

# CHAPTER I

## INTRODUCTION

### A. Background of Study

The increasing use of the internet in Indonesia contributes to the growth of digital technology, as well as to the positive development of Micro, Small, and Medium Enterprises (MSMEs) in Indonesia, especially for marketing goods in demand by the global market or segmented market. This digitalization facilitates access for businesses to find a market for sellers of products that will be marketed. The market for products owned by sellers not only emerges from the surrounding environment, but also from all parts of Indonesia and even abroad. With the development of digitalization in Indonesia, it has created new dynamics in the competence of digital markets and older generation, who were less interested in the digital market, will be motivated by the current digital developments as the digital age movement, that after the onset of COVID-19 to the world, various generations, both young and old, are getting used to access the internet to buy daily and other needs.<sup>1</sup>

The development of digitalization in Indonesia has led to the emergence of various digital platforms in the form of e-commerce, which provides opportunities for MSMEs to market their products to suit the different needs of each customer, because

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<sup>1</sup> Amir Sedighi and Behroz Sirang, "The Effect of E-Commerce on SME Performance," *International Journal of Applied Research in Management and Economics* 1, no. 2 (2018), 73.

through the e-commerce marketing system, various product criteria needed and demanded by customers from many regions can be listed. In this development, the e-commerce marketing system has a crucial impact on MSMEs. MSMEs initially had difficulty finding markets that suited their products, but after the rise of e-commerce as a trading tool in the digital era, these MSMEs were able to market their products to customers in different regions.<sup>2</sup>

However, this will not work well if there is no regulation on the issue of monopoly and business competition.<sup>3</sup> MSMEs that have limited capital and also limited mastery of digital technology will face difficulties in developing their business because they will lose the competition with business actors with large capital, such as Limited Liability Companies. Therefore, to prevent the abuse of economic power by large companies, it is crucial to address monopolistic practices and the existence of cartels to uphold fair competition. The enactment of Law Number 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition has provided several incentives to create healthier competition among business actors.<sup>4</sup> By issuing Law Number 5 of 1999, the government intends to create a healthy and conducive

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<sup>2</sup> Giuseppe Nicoletti, Cristiana Vitale, and Carolina Abate, *Competition, Regulation and Growth in a Digitized World: Dealing With Merging Competition Issues in Digital Market*, OECD Economics Department Working Papers, no. 1752 (Paris: OECD Publishing, 2023).

<sup>3</sup> Alex Hunter, *Monopoly and Competition*, vol. 1 (1969), 14.

<sup>4</sup> Law Number 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition.

business climate to ensure equal business opportunities for every business actor, regardless of the size of their business.<sup>5</sup>

Business actors are subjects that cannot be separated from business competition. Business actors whose numbers at the grassroots are very large are MSMEs. The government is obliged to protect the MSMEs. The existence of Law Number 5 of 1999 is expected to protect and give legal certainty for MSME actors.<sup>6</sup> Law Number 5 of 1999 is the legal basis for the establishment of the Business Competition Supervisory Commission (KPPU), which has an active role in overseeing various sectors and industries in Indonesia, to maintain fair and healthy business competition.

In its implementation, KPPU has the duty to prevent monopolistic practices, cartels, and abuse of dominant positions that can harm the interests of consumers and other business actors, as regulated in Law Number 5 of 1999 on preventing unfair business competition.<sup>7</sup> However, Law Number 5 of 1999 has been updated twice, namely by Law Number 11 of 2020 on the Job Creation Act, then it was amended the second time by Law Number 6 of 2023 on the Job Creation Act. The development of digital technology has changed the dynamics of the market and the complexity of relationships between business actors in various sectors. Thus, there are new

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<sup>5</sup> Nadia Feby Artharini, "Perlindungan Bagi UMKM Terhadap Persaingan Usaha Tidak Sehat," *Jurnal Dharmasisya* 2, no. 3 (September 2022), 1403.

<sup>6</sup> Andi Fahmi Lubis and Anna Maria Tri Anggraini, *Hukum Persaingan Usaha*, vol. 2 (Jakarta: Komisi Pengawasan Persaingan Usaha, 2020), 291.

<sup>7</sup> Nur Kholis and Ahmad Sarbini Kurniawan, *Urgensi Penegakan Hukum dan Penguatan Peran Pengawasan KPPU di Era Industri Digital*, 45.

challenges faced by KPPU. The existence of the Business Competition Supervisory Commission (KPPU) as a state institution has a duty to oversee and enforce business competition law in Indonesia, and it is expected to be a protector for MSMEs.

Indeed, KPPU can prevent MSMEs from unfair business competition practices and trade monopolies that are often carried out by big companies, which can cause disadvantages to MSMEs. These unfair practices and monopolies can be classified as predatory pricing, which is regulated in Article 20 of Law Number 5 of 1999 about the Prohibition of Monopoly and Unfair Business Competition<sup>8</sup>. One example of this predatory pricing is TG, which allegedly created a cooperation system that favored one of its partners. It is one of the unfair business competition cases being handled at KPPU. Allegedly, Grab and its partner PT Teknologi Pengangkutan Indonesia (TPI) monopolized online taxi orders by giving priority to drivers who are members of PT TPI to get more passengers than other partners. In Trial Number 13/KPPU-I/2019, Grab and TPI were deemed to have violated Article 14, Article 15, Paragraph 2, and Article 19, letter d of Law Number 5 of 1999 on the Prohibition of Monopoly and Unfair Business Competition Practices<sup>9</sup>. Therefore, with the development of digital technology, MSMEs have to be able to compete in the digital era and sustain their business. The role of KPPU in supervising business competition needs to be improved

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<sup>8</sup> Basri Effendi, "Pengawasan dan Penegakan Hukum Terhadap Bisnis Digital (E-Commerce) oleh Komisi Pengawasan Persaingan Usaha (KPPU) dalam Praktek Persaingan Usaha Tidak Sehat," *Syiah Kuala Law Journal* 4, no. 1 (2020), 25.

<sup>9</sup> *Ibid.* 30.

due to these technological developments, because it will certainly create new problems faced by MSMEs in carrying out their business.<sup>10</sup>

Regulation of the Business Competition Supervisory Commission (KPPU) Number 2 of 2024 concerning Procedures for Supervision and Handling of Partnership Cases can be said to have not provided sufficient protection to MSMEs. One of the main obstacles is the lack of effectiveness in monitoring MSMEs' partnerships, where KPPU cannot work alone in enforcing the rules without stronger coordination with other institutions that have related mandates.

In addition, this regulation provides flexibility to reported parties in partnership cases. Indeed, it is aimed at accelerating the settlement process; however, it has the potential to reduce legal certainty for aggrieved MSMEs. Furthermore, the unclear legal basis in partnership supervision also poses a problem, because KPPU has the authority derived from Law Number 20 of 2008, and also from Law Number 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition. It creates polemics in its application. There are some Case studies indicating that in several KPPU decisions, large businesses still dominate partnership cooperation, which often harms MSMEs. In fact, Law Number 20 of 2008 and Law Number 5 of 1999 have been designed to oversee partnerships; however, these Acts are not enough to protect MSMEs. Consequently, the regulation still needs to be strengthened in order to

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<sup>10</sup> Artharini, *op. cit.*, 1403.

provide protection and enforcement mechanisms for the MSMEs. Hence, the MSMEs can obviously obtain benefits from fair and sustainable partnerships.

One concrete example that shows the dominance of large businesses in partnership cooperation that harms Micro, Small, and Medium Enterprises (MSMEs) is a case handled by the Business Competition Supervisory Commission (KPPU): case number 02/KPPU-K/2020. In the case decision, KPPU found that large businesses violated Article 35 paragraph (1) of Law Number 20 of 2008 on Micro, Small, and Medium Enterprises, which prohibits large businesses from owning and/or controlling MSMEs as their business partners in partnership relationships. This violation occurred because the large business controlled and/or owned MSMEs as its business partners, causing an imbalance in the partnership relationship and harming MSMEs.<sup>11</sup>

To prevent the dominance of large businesses in partnership cooperation that harms MSMEs, strategic steps are needed that involve strengthening regulations and law enforcement. KPPU must clarify and tighten the rules so that there are no loopholes that allow large businesses to dominate MSMEs, and apply strict sanctions to provide a deterrent effect. In addition, transparency in partnership agreements should be mandatory, where contracts made must be fair and supervised by relevant authorities so as not to harm MSMEs. Empowering MSMEs through legal and business assistance

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<sup>11</sup> Febrian Irma and Ariawan Gunadi, “Tinjauan Yuridis Persaingan Usaha Tidak Sehat Terhadap Usaha Besar dengan UMKM dalam Perspektif UU No. 20 Tahun 2008 (Studi Kasus Putusan Perkara Nomor 02/KPPU-K/2020),” *Jurnal* (2023), 4175.

is also important, given that many MSMEs have limitations in understanding their rights and obligations in partnerships.<sup>12</sup>

The positive effects of the development of technology and markets in the digital era 4.0 on sellers and buyers, such as the products of MSMEs, will be easily recognized by consumers in various places.<sup>13</sup> Industry 4.0 technology, such as the Internet of Things, AI, and big data analytics, has transformed digital marketing.<sup>14</sup> In selling their products, MSMEs that register their products on the e-commerce website certainly provide many offers and competitive prices for the products needed by customers. The positive impact of e-commerce in Indonesia can eliminate or reduce bargaining activities that are often carried out if the transactions are carried out directly / offline, but in e-commerce if bargaining occurs in the process, it does not take a long time to reach a consent there will be a record of the purchase of the product in the form of an invoice or proof of receipt of the goods purchased.<sup>15</sup>

MSMEs have an important role in running the economy in Indonesia, as well as contributing to the Gross Domestic Product (GDP), which will prevent the concentration of economic power in the hands of a few people. Thus, it is important to

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<sup>12</sup> Law Number 2 of 2024 concerning the Procedures for Supervision and Handling of Partnership Cases

<sup>13</sup> Steven Van Uytsel, *The Digital Economy and Competition Law in Asia*, vol. 1 (May 7, 2021), 5.

<sup>14</sup> Norhilmi Muhammad, Suleiman Maryam Ibrahim Yahaya, Ibtahim Y. Sukaiman, Fazida Karim, Amina Usaman Sabo Ago, et al., "The Impact of Industry 4.0 on Digital Marketing: Leveraging Emerging Technologies for Business Growth," *International Journal of Academic Research in Business and Social Sciences* 13, no. 12 (2023), 66.

<sup>15</sup> Rezmia Febrian, "Persaingan Usaha pada Era Digital Menurut Perspektif Hukum Persaingan Usaha," *Jurnal Karya Ilmiah Multidisiplin (Jurkim)* 2, no. 1 (2022), 36.

create a competitive environment for developing countries like Indonesia to achieve effective economic growth, including the industrialization process.<sup>16</sup> MSMEs are often hampered in facing unfair competition triggered by cartel monopoly practices and the misuse of dominant positions by large companies on digital platforms. This situation can occur because large companies have the advantage of the network of commodities they sell, so that commodity products from MSMEs will find it difficult to compete with products and marketing teams owned by large companies.<sup>17</sup>

Article 1, number 2 of Law Number 11 of 2008 concerning Information and Transactions or ITE Law defines electronic transactions or e-commerce as “legal actions carried out using computers, computer networks, and/or other electronic media”.<sup>18</sup> Due to the different characteristics of transactions in the digital era with conventional transactions, KPPU is expected to be more concerned about unfair business competition that will occur in digital transactions. If there are no clear rules applicable to the big Companies and MSMEs in conducting business transactions, it may create unfair competition between MSMEs and big companies in various sectors.

The development of technology in this digital era has created new problems that affect the role of KPPU to protect the interests of MSMEs from unfair business competition carried out by parties who want to monopolize the market through big data

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<sup>16</sup> *Ibid.* 46.

<sup>17</sup> Ahmad Ramadhan and Syamsul Maarif, *Untaian Pemikiran Sewindu Hukum Persaingan Usaha*, vol. 1 (2014; repr., 2020), 20.

<sup>18</sup> Hanif Lutfiari Prasetyo, Suparji Ahmad, and Anas Lutfi, “Pengawasan KPPU pada Pelaku Usaha Mikro, Kecil dan Menengah dalam Persaingan Usaha Tidak Sehat di Era Digital,” *Binamulia Hukum* 13, no. 1 (July 2024), 227.

methods.<sup>19</sup> The problem that is often complained about by MSMEs is the unfairness of digital market access, which means that not all MSMEs have adequate infrastructure or technological capabilities to market their products effectively through e-commerce or social media. Often, they have to face additional costs such as listing fees on e-commerce platforms or unaffordable promotion fees.<sup>20</sup> In addition, the dominance of large companies in the digital market makes it difficult for MSMEs to compete. Big companies with more resources have an advantage in terms of visibility, advertising, and distribution, while MSMEs are often marginalized due to limited budget and capacity. This competitive imbalance is exacerbated by the lack of access to advanced technology and limited knowledge of effective and low-cost digital marketing strategies to capture targeted markets.<sup>21</sup>

Unfair business competition practices continue due to the absence of regulations governing business competition in digital business. A new business competition model based on digital markets, through a platform that can be referred to as e-commerce, should have a positive impact on the economic growth of MSME-based businesses in order for those businesses to compete with each other healthily. In practice, e-commerce parties often make regulations that benefit large companies in the form of higher operating costs they provide, and the requirements to open a shop in e-

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<sup>19</sup> *Ibid.* 232.

<sup>20</sup> Nicoletti, *op. cit.*, 18.

<sup>21</sup> Tri Widya Kurniasari and Arif Rahman, "Perlindungan Hukum Bagi Pelaku Usaha UMKM Terhadap Penyalahgunaan Posisi Dominan Platform Digital: Marketplace Melalui Penetapan Harga dan Penguasaan Pasar," *Reusam Jurnal Ilmu Hukum* 10, no. 2 (2022), 134.

commerce services are made difficult by the e-commerce manager itself. The impact that occurs from the increase in operational costs is that the prices of MSMEs cannot be as low as usual, because the discounted operational costs are quite high and make customers feel that the prices given by MSMEs and large companies are almost the same, so customers choose to buy products from large companies that are not burdened by e-commerce operational costs.

MSMEs' business actors want the implementation of fair competition that occurs between MSMEs and large companies; therefore, the role of KPPU is needed in supervising every action so that unfair competition, which can harm various parties and cause new problems, in the form of not running a business due to unhealthy competition, does not occur<sup>22</sup>. The strengthening of the role of KPPU in carrying out its role is expected to have a positive impact in the form of innovation, productivity, and quality of products owned by MSMEs, as well as healthy competition between MSMEs and large companies. In addition, the strengthening of supervision by KPPU will have a positive impact on customers, this is because a healthy business competition is a competition that offers many choices, so that customers can make the desired product choices. If the supervision of unfair business competition is not carried out properly by KPPU, it will be detrimental to MSMEs and customers, due to soaring prices and trade monopolies carried out by large companies, which at its peak will

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<sup>22</sup> Muhammad Alfath Satrio Puruhito and Siti Anisah "The Negative Impact of Predatory Pricing Practice to Fair Competition (The Study of KPPU Decision Number 03/KPPU-L/2020)", JOURNAL OF PRIVATE AND COMMERCIAL LAW, (2024), 68

affect the national economy, and MSMEs will lose competition and eventually will no longer be able to continue their business. Therefore, the author is interested in conducting this research with the title “EMPOWERING KPPU TO PROTECT MICRO, SMALL, AND MEDIUM ENTERPRISES IN THE DIGITAL AGE”.

### **B. Problem Formulations**

1. Why is it important to empowering the role of the Commission for the Supervision of Business Competition (KPPU) toward the protection of Micro, Small, and Medium Enterprises (MSMEs) in unfair business competition in the digital era?
2. What are the legal challenges and opportunities of the Commission for the Supervision of Business Competition (KPPU) toward the protection of Micro, Small, and Medium Enterprises (MSMEs) in unfair business competition in the digital era?

### **C. Research Objectives**

1. To analyze the importance of strengthening the role of the Commission for the Supervision of Business Competition (KPPU) toward the protection of Micro, Small, and Medium Enterprises (MSMEs) in unfair business competition in the digital era.
2. To examine the legal challenges and opportunities of the Commission for the Supervision of Business Competition (KPPU) toward the protection of Micro, Small, and Medium Enterprises (MSMEs) in unfair business competition in the digital era.

#### D. Research Originality

Before conducting the research, the author conducted a literature search through various references such as books, papers, journals, and the internet. This research is an original work and not the result of plagiarism from a thesis or other similar work. This explanation is intended to confirm the originality of this research and to avoid repetition or duplication of the same research theme. As evidence, the author presents some related research relevant to the topic of this research as a comparison with the research to be carried out.

No.	Sources	Discussion
1	Abdurohim, Dindin. "Analysis of MSME Challenges and Opportunities in the Digital Era." <i>International Journal of Economic Literature</i> 1, no. 3 (December 2023): 286.	<p><b>Problem Formulation:</b></p> <ul style="list-style-type: none"> <li>- The opportunities and difficulties Micro, Small, and Medium-Sized Enterprises (MSMEs) encounter in adjusting to the digital age are examined in this research. Limited access to and understanding of digital technology, cybersecurity risks, unclear regulations, and heightened competitiveness on a local and international scale are some of the main obstacles. MSMEs also face risks associated with operational inefficiencies and data privacy. Notwithstanding these challenges, MSMEs can expand their markets internationally, develop new goods, improve operational effectiveness, and use technology to fortify their competitive edge in the digital age.</li> </ul> <p><b>Conclusion:</b></p> <ul style="list-style-type: none"> <li>- MSMEs confront several obstacles in the digital age: cooperative solutions from the government, industry</li> </ul>

		<p>players, and academic institutions are needed to tackle these obstacles. It is crucial to address problems, including low levels of digital literacy, cybersecurity threats, and legislative obstacles. Simultaneously, MSMEs have never-before-seen opportunities to enter international markets, develop novel products, and improve operational effectiveness through technological integration. Infrastructure investments, training initiatives, and supportive policies are essential for empowering MSMEs and guaranteeing their long-term success in the quickly changing digital economy.</p>
2	<p>Prasetyo, Hanif Lutfiari, Suparji Ahmad, and Anas Lutfi. "Pengawasan KPPU pada Pelaku Usaha Mikro, Kecil dan Menengah dalam Persaingan Usaha Tidak Sehat di Era Digital." <i>Binamulia Hukum</i> 13, no. 1 (July 2024): 227.</p>	<p><b>Problem Formulation:</b></p> <ul style="list-style-type: none"> <li>- The role of KPPU in the digital era. Implications for new policies regarding unfair business competition.</li> </ul> <p><b>Conclusion:</b></p> <ul style="list-style-type: none"> <li>- KPPU's supervision in the digital era is still less than optimal due to the limitations of existing regulations. Law Number 5 of 1999 does not, in any way, specially arrange the practice of monopoly and competition business in the digital market. An amendment to the Law is required so that supervision can be carried out of digital business more effectively, including preventing monopoly practice, predatory pricing, and discrimination.</li> </ul>
3	<p>Kurniasari, Tri Widya, and Arif Rahman. "Perlindungan Hukum Bagi Pelaku Usaha UMKM Terhadap Penyalahgunaan Posisi</p>	<p><b>Problem Formulation:</b></p> <ul style="list-style-type: none"> <li>- This journal discusses the issue of legal protection for MSME entrepreneurs in facing the abuse of dominant positions on digital</li> </ul>

	<p>Dominan Platform Digital: Marketplace Melalui Penetapan Harga dan Penguasaan Pasar.” <i>Reusam Jurnal Ilmu Hukum</i> 10, no. 2 (2022): 134.</p>	<p>platforms, particularly marketplaces, which is often done through price determination and market share. The focus is whether existing laws, especially Law Number 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition, have adequate protection to UMKM actors in business competition.</p> <p><b>Conclusion:</b></p> <ul style="list-style-type: none"> <li>- Law Number 5 of 1999 has accommodated protection for UMKM actors towards abuse of dominant position on digital platforms through preventive measures explicitly mentioned in Articles 5-8 and Article 19 letter b), and repressive measures in the form of administrative and criminal sanctions. However, the challenges that are still encountered are the legal implementation and enforcement in the trial process, and also the imposition of sanctions towards the perpetrator who has been proven to have violated the law. This shows the importance of improving the aspect of law enforcement, and also the aspect of awareness among MSME actors.</li> </ul>
4	<p>OECD. <i>The Digital Transformation of SMEs</i>. Paris: OECD Publishing, 2021.</p>	<p><b>Problem Formulation:</b></p> <ul style="list-style-type: none"> <li>- The digital transformation of SMEs highlights the potential benefits of digitalization, such as increased efficiency, improved market access, and enhanced innovation. However, SMEs face barriers in adopting digital technologies, including limited resources, skills gaps, financing constraints, and low awareness. These challenges</li> </ul>

		<p>contribute to a digital divide, which exacerbates productivity gaps, inequality, and competitive disadvantages for SMEs compared to larger firms. Additionally, while the COVID-19 pandemic accelerated digital adoption among SMEs, it also exposed vulnerability in the digital aspect, such as inadequate digital security measures.</p> <p><b>Conclusion:</b></p> <ul style="list-style-type: none"> <li>- Digital transformation offers SMEs significant opportunities to overcome traditional size-related barriers and achieve greater competitiveness. However, the persistent gaps in digital adoption hinder their potential to fully capitalize on these opportunities. Addressing these challenges requires targeted policy interventions, including infrastructure investments, training programs, financial support, and regulatory reforms. Governments must adapt their policies to diverse SME ecosystems and promote inclusive digitalization strategies to ensure all SMEs can thrive in the digital economy.</li> </ul>
5	<p>Julianti, Nurul Dewi, Suparno, and Siti Nurjanah. "MSME Performance in the Digital Era: Theoretical Study of the Role, Literacy, and Skills." <i>Journal UNJ</i>, 198.</p>	<p><b>Problem Formulation:</b></p> <ul style="list-style-type: none"> <li>- Micro, Small, and Medium-Sized Businesses (MSMEs) have both possibilities and problems in the digital age. Many MSMEs suffer because they lack access to technology resources, digital literacy, and entrepreneurial skills, even if digitalization allows them to innovate, reach a wider audience, and be more efficient in their management. The purpose of this study is to investigate how</li> </ul>

		<p>entrepreneurial abilities and digital literacy affect MSME performance. The study examines how much knowledge and skill development contribute to corporate performance in the digital sphere by using the Resource-Based View (RBV) and Human Capital theories.</p> <p><b>Conclusion:</b></p> <ul style="list-style-type: none"> <li>- The report emphasizes how important entrepreneurial abilities and digital literacy are to improve the success of MSMEs. MSMEs may use technology for innovation, market expansion, and operational efficiency if they possess strong digital competencies and business acumen. However, a lack of entrepreneurial skills and computer literacy impedes the expansion of businesses. Governments, academic institutions, and industry stakeholders must work together to close this gap by offering digital training, funding, and regulatory frameworks that promote MSME development in the digital age.</li> </ul>
6	<p>Evanti, Susi. "Analysis of Challenges and Opportunities for Micro, Small, and Medium Enterprises (MSMEs) in the Digital Era in a Systematic Literature Review." <i>Jurnal Manajemen dan Kewirausahaan</i>, October 2023, 228.</p>	<p><b>Problem Formulation:</b></p> <ul style="list-style-type: none"> <li>- Micro, Small, and Medium-Sized Enterprises (MSMEs) have both great potential and formidable problems in the digital age. Even though digitization gives MSMEs better access to markets, increased operational effectiveness, and higher customer interaction, a number of obstacles prevent them from embracing digital technology. These difficulties include low levels of digital literacy, a lack of human and financial resources, threats to data security, and increased</li> </ul>

		<p>competitiveness in the internet market. A lack of strategic direction for digital transformation and antiquated business models are other issues that MSMEs frequently face. By methodically examining the challenges and advantages of digitalization for MSMEs, this study seeks to shed light on how companies might use technology to improve sustainability and performance.</p> <p><b>Conclusion:</b></p> <ul style="list-style-type: none"> <li>- According to the survey, MSMEs' future is greatly influenced by digitization, which allows them to increase their competitiveness, streamline their operations, and access a wider market. However, due to administrative, technological, and budgetary limitations, digital adoption is still unequal. MSMEs must embrace creative business practices, acquire digital literacy, and use digital technologies efficiently if they are to reap the full benefits of digitalization. Through financial aid, infrastructure development, digital education, and regulatory frameworks that foster a safe and competitive digital environment, governments, legislators, and stakeholders should support MSMEs. MSMEs may take advantage of the potential presented by digital transformation and achieve long-term company sustainability by tackling these obstacles.</li> </ul>
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## E. Literature Review

### 1. Micro, Small, and Medium Enterprises (MSMEs)

Micro, Small and Medium Enterprises will be referred to as MSMEs as an independent productive economic business, which is carried out by an individual or business entity that is not a subsidiary or branch of a company that is owned, controlled, or is part of company either directly or indirectly with a Small Business or Large Business with a net worth or annual sales as regulated in Law Number 20 of 2008. MSMEs, according to M. Kwartono, are business entities that, based on yearly profit calculations, generate no more than 200 million Rupiah. An entity can be referred to as an MSME if it meets the criteria of a micro business.<sup>23</sup> With so many sectors in MSMEs, customers can easily obtain their needs that were previously difficult to obtain, because they can be facilitated by the emergence of many MSMEs in various regions in Indonesia; even some MSMEs that have begun to stabilize their sales dare to market their products abroad.

The development of MSMEs in Indonesia has accelerated after the onset of COVID-19, as during the pandemic, there were many layoffs for workers. With the large number of layoffs that occurred during the pandemic, the thought arose to start a small-scale business, which can be referred to as MSMEs, as the main livelihood. The development of creativity in starting a business began to emerge in various sectors, so that it could meet the needs of the market in its area and outside the area where MSMEs are located. The development of

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<sup>23</sup> Salman Al Farisi, Muhammad Iqbal Fasa, and Suharto, "Peran UMKM Dalam Meningkatkan Kesejahteraan Masyarakat," *Jurnal Dinamika Ekonomi Syariah* 9, no. 1 (2022), 73.

MSMEs in Indonesia is facilitated by the existence of e-commerce, which can help sell products and even services in various regions, as well as the easy access of the customers themselves, which can develop various sectors in MSMEs.

Law Number 20 of 2008 states that MSMEs have 3 criteria, which can be distinguished through monthly and annual income. This is explained in Article 6 of Law Number 20 of 2008, which states that:

- 1) The criteria for micro business are as follows:
  - a. Has a net worth of at most Rp50,000,000.00 (fifty million rupiah) excluding land and building of the place of business; or
  - b. Has an annual sales revenue of at most Rp300,000,000.00 (three hundred million rupiah).
- 2) The criteria for small businesses are as follows:
  - a. Having a net worth of more than Rp50,000,000.00 (fifty million rupiah) up to a maximum of Rp500,000,000.00 (five hundred million rupiah), excluding land and buildings of the business premises;
  - b. Having annual sales revenue of more than Rp300,000,000.00 (three hundred million rupiah) up to a maximum of Rp2,500,000,000.00 (two billion five hundred million rupiah).
- 3) The criteria for medium-sized enterprises are as follows:

- a. Having a net worth of more than Rp500,000,000,000.00 (five hundred million rupiah) up to a maximum of Rp10,000,000,000.00 (ten billion rupiah), excluding land and building of the place of business;
- b. Having annual sales revenue of more than IDR2,500,000,000.00 (two billion five hundred million rupiah) up to a maximum of IDR50,000,000,000.00 (fifty billion rupiah).<sup>24</sup>

Article 6 of Law Number 20 of 2008 concerning the criteria for MSMEs was replaced by Article 35 and Article 36 of Law Number 7 of 2021 concerning the Harmonization of Tax Regulations, which stipulates that:<sup>25</sup>

- 1) The criteria for micro business are as follows:
  - a. Has a net worth of at most Rp1.000,000,000.00 (one billion rupiah) excluding land and building of the place of business; or
  - b. Has an annual sales revenue of at most Rp2.000,000,000.00 (two billion rupiah).
- 2) The criteria for small businesses are as follows:
  - a. Having a net worth of more than Rp1.000,000,000.00 (one billion rupiah) up to a maximum of Rp5.000,000,000.00 (five billion rupiah), excluding land and buildings of the business premises;

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<sup>24</sup> Law Number 20 of 2008 on Micro, Small, And Medium Enterprises.

<sup>25</sup> Law Number 7 of 2021 concerning the Harmonization of Tax Regulations, arts. 35–36.

- b. Having annual sales revenue of more than Rp2.000,000,000.00 (two billion rupiah) up to a maximum of Rp15.000,000,000.00 (fifteen billion rupiah).
- 3) The criteria for medium-sized enterprises are as follows:
- a. Having a net worth of more than Rp5.000,000,000,000.00 (five billion rupiah) up to a maximum of Rp10,000,000,000.00 (ten billion rupiah), excluding land and building of the place of business;<sup>26</sup>
  - b. Having annual sales revenue of more than IDR15,000,000,000.00 (fifteen billion rupiah) up to a maximum of IDR50,000,000,000.00 (fifty billion rupiah).<sup>27</sup>

As a follow-up to providing convenience and protection for MSMEs as defined in the UMKM Law, the Government issued Government Regulation Number 7 of 2021 on the Ease, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises (MSMEs). Based on this regulation, MSMEs' criteria are explained based on two main indicators, namely business capital and annual turnover. These criteria aim to classify the business scale appropriately so that empowerment policies can be tailored to the needs of each business actor. First, in terms of business capital, the assessment is based on the net worth of the business actor, excluding the land and buildings of the business

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<sup>26</sup> Law Number 20 of 2008 on Micro, Small, And Medium Enterprises. *op. cit.*

<sup>27</sup> Government Regulation Number 7 of 2021 Ease, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises.

premises. Second, in terms of annual turnover, the assessment refers to the total annual sales of the business activities.

However, the MSMEs practicing electronic business, according to Article 65 Law Number 6 of 2023, must provide complete and clear information concerning their products or services, which explains the legality of the business author, the price, and the criteria of the products and services, the payment method, and the method of sending the products. That information has to comply with the Electronic Information and Transactions Law. This is important for the protection of the customers.

In detail, Article 35 of Government Regulation Number 7 of 2021 stipulates that Micro Enterprises have a maximum net worth of IDR 1 billion and a maximum annual turnover of IDR 2 billion.<sup>28</sup> Small businesses have a net worth of more than IDR 1 billion to IDR 5 billion, and an annual turnover of more than IDR 2 billion to a maximum of IDR 15 billion. Meanwhile, Medium Enterprises have a net worth of more than Rp5 billion to Rp10 billion, with an annual turnover of more than Rp15 billion to Rp50 billion. The government also opens space for adjustments to these criteria in accordance with economic developments and national policy directions. The determination of this classification is very important in the process of programme planning, providing incentives, and protecting MSMEs so that they continue to grow and be competitive in the national economy.

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<sup>28</sup> Government Regulation Number 7 of 2021 Ease, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises. *op. cit.* art. 35.

The increase in revenue generated by MSMEs due to easy access for customers is an important factor supporting the expansion of the MSME market reach. With the development of information technology, especially through e-commerce platforms, customers from different regions can easily access MSME products and services. This enables MSMEs to expand their market, even overseas. This ease of access also reflects the importance of regulations that support the digital sector, such as personal data protection and secure online transactions. The Electronic Information and Transactions Law, Articles 28a to 28i, is the legal foundation that protects e-commerce activities and gives consumers the confidence to transact safely.<sup>29</sup> Therefore, even though this ease of access increases market opportunities, it requires compliance with the laws governing the sector to create a healthy and safe business environment for MSME players and customers.

The development of e-commerce platforms provides convenience that is significantly influential in expanding the market and increasing the sales of products and services of MSMEs. With this platform, MSMEs are not limited to local markets or certain regions, but can access consumers from various regions, even internationally. This opens up great opportunities for MSMEs' actors to introduce their products to a wider audience without the need for physical stores or high marketing costs. E-commerce also provides various features that facilitate the transaction process, such as secure payment systems and efficient delivery of

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<sup>29</sup> Law Number 19 of 2016 on Financial System Crisis Prevention and Management.

goods. The various applications and marketplaces available make it easy for MSMEs to operate their businesses, even without in-depth technical expertise. This ease of access allows MSMEs to focus more on product and service development, while e-commerce platforms play a role in connecting them with potential customers. In addition, e-commerce provides opportunities for MSMEs to innovate in marketing strategies, including the use of digital advertising, promotions, and consumer data analysis that support the development of sales strategies. Thus, e-commerce not only increases the visibility of MSMEs' products but also accelerates the transaction process, provides a more convenient shopping experience for consumers, and creates a win-win ecosystem for MSMEs and their customers.

Sectors such as fashion, culinary, agribusiness, digital, and automotive are examples of business competition faced by micro, small, and medium enterprises (MSMEs). The public is highly interested in these five sectors, both in terms of production and consumption. These sectors also contribute significantly to national economic growth as they have high growth potential. On the other hand, many businesses in these various sectors face challenges in the form of increasingly fierce business competition. Competition can lead to unfair business competition practices, such as cartels, monopolies, or abuse of dominant position, if not managed properly.

To anticipate and prevent unfair business competition practices, KPPU has regulated the provisions through Law Number 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition. This law aims to create

a healthy and fair business climate for all business actors, including MSMEs. Some important points regulated in this law include the prohibition of agreements that may harm competition, supervision of the dominant position of business actors, and legal action against business actors who violate the provisions<sup>30</sup>. With this regulation, it is hoped that MSMEs can compete fairly and continue to develop without experiencing pressure from parties that commit unlawful business practices.

In practice, there is often unhealthy business competition between large companies and MSMEs. This phenomenon arises because large companies generally have significant competitive advantages, both in terms of resources and operational capabilities. These resources include access to more extensive and structured customer data, more sophisticated marketing technology, and much larger promotional budgets and marketing strategies than those of MSMEs. These conditions often make it difficult for MSMEs to compete fairly and equally, given their limited resources. As a result, large companies can easily dominate the market, while MSMEs must face more complex challenges to maintain their existence and develop their business amid increasingly fierce competition, so KPPU is present as an institution to protect against unfair business competition.

## **2. Digital Era**

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<sup>30</sup> Akman, Pinak, and Konstantinos Stylianou. *Research Handbook on Abuse of Dominance and Monopolization*. Vol. 1. Cheltenham, UK: Edward Elgar Publishing, 2023.

The digital era in the context of MSMEs refers to a period where digital technology becomes a major factor in supporting operational transformation, marketing, and small business development. In this era, MSMEs can utilize various digital tools and platforms, such as social media, online marketplaces, electronic payments, and cloud-based management systems, to improve efficiency, expand market reach, and strengthen competitiveness.<sup>31</sup> Digital transformation in MSMEs allows businesses to adapt to the needs of consumers who increasingly rely on technology in their daily activities. Through digitalization, MSMEs can speed up business processes, automate inventory management, track market trends, and build more effective communication with customers. In addition, the digital era also provides opportunities to access business capital through fintech or crowdfunding platforms, which were previously difficult for small businesses to reach.

However, behind the opportunities offered, the digital era also presents challenges for MSMEs, such as a lack of digital literacy, limited resources to adopt technology, and increased competition from other businesses, including large companies that have gone digital first. Therefore, the success of MSMEs in the digital era is highly dependent on the ability of businesses to understand and effectively integrate technology into their business strategies. Thus, the digital era not only brings technological changes, but also changes the paradigm of MSME management, which requires innovation, adaptation, and collaboration to continue

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<sup>31</sup> Dindin Abdurohim, "Analysis of MSME Challenges and Opportunities in the Digital Era," *International Journal of Economic Literature* 1, no. 3 (December 2023): 286.

to grow in an increasingly dynamic business ecosystem and increase the role of KPPU in monitoring unfair business competition that often occurs in the digital era.<sup>32</sup>

Business development in the digital age has brought many opportunities and growth potential, but it also comes with an increased risk of cybercrime. These crimes can include various illegal actions, such as data theft, fraud, or other harmful activities carried out through cyberspace. To reduce the potential for cybercrime, the government has established a regulation as stipulated in Article 1 Paragraph (2) of Government Regulation of the Republic of Indonesia Number 80 of 2019 concerning Trading Through Electronic Systems (PMSE). This regulation is designed as a legal basis for regulating transactions conducted electronically, to provide protection to businesses and consumers, and to minimize the risk of cybercrime in the future. With this regulation, it is expected that business actors operating through electronic trading systems can carry out their activities in a safer and more orderly manner, so that public confidence in digital transactions can continue to increase without any worries.

The development of the digital era has brought significant changes in various aspects of life, including in the world of micro, small, and medium enterprises (MSMEs). In this era, MSMEs are faced with great opportunities to

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<sup>32</sup> Susi Evanti, "Analysis of Challenges and Opportunities for Micro, Small, and Medium Enterprises (MSMEs) in the Digital Era in a Systematic Literature Review," *Jurnal Manajemen dan Kewirausahaan* (October 2023), 228.

expand their markets through digital platforms, as well as challenges to fulfill various requirements needed to remain relevant and competitive. One important aspect that must be considered by MSME players is the importance of having business legality. This legality is proof of formal recognition of the existence of their business, as well as providing the legal protection needed in carrying out business activities.<sup>33</sup> By having legality, MSMEs not only get official recognition but also rights that are recognized by law in various situations.

The existence of legality in MSMEs provides a number of benefits that cannot be ignored. One of the main benefits is the ease of overcoming various problems that may arise in digital trade.<sup>34</sup> For example, in the event of a dispute with another party, business legality allows MSME actors to obtain adequate legal protection, so that their rights can be defended in accordance with applicable regulations. In addition, legality also provides wider access for MSMEs to cooperate with larger business partners, such as corporate companies or government agencies, which generally require business validity as a condition of cooperation.

Furthermore, business legality also opens opportunities for MSMEs to get easier access to financing from financial institutions, such as banks or investors. Many financial institutions require legal documents as a prerequisite for applying

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<sup>33</sup> Alifi Filmsi Kaffah, "Aspek Hukum dalam Perlindungan Bisnis Era Digital di Indonesia," *Jurnal Lex Renaissance* (October 2024), 210.

<sup>34</sup> OECD, *The Digital Transformation of SMEs* (Paris: OECD Publishing, 2021), 122.

for a loan or investment. Thus, MSMEs that have such legality will find it easier to obtain business capital to develop their business. This is especially important in the digital era, where competition is harsher and innovation becomes one of the keys to business success. Ultimately, the importance of legality for MSMEs in the digital era is not just an administrative formality, but a strategic step that can support business sustainability and growth. With clear legality, MSMEs are not only able to compete in the dynamic digital market but also obtain the protection and convenience needed to face various challenges that may occur. Therefore, MSME actors have to pay serious attention to the legality of their business as a solid foundation for achieving long-term success.

### **3. Roles of KPPU**

The role of KPPU in the digital era is crucial because economic turnover in the digital era is increasingly massive. This can be seen in the development of MSMEs as the number of transactions through e-commerce becomes a lot higher than those offline. MSMEs that conduct their business through e-commerce are advantaged because they are not required to have offline stores to sell their products.<sup>35</sup> People in the digital era prefer to purchase MSME products through e-commerce rather than offline stores, which is due to the convenience provided by e-commerce itself, which offers a delivery method in the form of fast shipping. In the development of trade technology, the role of KPPU is vital because unfair

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<sup>35</sup> Nurul Dewi Julianti, Suparno, and Siti Nurjanah, "MSME Performance in the Digital Era: Theoretical Study of the Role, Literacy, and Skills," *Journal UNJ*, 198.

business competition practices carried out by large companies often occur, which can threaten the sustainability of sales turnover.

Maintaining healthy business competition is crucial in supporting the growth of the digital economy. In a competitive ecosystem, innovation and efficiency can flourish, providing benefits for MSME actors, consumers, and the economy. Healthy competition also promotes fairer and more equitable business opportunities, and ensures wider access to digital technologies and services. Therefore, measures to monitor and regulate business practices in the digital era are vital to create a conducive and sustainable business environment, as stipulated in Law Number 99 of 1999. With the existence of the Law, it is expected that there will be no unfair business competition.

The Business Competition Supervisory Commission (KPPU) has a very strategic role in overseeing business competition in the digital era. With the rapid development of technology and the emergence of various digital platforms, new challenges in maintaining healthy business competition are increasingly complex. KPPU functions to ensure that business actors, including those engaged in the digital sector, do not conduct anti-competitive practices such as monopoly, cartel, or abuse of dominant position due to the existence of big data, which has both positive and negative impacts. Furthermore, KPPU also plays a role in adjusting

regulations to be relevant to the evolving digital business model<sup>36</sup>. Through supervision, education, and collaboration with various parties, KPPU supports the creation of a fair, innovative, and sustainable digital economy ecosystem.

KPPU needs to increase education and socialization of Law Number 99 of 1999 on unfair business competition because it is one of the important efforts in supporting the creation of healthy business competition, especially in the digital era. Through educational programs, KPPU can provide business actors with a deeper understanding of the importance of complying with competition rules, while encouraging them to carry out ethical business practices. Consequently, socialization involving the wider community is also needed to raise awareness of consumer rights and the impact of unfair business practices. In its implementation, KPPU can collaborate with various parties, such as the government, academics, and community organizations, to expand the reach of education and ensure that the messages delivered are effective. This step is expected to create a more transparent, competitive, and equitable business environment.

Regulatory innovation is an important step in supporting economic development in the dynamic digital era. The strategic role of the Business Competition Supervisory Commission (KPPU) is to ensure that regulations can accommodate changes in business models and evolving technology. This includes

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<sup>36</sup> Hanif Lutfiari Prasetyo, Suparji Ahmad, and Anas Lutfi, "Pengawasan KPPU pada Pelaku Usaha Mikro, Kecil dan Menengah dalam Persaingan Usaha Tidak Sehat di Era Digital," *Binamulia Hukum* 13, no. 1 (July 2024): 227.

adjusting rules related to the supervision of digital platforms, online transactions, and business-based models to create a balance between encouraging innovation and maintaining healthy competition. This supervision needs to be tightened because the ownership of big data by large companies can often threaten the sustainability of MSMEs through unfair business competition. Furthermore, KPPU can also utilize modern technology, such as big data analytics and artificial intelligence, to improve efficiency in supervision and investigation. With adaptive and innovative regulations, KPPU can create a digital ecosystem that supports economic growth while protecting the interests of business actors and consumers.

## **F. Operational Definitions**

### **1. MSMEs**

Micro, Small, and Medium Enterprises (MSMEs), according to Article 1 (2) of Law Number 20 of 2008 are Small Enterprises are stand-alone productive economic businesses, conducted by individuals or business entities that are not subsidiaries or branches of companies owned, controlled, or part of either directly or indirectly by Medium Enterprises or Large Enterprises that meet the criteria of Small Enterprises as referred to in this Law. Sectors such as culinary, fashion, and agribusiness are the primary drivers of MSME growth, which was also driven by challenges such as job losses during the COVID-19 pandemic, which led to a rise in unemployment rates. Relevant regulations ensure fair business competition, allowing MSMEs to thrive despite limited resources, while contributing to economic stability and financial inclusion.

## **2. Digital Age**

According to Kotler, the digital age in the business world, including MSMEs, is a period when information and communication technology plays a key role in marketing and business operations. MSMEs can utilize digital technology to understand consumer needs, expand markets, and increase business efficiency.

## **3. KPPU**

KPPU (Business Competition Supervisory Commission) is an independent institution, not influenced by the government, and is responsible to the President as stated in Article 30 of Law Number 5 of 1999.<sup>37</sup> In accordance with Law Number 99 of 1999, to create a fair and sustainable business environment, with more and more MSMEs (Micro, Small, and Medium Enterprises) turning to e-commerce, transactions can be carried out with lower capital and without the need for a physical store, which is due to the ease and speed of delivery in online shopping. KPPU needs to educate and provide socialization to business actors and the public about the importance of complying with competition regulations. It is also to raise customers' awareness regarding their rights and the impact of unfair business practices. In addition, regulatory innovation relevant to technological developments and changing digital business models is vital, including supervision of digital platforms and the use of big data, to support healthy economic growth in the digital era.

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<sup>37</sup> Kodrat Wibowo and Chandra Setiawan, *Dua Dekade Penegakan Hukum Persaingan* (March 2021), 34.

## **G. Research Method**

### **1. Type of Research**

This research is normative juridical research. In this research, a study of regulatory books related to the issue being studied is conducted. The focus of this research is on the authority of the Business Competition Supervisory Commission (KPPU) in supervising unfair business competition against MSMEs in the digital era, based on the provisions stipulated in Law Number 5 of 1999 concerning Business Competition.

### **2. Research Object**

The importance of empowering the Role of Commission for The Supervision of Business Competition (KPPU) Toward the Protection of Micro Small and Medium Enterprises (MSMEs) in Unfair Business Competition in the Digital Era and the legal challenges and opportunities of Commission for The Supervision of Business Competition (KPPU) Toward the Protection of Micro Small and Medium Enterprises in Unfair Business Competition in the Digital Era

### **3. Method of Approach**

In this research, the author will use several approaches:

#### **a. Historical Approach**

This approach is carried out by examining the background of what is learned and the development of arrangements regarding the issues at hand. Related to this research is the strengthening of the role of KPPU to

protect MSMEs in the digital era. It is hoped that MSMEs can survive unfair business competition carried out by other parties.

**b. Statute Approach**

The legal approach is research on legal products, namely by examining the laws and regulations. In this approach, the writer will examine Law Number 5 of 1999 concerning the Prohibition of Monopoly Practices and Unfair Business Competition related to the protection of MSMEs, as well as solutions for problem formulation.

**c. Conceptual Approach**

This approach is taken because of the importance of the role of KPPU to protect MSMEs, as MSMEs can absorb labor in the business environment. In this regard, MSMEs can reduce the unemployment rate in Indonesia. The assessment of the role of KPPU in protecting MSMEs in this digital era can help protect MSMEs from unfair business competition carried out by large companies. The development of MSMEs in the digital era is hindered by competition carried out by large companies, since large companies have access to big data that enables them to read market desires more broadly.

**4. Sources of Research Data**

This research employs normative legal research; hence, the data used is secondary data, namely documents or literature, reviewed by collecting,

examining, or tracing to provide information needed by the writer.<sup>38</sup> The legal materials used in this research are:

**a. Primary Legal Material**

Binding legal materials consisting of applicable laws and regulations or applicable provisions, including:

- 1) 1945 Indonesian Constitution
- 2) Law Number 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition
- 3) Law Number 20 of 2008 on Micro, Small, and Medium Enterprises
- 4) Law Number 19 of 2016 on Electronic Information and Transactions
- 5) Law Number 14 of 2008 concerning Public Information Disclosure
- 6) Law Number 6 of 2023 on Job Creation
- 7) Government Regulation Number 7 of 2021 on the Ease, Protection, and Empowerment of Cooperatives and Micro, Small, and Medium Enterprises (MSMEs)
- 8) KPPU Regulation Number 2 of 2024 concerning Procedures for Monitoring and Handling Partnership Cases

**b. Secondary Legal Material**

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<sup>38</sup> Bahder Johan Nasution, *Metode Penelitian Ilmu Hukum* (Bandung: Mandar Maju, 2008).

Secondary legal materials used to support primary legal materials include literature books that can be used as a reference to support this research.

### **c. Tertiary Legal Material**

Legal materials that support secondary legal materials derived from legal dictionaries and terminology that are related to the object of research.

## **5. Method of Data Collection**

Some of the data are acquired from primary, secondary, and tertiary legal materials that are linked to the research topic; however, most of the data is sourced from secondary sources using the literature study strategy.

## **6. Data Analysis**

The descriptive technique is the approach used to examine societal issues and processes that are applicable in both specific and general situations. To find answers, descriptive writing aims to build a methodical, factual, and accurate picture of the facts, characteristics, and connections between occurrences. To provide clarity on the legal protection offered by the KKPU and to prevent unhealthy business competition that affects MSMEs, all legal materials are gathered, inventoried, clarified, and analyzed using normative descriptive analysis.<sup>39</sup>

## **H. Structure of Writing**

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<sup>39</sup> Peter Mahmud Marzuki, *Penelitian Hukum* (Jakarta: Kencana, 2007).

Chapter I is the Introduction that includes the problem formulation, research objectives, and study background. Research method, operational definitions, literature review, research originality, and writing structure.

Chapter II is the Theoretical Review; this chapter will discuss in detail the theories related to problem formulations in this research, namely, empowering KPPU to protect small and medium enterprises in the digital age.

Chapter III is the Findings and Results, which will provide answers to the problem presented. First, the urgency to empower the Role of the Commission for the Supervision of Business Competition (KPPU) toward the Protection of Small and Medium Enterprises (UMKM) in Unfair Business Competition in the Digital Era. Second, the legal challenges and opportunities faced by the Commission for the Supervision of Business Competition (KPPU) related to Unfair Business Competition in the Digital Era.

Chapter IV is the Conclusion and Suggestion. The conclusion of this chapter will be derived from the summary of the solutions to the two problems presented, and the suggestion will be based on the author's opinions following the analysis and identification of the solutions to those issues