

REFUSING ENFORCEMENT OF FOREIGN ARBITRAL AWARDS UNDER ARTICLE V(2)(b) OF THE NEW YORK CONVENTION: THE INDONESIAN PERSPECTIVE

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ABSTRACT

Public policy exception as one of the major grounds for challenging is the enforcement of foreign arbitral awards. It is widely recognized that a broad notion of public policy which stems from the territorial sovereignty principle has become a crucial contributor to the risk of non-enforcement of the foreign arbitration awards due to its vague and ambiguous concept. The distinction between domestic and international the public policy is expected to present a narrow approach to public policy exception. This paper briefly reviews the notion of public policy defense in the Indonesian judiciary system in comparison to international judicial experience. It reveals that the Indonesian courts tend to apply “domestic” public policy instead of “international” public policy.

KEYWORDS: *enforcement, foreign arbitral awards, public policy exception*

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