be used by the Religious Courts, of course, while waiting for the laws and regulations related to Sharia business to be issued.

Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution can be said to be the most real and more specific form of the state's efforts to apply and socialize peace institutions in business disputes. This law also states that the state gives people the freedom to resolve business disputes outside the courts, either through consultation, mediation, negotiation, conciliation or expert assessment.

Article 1338 of the Civil Code, Open Legal System. Article 1338 of the Civil Code states. “All agreements made in accordance with the law apply as law to those who make them. The agreement cannot be withdrawn other than by agreement of both parties or for reasons determined by law. The agreement must be implemented properly.” From the provisions of this article, all legal experts agree to conclude that in terms of contract law, positive law (applicable law) in Indonesia adheres to an "open" system. This means that everyone is free to make any agreement and however it is, as long as it is made in accordance with the law and its contents do not conflict with public order and/or morality. Included in the definition of "free" here is not only what concerns the "content" (the material), but also what concerns "how to resolve disputes that occur or may occur."

Article 3 paragraph (2) of Law Number 4 of 2004 concerning Judicial Power is equivalent to Article 2 paragraph (2) of the Law Number 48 of 2009 concerning Judicial Power reads "The state judiciary implements and enforces law and justice based on Pancasila". Meanwhile, the Explanation to Article 3 paragraph (1) reads "This provision does not rule out the possibility of settling cases outside the state judiciary through peace or arbitration." Article 3 paragraph (1) of Law Number : 4 of 2004 concerning Judicial Power is equivalent to Article 2 paragraph (3) of Law Number : 48 of 2009 concerning Judicial Power and there is no further explanation for this Article because arbitration has been regulated in a separate chapter, namely Chapter XII Articles 58-61. This arbitration in the context of Islamic law is of course Sharia Arbitration.

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The legal basis for resolving disputes outside of court can be found in several rules as follows:

1. Article 3 paragraph (1) of Law Number 14 of 1970 along with its explanation: "All courts throughout the territory of the Republic of Indonesia are State Courts and are determined by law."
2. Articles 18511, 1855, and 1858 of the Civil Code which essentially open up a space for peace to end disputes and acknowledge peace decisions.
3. Article 6 of Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution. In substance, it states that civil disputes or differences of opinion can be resolved by the parties through alternative dispute resolution.[6]

Legal basis of the National Sharia Arbitration Board in Indonesia in the form of positive law, namely as follows:

a. Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution. What is regulated in this Law can be grouped into 82 articles and 7 sections, which consist of the following:

1) General provisions (Article 1 to Article 5)
2) Alternative dispute resolution (Article 6)
3) Arbitration conditions for appointment of arbitrator, right of objection (Article 7 to Article 26)
4) Procedures that apply before the arbitration panel (Article 27 to Article 51)
5) Arbitration opinions and decisions (Article 52 to Article 58)
6) Implementation of arbitration awards (Article 59 to Article 72)
7) The end of the arbitrator's duties (Article 73 to Article 77)
8) Transitional provisions (Article 78 to Article 79)
9) Closing provisions (Article 80 to Article 82)
10) Equipped with general explanations and article by article explanations.

Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution is a mechanism for resolving civil disputes outside the general court, while arbitration institutions are bodies chosen by the parties to the dispute to provide decisions regarding the dispute. The national sharia arbitration body is an arbitration institution as intended by Law Number 30 of 1999 concerning Arbitration .

b. Law Articles 58 to Article 59 Number 48 of 2009 concerning Judicial Power.

c. Fatwa of the National Sharia Council of the Indonesian Ulema Council Number 05, 06, 07, and 08 of 2006. All fatwas of the National Sharia Council of

[6] Farid Wajdi dan Suhrawardi, *Hukum Ekonomi Islam.* (Jakarta: Sinar Grafika, 2020), p,320.

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the Indonesian Ulema Council regarding civil relations (*muamalah*) always end with the provisions: if one of the parties does not fulfill his obligations or if a dispute arises between the two parties, the settlement will be carried out through the Sharia Arbitration Board after an agreement cannot be reached through deliberation. (see Fatwa No .: 05 regarding buying and selling shares, Fatwa No .: 06 regarding buying and selling istisna, Fatwa No .: 07 regarding mudarabah financing, Fatwa No .: 08 regarding musyarakah financing, and so on).

d. Decree of the Indonesian Old U Assembly . Decree of the Leadership Council of the Indonesian Old Assembly No. mor . Kep-09/MUI/XII/2003 Date 30 Shawwal 1424 H (24 December 2003) Concerning the National Sharia Arbitration Board.[7]

Alternative Forms of Dispute Resolution in Islamic Business Practices Outside of Court

The concept of peace as mentioned in various fiqh books is the main doctrine of Islamic law in the field of Muamalah to resolve a case/dispute, and this is already a *condition sine quo non* in social life everywhere, because in essence peace is not just a positive institution, but form of human nature. All humans want all aspects of their lives to be comfortable, no one disturbs them, they don't want to be hostile, they want peace and tranquility in all aspects of their lives. Thus the institution of peace is part of human life .[8]

1. Negotiation

Regarding the term negotiation, in everyday terms it is known as negotiating or deliberation. According to Joni Emerzon as quoted by Neni Sri Imaniyati, negotiation is an effort to resolve disputes by parties without going through a judicial process with the aim of reaching a joint agreement on the basis of cooperation and mutual acceptance. According to him, the parties met face to face and thoroughly discussed the problems they faced in a cooperative and open manner.[9]

Negotiation is a way to find a solution to a problem through direct deliberation between the disputing parties, then the results of the discussion or negotiation are accepted by the parties. From the understanding it can be felt that negotiation seems like an art to reach an agreement rather than a science that can be learned. In practice, negotiations are carried out for 2 (two) reasons, namely as follows:

[7] Eko Siswanto, *Peran Arbitrase BADAN ARBITRASE SYARI'AH NASIONAL Dalam Penyelesaian Sengketa Bisnis Syari'ah Al-Amwal*, Vol. 3, Nomor 2, 2018.

[8] Riris Fadaniyah. *Op. Cit* . p . 81.

[9] Neni Sri Imaniyati, *Perbankan Syariah Dalam Perspektif Hukum Ekonomi*. (Bandung: Mandar Maju, 2013), p.77.

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a To seek novelty that cannot be done alone. for example , sellers and buyers need each other to determine prices in buying and selling transactions.
b To resolve disputes or disputes that arise between parties.[10]

2. Mediation

Mediation is a problem-solving negotiation process in which an impartial *and* neutral outside party works with the disputing parties to help them reach a satisfactory agreement. Unlike a judge or arbitrator, a mediator does not have the authority to decide disputes between the parties. However, in this case the parties empower the mediator to help them resolve the problems between them. The assumption is that third parties will be able to change the power and social dynamics of conflict relationships by influencing the personal beliefs and behavior of the parties, by providing knowledge and information, or by using more effective negotiation processes. And thus help the participants to resolve disputed issues .[11]

Mediation is essentially a peace process carried out by the parties involved in a lawsuit or dispute which is handed over to a mediator to achieve a fair final result, which does not need to cost too much, but can be accepted by both parties voluntarily. [12]In principle, a dispute resolution process in a judicial institution must first go through a peace process in accordance with the provisions of Article 7 of Perma Number 1 of 2008 concerning Mediation Procedures in Court which states: "On the appointed hearing day attended by both parties, the judge requires the parties to undergo mediation." If mediation results in a consensus on peace, the parties assisted by the mediator make a written formulation in accordance with the agreement reached (peace deed) which is signed by the parties and the mediator.[13]

The main aim of mediation is to help find a way out or alternative resolution of disputes that arise between the parties that are agreed upon and acceptable to the parties to the dispute. In mediation, what is to be achieved is not seeking the truth or the legal basis to be applied, but rather solving the problem. [14]The aim of mediation is to reach or produce an agreement acceptable to the parties to the dispute with the aim of:

a. Produce a plan for a future agreement that can be accepted and implemented by the parties to the dispute.

[10] Nita Triana, *Alternative Disupute Resolution (Penyelesaian Sengketa Alternatif dengan Model Mediasi, Arbitrase, Negosiasi, dan Konsiliasi)*. (Yogyakarta: Kaizen Sarana Edukasi, 2019), p, 60.

[11] Muhammad Saifullah, *Mediasi dalam Tinjauan Hukum Islam dan Hukum Positif di Indonesia*, (Semarang: Walisongo Press, 2009), p. 10.

[12] Sophar Hutagalung, *Praktik Peradilan Perdata dan Alternatif Penyelesaian Sengketa*, (Jakarta: Sinar Grafika, 2014), p. 313.

[13]Farid Wajdi, *Op. Cit.* , p . 327.

[14] Nurnaningsih, *Alternatif Penyelesaian Sengketa Perdata di Pengadilan*, (Jakarta: PT. RajaGrafindo Persada, 2012), p. 85.

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b. Prepare the parties to the dispute to accept the consequences of the decisions they make.
c. Reduce worries and other negative impacts of a conflict by helping the disputing parties to reach a consensus resolution.[15]

3. Arbitrage

Arbitration is the resolution or termination of a dispute carried out by a judge or judges based on an agreement that the parties will submit to or comply with the decision made by the judge or judges they choose through agreement.

In simple terms, arbitration is a term used to describe a form of method for resolving disputes that arise, so that a certain result can be achieved which is legally final and binding. The requirements in the arbitration process are the obligation for the parties to make a written agreement or arbitration agreement, then agree on the law and procedures for how they will end the dispute resolution.[16]

Usually in business contracts it is agreed in the contract that they make to resolve disputes that occur in the future between them. Dispute resolution efforts can be submitted to certain forums in accordance with the agreement. Some go directly to the Court or some go through institutions outside the Court, namely arbitration (*choice of forum/choice of jurisdiction*). In addition, the clause made by the parties also determines which law is agreed to be used if a dispute arises between them in the future (*choice of law*).[17]

Indonesia has several arbitration institutions to resolve various business disputes that occur in trade traffic, including the Indonesian Muamalat Arbitration Board which specifically handles disputes in Islamic business, the National Sharia Arbitration Board which handles problems that occur in the implementation of Sharia Banking, and the Indonesian National Arbitration Board which specializes in resolving non-Shariah business disputes.[18]

The National Sharia Arbitration Board is a special arbitration institution that can be used as an alternative form for resolving disputes in the field of sharia economics. This institution was strengthened by the National Sharia Council of the Indonesian National Ulema Council with fatwa Number: 53/DSN-MUI/III/2006.[19]

Advantages of dispute resolution through arbitration:

1. The procedures are not complicated and decisions can be reached in a relatively short time.

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[15] Mahkamah Agung Republik Indonesia, 2007, Naskah AkademisMediasi, Jakarta: Badan Litbang Diklat Kumdil Mahkamah Agung RI.p. 35

[16] Susanti Adi Nugroho, *Penyelesaian Sengketa Arbitrase dan Penerapan Hukumnya*, (Jakarta: Prenada Media Group, 2015.), p, 77.

[17] Joni Emirizon, *Alternatif Penyelesaian Sengketa di Luar Pengadilan (Negosiasi, Mediasi, Konsiliasi dan Arbitrase)*, (Jakarta: Gramedia Pustaka, 2000), p. 56.

[18] *Ibid.*

[19] Abdul Ghofur Ansahri, *Penyelesaian Sengketa Perbankan Syariah.* (Yogyakarta: Gajah Mada University Press, 2010), p. 56.

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2. Cheaper costs.
3. Can avoid exposure of decisions in public.
4. Laws regarding procedures and evidence are more relaxed.
5. The parties can choose which law the arbitration can enforce.[20]
6. The parties can choose their own arbitrator.
7. Arbitrators can be selected from among experts in their field
8. Decisions can be more related to situations and conditions.
9. The decision is generally final and binding
10. Arbitration awards can generally be enforced and executed by courts with little or no *review* .
11. The arbitration process/procedure is easier for the wider community to understand.
12. Closes the possibility of " *forum shopping"* .

The disadvantages of arbitration include:

1. *bona fide* companies .
2. *Due process* is not fulfilled.
3. Lack of *finality.*
4. Lack of *power* to lead the parties to *settlement.*
5. Lack of *power* for *legal enforcement* and execution of decisions.
6. Can hide *disputes* from " *public security"* .
7. Does not produce a preliminary solution.
8. There is a possibility of decisions that conflict with each other because there is no " *precedent" system* for previous decisions, and also because of the element of flexibility of the arbitrator. Therefore, that decision, the arbitrator's decision, is not productive.
9. The quality of decisions is very dependent on the quality of the arbitrator himself, without sufficient norms to maintain the quality standards of arbitration decisions. Therefore, it is often said " *an arbitration is an arbitrator."*
10. Resulting in efforts to change the existing conventional court system.
11. This results in increasing hostility towards the court.[21]

4. Consultation.

Black's Law Dictionary as quoted by A. Rahmad Rosyadi gives the definition of consultation as "consultation or negotiation activities such as a client

[20]Mardani. *Op. Cit.* , p . 92 .
[21] *Ibid.* , p . 93 .

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with his legal advisor". [22]Apart from that, consultation is also understood as consideration by people (parties) regarding a problem. Consultation as an ADR institution in practice can take the form of hiring a consultant to ask for their opinion in an effort to resolve a problem. In this case, consultation is not dominant but only provides legal opinions which can later be used as a reference for the parties to resolve the dispute.

5. Conciliation

M. Marwan and Jimmy P, define conciliation as an effort to reconcile the wishes of the disputing parties in order to reach an agreement to resolve the dispute amicably. [23]Munir Fuady explained, Conciliation is similar to mediation, which is a dispute resolution process in the form of negotiations to solve problems through a neutral and impartial external party who will work with the disputing parties to help find a solution to resolve the dispute.[24]

As an alternative dispute resolution institution, conciliation is not clearly formulated in Law no. 30 of 1999. Conciliation as an alternative form of dispute resolution outside of court is an action or process to reach agreement or peace outside of court. Conciliation functions to prevent the litigation process from being carried out, and can also be used at every level of ongoing justice, both inside and outside the court, with the exception of matters or disputes where a judge's decision has been obtained which has permanent legal force.

Conciliation is the process of an investigation of the facts in which the parties can accept or reject official recommendations that have been formulated by an independent body. Conciliation meetings are voluntary meetings. If the parties concerned reach peace, the peace agreement signed by the parties concerned is a legally binding contract. Conciliation in a conciliation meeting can take the form of an apology, changes in policies and habits, re-examining work procedures, re-employment, compensation, and so on.

CONCLUSION

The legal basis for resolving disputes outside of court can be found in several rules as follows:

1) Article 3 paragraph (1) of Law Number 14 of 1970 along with its explanation: "All courts throughout the territory of the Republic of Indonesia are State Courts and are determined by law."

[22] Rahmat Rosyadi dan Ngatino, *Arbritase dalam Perspektif Islam dan Hukum Positif*, (Bandung: Citra Aditya Bakti, 2002), p. 124

[23] M. Marwan dan Jimmy. *Kamus Hukum*, (Surabaya: Reality Publisher, 2009), p. 376.

[24] Munir Fuady, *Pengantar Hukum Bisnis*, (Bandung: Menata Bisnis Modern di Era Global, 2019), p. 315.

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2) Articles 18511, 1855, and 1858 of the Civil Code which essentially open up a space for peace to end disputes and acknowledge peace decisions.
3) Article 6 of Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution. In substance, it states that civil disputes or differences of opinion can be resolved by the parties through alternative dispute resolution.

Alternative forms of resolution of sharia business disputes outside of court are as follows: 1. Mediation; 2. Negotiation; 3. Conciliation; 4. Consultation; 5. Arbitrage.

The legal basis for resolving sharia business disputes through arbitration at a national sharia arbitration body must always adhere to both laws, namely Islamic law and national law. Where the legal basis of the national sharia arbitration body refers to Islamic law, namely the Al-Qur'an, As-Sunnah, Ijma' and fiqh. And it must also be based on national law, namely law number 30 of 1999 concerning arbitration and alternative dispute resolution, the Decree of the Indonesian Ulema Council , and the Fatwa of the National Syariah Council of the Indonesian Ulema Council .

Every time you decide to resolve a sharia business dispute through arbitration at the National Sharia Arbitration Board you must always pay attention to the supporting and inhibiting factors in resolving sharia business disputes through the National Sharia Arbitration Board.

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