
Newsletter

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Indonesia | Antitrust: Administrative fine imposed for solicitation of competitively sensitive information



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Introduction

Marking a recent development in HR-related antitrust enforcement in Indonesia, the Indonesia Competition Commission (KPPU) imposed an administrative fine on a company after finding it, along with other defendants under investigation, in violation of Article 23 of the Indonesian Competition Law for soliciting competitively sensitive information. The case is currently pending appeal before the Jakarta Commercial Court.

Administrative fine imposed but no damages awarded

- The solicitation of competitively sensitive information is prohibited under Article 23 of the Indonesian Competition Law (Law No. 5 of 1999, as amended).
- The KPPU has previously enforced Article 23 in two cases:
 1. In 2010, in conjunction with a bid-rigging allegation in the oil and gas industry. An administrative fine was imposed by the KPPU but later overturned by the Supreme Court.
 2. In 2007, as part of a standalone investigation in the music industry. The KPPU imposed an administrative fine and awarded damages to the claimant.
- In its 2025 decision, the KPPU imposed an administrative fine on PT Maruka Indonesia, having found that it, together with two other defendants, PT Unique Solution Indonesia and Hiroo Yoshida (an individual), had violated Article 23.

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- However, PT Chiyoda Kogyo Indonesia was not awarded damages due to its inability to substantiate the amount of damages sought.

Executive 'jumping ship'

- The complaint was filed by PT Chiyoda Kogyo Indonesia, the Indonesian subsidiary of a Japanese manufacturer of metal tube fabricating machinery, among others, against its former Marketing Director who had left the company to establish a new enterprise directly competing with the complainant.
- According to the KPPU's findings, the former Marketing Director solicited ongoing business and employees from PT Chiyoda Kogyo Indonesia to join the new enterprise he had co-founded with the other defendant in the case.

The dawn of a new era for HR and antitrust enforcement in Indonesia

- Globally, there is a growing convergence between HR and antitrust issues. This case may mark the beginning of a new chapter in HR and antitrust enforcement in Indonesia.
- Amongst other things considered by the KPPU in reaching its conclusion were findings that the defendants conspired to solicit business secrets from PT Chiyoda Kogyo Indonesia, resulting in the transfer of projects, customers, and employees from PT Chiyoda Kogyo Indonesia to the competing enterprise.
- Additionally, a video owned by PT Chiyoda Kogyo Indonesia was used by the former Marketing Director to create a similar project drawing for his new enterprise.