



Commission for the Supervision of Business Competition

REGULATION OF THE COMMISSION FOR THE SUPERVISION OF BUSINESS

COMPETITION OF THE REPUBLIC OF INDONESIA

NUMBER 4 YEAR 2019

REGARDING

PROCEDURES FOR THE SUPERVISION AND HANDLING OF PARTNERSHIP

CASES

BY THE GRACE OF THE ALMIGHTY GOD

CHAIRMAN OF THE COMMISSION FOR THE SUPERVISION OF BUSINESS

COMPETITION OF THE REPUBLIC OF INDONESIA,

- Considering :
- a. whereas in order to implement the provisions of Article 31 paragraph (3) and Article 35 of Government Regulation Number 17 Year 2013 regarding the Implementation of Law Number 20 Year 2008 regarding Micro, Small, and Medium Enterprises, it is necessary that procedures for the supervision and handling of partnership cases be regulated;
 - b. whereas Regulation of the Commission for the Supervision of Business Competition Number 01 Year 2015 regarding Procedures for the Supervision of the Implementation of Partnership as amended several times, most recently

amended by Regulation of the Commission for the Supervision of Business Competition Number 02 Year 2018 regarding Second Amendment to Regulation of the Commission for the Supervision of Business Competition Number 01 Year 2015 regarding Procedures for the Supervision of the Implementation of Partnership and Regulation of the Commission for the Supervision of Business Competition Number 01 Year 2017 regarding Procedures for the Handling of Partnership Implementation Cases, is no longer in line with the needs and development of the law, hence, it needs replacing;

- c. whereas based on the considerations as intended in points a and b, it is necessary to stipulate a Regulation of the Commission for the Supervision of Business Competition regarding Procedures for the Supervision and Handling of Partnership Cases;

- In view of
- : 1. Law Number 5 Year 1999 regarding Prohibition of Monopolistic Practices and Unfair Business Competition (State Gazette of the Republic of Indonesia Year 1999 Number 33, Supplement to the State Gazette of the Republic of Indonesia Number 3817);
 - 2. Law Number 20 Year 2008 regarding Micro, Small, and Medium Enterprises (State Gazette of the Republic of Indonesia Year 2008 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 4866);

3. Government Regulation Number 17 Year 2013 regarding the Implementation of Law Number 20 Year 2008 regarding Micro, Small, and Medium Enterprises (State Gazette of the Republic of Indonesia Year 2013 Number 40, Supplement to the State Gazette of the Republic of Indonesia Number 5404);
4. Presidential Decree Number 75 Year 1999 regarding Commission for the Supervision of Business Competition as amended by Presidential Regulation Number 80 Year 2008 regarding Amendment to Presidential Decree Number 75 Year 1999 regarding Commission for the Supervision of Business Competition;

HAS DECIDED:

To stipulate : REGULATION OF THE COMMISSION FOR THE SUPERVISION OF BUSINESS COMPETITION REGARDING PROCEDURES FOR THE SUPERVISION AND HANDLING OF PARTNERSHIP CASES.

CHAPTER I

GENERAL PROVISIONS

Article 1

Referred to herein as:

1. Commission for the Supervision of Business Competition hereinafter referred to as Commission shall be the

commission as intended in Law Number 5 Year 1999 regarding Monopolistic Practices and Unfair Business Competition.

2. Coordination Meeting shall be a meeting between the Commission and the secretariat of the Commission presided over by the Chairman of the Commission or Vice Chairman of the Commission or member of the Commission assigned to coordinate the implementation of the duties of the secretariat of the Commission.
3. Commission Meeting shall be the highest decision-making organ led by the Chairman of the Commission or Vice Chairman of the Commission and attended by the majority of members of the Commission.
4. Partnership shall be cooperation in business linkages, both directly and indirectly, based on mutual-need, mutual-trust, mutual-strengthening, and mutual-benefit principles engaging micro, small, and medium business players and large business players and/or engaging micro and small business players and medium business players.
5. Business Player shall be any individual person or business entity, both incorporated and unincorporated, established and domiciled or conducting activities in the jurisdiction of the State of the Republic of Indonesia, both jointly and severally by virtue of an agreement, doing various business activities in the field of economy.

6. Any Person shall be individual person or business entity, both incorporated and unincorporated.
7. Reporting Party shall be Any Person conveying a written report to the Commission on a violation of Partnership implementation that has taken place or could reasonably be expected.
8. Reported Party shall be Business Player alleged to violate the implementation of Partnership.
9. Warning shall be a letter issued by the head of working unit handling Partnership supervision or the head of working unit handling law enforcement division by virtue of a decision of the Commission Meeting containing a warning to a Reported Party to rectify an alleged violated committed.
10. Clarification shall be a series of activities conducted by the working unit handling Partnership supervision to examine the administrative completeness of a report.
11. Initiative Study shall be a series of activities conducted by the working unit handling Partnership supervision to obtain initial proof of the existence of an alleged violation of the implementation of Partnership.
12. Partnership Supervision shall be a series of activities conducted by investigators to oversee the implementation of Supervision in accordance with the Partnership system by adhering to Partnership principles and sound business ethics in accordance with the provisions of laws and regulations.

13. Preliminary Examination of Partnership shall be a series of activities conducted by an examining team towards the result of Clarification or that of the Initiative Study in the context of obtaining adequate instruments of proof, clarity, and completeness of report on the result of a preliminary examination so as to find whether there is an alleged violation of the implementation of Partnership or not.
14. Further Examination of Partnership shall be a series of activities conducted by the Commission Panel to prove the existence or nonexistence of an alleged violation of the implementation of Partnership and to impose an administrative sanction on a Reported Party.
15. Commission Stipulation shall be the result of the assessment of the Commission as decided in a Commission Meeting to stop a case after a Reported Party entirely rectifies the alleged violation committed in accordance with the written Warning.
16. Commission Decision shall be the result of the assessment of the Commission Panel read out in a hearing open to the public with regard to the occurrence or non-occurrence of violation of the implementation of Partnership and the imposition of an administrative sanction.
17. Investigator shall be employees of the Commission both severally and jointly in a team tasked to conduct a series of Partnership Supervision activities, Preliminary Examination of

Partnership, supervise the implementation of Written Warning, or conduct a series of proving activities of an alleged violation of the implementation of Partnership in a Commission Panel Hearing stage for Further Examination of Partnership.

18. Clerk shall be employees of the Commission tasked to assist the implementation of the duties of the Commission Panel.
19. Steering Party shall be a member of the Commission appointed in a Commission Meeting to give directives with regard to the implementation of written Warning.
20. Examination Team shall be a team consisting of several Investigators formed by the head of the working unit handling law enforcement division to conduct a Preliminary Examination of Partnership.
21. Monitoring Team shall be a team consisting of several Investigators formed by the head of the working unit handling law enforcement division to oversee the implementation of written Warning.
22. Commission Panel shall be the composition of members of the commission amounting to odd number of at least 3 (three) persons assigned by virtue of a Commission Meeting to conduct examination in a Commission Panel Hearing stage for Further Examination of Partnership, decide the case, and impose an administrative sanction.

23. Witness shall be Any Person who may provide information for the purpose of the supervision of and handling of cases of violation of the implementation of Partnership that he/she hears by himself/herself, he/she undergoes by himself/herself, and he/she has knowledge of directly related to the occurrence of violation.
24. Expert shall be someone who has a special expertise based on knowledge and experiences of a matter so as to make a case of violation of the implementation of Partnership clear for the purpose of the supervision and handling of cases of alleged violation of the implementation of Partnership.
25. Legal Counsel shall be advocates providing legal assistance and/or advice for a Reported Party.
26. Related Agency shall be ministries/institutions, non-ministry government institutions, non-structural institutions, or regional governments in charge of fostering and developing micro, small, and medium enterprises in the their activity sectors.
27. Day shall be business days.

CHAPTER II

SUPERVISION OF PARTNERSHIP

Article 2

- (1) The Commission shall Oversee Partnership conducted between micro, small, and medium enterprises and large

enterprises and/or conducted between micro and small enterprises and medium enterprises.

(2) Partnership as intended in paragraph (1) shall include skill transfer process in the field of production and processing, marketing, capitals, human resources, and technology in accordance with Partnership system.

(3) Partnership System as intended in paragraph (2) shall include:

- a. core-plasma;
- b. subcontract;
- c. franchise;
- d. general trade;
- e. distribution and agency;
- f. profit sharing;
- g. operational cooperation;
- h. joint venture;
- i. outsourcing; and
- j. other forms of partnership.

(4) In the implementation of Partnership as intended in paragraph (3):

- a. large enterprises shall be prohibited from owning and/or controlling micro, small, and/or medium enterprises being their business partners; and

- b. medium enterprises shall be prohibited from owning and/or controlling micro and/or small enterprises being their business partners.

Article 3

- (1) Partnership between micro, small, and medium enterprises and large enterprises shall be conducted with due observance of Partnership principles and by upholding sound business ethics.
- (2) Partnership Principles as intended in paragraph (1) shall include the following principles:
 - a. mutual-need;
 - b. mutual-trust;
 - c. mutual-strengthening; and
 - d. mutual-benefit.
- (3) In implementing Partnership, the parties shall have equal legal standing and Indonesian laws shall apply to them.

Article 4

- (1) In conducting Partnership Supervision as intended in Article 2 paragraph (1), the Commission shall establish coordination with Related Agency.
- (2) Coordination with Related Agency as intended in paragraph (1) can be in the form of:
 - a. meeting;

- b. notification;
- c. exchange of data and/or information;
- d. field supervision; and/or
- e. other forms of coordination in accordance with laws and regulations.

Article 5

The Results of Partnership Supervision as intended in Article 2 paragraph (1) can be used as materials for case handling.

CHAPTER III

HANDLING OF CASES

Part One

Sources of Case

Article 6

In the event that there is a preliminary allegation of violation of the implementation of Partnership, the Commission shall conduct case handling.

Article 7

Preliminary allegation of violation of the implementation of Partnership can derive from:

- a. reports;
- b. initiatives of the Commission.

Part Two

Reports

Article 8

- (1) Any Person knowing that a violation of the implementation of Partnership has taken place or could reasonably be expected to have taken place may make a written report to the Commission.
- (2) Written Report as intended in paragraph (1) shall be addressed to the Chairman of the Commission using Indonesian Language and shall be signed by the Reporting Party.
- (3) Report as intended in paragraph (2) shall at least contain:
 - a. the identity of the Reporting Party and Reported Party;
 - b. a clear description about the alleged violation of the implementation of Partnership;
 - c. instruments of proof of the alleged violation of the implementation of Partnership; and
 - d. the name and signature of the Reporting Party.
- (4) The Commission shall keep the identity of the Reporting Party confidential.

Article 9

Report as intended in Article 8 can be submitted through:

- a. the head office of the Commission;
- b. representative offices of the Commission in regions; or

- c. the online reporting services.

Article 10

- (1) Any Report received by the Commission shall be Clarified by the working unit handling Partnership Supervision.
- (2) Clarification as intended in paragraph (1) shall be conducted to examine:
 - a. the administrative completeness of the report;
 - b. the truth of the identity of the Reporting Party;
 - c. the truth of the identity of the Reported Party;
 - d. the suitability of the alleged violation of the implementation of Partnership with the article infringed and the instruments of proof handed over by the Reporting Party; and
 - e. the report on the authorities of the Commission.
- (3) The results of the Clarification as intended in paragraph (2) shall be set forth in a report on the results of Clarification at least containing:
 - a. the administrative completeness of the report;
 - b. the description of identity of the Reporting Party;
 - c. the description of identity of the Reported Party;
 - d. the description of the suitability of the alleged violation of the implementation of Partnership;
 - e. the assessment of the suitability of the report with the authorities of the Commission; and

- f. the conclusion on whether it is necessary or not to proceed to the Partnership Preliminary Examination stage.

Article 11

Clarification Process as intended in Article 10 shall be conducted within a maximum period of 14 (fourteen) Days.

Article 12

The Head of the working unit handling Partnership Supervision shall give an account of the report on the results of Clarification in a Coordination Meeting.

Article 13

- (1) In the event that a report on the results of Clarification meets the requirements as intended in Article 10 paragraph (3), it shall be proceeded to the Partnership Preliminary Examination stage.
- (2) In the event that a report on the results of Clarification does not meet the requirements as intended in Article 10 paragraph (3), the report shall be stopped and shall be recorded.

Article 14

The working unit handling Partnership Supervision shall notify the Reporting Party of the follow-up to the report on the results of Clarification as intended in Article 13 within a maximum period of 7 (seven) Days after being reported in a Coordination Meeting.

Article 15

- (1) With regard to a report stopped for being incomplete as intended in Article 13 paragraph (2), the Reporting Party may resubmit a report to the Commission.
- (2) Procedures for submitting a report as intended in Articles 8 and 9 shall apply mutatis mutandis to the procedures for the resubmission of report.

Part Three

Initiative of the Commission

Article 16

- (1) The Commission based on the data and/or information on the existence of alleged violation of the implementation of Partnership may take an Initiative Study.
- (2) Data and/or information as intended in paragraph (1) may be obtained from:
 - a. the results of supervision;
 - b. the assessment results;
 - c. the findings in the examination process;

- d. the results of public hearing conducted by the Commission;
 - e. the results of coordination with related agency;
 - f. the incomplete reports;
 - g. the news from the media; and/or
 - h. the data and/or other accountable information.
- (3) The working unit handling Partnership Supervision shall report the existence of data and/or information as intended in paragraph (2) in a Coordination Meeting to be decided in a Commission Meeting.
- (4) Initiative Study shall be conducted after being decided in a Commission Meeting.

Article 17

- (1) The working unit handling Partnership Supervision shall analyze the data and/or information on the alleged violation of the implementation of Partnership.
- (2) Analysis of data and/or information on the alleged violation of the implementation of Partnership as intended in paragraph (1) shall at least contain:
- a. the identification of business player and related parties;
 - b. the identification of Partnership system;
 - c. the behavioural construction of the violation of the implementation of Partnership; and
 - d. the assessment of the authorities of the Commission.

Article 18

- (1) The results of analysis of data and/or information shall be set forth in an Initiative Study report.
- (2) The Initiative Study Report as intended in paragraph (1) shall at least contain:
 - a. the description of identity of the Reported Party;
 - b. the behavioral construction of the violation of the implementation of Partnership;
 - c. the clarity of alleged violation of provisions of laws and regulations;
 - d. the description of instruments of proof;
 - e. the assessment of authorities of the Commission; and
 - f. the recommendation of follow-up to the Partnership Preliminary Examination stage.

Part Four

Administrative Examination

Article 19

- (1) Report on the Results of Clarification as intended in Article 13 paragraph (1) or Initiative Study Report as intended in Article 18 paragraph (2) shall be administratively examined by the head of the working unit handling Partnership Supervision.

- (2) In the event that the report as intended in paragraph is declared complete and clear by the head of the working unit handling Partnership Supervision, the handling of the case shall be proceeded to the Partnership Preliminary Examination stage.
- (3) In the event that the report as intended in paragraph (1) is declared incomplete and unclear by the head of the working unit handling Partnership Supervision, the handling of the case shall be stopped and shall be recorded.

CHAPTER IV

PRELIMINARY EXAMINATION OF PARTNERSHIP

Part One

Examining Team

Article 20

In order to conduct a Preliminary Examination of Partnership, the head of the working unit handling law enforcement division shall establish an Examining Team.

Part Two

Procedures for Preliminary Examination of Partnership

Paragraph 1

General

Article 21

The Preliminary Examination of Partnership shall be conducted through:

- a. stage I; and
- b. stage II.

Paragraph 2

Stage 1 Preliminary Examination of Partnership

Article 22

- (1) Stage I Preliminary Examination of Partnership shall be conducted to obtain adequate proof, clarity, and completeness of alleged violation of the implementation of Partnership.
- (2) Stage I Preliminary Examination of Partnership shall be conducted within a maximum period of 60 (sixty) Days and can be extended after being reported by the head of the working unit handling law enforcement division in a Coordination Meeting to be decided in a Commission Meeting.

Article 23

- (1) In conducting Stage I Preliminary Examination of Partnership, the Examining Team may conduct the following activities:

- a. summon and cause a Reported Party to attend to be inquired;
 - b. summon and cause a Witness to attend to be inquired;
 - c. summon and cause an Expert to attend to be inquired;
 - d. obtain agreements, letters, and/or documents related to the case;
 - e. conduct a field examination; and/or
 - f. analyze the statements, agreements, letters, and/or documents as well as the results of field examination.
- (2) The examination of a Reported Party, Witness, and/or Expert as intended in paragraph (1) shall be recorded in minutes of Stage I Preliminary Examination of Partnership signed by the Examining Team and the inquired parties.

Article 24

- (1) Reported Party, Witness, and/or Expert summoned shall be obligated to be present and provide information as well as sign minutes of Stage I Preliminary Examination of Partnership.
- (2) Reported Party and/or Witness shall be obligated to hand over agreements, letters, and/or documents needed in a Stage I Preliminary Examination of Partnership to the Examining Team.

Article 25

- (1) The results of the implementation of Stage I Preliminary Examination of Partnership shall be compiled in a report on the results of Stage I Preliminary Examination of Partnership.
- (2) Report on the results of Preliminary Examination of Partnership shall contain a conclusion of whether there is an alleged violation of the implementation of Partnership or not.
- (3) Report on the results of Stage I Preliminary Examination of Partnership shall at least contain:
 - a. the identity of Reported Party;
 - b. the description of violation of the implementation of Partnership;
 - c. the description of instruments of proof;
 - d. analysis of whether there is an alleged violation of the implementation of Partnership or not; and
 - e. the names and signatures of the Examining Team.
- (4) In the event that there is an alleged violation, then report on the results of Stage I Preliminary Examination of Partnership as intended in paragraph (3) must contain:
 - a. Partnership implementation violation element proving analysis; and
 - b. improvement proposal to Reported Party in implementing Partnership.

- (1) The Examining Team shall give an account of the report on the result of Stage I Preliminary Examination of Partnership in stages to the head of the working unit handling Partnership Supervision to be proceeded to the head of the working unit handling law enforcement division.
- (2) The head of the working unit handling law enforcement division shall give an account of the report on the results of Stage I Preliminary Examination of Partnership in a Coordination Meeting to be decided in a Commission Meeting.
- (3) Based on the report as intended in paragraph (2), the Commission Meeting shall assess and decide the existence or nonexistence of alleged violation of the implementation of Partnership.

Article 27

In the event that the Commission Meeting declares the nonexistence of alleged violation of the implementation of Partnership, the Commission Meeting shall stop Stage 1 Preliminary Examination of Partnership.

Paragraph 3

Stage II Preliminary Examination of Partnership

Article 28

- (1) In the event that a Commission Meeting assesses and decides the existence of an alleged violation of the implementation of Partnership, the Commission Meeting shall instruct the working unit handling law enforcement division to prepare a report on the alleged violation of Partnership.
- (2) Report on the alleged violation of Partnership shall at least contain:
 - a. the identity of Reported Party;
 - b. the description of the violation of the implementation of Partnership;
 - c. the description of instruments of proof;
 - d. the analysis of the alleged violation of the implementation of Partnership;
 - e. the analysis of the proving of the element of the violation of the implementation of Partnership;
 - f. the recommendation to the Commission to the Reported Party rectify the implementation of Partnership; and
 - g. the names and signatures of the Examining.
- (3) Report on the alleged violation of Partnership as intended in paragraph (2) shall be submitted by the Examining Team to the Reported Party.

- (4) Based on the report on the alleged violation of Partnership as intended in paragraph (3), the Reported Party shall be given the right to give a written reponse.
- (5) The Reported Party shall be obligated to submit the reponse as intended in paragraph (4) by no later than 14 (fourteen) Days as from the acceptance of the report on the alleged violation of Partnership.
- (6) In the event that the Reported Party does not give the written response within the period as intended in paragraph (5), the Reported Party shall be deemed accepting the report on the alleged violation of Partnership.

Article 29

- (1) The head of the working unit handling law enforcement division shall convey the report on the alleged violation of Partnership as intended in Article 28 to the Commission.
- (2) In the event that the Reported Party gives a response, the written response of the Reported Party shall be attached to the report on the alleged violation of Partnership as intended in paragraph (1).
- (3) Based on the report as intended in paragraph (1), the Commission shall hold a Commission Meeting to decide the existence or nonexistence of the alleged violation of the implementation of Partnership.

- (4) In the event that the Commission Meeting as intended in paragraph (3) decides the nonexistence of the alleged violation of the implementation of Partnership, the Commission shall stop such Stage II Preliminary Examination of Partnership.

CHAPTER V

WRITTEN WARNING

Part One

The Granting of Warning

Article 30

- (1) In the event that the Commission Meeting as intended in Article 29 paragraph (3) decides the existence of the alleged violation of the implementation of Partnership, the Commission shall give a written Warning to the Reported Party.
- (2) The head of the working unit handling law enforcement division shall submit the written Warning as intended in paragraph (1) to the Reported Party.
- (3) In order to monitor the implementation of the written Warning as intended in paragraph (2), the head of the working unit handling law enforcement division shall establish a Monitoring Team.
- (4) The Monitoring Team as intended in paragraph (3) shall have the duties to:

- a. monitor the implementation of the written Warning; and
 - b. report the result of the implementation of the written Warning.
- (5) If needed, the Commission Meeting may appoint 1 (one) Commission member to act as a Steering Party.

Article 31

The written Warning as intended in Article 30 shall be given 3 (three) times at the most.

Part Two

Written Warning I

Article 32

- (1) Written Warning I shall be signed by the head of the working unit handling Partnership Supervision.
- (2) In the event that the Commission Meeting appoints a Steering Party, the written Warning I as intended in paragraph (1) shall be signed by the head of the working unit handling Partnership Supervision and acknowledged by the Steering Party.
- (3) Written Warning I shall at least contain:
 - a. the identity of Reported Party;
 - b. the description of the alleged violation of the implementation of Partnership;

- c. the matters that must be rectified by the Reported Party in the implementation of Partnership;
 - d. the period for the implementation of the rectification of the alleged violation of the implementation of Partnership; and
 - e. the name and signature of the head of the working unit handling Partnership Supervision.
- (4) The Reported Party shall be obligated to rectify the entire alleged violation of the implementation of Partnership committed by no later than 14 (fourteen) Days following the acceptance of the written Warning I.

Article 33

- (1) Prior to the expiration of the period for the rectification of the alleged violation of the implementation of Partnership as indicated in the written Warning I, the Reported Party shall be obligated to report the result of the rectification of the alleged violation committed to the Monitoring Team.
- (2) The Monitoring Team shall report the result of the monitoring of the rectification of the alleged violation of the implementation of Partnership in stages to the head of the working unit handling Partnership Supervision and the head of the working unit handling law enforcement division.
- (3) The Monitoring Team shall prepare a report on the implementation of Warning as approved by the head of the

working unit handling Partnership Supervision and acknowledged by the head of the working unit handling law enforcement division.

- (4) The head of the working unit handling law enforcement division shall report the implementation of the written Warning I in a Coordination Meeting to be decided in a Commission Meeting.

Article 34

- (1) In the event that the Reported Party has partly rectified the alleged violation of and needs additional time, the period for the rectification of the alleged violation of the implementation of Partnership can be added.
- (2) The Reported Party shall file an application for the addition of the period for the rectification of the alleged violation of Partnership by no later than 2 (two) Days prior to the expiration of the written Warning I.
- (3) The application as intended in paragraph (2) shall be addressed and filed to the head of the working unit handling Partnership Supervision.
- (4) Approval for the addition of the period for the rectification of the alleged violation of Partnership shall be granted based on the result of the Commission Meeting.
- (5) The addition of the period for the rectification of the alleged violation of Partnership shall be stipulated as the period for

the implementation of written Warning II and shall be granted 1 (one) time only.

Article 35

- (1) In the event that the Reported Party does not comply with the written Warning I both partly and entirely within the determined time, the Commission Meeting shall instruct the head of the working unit handling law enforcement division to give written Warning II.
- (2) The written Warning II shall at least contain:
 - a. the identity of Reported Party;
 - b. the description of the alleged violation of the implementation of Partnership;
 - c. the description of the implementation of written Warning I;
 - d. the matters that must be rectified by the Reported Party in the implementation of Partnership;
 - e. the period for the rectification of the alleged violation of the implementation of Partnership; and
 - f. the name and signature of the head of the working unit handling Partnership Supervision.
- (3) The Reported Party shall be obligated to entirely rectify the alleged violation of the implementation of Partnership committed by no later than 14 (fourteen) Days following the acceptance of the written Warning II.

- (4) In the event that the application for extension of the period for the implementation of rectification of the alleged violation of Partnership is approved in the Commission Meeting, the period for the implementation of rectification approved shall replace the period as intended in paragraph (3).

Article 36

- (1) Prior to the expiration of the period for implementation of rectification of the alleged violation of the implementation of Partnership as indicated in the written Warning II, the Reported Party shall be obligated to report the result of the implementation of rectification of the alleged violation committed to the Monitoring Team.
- (2) The Monitoring Team shall report the result of the monitoring of the implementation of rectification of the alleged violation of the implementation of Partnership in stages to the head of the working unit handling Partnership Supervision and the head of the working unit handling law enforcement division.
- (3) The Monitoring Team shall prepare a report on the implementation of Warning as approved by the head of the working unit handling Partnership Supervision and acknowledged by the head of the working unit handling law enforcement division.
- (4) The head of the working unit handling law enforcement division shall report the implementation of warning to a

Coordination Meeting to be decided in a Commission Meeting.

Article 37

- (1) In the event that the Reported Party does not comply with the written Warning II both partly and entirely within the period determined, the Commission Meeting shall instruct the head of the working unit handling law enforcement to give written Warning III.
- (2) Written Warning III shall at least contain:
 - a. the identity of Reported Party;
 - b. the description of the alleged violation of the implementation of Partnership;
 - c. the descriptions of the implementation of written Warning I and written Warning II;
 - d. the matters that must be rectified by the Reported Party in the implementation of Partnership;
 - e. the period for the implementation of rectification of the alleged violation of the implementation of Partnership;
and
 - f. the name and signature of the head of the working unit handling law enforcement division.
- (3) The Reported Party shall be obligated to entirely rectify the alleged violation of the implementation of Partnership

committed by no later than 14 (fourteen) Days following the acceptance of the written Warning III.

Article 38

- (1) Prior to the expiration of the period for the implementation of rectification of the alleged violation of the implementation of Partnership as indicated in written Warning III, the Reported Party shall be obligated to report the result of the implementation of rectification of the alleged violation committed to the Monitoring Team.
- (2) The Monitoring Team shall report the result of the monitoring of the implementation of Partnership in stages to the head of the working unit handling Partnership Supervision and the head of the working unit handling law enforcement division.
- (3) The Monitoring Team shall prepare a report on the implementation of Warning as approved by the head of the working unit handling Partnership Supervision and acknowledged by the head of the working unit handling law enforcement division.
- (4) The head of the working unit handling law enforcement division shall report the implementation of Warning in a Coordination Meeting to be decided in a Commission Meeting.

Article 39

- (1) In the event that the Reported Party does not comply with written Warning III both partly and entirely within the period determined, the Monitoring Team shall make a report in stages to the head of the working unit handling Partnership Supervision and the head of the working unit handling law enforcement division.
- (2) The head of the working unit handling handling law enforcement division shall report the implementation of Warning in a Coordination Meeting to be decided in a Commission Meeting.

Part Three

Procedures for the Supervision of the Implementation of Rectification

Article 40

- (1) The Monitoring Team shall periodically supervise the implementation of rectification of the alleged violation of the implementation of Partnership as indicated in written Warning within the period determined.
- (2) In doing the supervision as intended in paragraph (1), the Monitoring Team may:
 - a. summon and ask for clarification from the Reported Party of the progress of the implementation of rectification of the alleged violation committed;

- b. summon and ask for information from the business player being the business partner of the Reported Party;
 - c. summon and ask for information from the related parties; and/or
 - d. conduct a field examination.
- (3) The result of the supervision of the implementation of rectification of the alleged violation of the implementation of Warning shall be prepared in a report on the implementation of Warning to be reported in stages to the head of the working unit handling Partnership Supervision and the head of the working unit handling law enforcement division.

Part Four

Assessment of Report on the Implementation of Warning in

Commission Meeting

Article 41

- (1) Report on the implementation of written Warning I, report on the implementation of written Warning II, and/or report on the implementation of written Warning III shall be reported in a Coordination Meeting to be assessed and shall be decided in a Commission Meeting.
- (2) In the event that the Commission Meeting assess that the Reported Party has conducted the entire rectification in

accordance with written Warning, the Commission shall issue a Commission Stipulation.

(3) The Commission Stipulation as intended in paragraph (2) shall at least contain:

- a. the identity of Reported Party;
- b. the description and analysis of the alleged violation of the implementation of Partnership;
- c. the result of the supervision of the implementation of written Warning;
- d. the dictum for the Commission Stipulation; and
- e. the name and signature of the Chairman of the Commission.

Article 42

The Commission Stipulation as intended in Article 41 paragraph (3) shall be submitted to the Reported Party by no later than 7 (seven) Days following its signing.

Article 43

In the event that the Commission Meeting assesses that the Reported Party does not comply written Warning III both partly and entirely, the case shall be proceeded to the stage of Further Examination of Partnership.

CHAPTER VI

FURTHER EXAMINATION OF PARTNERSHIP

Part One

Commission Panel

Article 44

- (1) A Commission Panel shall be established for the purpose of implementing Further Examination of Partnership to be stipulated by virtue of a decision of the Commission.
- (2) A Commission Member appointed as a Steering Party may not be designated as Commission Panel.

Part Two

Commission Panel Hearing Procedures

Article 45

- (1) The Commission Panel shall determine the schedule for Further Examination of Partnership.
- (2) Commission Panel Hearing for Further Examination of Partnership shall be conducted to examine and decide the alleged violation of the implementation of Partnership.
- (3) Commission Panel Hearing for Further Examination of Partnership shall include:
 - a. the examination of Witness;
 - b. the examination of Expert;
 - c. the examination of letters and/or documents;
 - d. the examination of Reported Party;
 - e. the field examination; and/or

- f. the submission of conclusion of the result of the hearing by Reported Party and/or Investigator.

Article 46

- (1) Commission Panel Hearing for Further Examination of Partnership shall be conducted in the Examination room at the Head Office of the Commission or at the regional office of the Commission in regions or at other places as determined by the Commission Panel, attended by at least 1 (one) Chairman/Member of the Commission Panel.
- (2) Commission Panel Hearing for Further Examination of Partnership shall be conducted using Indonesian Language.
- (3) Hearing for Further Examination of Partnership shall be recorded in minutes of hearing signed by the Commission Panel and the Clerk.

Article 47

- (1) Commission Panel Hearing for Further Examination of Partnership shall be conducted within a maximum period of 30 (thirty) Days and may be extended for a period of 30 (thirty) Days at the most.
- (2) The calculation of the period of the Commission Panel Hearing for Further Examination of Partnership as intended in paragraph (1) shall be commenced as from the first examination attended by at least 1 (one) Reported Party.

- (3) The Commission Panel shall summon a Reported Party using proper summons to be present in a Commission Panel Hearing for Further Examination of Partnership.
- (4) The Summons as intended in paragraph (3) shall attach a report on the result of the Preliminary Examination of Partnership and report on the implementation of Warning.
- (5) In the event that a Reported Party is not present in the first summons, the Commission Panel will properly summon 2 (two) times at the most before declaring a Commission Panel Hearing for Further Examination of Partnership is commenced.
- (6) In the event that the Reported Party remains not present in the third summons as intended in paragraph (5), the Commission Panel Hearing for Further Examination of Partnership shall be commenced in the absence of the Reported Party.

Article 48

- (1) The Commission Panel shall open the hearing and shall declare the Commission Panel Hearing for Further Examination of Partnership open to the public.
- (2) In a Further Examination of Partnership, the Investigator shall read out and/or convey a report on the result of the Preliminary Examination of Partnership and report on the implementation of Warning.

- (3) A Reported Party shall be entitled to give a response to documents conveyed by the Investigator as intended in paragraph (2) by putting forward instruments of proof.

Part Three

Examination of Instruments of Proof

Paragraph 1

Types of Instrument of Proof

Article 49

Instruments of proof can be in the form of:

- a. Witness deposition;
- b. Expert deposition;
- c. Letters and/or documents;
- d. indications;
- e. Reported Party Deposition.

Paragraph 2

Witness Deposition

Article 50

Witness Deposition constitutes an instrument of proof if such deposition pertains to the matter experienced, seen, heard, and/or known by the Witness himself/herself.

Article 51

- (1) The Commission Panel for Further Examination of Partnership at the request of the Investigator, Reported Party, or ex officio may summon a Witness properly to be present in a hearing and to be inquired.
- (2) The Witness as intended in paragraph (1) shall be obligated to be present and testify in a Commission Panel Hearing for Further Examination of Partnership.
- (3) Before being inquired in Commission Panel Hearing for Further Examination of Partnership, the Witness shall be sworn in pursuant to his/her religion or shall promise in accordance with his/her belief.

Article 52

- (1) Witnesses shall be examined in a Commission Panel Hearing for Further Examination of Partnership one by one.
- (2) Witnesses who will be examined in a same case may not be in the room of the Commission Panel Hearing for Further Examination of Partnership Commission Panel Hearing for Further Examination of Partnership at the time another Witness is examined.
- (3) The Commission Panel Hearing for Further Examination of Partnership shall be conducted towards Witnesses who are in a sound physical and spiritual condition.

Article 53

- (1) A Witness whose deposition may not be heard shall be:
 - a. the blood relatives or affinal kins according to the ascending or descending direct line of descent up to the third degree of the Reported Party;
 - b. the wife or husband of the Reported Party;
 - c. the ex-wife or ex-husband of the Reported Party;
 - d. a child who has yet to reach the age of 17 (seventeen);
or
 - e. an insane person.
- (2) If deemed necessary, the Commission Panel may ask the parties as intended in paragraph (1) sub-paragraphs a, b, c, and d to be inquired without oath or promise.

Paragraph 3

Expert Deposition

Pasal 54

- (1) Expert Deposition shall be an opinion given under oath in a hearing with regard to the matter that he/she knows either in writing or verbally according to his/her knowledge and experiences.
- (2) A Person who may provide Expert Deposition must meet the following requirements:
 - a. possessing a special expertise; and

- b. possessing experiences that are suitable with his/her expertise as set forth in a document in the form of curriculum vitae of the Expert.
- (3) Someone whose deposition may not be heard as a Witness as intended in Article 53 paragraph (1) may not provide Expert Deposition.

Article 55

- (1) The Commission Panel at the request of the Investigator or Reported Party or ex officio may summon an Expert properly to be present in a Commission Panel Hearing for Further Examination of Partnership.
- (2) Before his/her deposition is heard in a Commission Panel Hearing for Further Examination of Partnership, an Expert shall be sworn in pursuant to his/her religion or shall promise in accordance with his/her belief.

Paragraph 4

Letters and/or Documents

Article 56

- (1) Letters or documents as instruments of proof shall consist of:
- a. an authentic deed, namely a letter drawn up by or before a public official who according to laws and regulations shall have the authority to draw up that letter with a purpose to be used as an instrument of

proof for an event or legal event as contained therein;

- b. a privately drawn up deed, namely a letter drawn up and signed by the relevant parties with a purpose to be used as an instrument of proof for an event or legal event as contained therein;
- c. a decision or stipulation issued by a competent Official;
- d. data containing the business activities of a Reported Party, among other things, production data, sales data, purchase data, and financial statement;
- e. a written statement drawn up and signed by an Expert;
- f. electronic information and/or electronic document and/or the printouts thereof; and/or
- g. other letters or documents not included as intended in sub-paragraphs a, b, c, d, e, and f that are linked to a case.

(2) Letters and/or documents put forward as instrument of proof shall be the copies of the original letters or documents that have been legalized thereafter.

(3) The Commission Panel may declare the data as intended in paragraph (1) sub-paragraph d as confidential and not presented in the examination at the request of the Investigator, Witness, or Reported Party.

Article 57

(1) The Commission Panel with the assistance of the Clerk shall

examine the authenticity of the letters and/or documents in a Commission Panel Hearing for Further Examination of Partnership and shall be witnessed by the Investigator and Reported Party or their Legal Counsel.

- (2) The examination as intended in paragraph (1) shall be commenced from the letters and/or documents put forward by the Investigator, subsequently to be followed by the letters and/or documents put forward by the Reported Party.
- (3) The Commission Panel may examine the authenticity of electronic information and/or electronic documents by presenting an Expert.
- (4) The Investigator and/or Reported Party or their Legal Counsel may only make a note of the gist of the letters and/or documents as intended in paragraph (2) at the permission of the Commission Panel.

Paragraph 5

Indication

Article 58

- (1) Indication shall constitute acts, events, or circumstances, which due to their similarities, both between one with the others, indicate that a violation of the implementation of Partnership has taken place and who the perpetrators are.
- (2) The indication as intended in paragraph (1) may be in the form of economic evidence and/or communication evidence

the truth of which is believed by the Commission Panel.

- (3) The economic evidence as intended in paragraph (2) shall constitute the use of arguments of economics supported by quantitative and/or qualitative data analysis method as well as Expert analysis result, all of which are aimed at strengthening the alleged violation of the implementation of Partnership.
- (4) The communication evidence as intended in paragraph (2) shall constitute the utilization of data and/or documents that indicate the existence of exchange of information between the parties alleged to violate the implementation of Partnership.

Paragraph 6

Reported Party Deposition

Article 59

- (1) Reported Party Deposition shall be the information conveyed by business player alleged to violate the implementation of Partnership.
- (2) The Reported Party Deposition as intended in paragraph (1) may be in the form of admission of the violation of the implementation of Partnership committed by him/her.
- (3) The admission as intended in paragraph (2) shall be irrevocable, except based on a strong reason and is acceptable to the Commission Panel.

Part Four

Summons

Article 60

- (1) Any person who will be inquired in a case handling process of alleged violation of the implementation of Partnership must be summoned by virtue of proper summons.
- (2) The summons as intended in paragraph (1) should have been received by the person concerned by no later than 3 (three) Days prior to the time of the examination.
- (3) The summons shall at least contain the following matters:
 - a. the name of the summoning party;
 - b. the date of summons;
 - c. the printed name of the summoned party;
 - d. the clear address of the summoned party;
 - e. the status of the summoned party;
 - f. the cause of summons;
 - g. the place of the examination; and
 - h. the time of the examination.
- (4) The acceptance of the summons as intended in paragraph (2) shall be proved with a receipt.
- (5) In the event that the person concerned is not at the directed address, the summons shall be submitted through the Village/Sub-subdistrict head office, head of Neighborhood Ward/Neighborhood Block, office of the association of

apartment unit owners and occupants, and/or building management office.

- (6) In the event that the summoned party is domiciled overseas, the summons shall be submitted through the representative of the Republic of Indonesia overseas where the person concerned is domiciled.

Part Five

Field Examination

Article 61

- (1) The Commission Panel may conduct a field examination to examine the object of a case.
- (2) The field examination as intended in paragraph (1) shall be conducted to make the information and/or proofs found in the Commission Panel Hearing clear.
- (3) The result of the field examination shall be recorded in a minutes of field examination signed by the Commission Panel and the Clerk.

Article 62

Prior to the expiration of Further Examination of Partnership, the Commission Panel shall give the opportunity to the Investigator and Reported Party to submit a written conclusion of the result of the hearing to the Commission Panel.

CHAPTER VII

DECISION OF THE COMMISSION

Part One

Deliberations of the Commission Panel

Article 63

- (1) The Commission Panel shall conduct a deliberation in a closed manner to assess, analyze, conclude, and decide a case based on adequate instruments of proof in respect of a violation of the implementation of the Partnership has taken place or does not take place as disclosed in the Commission Panel Hearing for Further Examination of Partnership.
- (2) The result of the Deliberation of the Commission Panel as intended in paragraph (1) shall be set forth in a Decision of the Commission.
- (3) The Commission Panel in conducting the deliberation as intended in paragraph (1) shall be assisted by the Clerk.

Article 64

- (1) In the event that the deliberation of the Commission Panel does not reach a consensus, the Decision of the Commission shall be determined by virtue of a majority vote.
- (2) In the event that the Decision of the Commission is determined by virtue of a majority vote as intended in paragraph (1), the opinion of the Member of the Commission

Panel who does not agree with the said decision shall be set forth in the Decision of the Commission.

Part Two

The Reading Out of the Commission Decision

Article 65

- (1) The Decision of the Commission shall be read out in a Commission Panel Hearing open to the public by no later than 30 (thirty) Days as of the end of Further Examination of Partnership.
- (2) The Commission Panel shall notify the Reported Party of the time and place for the reading out of the Decision of the Commission.

Article 66

- (1) The Decision of the Commission shall at least contain:
 - a. the identity of the Reported Party;
 - b. the description of alleged violation of the implementation of Partnership;
 - c. the considerations and assessment of instruments of proof put forward and/or obtained during the hearings;
 - d. the considerations of the implementation of written Warning I, written Warning II, and written Warning III;
 - e. the analysis of the application of articles infringed;
 - f. the orders of the Decision;

- g. the day and date of the making of the Decision;
 - h. the day and date of the reading out of the Decision;
 - i. the names of the Head and Members of the Commission Panel who decide; and
 - j. the name of the Clerk.
- (2) The orders of the Decision may be in the form of:
- a. a violation of the implementation of Partnership has taken place or does not take place;
 - b. penalty; and/or
 - c. business permit revocation instruction to the permit granting official.
- (3) The Decision of the Commission shall be signed by the Commission Panel and the Clerk.
- (4) The Decision of the Commission as intended in paragraph (1) shall be final in nature.

Part Three

Execution of the Decision of the Commission

Article 67

- (1) The Clerk shall convey the excerpt and copy of the Decision of the Commission to the Reported Party by no later than 14 (fourteen) Days following the reading out of the Decision of the Commission by the Commission Panel.

- (2) In the event that the Reported Party refuses to accept the excerpt and copy of the Decision of the Commission, the Clerk shall record it in minutes.
- (3) In the event that the Reported Party refuses to accept the excerpt and copy of the Decision of the Commission as intended in paragraph (2), the Copy of the Decision of the Commission will be announced to the public through the website of the Commission.

Article 68

The Reported Party shall be obligated to execute the Decision of the Commission by no later than 30 (thirty) Days following the acceptance of the Excerpt and Copy of the Decision of the Commission or following the announcement of the Copy of the Decision of the Commission to the public through the website of the Commission.

Article 69

- (1) In the event that the Reported Party does not execute the Decision of the Commission, then the Commission shall hand over such Decision of the Commission to district court to ask for its stipulation of execution.
- (2) In the context of guaranteeing an effective execution of the decision, the Commission may take legal measures or other

actions beyond the effort as intended in paragraph (1) in accordance with the applicable laws and regulations.

(3) Other actions as intended in paragraph (2) may be in the form of:

- a. persuasive effort;
- b. written reprimand;
- c. announcement in the print media and electronic media; and/or
- d. include the Reported Party who does not execute the decision of the Commission in the blacklist of the Commission.

(4) The working unit handling execution shall monitor the execution of the Decision of the Commission.

CHAPTER VIII

MISCELLANEOUS PROVISIONS

Part One

Legal Counsel

Article 70

The Reported Party shall be entitled to obtain assistance from a Legal Counsel in any examination stage.

Part Two

Interpreter

Article 71

- (1) If not mastering Indonesian Language, the parties may appoint an interpreter.
- (2) The interpreter as intended in paragraph (1) shall be obligated to show the proof of experience in practicing competence in translating from a foreign/local language into Indonesian Language and translating from Indonesian Language into foreign/local language consecutively to the Commission Panel.
- (3) Before commencing a hearing, the Commission Panel shall swear in the interpreter in accordance with his/her religion or the interpreter shall pronounce promise in accordance with his/her belief.
- (4) The interpreter who is not prepared to pronounce oath or promise as intended in paragraph (3) may not follow the examination.

CHAPTER IX

TRANSITIONAL PROVISIONS

Article 72

At the time this Commission Regulation comes into effect, the pre-investigation processes underway based on Regulation of the Commission for the Supervision of Business Competition Number 1 Year 2017 regarding Procedures for Handling Partnership Implementation Cases shall be continued as Preliminary Examination of Partnership hereunder.

CHAPTER X
CLOSING PROVISIONS

Article 73

At the time this Commission Regulation comes into effect:

- a. Regulation of the Commission for the Supervision of Business Competition Number 01 Year 2015 regarding Procedures for the Supervision of the Implementation of Partnership;
- b. Regulation of the Commission for the Supervision of Business Competition Number 03 Year 2016 regarding Amendment to Regulation of the Commission for the Supervision of Business Competition Number 01 Year 2015 regarding Procedures for the Supervision of the Implementation of Partnership;
- c. Regulation of the Commission for the Supervision of Business Competition Number 1 Year 2017 regarding Procedures for Handling Partnership Implementation Cases; and
- d. Regulation of the Commission for the Supervision of Business Competition Number 02 Year 2018 regarding Second Amendment to Regulation of the Commission for the Supervision of Business Competition Number 01 Year 2015 regarding Procedures for the Supervision of the Implementation of Partnership,

shall be revoked and shall be declared invalid.

Article 74

This Commission Regulation shall come into effect on its promulgation date. For public cognizance, hereby ordering the promulgation of this Commission Regulation by placing it in the Official Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On

CHAIRMAN OF THE COMMISSION FOR THE
SUPERVISION OF BUSINESS COMPETITION OF
THE REPUBLIC OF INDONESIA,

KURNIA TOHA

Promulgated in Jakarta

On

DIRECTOR GENERAL OF
LAWS AND REGULATIONS OF
THE MINISTRY OF LAW AND HUMAN RIGHTS OF
THE REPUBLIC OF INDONESIA,

WIDODO EKATJAHJANA

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA YEAR