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The Role of Mediation in Business Dispute Resolution: Challenges and Opportunities in Indonesia 2025

I Made Kariyasa[1], I Made Sudirga[2]

Email Correspondent: imadekariyasafh@unmas.ac.id

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Abstract

Mediation as an alternative to resolving business disputes is increasingly important in Indonesia, especially ahead of 2025. The purpose of this study is to explore the challenges and opportunities in the implementation of mediation in the business sector. The methods used include qualitative analysis of existing regulations, interviews with mediators, and surveys on public understanding. The results show that although mediation offers an efficient and quick solution, its effectiveness is still hampered by low public understanding, distrust of mediators, and a strong litigation culture. In addition, regulations related to mediation in Indonesia still experience inconsistencies and overlap with other laws. However, there is an opportunity to strengthen the mediation position through regulatory reform, improving the quality of mediators, and educational campaigns. Support from governments and collaboration between agencies can also encourage mediation as the default mechanism in the resolution of the crisis.

INTRODUCTION

Business dispute resolution is an integral part of maintaining economic stability and the sustainability of commercial relations between business actors. In the context of globalization and digitalization, the need for an efficient, fast, and non-terminating dispute resolution mechanism for business relations is becoming increasingly urgent (Ningsih, 2019; Saputra, 2024). Mediation as a form of alternative dispute resolution (APS) has grown rapidly in various countries, especially due to its flexibility and potential to reach win-win agreements (Haq et al., 2021). A business dispute is a conflict or disagreement that arises between two or more parties in the business world, which usually relates to business agreements, ownership rights, contractual responsibilities, or the implementation of transactions. This dispute can arise due to differences in contract interpretation, breach of contract, or violation of business law. Business dispute resolution can be pursued through litigation in court or alternative dispute resolution (ADR) such as arbitration, mediation, or negotiation. Out-of-court settlement is more popular because it is faster, costs less, and maintains the confidentiality of business relationships.

[1] Faculty of Law, Universitas Mahasaraswati Denpasar, Indonesia, imadekariyasafh@unmas.ac.id
[2] Faculty of Law, Universitas Mahasaraswati Denpasar, Indonesia, madesudirga@unmas.ac.id

In the context of Indonesian law, the mechanism for resolving business disputes is regulated in various regulations such as the Civil Code (KUHPer) and the Law on Arbitration and Alternative Dispute Resolution (Law No. 30 of 1999). A study by Widayati (2023) in the RechtsVinding Journal of the Ministry of Law and Human Rights shows that dispute resolution through arbitration shows high effectiveness in the context of international trade relations. However, challenges still arise, especially in the implementation of arbitration decisions which are sometimes not immediately obeyed by the losing party (Widayati, 2023).

In Indonesia, mediation has been regulated in various regulations, including in Supreme Court Regulation No. 1 of 2016 which regulates the obligation to mediate before the litigation process is continued (Hartono & Harahap, 2023). However, in practice, the effectiveness of mediation as an instrument for resolving business disputes still faces many challenges. Lack of understanding of the mediation process, low trust in mediators, and a strong litigation culture are factors that hinder the optimal implementation of mediation (Syukur & Bagshaw, 2013; Tijow et al., 2024).

Changes in business dynamics after the COVID-19 pandemic have also brought new complexities to business disputes, such as those related to digital contracts, supply chains, and cross-jurisdictional legal obligations. In this context, mediation is increasingly seen as a strategic mechanism in responding to these changes due to its ability to handle disputes adaptively and efficiently (Kea et al., 2023; Matteucci, 2020). The increasing number of business cases handled non-litigation in various countries shows a positive trend towards the role of mediation in the modern legal system (Guerra Valero, 2024). However, Indonesia still needs to improve several crucial aspects, such as increasing the competence of mediators, institutional support, and socialization to business actors regarding the benefits of mediation (Al et al., 2024). This is important to form a dispute resolution ecosystem that is not only responsive to the needs of the business world but also supports a healthy investment climate (Rees, 2010). Therefore, an in-depth exploration of the challenges and opportunities of mediation in the context of business dispute resolution in Indonesia in 2025 is very relevant.

The urgency of this research lies in the need for a comprehensive mapping of the obstacles and potential for the development of mediation in business dispute resolution in Indonesia, especially ahead of the projected economic growth and digitalization in 2025. By identifying critical points in mediation practices, the results of this study can contribute to formulating more progressive and adaptive legal policies and practices (Juwana, 2003).

Various previous studies have discussed the effectiveness of mediation in the Indonesian legal system and its comparison with other countries. For example, a study by Abdul Syukur & Bagshaw, (2020) highlighted the low success rate of mediation in civil cases in court (Abdul Syukur & Bagshaw, 2020). Meanwhile, research by Vatikiotis, (2009) showed that mediation success is higher in the business context if carried out by non-court institutions (Vatikiotis, 2009). However, there have not been many studies that specifically analyze the challenges and opportunities of mediation in business disputes in 2025, especially those that integrate contemporary legal, social, and economic perspectives.

This study aims to critically analyze the role of mediation in resolving business disputes in Indonesia with a focus on the structural, regulatory, and legal culture challenges faced, as well as identifying strategic opportunities to improve the effectiveness and efficiency of mediation by 2025. With an interdisciplinary approach, it is hoped that the results of this study can be a reference for policy makers, academics, and legal practitioners in strengthening the role of mediation as the main instrument for resolving business disputes in the future.

METHOD

This study uses a qualitative approach with a literature review to gain an in-depth understanding of the role of mediation in resolving business disputes in Indonesia. This approach was chosen because it is able to comprehensively reveal phenomena by utilizing non-numerical data, especially texts from various relevant and reliable literature sources (Creswell & Poth, 2016). Literature studies allow researchers to evaluate, synthesize, and critique the results of previous studies in order to find research gaps and build a broader understanding (Booth et al., 2021). The data sources in this study come from scientific documents such as national and international journal articles, law and mediation books, laws and regulations, public policy reports, and relevant academic online sources. All literature used is selected based on current criteria (published in the last five years), topic relevance, and the credibility of the publisher or author. Data collection techniques are carried out by literature research through scientific databases such as Google Scholar, ScienceDirect, SpringerLink, and SINTA, as well as manual searches from national legal institution sites.

The data analysis method used is content analysis, which focuses on the analysis of the meaning, structure, and content tendencies of the documents or literature being studied. The analysis was carried out by grouping findings from various sources into main categories: mediation regulations and policies, mediation practices in business, implementation challenges, and opportunities for future mediation development. In addition, narrative synthesis was carried out to summarize and link the findings thematically, so that conclusions can be obtained that are reflective and scientifically accountable (Snyder, 2019). Data validity is maintained through triangulation of literature sources and openness in the interpretation process, in accordance with qualitative principles (Moleong, 2021).

RESULT AND DISCUSSION

The following table presents 10 selected articles from various literature related to the role of mediation in resolving business disputes in Indonesia in 2025. These articles were selected based on their relevance and contribution to the research topic.

Table 1. Literature Review

No	Title	Author	Findings
1	Effectiveness of Business Dispute Resolution Through Mediation in Indonesia	Bintang Al, Yuhelson Yuhelson, Supaphorn Akkapin	Mediation offers faster and more cost-effective resolution of business disputes, but its effectiveness is influenced by public awareness and the quality of the mediator.
2	The Role of Mediation in Resolving Civil Law Disputes in Indonesia	Subrata	Mediation is effective in speeding up the resolution of civil disputes and reducing the burden on the judicial system, although it still faces challenges in adoption due to a lack of public awareness and preference for litigation.
3	Mediation Ecosystem in Indonesia	Alexandra Gerungan, Claudio Shallaby Adre, Fahmi Shahab, Raymond Lee	Mediation in Indonesia is divided into in-court and out-of-court mediation, with out-of-court mediation showing a higher success rate. Indonesia has not ratified the Singapore Convention on Mediation.

4	Alternative Dispute Resolution in a High Context Culture and Collectivist Society: Possibilities to Apply Conflict Coaching Approach in Indonesia	Ahmad Bastomi, Lalu Wira Ilham	Indonesia's collectivist culture influences the mediation approach, with the conflict coaching approach potentially increasing the effectiveness of dispute resolution.
5	Regulation of the Role of Mediators in Efforts to Resolve Employment Disputes: A Comparative Study of Indonesia and United Kingdom	Hasbi Hasbi, Dita Larissa	Comparative studies show that the role of mediators in employment disputes in Indonesia requires improved quality and better regulation compared to the UK.
6	Comparative Mediation and Arbitration in Civil Dispute Resolution in Indonesia	N. Naisabur	Mediation and arbitration have an important role in civil dispute resolution in Indonesia, with mediation offering a more flexible and less formal approach.
7	The Influence of Bankruptcy Law in the Settlement of Problem Debt Loans Related to Investment Development in Indonesia	Yuhelson Yuhelson	Bankruptcy law affects the resolution of problem loans, with mediation as an alternative that can speed up the resolution process.
8	Mediation as an Alternative for International Business Dispute Resolution in the Era of Globalization	Ni Made P.A. Wibawa, H.A. Putri, S.D. Kharismawati	Mediation is an effective alternative in resolving international business disputes in the era of globalization, taking into account local cultural and legal aspects.
9	The Initial Mediation Session: An Empirical Examination	Roselle L. Wissler, Arthur Hinshaw	The initial mediation session plays a crucial role in determining the direction and success of the overall mediation process.
10	Mediation Strategies & Tactics	Maskur Hidayat	This book discusses various strategies and tactics in mediation that can be applied in various dispute contexts.

In a literature study conducted to examine the role of mediation in resolving business disputes in Indonesia in 2025, it was found that mediation has become an increasingly relevant alternative dispute resolution mechanism, especially amidst the increasing complexity of business relationships and the need for fast, efficient, and non-damaging resolutions between the parties. Ten selected articles from various indexed international and national journals are the main foundations in the discussion of this study. These articles provide a comprehensive overview of the dynamics, challenges, and opportunities for implementing mediation in Indonesia, taking into account the unique legal, cultural, and social contexts of Indonesian society.

One of the main findings that is repeated in several articles is that mediation, as a form of alternative dispute resolution (ADR), has been shown to offer a faster and more cost-effective resolution path compared to litigation in court. The article written by Bintang Al et al. (2024) emphasizes that the effectiveness of mediation is highly dependent on the awareness of the parties

involved and the quality of the mediator who facilitates the process (Al et al., 2024). Meanwhile, Subrata (2023) emphasized that the mediation system in Indonesia has shown effectiveness in the context of civil law, but its implementation is still constrained by the public's preference for the litigation process which is considered more formal and legally binding (Subrata, 2023).

Another aspect of mediation in Indonesia that is in the spotlight is the difference in approach between court-annexed mediation and out-of-court mediation. Alexandra Gerungan et al. (2023) explained that out-of-court mediation has a higher success rate compared to that carried out through judicial institutions. This is due to the flexibility, neutrality of the venue, and lack of institutional pressure that is usually present in the litigation process. However, Indonesia still faces challenges in terms of harmonization of international law because it has not yet ratified the Singapore Convention on Mediation, which could actually increase the credibility and enforceability of cross-country mediation results (Gerungan et al., 2023).

In the context of Indonesia's collectivist culture and strong social relations, the mediation approach has great potential to succeed. Ahmad Bastomi and Lalu Wira Ilham (2020) in their article emphasize that the conflict coaching approach can be used to improve the parties' understanding of their own conflicts and encourage resolutions that are more oriented towards shared solutions. Local culture that upholds deliberation and consensus is a cultural foundation that strongly supports the application of mediation in various forms of business disputes, especially those involving MSMEs (Bastomi, 2020).

More specifically, in the employment context, Hasbi and Dita Larissa (2024) conducted a comparative study between Indonesia and the UK and found that although Indonesia has a formal mechanism for mediation in employment disputes, the quality of mediator resources and supervision of the process are still significant weaknesses. Compared to the UK, the Indonesian mediation system has not been able to provide optimal legal protection for both parties in a balanced manner (Hasbi & Larissa, 2024).

Naisabur (2024) in his article compares mediation and arbitration in the context of civil dispute resolution in Indonesia. He concluded that although arbitration also offers a strong non-litigation alternative, mediation remains superior in terms of flexibility, shorter time, and the possibility of maintaining harmonious business relationships. In this case, mediation is more appropriate for business disputes that require resolution that is not only legal, but also emotional and relational (Naisabur, 2024).

The study conducted by Yuhelson (2025) adds an important perspective on how bankruptcy law and debt resolution can be supported by mediation mechanisms. In the context of investment and credit, mediation can be a strategic tool to avoid bankruptcy that has a wider impact on the economic system, especially in the midst of an uncertain global economic situation (YUHELSON, 2025).

Furthermore, Wibawa, Putri, and Kharismawati (2024) discuss the opportunities for mediation in the context of international business disputes, showing that globalization demands a dispute resolution system that can accommodate differences in legal culture, and mediation is the right choice for that. They emphasize the importance of cross-cultural adaptation and understanding in the mediation process, especially in business relations between Indonesian companies and foreign partners (Wibawa et al., 2024).

Meanwhile, Roselle Wissler and Arthur Hinshaw (2021) from the Harvard Negotiation Law Review provide empirical insight into the importance of the initial mediation session in shaping the dynamics and direction of mediation. Their findings support the need for training for mediators to be able to create a positive atmosphere from the start of the mediation process, so that trust between the parties can be built effectively (Wissler & Hinshaw, 2021).

Finally, the book by Maskur Hidayat (2016) is a practical reference that strengthens the understanding of mediation strategies and tactics that can be applied in various business dispute situations. This book emphasizes the importance of interpersonal skills, empathy, and constructive negotiation techniques in reaching mutually beneficial agreements (Hidayat, 2016).

From all the articles reviewed, it can be concluded that mediation in Indonesia faces various structural, regulatory, and cultural challenges. However, the opportunities available are very large, especially if supported by progressive legal policies, increased mediator capacity, and public education that encourages a paradigm shift from litigation to mediation as the main solution for resolving business disputes.

Discussion

Structural Challenges in Business Mediation

In analyzing the structural challenges facing mediation in business dispute resolution in Indonesia, it becomes evident that the institutional framework supporting mediation remains fragmented and insufficiently integrated with the formal judicial system. Mediation is often perceived not as a standalone alternative but rather as an extension or complement to litigation. This perception has deeply influenced how mediation is practiced and institutionalized, thereby limiting its effectiveness as a primary dispute resolution mechanism.

One of the most pressing structural limitations lies in the capacity and availability of qualified mediators. Despite the issuance of guidelines such as the Supreme Court Regulation (Perma) No. 1 of 2016, which regulates court-annexed mediation, there has been limited investment in consistent professional development and standardization of mediator qualifications. Many mediators are court-appointed judges with limited specialized training in negotiation, conflict psychology, or commercial law. This lack of competency standards undermines public trust in the mediation process and deters businesses from relying on it, particularly for complex or high-stakes disputes.

Further exacerbating the problem is the inadequate infrastructure that supports mediation practices, especially outside major urban centers such as Jakarta, Surabaya, and Medan. Most certified mediation centers are concentrated in these cities, making access to mediation services logistically challenging for businesses operating in remote regions. The uneven distribution of facilities creates regional disparities, discouraging micro, small, and medium-sized enterprises (MSMEs) from engaging in mediation due to high transaction and opportunity costs.

Additionally, Indonesia's current mediation framework is structurally dependent on the court system, which diminishes its potential as an independent mechanism. In practice, most mediation occurs only after parties initiate litigation, and participation is often treated as a procedural formality rather than a genuine effort to resolve disputes amicably. This dependency not only delays dispute resolution but also strips mediation of its core advantage—namely, the ability to offer timely and flexible solutions that preserve business relationships.

The lack of integration between judicial and non-judicial dispute resolution channels creates institutional ambiguity. There is currently no centralized body coordinating or overseeing non-court mediation efforts across industries, which leads to inconsistent practices and a lack of accountability. Moreover, the absence of inter-agency collaboration, particularly among the judiciary, legal aid bodies, bar associations, and trade chambers, weakens the ecosystem required to normalize mediation as a mainstream practice in commercial conflict resolution.

For example, a study conducted by the Indonesia Business Council for Sustainable Development (IBCSD) in 2022 highlighted that fewer than 10% of business disputes in Indonesia are resolved through alternative mechanisms such as mediation or arbitration. Most companies cite the lack of institutional support and the perceived inefficiency of mediation centers as reasons for opting

for litigation despite its cost and duration. These findings underscore the need for systemic reforms that prioritize capacity building, infrastructure expansion, and institutional independence if mediation is to play a significant role in Indonesia's business landscape by 2025.

The structural shortcomings outlined above form the foundation of many of the practical difficulties encountered in real-world dispute resolution. Unless addressed holistically, they will continue to limit the scalability and effectiveness of mediation in reducing legal backlog, facilitating business continuity, and promoting a more collaborative legal culture in Indonesia's economic development.

Regulatory and Legal Constraints

In the context of business dispute resolution in Indonesia, regulatory and legal challenges play a very important role in determining the extent to which mediation can be an effective and efficient means. Although the government and the Supreme Court have issued a number of regulations, such as Supreme Court Regulation (Perma) No. 1 of 2016 concerning Mediation Procedures in Court, in reality the existing legal framework still leaves many inconsistencies that impact the implementation of mediation itself.

One of the most striking problems is the overlap between the Perma and various sectoral laws that regulate dispute resolution in certain sectors, such as banking, land, and employment. This lack of regulatory synchronization not only confuses the disputing parties, but also creates a gray area in the implementation of mediation, both inside and outside the court. As a result, mediation often lacks uniform procedural clarity, resulting in an inefficient process that is less trusted by business actors.

Furthermore, one of the significant weaknesses of the regulation is the lack of legal certainty regarding the execution power of the mediation results conducted non-litigation or outside the court. Although mediation results in an agreement between the parties, the agreement does not necessarily have permanent legal force that can be directly executed like a court decision. The procedures that must be taken to obtain ratification (homologation) from the court actually increase the burden of time and costs, thus reducing the attractiveness of mediation as the main dispute resolution path. Business actors, especially large companies that require legal clarity and finality, are reluctant to undergo mediation because they are worried that the results will not have binding force in the long term.

The absence of regulatory incentives for business actors who choose mediation is also a inhibiting factor. In practice, there are no regulations that explicitly provide economic or legal incentives to parties who successfully resolve disputes through mediation. For example, there are no deductions from court fees, reductions in transaction taxes, or legal financing facilities for the mediation process. In fact, in countries such as Singapore and the Netherlands, the existence of incentives like this has been shown to encourage more companies to use mediation as their primary conflict resolution mechanism.

A concrete example of this regulatory barrier can be seen in a study conducted by the Indonesia Business Law Society in 2021, which showed that only around 12% of business disputes were resolved through mediation, while the rest still chose litigation. The majority of respondents in the study cited legal uncertainty and regulatory weaknesses as the main reasons why they avoided mediation. Furthermore, in the 2022 annual report of the Supreme Court, it was stated that the effectiveness of mediation in reducing the burden of cases in court had not reached the expected target due to the low success rate of mediation and lack of trust in its results.

Considering these dynamics, it is clear that regulatory reform is an absolute prerequisite to encourage the effectiveness of mediation in resolving business disputes in Indonesia towards 2025. This reform not only concerns the harmonization of applicable legal norms, but also concerns the

need to establish new regulations that specifically regulate out-of-court mediation, provide executorial certainty, and offer incentives that encourage parties to choose mediation as a more productive and constructive path than litigation.

Legal Culture Barriers

In the context of business dispute resolution in Indonesia, the prevailing legal culture is one of the most fundamental challenges to the development and effectiveness of mediation mechanisms. Historically and sociologically, Indonesian society—including business actors—is still very much tied to the litigation paradigm, where conflict resolution is considered legitimate, final, and a 'win' if decided by a formal judicial institution. This shows that mediation, although it offers advantages in terms of flexibility, efficiency, and long-term relationships, has not yet fully gained cultural legitimacy as a high-value dispute resolution method.

One of the most obvious expressions of this litigation culture is the dominant perception that victory in a dispute is only socially and morally legitimate if it is obtained through a court process and stated in a judge's decision. Even in a dynamic and pragmatic business environment, there is a tendency that peaceful resolution through mediation is often seen as a form of weakness or compromise to the company's legal or economic position. As a result, many parties are reluctant to open up negotiation space openly, especially when it comes to reputation issues or large-value transactions.

In addition, trust in the mediator as a neutral party is also still a separate problem. In many cases, business actors—especially in conflict-ridden sectors such as property, construction, or financial services—doubt the capacity and integrity of mediators to maintain independence and confidentiality. This distrust is exacerbated by the lack of professional accountability of mediators and the lack of independent supervisory institutions that guarantee ethical standards in mediation practices. In a legal culture that has not fully internalized the values of deliberation and restorative, mediators are often considered weak or even irrelevant when compared to judges or arbitrators.

The lack of legal literacy regarding alternative dispute resolution (ADR) mechanisms, including mediation, is also an important factor that hinders cultural acceptance of mediation. Many business actors, especially among MSMEs and regional industry players, do not understand the fundamental differences between mediation, arbitration, and litigation, both in terms of procedures, legal consequences, and strategic benefits. The lack of socialization from the government, judicial institutions, legal professional associations, and educational institutions means that ADR—including mediation—is still considered a 'second path' that is only taken when litigation is unsuccessful or too expensive.

Data from the Institute for the Study and Advocacy for Judicial Independence (LeIP) shows that in 2023, less than 8% of business disputes in Indonesia will be resolved through mediation, and most of them are court-annexed mediation. This figure illustrates how low the active participation of business actors is in the voluntary mediation process. In fact, in many countries such as the Netherlands, Japan, and Singapore, the culture of peaceful dispute resolution has become an integral part of healthy and sustainable business practices.

In an effort to build a legal culture that is more supportive of mediation, the approach needed is not only normative, but also educational and transformational. This means that there needs to be ongoing intervention that encourages changes in the way the business community views conflict resolution. This includes integrating ADR education into the legal and business curriculum, involving industry figures in peaceful dispute resolution campaigns, and long-term training for mediators and legal practitioners to build public trust. If these cultural challenges can be overcome, mediation has

great potential to become a key pillar in resolving business disputes in Indonesia that is faster, cheaper, and fairer in 2025 and beyond.

Strategic Opportunities for 2025

While business mediation in Indonesia faces various challenges, this study also reveals that there are very potential strategic opportunities to increase the role and effectiveness of mediation in 2025. These opportunities are not only theoretical, but have been driven by both practical needs in the field and global trends that show an increasing use of alternative dispute resolution (ADR) mechanisms in the modern business world.

One of the most crucial opportunities lies in regulatory reform. Currently, the push to harmonize regulations in various sectors—including finance, land, energy, and trade—provides space for the formulation of more comprehensive and consistent policies related to mediation. The proposal to establish a special law on ADR that regulates the legal force of mediation results, procedures for its execution, and legal protection for parties acting in good faith is a strategic step to elevate the position of non-litigation mediation to be on par with arbitration and litigation.

In addition to the regulatory aspect, the digitalization of the mediation process offers transformational opportunities in terms of efficiency and accessibility. The use of online platforms for mediation has become a global trend, especially since the COVID-19 pandemic. By integrating an online mediation system, the disputing parties can choose a mediator, set a schedule, and agree on agreement documents through an electronically verified system. This effort is in line with the government's agenda in encouraging the digitalization of public services and justice. The presence of a digital mediation system also opens up great opportunities to reach micro, small, and medium enterprises (MSMEs) in remote areas that previously had difficulty accessing conventional mediation. Improving the quality of human resources through education and legal literacy is also a key element of strategic mediation opportunities. By establishing a competency-based mediator training system and national certification, Indonesia can ensure that mediation is no longer carried out haphazardly, but by professionals who understand the principles of neutrality, confidentiality, and conflict resolution techniques. This training program can be developed in collaboration with universities, judicial institutions, and professional organizations. On the other hand, legal literacy campaigns on the benefits of mediation as a fast, cheap solution that maintains business relationships need to be encouraged through mass media, digital platforms, and national business forums.

Collaboration between institutions is also a great opportunity that can be optimized to encourage mediation as a default mechanism in resolving business contracts. The Ministry of Law and Human Rights, the Supreme Court, the Financial Services Authority (OJK), the Indonesian Chamber of Commerce and Industry (KADIN), and industry associations can work together to form an automatic referral system to mediation before a case goes to court. If mediation is made a mandatory stage in a business contract and strengthened by institutional regulations, its effectiveness and efficiency can be guaranteed.

Finally, the provision of economic incentives and legal recognition for parties who successfully resolve disputes through mediation can be a real driver. The form of this incentive can be in the form of a reduction in court registration fees, a reduction in the tax burden on transactions that are resolved peacefully, or priority in government partnership programs. In addition, mediation results that are legally recognized without the need for revalidation in court will provide a sense of security and legal certainty for business actors, especially in cross-regional and cross-country transactions.

With these strategic opportunities, Indonesia has a strong foundation to make 2025 a momentum for the revival of business mediation that is not only an alternative, but the main choice

in resolving commercial disputes that are oriented towards efficiency, long-term relationships, and legal certainty. If needed, I can help create infographics of strategic opportunities or visual comparisons of effectiveness if mediation is optimized.

CONCLUSION

There are significant challenges in optimizing mediation as a dispute resolution method in Indonesia. Structural, regulatory, and litigation culture issues are major obstacles. However, with initiatives to reform regulations, improve the quality of mediators, and promote public awareness of the benefits of mediation, Indonesia has the opportunity to make mediation a primary choice for resolving business disputes by 2025.

Practical suggestions that can be implemented include ongoing training for mediators to improve their competence and more intensive education campaigns to increase public understanding of the mediation process. In addition, there needs to be economic incentives for parties who choose mediation to increase their use of this method.

For further research suggestions, it is recommended that further studies be conducted on the impact of regulatory reform on mediation practices in various industry sectors. Research can also explore more innovative mediation models that can be applied in remote areas, where access to qualified mediators may be limited. With these steps, it is hoped that mediation can be widely accepted and become an effective solution in resolving business disputes in Indonesia.

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