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A Critical Analysis of Unfair Business Competition Practices in the Cooking Oil Industry: A Study of the Decision of the Indonesian Competition Commission No. 15/KPPU-I/2022

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ABSTRACT

This research critically examines unfair business competition practices in the cooking oil industry through an analysis of the Decision of the Business Competition Supervisory Commission (Komisi Pengawas Persaingan Usaha/KPPU) Number 15/KPPU-I/2022. The study is grounded in observable market distortions, reflected in commodity scarcity and significant price increases that cannot be fully explained by normal market mechanisms. This research aims to analyze the dynamics of unfair business competition practices in the cooking oil industry, evaluate the effectiveness of existing regulations under Law Number 5 of 1999, and identify weaknesses in law enforcement, particularly evidentiary challenges and institutional constraints, through a critical examination of the KPPU decision. This research employed a normative juridical method utilizing both a statutory approach and a case approach. The findings indicate that the legal framework under Law Number 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition formally provides adequate regulation of cartel practices; however, its implementation remains substantially constrained, particularly with respect to evidentiary challenges and enforcement effectiveness. The Commission's decision in the case at hand confirms violations in the form of distribution restrictions, yet fails to comprehensively address all indications of cartel conduct. This reflects a persistent gap between legal norms (das sollen) and actual market practices (das sein). Accordingly, strengthening evidentiary mechanisms, institutional capacity, and inter-agency coordination is imperative to enhance the effectiveness of competition law enforcement in Indonesia.

INTRODUCTION

Indonesia as a country with a very large population presents a wide and complex domestic market configuration. On the one hand, this condition is a strategic capital for economic growth through increased consumption and market expansion, but on the other hand, it poses serious challenges in maintaining price stability and equitable distribution of welfare. In this context, economic development cannot rely solely on the logic of quantitative growth, but must be accompanied by the strengthening of a fair and competitive market structure (Omowole et al., 2024; Root, 2016). The balance between the interests of business actors and consumer protection is the main prerequisite in realizing a fair economic system. Therefore, the existence of a healthy business competition climate is not only normative-imperative, but also an important instrument in ensuring efficiency, innovation, and sustainability of the national economy (Ekardt & Wieding, 2021; Nurani et al., 2026; Stevanovic & Durdevic, 2017).

Nevertheless, empirical reality shows that market mechanisms often do not work ideally. In practice, business actors with dominant economic power tend to take advantage of their position to control the market and inhibit potential competitors. This phenomenon is reflected in the emergence of various forms of anticompetitive behavior, such as monopolies and cartels, which are essentially the result of covert agreements between business actors to control strategic market variables (Madžar & Perović, 2024; Rodriguez & Menon, 2016; Simpson, 2023). Cartels in particular are one of the most destructive forms of infringement because they systematically eliminate competition through price fixing, production restrictions, and distribution controls. In such conditions, prices are no longer formed naturally through the mechanism of demand and supply, but are determined by the collective interests of certain business groups that act in a collusive manner (Bös, 2015; Grossman & Holland, 2023; Patel, 2021).

The impact is not only in the form of price increases that are detrimental to consumers, but also weakens the market structure by getting rid of small business actors who do not have the capacity to compete under unequal conditions. As a normative response to these problems, the state has established Law Number 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition as the main legal basis in the business competition legal regime in Indonesia. These regulations comprehensively regulate various forms of anti-competitive behavior, including the prohibition of agreements aimed at influencing prices through production or distribution arrangements (Bilkis, 2025; Konomi Perolla & Peto, 2015; Retnoningsih & Jamin, 2024). More than that, this law is also a concrete embodiment of the principle of economic democracy that emphasizes justice and balance in economic activities as mandated by the 1945 Constitution of the Republic of Indonesia (Darmawan, 2022; Nurita & Adnyana, 2024; Retnoningsih & Jamin, 2024).

In order to ensure the effectiveness of the enforcement of business competition laws, the Business Competition Supervisory Commission (ICC) was established as an independent institution that has broad authority in supervising, investigating, and deciding business competition cases (Humairah, 2025; Latif et al., 2023). However, at the implementation level, law enforcement against cartel practices still faces various obstacles, including the complexity of evidence, the limitations of investigative instruments, and resistance from large business actors who have adequate legal resources (Auriol et al., 2017; Ducci, 2018; Ndlovu, 2017).

This problem is clearly reflected in the cooking oil cartel case that occurred in the period 2021 to 2022. As a commodity for basic needs, cooking oil has a vital role in people's lives, so that any disruption to the availability and stability of prices will have a wide impact on people's purchasing power and welfare. The scarcity that occurs simultaneously with significant price spikes causes public unrest and indicates market distortions that cannot be explained solely by natural factors. The alleged involvement of a number of business actors in the regulation of supply and distribution strengthens the indication of cartel practices carried out in a structured and coordinated manner (Jaspers, 2017; Lee, 2016).

In conditions of high demand, the behavior of business actors who hold stocks or regulate distribution collectively indicates an attempt to create artificial scarcity to maximize profits. The government has actually intervened through various policy instruments, such as the determination of the Highest Retail Price (HET), as well as the implementation of the Domestic Market Obligation (DMO) and Domestic Price Obligation (DPO) schemes, which aim to maintain a balance between meeting domestic needs and export interests. However, the implementation of these policies is not effective due to weak supervision and low compliance levels of business actors. This shows that state intervention that is not accompanied by strong law enforcement is not enough to address systemic anti-competition practices.

Based on the results of ICC's investigation, there were indications of coordination among business actors in regulating the supply and distribution of cooking oil, which was ultimately considered to be in violation of the provisions of Article 19 letter c of Law Number 5 of 1999. At its peak, through Decision Number 15/ICC-I/2022, ICC stated that a number of business actors were legally and convincingly proven to have carried out distribution restrictions that had an impact on disrupting market mechanisms. This decision is significant because it reflects the state's efforts to crack down on unfair business competition practices, as well as proving that cartels are a real phenomenon that has a direct impact on people's welfare. However, the existence of follow-up legal remedies from business actors shows that the effectiveness of the ruling still faces challenges in terms of implementation and legal compliance.

More broadly, this case exposes structural weaknesses in the competition legal system in Indonesia, especially in the face of the dominance of large business actors who have the ability to significantly influence the market structure. Cartel practices not only harm consumers, but also deepen economic disparities and hinder the growth of small and medium-sized businesses. Based on this background description, this study aims to critically analyze the dynamics of unfair business competition practices in the cooking oil industry, especially through a study of ICC Decision Number 15/ICC-I/2022, in order to evaluate the effectiveness of existing regulations, identify weaknesses in law enforcement, and formulate strategic steps in strengthening a fairer, more transparent business competition system. and sustainable in Indonesia.

Based on the background description above, this study proposes two main problem formulations. First, what is Indonesia's positive legal arrangement regarding the prohibition of cartel practices in the regime of the Business Competition Law? Second, what is the mechanism and implementation of law enforcement against violations of cartel practices in Indonesia?

This research is expected to provide benefits both theoretically and practically. Theoretically, this study enriches the study of legal science, especially business competition law, by critically analyzing the application of the law to cartel practices in the cooking oil industry. The results of this study are also expected to be a reference for the development of the concept of proof and law enforcement against cartels in Indonesia, especially in the face of increasingly complex and hidden collusive practices. Practically, this research is useful for the Business Competition Supervisory Commission (ICC) as an input to strengthen investigative instruments and evidentiary mechanisms, for law enforcement officials in handling business competition cases, and for business actors to understand the limitations of behavior that are prohibited in the business competition regime. In addition, this research is also expected to be a consideration for policymakers in reforming business competition law in Indonesia.

METHOD

This research was constructed as a normative legal research with an emphasis on the statute approach to systematically examine the legal framework that governs cartel practices in Indonesia. The analysis was carried out by relying on primary legal materials in the form of relevant regulations as a normative foundation, which was then enriched with secondary legal materials in the form of academic literature, scientific articles, and other references that support the deepening of the study. Tertiary legal materials are also used to strengthen conceptual and definitive understanding.

This research also adopts a case study approach by making ICC Decision Number 15/ICC-I/2022 as the main object of analysis. Through the descriptive-analytical method, this study does not only describe the facts and chronology of the case, but critically examines the dynamics and juridical implications that arise from cartel practices in the case, including their relevance to the applicable normative framework.

RESULT AND DISCUSSION

Analysis of Elements of Violations in ICC Decision Number 15/ICC-I/2022

The Decision of the Business Competition Supervisory Commission Number 15/ICCU-I/2022 is one of the important decisions in the enforcement of business competition law in Indonesia, especially related to alleged unfair business competition practices in the cooking oil industry. In the decision, ICC examined alleged violations of several provisions in Law Number 5 of 1999, namely Article 5 concerning pricing, Article 11 concerning cartels, and Article 19 letter c concerning distribution restrictions. Analysis of the elements of proven and unproven violations in this decision is important to understand the dynamics of business competition law enforcement and the evidentiary challenges faced by ICC in uncovering increasingly complex and covert anti-competition practices.

1. Article 5 on Pricing

Article 5 of Law Number 5 of 1999 prohibits business actors from entering into agreements with their competitors to set prices for goods and/or services that must be paid by consumers or customers in the same market. This provision is generally treated as an infringement per se illegal, which means that proof of the existence of a pricing agreement is sufficient to establish the occurrence of an infringement without the need to prove its negative impact on competition. This per se illegal approach is based on the assumption that collective pricing by competitors always harms consumers and eliminates the essence of competition, so no further analysis of its economic impact is required.

In the cooking oil case, ICC collected various economic evidence and indirect evidence to assess the existence of price fixing among the business actors examined. These evidences include parallel price patterns among producers, the correlation between production and the purchase of CPO (Crude Palm Oil), and other economic analyses that indicate price coordination. The parallel price patterns found suggest that several business actors make price adjustments simultaneously over a relatively short period of time, which could theoretically indicate communication or coordination between them. However, a number of academic studies consider that the evidence collected by ICC is not conclusive enough to establish the existence of price conspiracies systematically.

The main criticism of ICC's proof in the context of Article 5 is its high reliance on circumstantial evidence and economic analysis, without being accompanied by direct evidence in the form of explicit communications or agreements between business actors. The parallel price patterns found can be explained through normal market mechanisms, especially in oligopolistic industries where business actors tend to follow market leader prices (price leadership) without formal agreement. In an oligopoly market structure, interdependent behavior is a natural phenomenon, where each business actor considers the reaction of its competitors in determining a price strategy. Therefore, some academic reviewers have concluded that the Article 5 element is not conclusively proven in this ruling, given that ICC has not succeeded in demonstrating the existence of an explicit pricing agreement or evidence of communication leading to price coordination.

ICC's inability to conclusively prove violations of Article 5 reflects structural challenges in proving cartel practices, particularly in the context of concentrated industries. In oligopolistic industries, parallel behavior can occur independently in the absence of collusion, so a stricter standard of proof is needed to distinguish between illicit coordination and rational market behavior. This difficulty is further exacerbated by the fact that business actors involved in cartels tend to avoid written communication and use informal coordination mechanisms that are difficult to trace, such as informal meetings, market signals, or the exchange of information through third parties.

2. Article 11 on Cartels

Article 11 of Law Number 5 of 1999 prohibits business actors from entering into agreements with their competitors that intend to influence prices by regulating the production and/or marketing of goods and/or services, which may result in the occurrence of monopolistic practices and/or unfair business competition. These provisions are at the heart of the horizontal cartel ban, which includes various forms of coordination among competitors, such as price fixing, market area sharing, production restrictions, or customer allocation. Horizontal cartels are considered one of the most serious forms of competition violations because they directly eliminate competition among business actors who should be competing independently.

To prove a violation of Article 11, ICC must show the fulfillment of several elements, namely: (a) the existence of business actors competing in the same relevant market; (b) the existence of an agreement or coordination between the business actors; (c) such agreements or coordination are intended to influence prices through production or marketing arrangements; and (d) such agreement or coordination may result in monopolistic practices or unfair business competition. The most crucial and at the same time the most difficult element to prove is the element of agreement or coordination, because business actors involved in cartels usually try to hide their agreements so that they are not detected by the competition authorities.

In the case of cooking oil, ICC relies on communication instructions, market patterns, and economic evidence as indirect evidence to suspect coordination among business actors. The evidence includes uniform analysis of price movements, similar production patterns, and indications of information exchange among business actors. However, some academic analyses have concluded that the parallel patterns and economic evidence presented are insufficient to establish the existence of cartel agreements as referred to in Article 11 in the absence of direct evidence or stronger evidence. This criticism is in line with the legal principle of proof in business competition cases, which requires the existence of sufficient evidence to conclude that there is a deliberate agreement or coordination (meeting of minds) among business actors.

An academic evaluation of ICC's decision shows that although there are indications of coordination in the form of uniform market behavior, ICC has not succeeded in proving the existence of a structured and systematic cartel agreement. The absence of evidence of direct communications, treaty documents, or testimony supporting explicit coordination is a major weakness in proving a violation of Article 11. In competition law enforcement practice in various jurisdictions, direct evidence such as emails, meeting records, or communication recordings is the strongest evidence to prove the existence of a cartel. Without such evidence, business competition authorities must rely on indirect evidence that requires complex economic analysis and strong logical inferences. Therefore, it can be concluded that the elements of Article 11 are not conclusively proven in this ruling according to most academic reviewers.

The difficulty in proving cartels reflects broader challenges in the enforcement of competition laws, particularly in the face of increasingly sophisticated and hidden collusion practices. Businesses involved in cartels tend to avoid written communication and use coordination mechanisms that are difficult to trace, so proof becomes highly dependent on indirect evidence and economic analysis. In this context, strengthening ICC's investigative capacity and developing more sophisticated evidentiary instruments are urgent needs. Some jurisdictions have developed leniency programs for business actors willing to cooperate with competition authorities in uncovering cartels, which have proven effective in increasing cartel detection and conviction rates.

3. Article 19 Letter c on Distribution Restrictions

Article 19 letter c of Law Number 5 of 1999 prohibits business actors from carrying out one or more activities, either alone or with other business actors, which may result in the occurrence of monopolistic practices and/or unfair business competition in the form of restrictions on the circulation and/or sale of goods and/or services in the relevant market. This provision aims to prevent business actors from creating artificial scarcity that can harm consumers and disrupt market mechanisms. Distribution restrictions can be carried out in various ways, such as unreasonably reducing production volumes, withholding stock of goods, or limiting distribution channels to certain markets.

In contrast to Article 5 and Article 11, the proof of violation of Article 19 letter c in ICC Decision Number 15/ICC-I/2022 is considered more concrete and convincing. ICC conducts quantitative calculations and applies a rule of reason approach to assess whether there are distribution restrictions that cause scarcity in the market. The rule of reason approach requires a more in-depth analysis of the actual impact of business actors' behavior on competition, in contrast to the per se illegal approach which directly categorizes a behavior as a violation without the need to prove its impact. The methodology used by ICC includes a comparison of the ratio of packaged cooking oil production to CPO purchases, as well as a comparison of the percentage change in CPO purchases and production volume in the tempus delicti period compared to the non-tempus period.

In this investigation, ICC examined about 27 companies operating in the cooking oil industry. The audit includes analysis of production data, raw material purchases, production capacity, and distribution patterns of each company. The results of the evidence showed that some of the companies examined, namely seven companies, were proven to have carried out distribution restrictions that caused scarcity for consumers in the period examined. The quantitative evidence presented by ICC shows a decrease in the production of packaged cooking oil that is not proportional to the availability of CPO raw materials, which indicates a deliberate restriction on distribution. In some cases, it was found that such companies had adequate production capacity and access to sufficient raw materials, but deliberately reduced production volumes or withheld distribution to the domestic market.

ICC's success in proving violations of Article 19 letter c reflects the effectiveness of quantitative approaches and economic analysis in detecting distribution restriction practices. In contrast to cartel proof which requires proof of explicit agreement, proof of distribution restrictions can be done through analysis of market behavior and objective production data. In this context, ICC has succeeded in demonstrating a mismatch between production capacity and actual output, which cannot be explained through normal market factors such as supply chain disruptions, raw material limitations, or production technical constraints. The economic analysis conducted by ICC also considers external factors such as government policies, global market conditions, and supply-demand dynamics, so that the conclusions drawn can be scientifically accounted for.

Nonetheless, it should be noted that only a small fraction of the companies inspected (7 out of 27 companies) were found to have violated Article 19 letter c. This suggests that not all business actors in the cooking oil industry are involved in the practice of restricting distribution, and that the scarcity that occurs in the market may also be influenced by other factors beyond the control of business actors, such as government policies related to CPO exports, supply chain disruptions due to the COVID-19 pandemic, or global market dynamics that affect the price and availability of raw materials. The fact that the majority of the companies inspected were not proven to have committed violations also indicates that ICC has conducted a careful and objective analysis in assessing the behavior of each business actor, and has not made excessive generalizations about the entire industry.

4. Juridical Implications and Law Enforcement Challenges

An analysis of the evidence of elements of violation in ICC Decision Number 15/ICC-I/2022 reveals several important juridical implications for the enforcement of business competition law in Indonesia. First, this ruling shows that the proof of cartel practices (Article 5 and Article 11) still faces significant challenges, especially in terms of direct evidence collection and proof of explicit agreement among business actors. Reliance on indirect evidence and economic analysis, while relevant and can provide strong indications of coordination, is not always sufficient to meet the standard of proof required in a business competition case. This shows the need to develop more sophisticated investigative instruments, such as leniency programs, communication eavesdropping authority, or international cooperation in information exchange, to improve ICC's ability to uncover increasingly complex and covert cartel practices.

Second, ICC's success in proving violations of Article 19 letter c shows that quantitative approaches and production data analysis can be effective instruments in detecting distribution restriction practices. This provides an important lesson that competition law enforcement must be supported by strong economic analysis capacity and access to comprehensive market data. ICC needs to continue to increase its capacity for economic and statistical analysis, as well as build a more systematic and integrated data collection system, in order to conduct more accurate and in-depth market analysis. Cooperation with statistical agencies, relevant ministries, and industry associations also needs to be strengthened to ensure the availability of accurate and up-to-date data.

Third, this decision reflects the gap between the ideal legal norm (das sollen) and the reality of law enforcement practices (das sein). Although the legal framework contained in Law No. 5 of 1999 has normatively regulated the prohibition of cartel practices and restrictions on distribution adequately, its implementation still faces obstacles in terms of proof, institutional capacity, and the effectiveness of sanctions. This gap shows the need for comprehensive legal reform, not only at the normative level but also at the implementation level, including strengthening ICC's institutional capacity, improving coordination with other law enforcement agencies, and developing sanctions mechanisms that are more effective and deterrent effect.

Fourth, the results of the ruling that only a small percentage of the companies examined were proven to be unlawful raised questions about the effectiveness of law enforcement in preventing systemic unfair business competition practices. Although this decision has sanctioned business actors who are proven to be in violation, the deterrent effect of the sanctions still needs to be further evaluated. A thorough evaluation of evidentiary instruments, evidentiary standards, and inter-agency coordination mechanisms is needed to improve the effectiveness of business competition law enforcement in Indonesia. In addition, it is also necessary to develop more proactive preventive measures, such as education and socialization programs to business actors regarding the prohibition of anti-competitive practices, as well as more intensive market surveillance to detect indications of violations early.

Fifth, this decision also underscores the importance of transparency and accountability in the process of enforcing competition laws. The publication of a complete and detailed decision, including the economic analysis methodology used, will increase public trust in ICC and provide clear guidance for business actors regarding prohibited behaviors. Transparency will also facilitate public scrutiny and academic evaluation of the quality of ICC decisions, which in turn will encourage continuous improvement of the quality of competition law enforcement.

Positive Legal Arrangements on the Prohibition of Cartel Practices in the Business Competition Law

Cartel practices are essentially a form of fundamental deviation in the market mechanism that is directly contrary to the principle of fair business competition. In this practice, business actors who are supposed to compete independently actually build hidden agreements with their competitors to control strategic market variables, such as prices, production volumes, and distribution channels, so that the competition space becomes distorted or even systematically eliminated. The legal framework in Indonesia through Law Number 5 of 1999 expressly categorizes cartels as a form of prohibited agreements in the business competition legal regime. The provision not only reflects the state's normative stance in rejecting anti-competitive behavior, but also demonstrates the lawmakers' awareness that cartels have serious implications for overall economic efficiency.

The negative impact of cartels is not limited to price aspects alone, but penetrates into the three main dimensions of economic efficiency, namely allocation efficiency, productive efficiency, and dynamic efficiency. From an allocation perspective, cartels create prices that do not reflect real market conditions, thus disrupting the optimal distribution of resources. In the production aspect, coordination between business actors tends to reduce competitive pressures which should be a driver of increased productivity. Meanwhile, in the context of innovation, cartel practices have the potential to hinder investment in human and technological development, because business actors no longer have incentives to compete progressively and innovatively. Thus, cartels not only harm consumers through unreasonable prices, but also weaken economic dynamics in the long run.

Normatively, Law Number 5 of 1999 identifies various forms of cartels that are spread across several provisions of the article, including price regulation, division of marketing areas, production or distribution control, and conspiracy in determining the winner of the tender.

Although textually the cartel arrangement appears to be fragmented in several articles, the substance of the prohibition is interrelated and forms a unified regime. In practice, the regulation of production and distribution almost always has implications for price control, and can even develop into an exclusive division of market territory. Therefore, the legal approach to cartels cannot be carried out partially, but must be understood as a series of interconnected behaviors that have the potential to create a collective monopoly.

In addition, the prohibition on monopoly practices is also affirmed through provisions that limit market control by one or a group of business actors, especially if the control closes opportunities for other business actors to enter and compete effectively. Indicators such as the absence of substitute products, high barriers to entry, and significant market share control are important parameters in assessing the presence of market dominance that has the potential to harm the public interest. In this context, the state seeks to maintain a balance between business efficiency and market justice so that exploitation by business actors who have dominant economic power does not occur.

The role of ICC is crucial in ensuring the effectiveness of business competition law enforcement. As an independent institution, ICC not only functions as a law enforcement authority, but also as a supervisor and advocate for business competition policies that are oriented towards creating a fair and sustainable business climate. ICC's institutional independence allows it to work without external intervention, while retaining public accountability through reporting obligations to the legislature. However, at the implementation level, law enforcement against cartels still faces various structural and technical obstacles, including difficulties in proving the existence of tacit collusion, limited institutional resources, and the complexity of cases involving a network of business actors with vertically and horizontally integrated structures. This condition shows that even though the regulatory framework has been adequately available, the effectiveness of its implementation still requires strengthening, both in terms of legal instruments and institutional capacity.

Mechanism and Implementation of Law Enforcement against Cartel Practice Violations in Indonesia

Higher market concentrations are not naturally occurring but are influenced by a variety of structural factors that potentially drive the birth of competitive distortions. This condition opens up space for business actors to no longer compete in a healthy way, but instead switch to an exclusive coordination pattern, as manifested in cartel practices. Cartels represent a form of horizontal collusion, in which business actors who are supposed to compete independently instead draw up collective agreements to control prices, limit production, or regulate market distribution for the collective benefit of the group. In practice, cartels function not only as a market control instrument, but also as a mechanism to consolidate the economic interests of certain groups through the control of resources and the exchange of strategic information, including the results of research or technological innovation.

One of the structural factors that accelerated the formation of market concentration was the development of large-scale industries that relied on mass production systems. This production model creates high efficiency, but on the other hand it has implications for the elimination of small business actors and the formation of market dominance by a handful of large business entities. This condition is further strengthened by the existence of preferential access to certain protections or facilities that are easier for large business actors to obtain than other business actors. In addition, excellence in mastery of natural resources, the quality of human resources, and the amount of capital are factors that strengthen their dominant position, as well as creating a significant barrier to entry for new business actors. As a result, the market becomes less competitive and tends to be oligopolistic, which ultimately facilitates the formation of hidden deals among established business actors.

In such a situation, business actors who have dominated the market not only maintain their dominant position, but also expand their influence through expansion into other business sectors. Business diversification is carried out by taking advantage of the comparative advantages that have been had, both in terms of capital, distribution network, and production capacity. This expansion pattern ultimately increases the potential for the formation of cross-sector cartels, because business actors have sufficient economic power to influence market structures in various fields simultaneously. Thus, cartels can be seen as a covert manifestation of the practice of collective monopoly, in which several business actors jointly control the market without having to be incorporated into a single entity.

Normatively, cartel practices in Indonesia have been banned through Law Number 5 of 1999. The provisions of Article 11 expressly prohibit agreements between business actors that aim to influence prices through production or marketing arrangements that have the potential to cause monopolistic practices or unfair business competition. To enforce these provisions, ICC was formed as an independent institution that has a strategic function in supervising, investigating, and deciding business competition cases. However, in practice, ICC's authority that covers various functions simultaneously ranging from consultative to adjudicative functions often gives rise to the potential for overlapping roles. This indicates that even though a regulatory framework is available, challenges in the effectiveness of competition law enforcement still require strengthening, both in terms of institutions and harmonization of authority.

Cooking oil is a strategic commodity that has a vital position in the daily life of the Indonesian people, because it is widely used by all levels of society without exception. The high level of dependence on these commodities makes them not only a basic necessity, but also an economic instrument that is highly sensitive to market volatility. Ironically, in the midst of Indonesia's position as one of the world's main producers of palm oil, there has been a scarcity of cooking oil accompanied by significant price spikes in recent periods. This phenomenon cannot be understood solely as a natural consequence of market mechanisms, but rather indicates a structural distortion that has the potential to be born from anti-competitive practices, including cartel practices.

In this context, business actors are suspected of coordinating to standardize prices, control distribution, and limit production, thereby creating disproportionate profits amid high public demand. Oligopolistically concentrated market conditions increase the chances of such a practice occurring, especially when a number of large business actors have the collective capacity to influence prices and supply in a coordinated manner. The alleged involvement of 27 companies in practices that led to violations of competition law provisions further strengthens the indications of joint market control. Price increases that occur simultaneously over a period of time indicate an unusual pattern of behavior in a supposedly competitive market. In addition, the practice of stockpiling or stock control also exacerbates market distortions, as it directly affects the balance between demand and supply.

In dealing with these conditions, ICC as an independent institution has a central role in enforcing business competition laws. The existence of ICC not only aims to crack down on violations that have occurred, but also functions as a mechanism for alternative dispute resolution outside the court to avoid the accumulation of cases in the general justice system. With broad authority from receiving reports, conducting investigations, to imposing administrative sanctions ICC carries out quasi-judicial functions that in practice are often aligned with judicial institutions. However, the breadth of the scope of authority also poses its own challenges, especially related to the potential for overlapping functions in the law enforcement process that can affect the objectivity and legitimacy of the decision.

In the case of cooking oil, ICC carried out a series of investigation steps ranging from the initial study to the in-depth investigation stage after finding indications of price increases that occurred simultaneously in various business actors since the end of 2021. The analysis was further strengthened by findings regarding the market structure that tends to be oligopolistic, the high level of market concentration, and the existence of vertical integration among business actors. At its peak, through Decision Number 15/ICC-I/2022 which was read on May 26, 2023, ICC stated that some business actors were not proven to have committed violations related to pricing, but some of them were legally and convincingly proven to have imposed distribution restrictions that violate the provisions of business competition law. The decision was accompanied by the imposition of administrative sanctions in the form of a significant amount of fines, which were then responded to by business actors through follow-up legal remedies to the court. This situation shows that even though legal instruments have been implemented, the effectiveness of business competition law enforcement still faces challenges, both in terms of proof and compliance with the resulting judgments.

CONCLUSION

Regulasi hukum Indonesia melalui UU Nomor 5 Tahun 1999 secara normatif telah melarang praktik kartel dan memberikan KPPU kewenangan luas sebagai lembaga penegak hukum persaingan usaha, namun implementasinya masih menghadapi tantangan serius akibat faktor struktural, teknis, dan institusional. Praktik kartel terbukti merugikan konsumen, menghambat efisiensi ekonomi, dan memarjinalkan pelaku usaha kecil, sebagaimana tercermin dalam Putusan Nomor 15/KPPU-I/2022 yang menunjukkan keterbatasan instrumen pembuktian dalam menjangkau praktik koordinasi yang bersifat tertutup dan tidak tertulis. Oleh karena itu, tantangan utama bukan terletak pada ketiadaan regulasi, melainkan pada lemahnya penegakan hukum yang memerlukan reformasi komprehensif, meliputi penguatan metode pembuktian berbasis analisis ekonomi, peningkatan kapasitas institusional KPPU, serta penguatan sinergi dengan lembaga peradilan guna menciptakan efek jera yang optimal bagi pelaku persaingan usaha tidak sehat.

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