ABSTRACT

INTERPRETATION OF THE APPLICATION OF THE HUB AND SPOKE CARTEL MECHANISM IN THE STAPLE FOOD CARTEL IN INDONESIA

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(xi+132 pages)

As the world of business competition evolves, various types of crimes within it also develop. UU 5/1999 prohibits agreements made by business actors that aim to regulate production and influence prices. However, in today's world, the effectiveness of competition law enforcement has led to the emergence of unusual types of cartels. These cartels not only involve competitors but also suppliers and retailers. The cartels involve provisions that simultaneously integrate both horizontal and vertical information exchanges, where UU 5/1999 has yet to fully cover these provisions, resulting in a legal gap in its enforcement. The H&S Cartel is one mechanism that can describe the role of business actors as a platform for exchanging information through intermediaries, the hub and spokes model. The H&S Cartel in the staple goods market involves the role of associations as a platform for exchanging information among business actors. The association acts as the hub, integrating vertical information exchanges to the spokes. The spokes then follow the price agreements set by the association. Thus, this research aims to develop legal knowledge regarding UU 5/1999 in proving cartels in staple goods markets in Indonesia through the association platform, using the H&S Cartel mechanism, and addressing legal issues in proving cartels in Indonesia through the H&S Cartel mechanism. The theory being tested is based on European Commission regulations, one of them is with the notices titled "Communication from The Commission" serving as guidelines for business actors regarding the characteristics of information that can be exchanged within associations. Therefore, the KPPU needs to update its system, particularly in enforcing laws related to business actor associations, such as by setting boundaries on sensitive information characteristics that should not be exchanged within associations.

Keywords: Competition Law, Cartel, H&S Cartel

References: 38 (1999 - 2024)