



COMPETITION ECONOMICS FOR INDONESIA: CHALLENGES AND OPPORTUNITIES

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Initial Intervention

Competition Economics: Their Roles in KPPU

The competition economics play role in several areas:

- a. Perform market study and policy research
- b. Perform economic analysis for pre-investigation
- c. Provide analysis economic evidences in investigation and hearing
- d. Conduct merger assessment.



Challenges in doing economic researches

1

Unavailability of Data/Information

Data needed for competition analysis are unique, sometime specific, and not much of agency can help. It makes economic analysis difficult. Sometime a research can be withdrawn or reshape to meet the availability of data/information. Sometime its postponed the enforcement process.

2

Hide behind Confidentiality

Business tends to hide behind their trade secret reason to refuse data request from the agency. Meanwhile, the nature of research provide low enforcement power to the parties in providing information.

3

Expertise

Lack of internal and internal expertise also create a problem in setting a good quality of research. Expert for competition economics is limited, even after more than 20 years of KPPU establishment (compare to a good number of competition law experts).



Solutions?

“Those who’s control information, control the world”

Your internal assets

Manage you data/information from your internal activities (past researches, past cases, notifications, market surveillances, etc.) – Providing a comprehensive internal database is crucial.

Institutional cooperation

Cooperation with governments is important to bring you data/information in instant (10% of total cooperation made with Gov). Cooperation with universities will help you with primary data and additional assessments.





Second Intervention

How to make sure competition consideration and data based decision making?

ADVOCACY



Introduce Competition Assessment Checklist

KPPU has prepared a competition assessment checklist to be used by government when they make or develop a regulation. Own initiative to intervene is one way. Promoting such uses by a formal cooperation with government (specially local government) is also important.

Cooperation, Coordination, and Build Expertise

Perform an intensive coordination with the government to ensure that reliable data is used in the decision making. Make cooperation and conduct regular meeting. Build external experts (form academics association, establish journal).

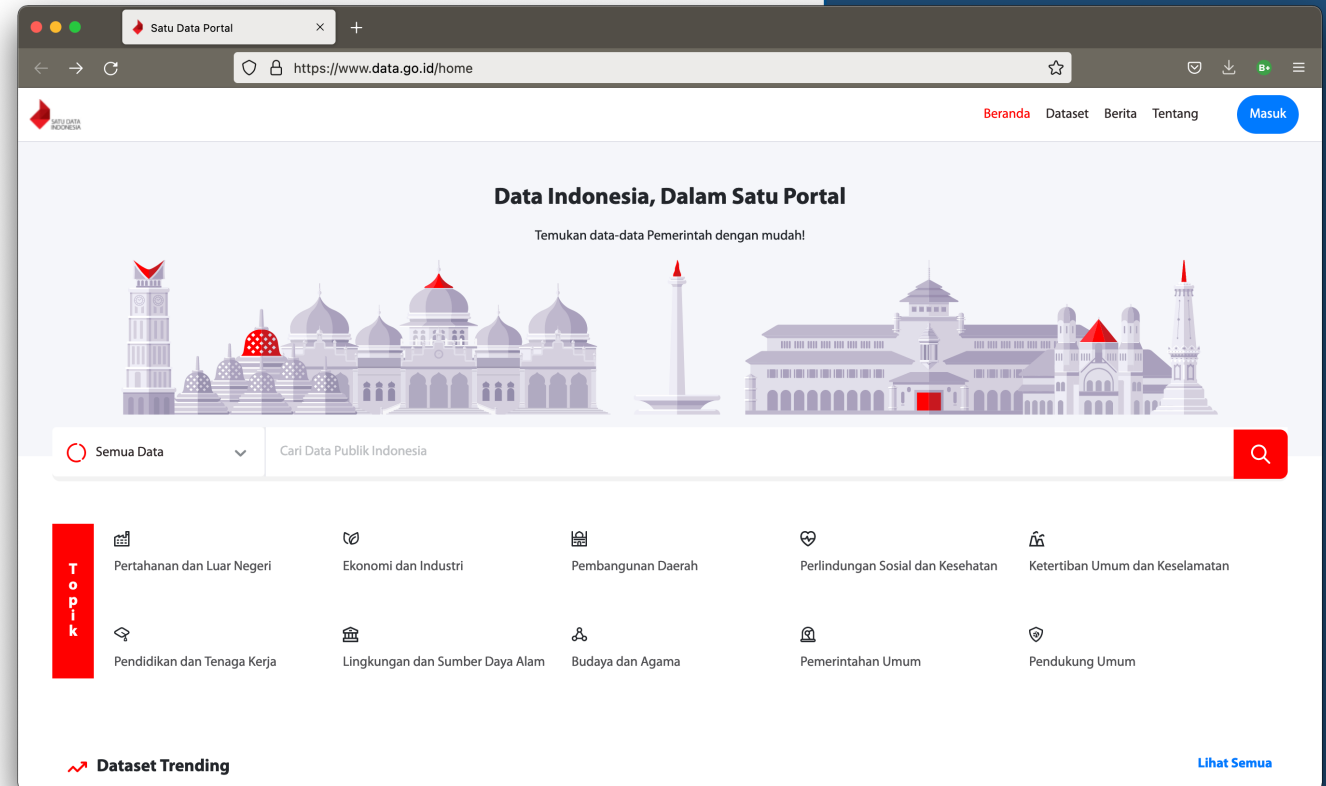
Ideal Institutional Design?

For Competition Authority (KPPU)

To improve enforcement power of competition authority in law enforcement and prevention (market inquiry/study, policy recommendation), and to consolidate internal data and integrate it with government.

For External/Government

One Data Indonesia - An initiative of the Indonesian government to encourage data-driven policy making (Perpres 39/2019). To achieve this, it is necessary to fulfill government data that is accurate, open, and interoperable. It has three main principles, namely, one data standard, one standard metadata, and one data portal. Thus, the use of government data is not only limited to internal use between agencies, but also as a form of fulfilling public data needs for the community.



THANK YOU.

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