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The Legal Validity of Acquisition Notifications and the Scope of KPPU Review: Examining the Separate Legal Entity and Single Economic Entity Doctrines

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Original Article

Abstract

Share acquisitions within corporate groups raise a distinction between the legal identity of the notifying party and the economic unit assessed under competition law. This study examines the validity of a subsidiary's notification when both the parent and subsidiary are acquirers, and the limits of the Indonesian Competition Commission's (KPPU) authority to apply the single economic entity doctrine. Using doctrinal legal research, statutory and conceptual approaches, systematic interpretation, and deductive reasoning, the analysis finds that common control neither confers authority to represent another company nor automatically discharges its notification obligation. A consolidated filing can cover multiple acquirers only insofar as the applicable procedure recognizes their representation and identifies each obligated party. Inaccurate information, defective representation, and late notification have distinct legal consequences. The single economic entity doctrine informs control analysis and the scope of economic assessment but does not independently authorize sanctions or establish liability. The study develops a three-stage framework distinguishing the existence of a notification obligation, procedural attribution, and substantive competition assessment. This framework reconciles separate legal personality with economic unity while preserving the statutory limits of administrative enforcement.

Keywords: *Acquisition Notification, Separate Legal Entity, Single Economic Entity, Corporate Groups, Competition Law*

Abstrak

Akuisisi saham dalam grup perusahaan mempertemukan identitas yuridis pelapor dengan kesatuan ekonomi yang dinilai dalam hukum persaingan usaha. Penelitian ini menganalisis keabsahan notifikasi oleh anak perusahaan ketika induk dan anak perusahaan sama-sama menjadi pengambil alih serta batas kewenangan Komisi Pengawas Persaingan Usaha (KPPU) dalam menerapkan doktrin single economic entity. Penelitian hukum normatif menggunakan pendekatan perundang-undangan dan konseptual, penafsiran sistematis, serta penalaran deduktif. Hasil penelitian menunjukkan bahwa pengendalian bersama tidak melahirkan kewenangan perwakilan atau secara otomatis memenuhi kewajiban notifikasi perseroan lain. Penyampaian notifikasi secara terpadu dapat mencakup beberapa pengambil alih hanya sejauh prosedur yang berlaku mengakui perwakilan dan mengidentifikasi setiap pihak yang berkewajiban. Ketidakbenaran informasi, cacat perwakilan, dan keterlambatan notifikasi mempunyai akibat hukum berbeda. Doktrin single economic entity berfungsi dalam analisis pengendalian dan penentuan cakupan penilaian ekonomi, tetapi tidak secara mandiri melahirkan sanksi atau pertanggungjawaban. Kontribusi penelitian berupa kerangka pengujian tiga tahap yang memisahkan kriteria wajib notifikasi, atribusi prosedural, dan penilaian substantif persaingan. Kerangka tersebut menyelaraskan pemisahan badan hukum dan kesatuan ekonomi dalam batas kewenangan penegakan hukum administratif.

Kata kunci: *Notifikasi Akuisisi, Separate Legal Entity, Single Economic Entity, Grup Perusahaan, Hukum Persaingan Usaha.*

1. INTRODUCTION

Corporate groups enable economic activity to be conducted through multiple companies under common control. Although business strategy may be determined centrally, each company generally retains its own legal personality, assets, corporate organs, rights, and obligations. The principle of separate legal personality, reflected in Indonesian Law No. 40 of 2007 on Limited Liability Companies (Company Law or UUPT), distinguishes the company from its shareholders and limits shareholder liability. In competition law, however, formal separation does not necessarily reflect independent market conduct. The single economic entity (SEE) doctrine identifies economically nonindependent entities as a unit for competition assessment. The distinct functions of these concepts become particularly important when a parent and its subsidiary jointly acquire shares in another company.[1]

In Indonesia, acquisition control rests on Articles 28(2) and 29 of Law No. 5 of 1999 (Competition Law), Government Regulation No. 57 of 2010 (GR 57/2010), and Regulation No. 3 of 2023 of the Indonesian Competition Commission (Komisi Pengawas Persaingan Usaha, KPPU). [2] Transactions meeting the mandatory notification criteria are reported after they become legally effective. The regime distinguishes the acquiring business actor as the party responsible for notification from the corporate group whose assets and sales are included in the threshold calculation. This administrative obligation is distinct from the substantive prohibition against acquisitions that may result in monopolistic practices or unfair business competition.[3]

Notification compliance has considerable practical significance. In an official publication dated October 16, 2026, KPPU reported that 78 of the 82 merger and acquisition cases handled between 2000 and October 2026 concerned late notification. It also recorded 1,912 notifications received between 2010 and October 6, 2026. The former figure describes the composition of cases handled, not the violation rate across all transactions; the latter counts notifications rather than infringements. Although

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1 Indonesia, Undang-Undang Nomor 40 Tahun 2007 tentang Perseroan Terbatas, https://peraturan.bpk.go.id/Details/39965, Pasal 1 angka 1, Pasal 3, dan Pasal 98; Udin Silalahi, "Single Economic Entity: Kajian Hukum Persaingan Usaha di Indonesia" *Jurisdictie: Jurnal Hukum dan Syariah* 9, no. 1 (2018): 1–24, https://doi.org/10.18860/j.v9i1.4903; Annurdi Nurdi et al., "Dualism of Subsidiaries in Indonesia: Between Juridical Independence and Economic Dependence of Subsidiaries in a Group of Companies" *Societas et Iurisprudentia* 12, no. 2 (2024): 82–103, https://sei.iuridica.truni.sk/international-scientific-journal/archive/issue-2024-02/dualism-of-subsidiaries-in-indonesia-between-juridical-independence-and-economic-dependence-of-subsidiaries-in-a-group-of-companies/.

2 Juan Matheus and Ariawan Gunadi, "Pembentukan Lembaga Pengawas Perlindungan Data Pribadi Di Era Ekonomi Digital: Kajian Perbandingan Dengan KPPU," *JUSTISI* 10, no. 1 (2024): 20–35, https://doi.org/https://doi.org/10.33506/jurnaljustisi.v10i1.2757.

3 Indonesia, Undang-Undang Nomor 5 Tahun 1999 tentang Larangan Praktek Monopoli dan Persaingan Usaha Tidak Sehat, https://peraturan.bpk.go.id/Details/45280/uu-no-5-tahun-1999, Pasal 28–29; Indonesia, Peraturan Pemerintah Nomor 57 Tahun 2010 tentang Penggabungan atau Peleburan Badan Usaha dan Pengambilalihan Saham Perusahaan yang Dapat Mengakibatkan Terjadinya Praktik Monopoli dan Persaingan Usaha Tidak Sehat, https://peraturan.bpk.go.id/Details/5079/pp-no-57-tahun-2010, Pasal 5; Komisi Pengawas Persaingan Usaha, Peraturan Komisi Pengawas Persaingan Usaha Nomor 3 Tahun 2023 tentang Penilaian terhadap Penggabungan, Peleburan, atau Pengambilalihan Saham dan/atau Aset yang Dapat Mengakibatkan Terjadinya Praktik Monopoli dan/atau Persaingan Usaha Tidak Sehat, https://jdih.kppu.go.id/dokumen/view?id=367, Pasal 2–3, 7–9, dan 13.

these aggregate figures do not identify how often a subsidiary files on behalf of its parent, they illustrate the importance of legal certainty concerning the obligated party, the filing procedure, and the applicable deadline.[4]

The legal problem examined here concerns a transaction in which both a parent and its subsidiary are acquirers but the subsidiary alone submits the notification. Establishing an affiliation between the acquirers is insufficient to resolve this issue. Affiliation between two acquiring companies is distinct from pretransaction affiliation between an acquirer and the target. Common control likewise does not confer authority to represent another company. The uncertainty arises at the intersection of rules identifying the notifying party, representation by authorization, and the aggregation of group assets and sales. Although the applicable regulation provides for one account per transaction, it does not expressly specify how a single submission discharges the obligations of multiple acquirers.[5]

Corporate law scholarship has examined the distinction between a subsidiary's legal autonomy and its economic dependence. Through doctrinal and case-based analysis, Nurdi and colleagues identify the tension between a subsidiary's independent legal personality and parental control over business policy. Ali examines parent-company criminal liability through control relationships and the possible piercing of the corporate veil. Both studies provide a basis for distinguishing control from the legal consequences attributed to it, but neither addresses how compliance with an administrative acquisition notification obligation is attributed among group members.[6]

In competition law, Silalahi maps the application of SEE in Indonesia, including its recognition in positive law. Dirwansyah focuses on extraterritorial reach and the clarity of control criteria. Drawing on statutory, case-based, and conceptual approaches, Candra and Sudarwanto examine the use of SEE in Indonesian practice and the uncertainty surrounding its application criteria. These studies explain the conceptual basis and limits of the economic unit. In the European Union and United Kingdom, Daly and Jones similarly identify difficulties within the concept of the undertaking and develop an approach informed by corporate law principles. This foreign scholarship serves as conceptual context rather than a source of KPPU authority.[7]

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4 Komisi Pengawas Persaingan Usaha, "78 dari 82 Perkara Merger dan Akuisisi terkait Keterlambatan Notifikasi, KPPU Ingatkan Pelaku Usaha Penuhi Kewajiban Pelaporan", 16 Oktober 2026, https://kppu.go.id/berita/78-dari-82-perkara-merger-dan-akuisisi-terkait-keterlambatan-notifikasi-kppu-ingatkan-pelaku-usaha-penuhi-kewajiban-pelaporan.

5 Peraturan KPPU 3/2023, Pasal 3, 10, 13–16.

6 Nurdi et al., "Dualism of Subsidiaries"; Mahrus Ali, "From Separate Legal Entity to Economic Unity: The Criminal Liability of Parent Company" *Jurnal Media Hukum* 26, no. 2 (2019): 158–167, https://doi.org/10.18196/jmh.20190131.

7 Silalahi, "Single Economic Entity"; Dirwansyah, "Doktrin Single Economic Entity dalam Perluasan Pengawasan Persaingan Usaha secara Ekstrateritorial di Indonesia" *Jurnal Interpretasi Hukum* 5, no. 3 (2024): 1326–1336, https://doi.org/10.22225/juinhum.5.3.11461.1326-1336; Ananda Adi Candra, and Albertus Sentot Sudarwanto, "Pengaturan Doktrin Single Economic Entity dalam Perspektif Hukum Persaingan Usaha di Indonesia" *Indonesian Journal of Social Sciences and Humanities* 6, no. 2 (2026): 313–318, https://doi.org/10.67434/ijssh.v6i2.2588; Stephen Daly, and Alison Jones, "The Undertaking and Single Economic Entity Concepts in EU and UK Competition Law: Proposals for a Refined Approach" In *Research Handbook on Competition and Corporate Law*, edited by Florence Thépot and Anna Tzanaki, 128–151. Edward Elgar, 2025, https://kclpure.kcl.ac.uk/portal/en/publications/the-undertaking-and-single-economic-entity-concepts-in-eu-and-uk-/.

A complementary perspective is offered by Thépot's study of competition law and corporate governance, which examines both the internal organization of firms and the attribution of liability. Its distinction between the scope of the undertaking and the attribution of responsibility supports the analytical separation adopted here. This study applies that distinction to notification compliance under Indonesian law, rather than importing foreign rules of liability.[8]

Scholarship on notification regimes adds a different dimension. Sabirin and Herfian examine post-acquisition reporting, legal uncertainty, and transaction costs, whereas Anisah and Putri investigate the limitations of post-transaction oversight in digital markets. Andini, Rifai, and Istiani analyze patterns in late-notification decisions from 2022 to 2024. These studies place administrative compliance and the timing of regulatory oversight at the center of inquiry, without specifically explaining how a filing by one company may discharge the obligation of another member of the same group.[9]

Several studies address questions closer to the subject of this article. Rizal and Dimas examine a subsidiary's late acquisition notification, including the relevance of the parent's assets and sales to the notification obligation. Surahman and colleagues specifically discuss the contested discharge of a notification obligation through another entity in the PT Tamaris Hidro matter, identifying regulatory uncertainty for complex ownership structures. Suhanda and colleagues examine special purpose vehicles (SPVs) as notifying parties, emphasizing the entity that directly acquires shares and obtains control. These accounts draw on the published abstracts rather than an independent examination of the reasoning in the underlying decisions.[10]

Accordingly, the research gap is not the absence of scholarship on SEE in acquisition notification. Rather, the literature examined has not integrated three distinct issues: the conditions triggering the notification obligation, the validity of representation, and the limits of economic unity as a basis for evaluating competitive effects. This article contributes a three-stage analytical framework that connects these issues while distinguishing the legally obligated party, the party that performs the administrative act, and the economic unit subject to competition assessment. The

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8 Florence Thépot, The Interaction Between Competition Law and Corporate Governance: Opening the "Black Box" (Cambridge: Cambridge University Press, 2019), https://www.cambridge.org/core/books/interaction-between-competition-law-and-corporate-governance/B942DF0F657D390BDEB8D717BC7F691C.

9 Ahmad Sabirin, and Raafid Haidar Herfian, "Keterlambatan Pelaporan Pengambilalihan Saham Perusahaan dalam Sistem Post Merger Notification Menurut Undang-Undang Persaingan Usaha di Indonesia" *Jurnal Persaingan Usaha* 1, no. 2 (2021), https://doi.org/10.55869/kppu.v2i.25; Siti Anisah, and Annisa Aulya Putri, "Legal Implications of Post-Merger Notification Policy on Digital Companies in Indonesian Competition Law" *Journal of Law and Legal Reform* 4, no. 2 (2023): 285–302, https://doi.org/10.15294/jllr.v4i2.61224; Dwi Andini, Anis Rifai, and Nisa Istiani, "Kecenderungan Putusan KPPU Mengenai Keterlambatan Notifikasi Akuisisi Perusahaan Kurun Waktu 2022-2024" *Sang Pencerah: Jurnal Ilmiah Universitas Muhammadiyah Buton* 11, no. 3 (2025): 763–780, https://doi.org/10.35326/pencerah.v11i3.7251.

10 Arya Putra Rizal, and Dimas, "Akibat Hukum Putusan KPPU Nomor 05/KPPU-M/2022 atas Keterlambatan Pengambilalihan Saham" *Jurnal Persaingan Usaha* 2, no. 2 (2022), https://doi.org/10.55869/kppu.v2i2.59; Surahman et al., "Analisis Yuridis Prinsip Single Economic Entity dalam Notifikasi Akuisisi Saham PT Tamaris Hidro" *Journal of Business, Finance, and Economics (JBFE)* 6, no. 1 (2025): 346–354, https://doi.org/10.32585/jbfe.v6i1.6810; Rizal Suhanda, Devi Siti Hamzah Marpaung, and Meita Fadhilah, "Kedudukan Hukum Special Purpose Vehicle (SPV) sebagai Subjek Pelapor Notifikasi Akuisisi Saham" *PESHUM: Jurnal Pendidikan, Sosial dan Humaniora* 5, no. 6 (2026): 16603–16610, https://doi.org/10.56799/peshum.v5i6.19258.

framework avoids the assumptions that every company within a group must notify or that a filing by one member automatically covers the others.

The study addresses two questions. First, what determines the legal validity of, and liability arising from, a subsidiary's notification when both the parent and subsidiary are acquirers? Second, what limits govern KPPU's authority to assess the competitive effects of share acquisitions through the SEE doctrine? The objective is to develop an interpretive framework that distinguishes administrative compliance from economic assessment and examines their respective legal consequences under applicable Indonesian law. Its practical significance lies in identifying the proper notifying party and avoiding attribution of liability solely on the basis of ownership relationships.

2. RESEARCH METHODOLOGY

This study employs doctrinal legal research with an analytical and prescriptive orientation. The statutory approach examines the relationship among corporate law, representation, acquisition notification, substantive assessment, and sanctions. The conceptual approach distinguishes legal personality, limited liability, authorization, control, and economic unity. These approaches reflect the issue-centered character of doctrinal legal research, in which legal materials are analyzed to formulate reasoned legal arguments.[11]

Primary legal materials include the Company Law, the Indonesian Civil Code (Kitab Undang-Undang Hukum Perdata, KUHPerdata), Law No. 5 of 1999 as amended in relevant part by Law No. 6 of 2023, Government Regulations Nos. 57 of 2010 and 44 of 2021, and KPPU Regulations Nos. 3 of 2023 and 2 of 2021. Secondary materials comprise books, journal articles, book chapters, and official KPPU publications retrieved from publishers, repositories, and legal documentation portals. Materials available only as abstracts are used solely to identify the research focus and findings stated therein. The study involves no interviews, observations, or empirical testing. It does not adopt case law analysis as an independent method because the full decisions discussed in the literature were not comprehensively examined.

The analysis proceeds in four steps: identifying applicable rules and their hierarchical status; systematically interpreting general rules of representation in light of specialized administrative procedures; distinguishing the aggregation of group assets and sales from the attribution of obligations; and synthesizing the results through deductive reasoning. The legal analysis draws on legislation and publications retrieved through November 19, 2026. The parent-subsidiary co-acquisition scenario is a hypothetical construct rather than a description of an adjudicated case. The

[11] Peter Mahmud Marzuki, *Penelitian Hukum* (Edisi revisi. Jakarta: Kencana, 2023) https://prenadamedia.com/wp-content/uploads/2024/01/Katalog-Buku-PRENADAMEDIA-GROUP-2024.pdf.

conclusions are limited to the interpretation of positive law and the analytical framework derived from it; they do not measure KPPU's empirical effectiveness.

3. RESULTS AND DISCUSSION

3.1. Notification Validity and Acquirer Liability within Corporate Groups

Separate corporate personality and limited liability are related but distinct concepts. Legal personality identifies the bearer of rights and obligations, whereas limited liability determines the extent to which shareholders answer for corporate obligations. Article 3(1) of the Company Law does not release shareholders from duties arising from their own conduct. When a parent company is itself an acquirer, its notification obligation arises from its role in a transaction satisfying the regulatory criteria, not from its status as a shareholder of the subsidiary. Conversely, a subsidiary's obligation does not automatically become the parent's merely because consolidated financial statements establish a relationship between them.[12]

This distinction accords with the work of Annurdi and colleagues on variations in parent-company liability arising from subsidiary bankruptcy. In the context of corporate governance, Dahana and colleagues examine control relationships and the potential piercing of the corporate veil in state-owned enterprise groups. Ali analyzes similar relationships in criminal liability. Each context has distinct attribution requirements. Consequently, piercing the corporate veil, corporate criminal liability, and SEE cannot be treated as interchangeable bases for administrative liability. In acquisition notification, the starting point is the specific rule identifying the party on which the obligation is imposed.[13]

Article 28(2) of the Competition Law establishes the substantive prohibition against acquisitions that may result in monopolistic practices or unfair business competition, whereas Article 29 establishes the notification obligation. Under Article 3 of KPPU Regulation No. 3 of 2023, mandatory notification of share acquisitions is determined by four criteria: the applicable asset or sales threshold is exceeded, control changes, the transaction is not between affiliated business actors, and the requisite Indonesian asset or sales nexus exists. Article 6 establishes thresholds of assets exceeding IDR 2.5 trillion or sales exceeding IDR 5 trillion; transactions between banking businesses are subject to a special asset threshold exceeding IDR 20 trillion. Whether an obligation arises cannot be determined solely by the value of the acquired shares or the transaction price.[14]

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12 UU 40/2007, Pasal 1 angka 1, Pasal 3, dan Pasal 125; Nurdi et al., "Dualism of Subsidiaries".

13 Annurdi et al., "Implementation of Parent Company's Liability for Bankruptcy Experienced by Subsidiary: Case in Indonesia" *Journal of Finance and Financial Law* 4, no. 44 (2024): 23–48, https://doi.org/10.18778/2391-6478.4.44.02; Thomas Nanda Dahana, Budi Santoso, and Paramita Prananingtyas, "The Responsibility of Limited Liability Company Organs in Group Company (Holding) of State-Owned Enterprises" *SASI* 31, no. 3 (2025): 231–245, https://doi.org/10.47268/sasi.v31i3.3010; Ali, "From Separate Legal Entity"; UU 40/2007, Pasal 3 ayat (2).

14 UU 5/1999, Pasal 28–29; PP 57/2010, Pasal 5 dan 7; Peraturan KPPU 3/2023, Pasal 2–10.

Article 13(1)(c) of KPPU Regulation No. 3 of 2023 identifies the business actor acquiring the shares as the notifying party. In a transaction involving multiple corporate purchasers, the identity of the acquirer cannot be established simply by reading the signatories' names. Transaction documents, changes in share ownership, voting rights, and decision-making arrangements must be examined together to establish who qualifies as an acquirer under the regulation. A parent company that merely finances its subsidiary's purchase does not automatically become a direct acquirer. Scholarship on SPVs reinforces the need to identify the entity that undertakes the transaction and obtains control rather than merely the ultimate economic beneficiary.[15]

If the preceding analysis establishes that both the parent and subsidiary are obligated to notify, the next question is whether a single filing can discharge both duties. Article 13(4)(b) provides for the use of one account per transaction. This rule governs the administrative mechanism; it does not expressly designate a single legally obligated party for every transaction. Accordingly, use of one account is insufficient to establish that all acquirers have complied. Conversely, separate legal personality does not necessarily require duplicate notifications for the same transaction where a recognized procedure can encompass all obligated parties.[16]

Article 98 of the Company Law identifies the board of directors (Direksi) as the corporate organ authorized to represent the company, subject to limits imposed by law, the articles of association, and resolutions of the general meeting of shareholders. Article 103 permits the directors to grant written authorization to employees or other persons to undertake specified legal acts on behalf of the company. Articles 1792 and 1807 of the Civil Code establish the framework for conferring authority and binding the principal within its scope. These general provisions explain the legal basis of representation but do not displace an authority's specialized administrative requirements.[17]

Article 14 of KPPU Regulation No. 3 of 2023 expressly permits notification through legal counsel, accompanied by a power of attorney. A subsidiary, as a separate legal person, does not automatically qualify as legal counsel merely because its parent has authorized it to act. The validity of a centralized filing therefore depends on two levels of inquiry: internal authority under corporate and obligations law, and the qualifications for representation recognized by KPPU procedure. The provisions examined do not establish that every intercompany power of attorney satisfies the second level. Duly authorized legal counsel representing each obligated party constitutes an expressly regulated route. Whether a consolidated submission through

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15 Peraturan KPPU 3/2023, Pasal 4–5, 9, dan 13; Suhanda et al., "Kedudukan Hukum"; Rizal and Dimas, "Akibat Hukum".

16 Peraturan KPPU 3/2023, Pasal 13–14.

17 UU 40/2007, Pasal 98–103; Indonesia, Kitab Undang-Undang Hukum Perdata, https://jdih.mahkamahagung.go.id/legal-product/kitab-undang-undang-hukum-perdata/download/dokumen, Pasal 1792, 1797, dan 1807.

another arrangement is permissible depends on demonstrable procedural recognition rather than an assumption of corporate-group unity.[18]

The next consideration concerns identity and documentation. Article 5 regulates the notification form and supporting documents, including group structures before and after the transaction and relevant financial statements extending to the ultimate parent business entity (Badan Usaha Induk Tertinggi, BUIT). Consolidated financial statements establish the scope of economic disclosure; they do not establish that the BUIT or each subsidiary has been identified as a notifying party. The form, power of attorney, acquisition documents, and documentation of changes in control must consistently identify the represented parties and the scope of the transaction. If a single filing names both entities but the representation is defective, complete identification alone does not cure the lack of authority.[19]

Administrative validity is also distinct from the validity of the underlying private-law transaction. Article 16 governs completeness review, issuance of a certificate specifying the registration number and whether notification is mandatory, and the evidentiary status of that certificate as proof of a valid notification. Its issuance date constitutes the registration date. This administrative evidence is not equivalent to clearance of the acquisition on competition grounds, nor does it preclude correction where information is inaccurate. For a representative filing, the certificate and underlying documentation are relevant to determining whose obligations the submission covers.[20]

Three situations illustrate the distinction. First, a subsidiary accurately notifies on its own behalf without purporting to represent the parent. Where the parent independently bears a notification obligation, that filing does not automatically discharge it. Second, the subsidiary purports to represent the parent without satisfying the applicable requirements of authority or procedure. Such a defect is assessed under representation and documentation rules, rather than immediately characterized as a substantive competition infringement. Third, the form or supporting documents contain inaccurate information, for example by concealing another acquirer or falsely claiming authorization. Article 15 empowers KPPU to cancel a registration and/or assessment result when inaccurate information or documentation is discovered; a cancellation resulting in lateness may be followed by an investigation under the applicable procedure. The absence of a power of attorney is not invariably a ground for cancellation where the subsidiary has notified solely on its own behalf from the outset.[21]

The scholarship discussing PT Tamaris Hidro reveals controversy over claims that notification by another company can satisfy a party's obligation. Surahman and

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[18] Peraturan KPPU 3/2023, Pasal 5, 13–14; UU 40/2007, Pasal 103.
[19] Peraturan KPPU 3/2023, Pasal 5 dan 14.
[20] Peraturan KPPU 3/2023, Pasal 15–17.
[21] Peraturan KPPU 3/2023, Pasal 14–16 dan 46.

colleagues identify the uncertainty that insufficiently specific rules create for complex groups. The present article extends that inquiry beyond a binary choice between separate and group filings: it asks who bears the obligation, who is authorized to submit the notification, and whose compliance the administrative record establishes. Rizal and Dimas also illustrate the relevance of parent-company economic figures when a subsidiary makes an acquisition; that relevance does not alter the rules identifying the notifying party.[22]

Late notification is an infringement distinct from the submission of inaccurate information. Article 5 of GR 57/2010 and Article 2 of KPPU Regulation No. 3 of 2023 establish a deadline of 30 business days from the legally effective date. For share acquisitions involving limited liability companies, Article 4 relates the effective date to the Minister's receipt of notification of amendments to the articles of association, with specific rules for particular transaction configurations. The filing deadline and the registration date must be distinguished: submission of incomplete materials does not necessarily result in registration. Article 46 addresses suspected failure or delay in notifying and the calculation of time. Sabirin and Herfian identify compliance costs as a concern within the post-transaction regime, while Andini and colleagues underscore the importance of examining variation in the treatment of late-notification cases.[23]

The applicable fine requires systematic interpretation. Article 6 of GR 57/2010 specifies a late-notification formula of IDR 1 billion per day, capped at IDR 25 billion; KPPU's official FAQ continues to reproduce that formula. Article 47(2)(g) of the Competition Law, following amendments under the Job Creation regime, provides for a minimum fine of IDR 1 billion. GR 44/2021 establishes a general framework for fines, including limits based on net profits or sales in the relevant market during the infringement period. KPPU Regulation No. 2 of 2021 provides guidelines within that framework. Differences in wording do not themselves invalidate the specific rule in GR 57/2010, and general limits applicable to substantive infringements cannot mechanically be applied to administrative delay. The relevant legal basis, the timing of the infringement, and legally permissible considerations govern the imposition of a fine in an individual case.[24]

Liability follows the legal position of each party. Where a parent company is an acquirer and fails to fulfill its own obligation, it cannot avoid that responsibility by invoking the separate personality of its subsidiary. Where the subsidiary effects valid

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22 Surahman et al., "Analisis Yuridis"; Rizal and Dimas, "Akibat Hukum".

23 PP 57/2010, Pasal 5; Peraturan KPPU 3/2023, Pasal 1 angka 21, Pasal 2, 4, 16, dan 46; Sabirin and Herfian, "Keterlambatan Pelaporan"; Andini et al., "Kecenderungan Putusan".

24 PP 57/2010, Pasal 6; UU 5/1999, Pasal 47; Indonesia, Undang-Undang Nomor 6 Tahun 2023 tentang Penetapan Peraturan Pemerintah Pengganti Undang-Undang Nomor 2 Tahun 2022 tentang Cipta Kerja Menjadi Undang-Undang, https://peraturan.bpk.go.id/Details/246523/uu-no-6-tahun-2023, ketentuan perubahan UU 5/1999; Indonesia, Peraturan Pemerintah Nomor 44 Tahun 2021 tentang Pelaksanaan Larangan Praktek Monopoli dan Persaingan Usaha Tidak Sehat, https://peraturan.bpk.go.id/Details/161965/pp-no-44-tahun-2021, Pasal 12–14; Komisi Pengawas Persaingan Usaha, Peraturan Komisi Pengawas Persaingan Usaha Nomor 2 Tahun 2021 tentang Pedoman Pengenaan Sanksi Denda Pelanggaran Praktek Monopoli dan Persaingan Usaha Tidak Sehat, https://jdih.kppu.go.id/dokumen/view?id=90; Komisi Pengawas Persaingan Usaha, "FAQ", Diakses 19 November 2026, https://kppu.go.id/media-publikasi/faq.

representation, the parent's legal commitment is determined by the scope of that authorization, without displacing the duty to provide accurate information under Article 15. An agent's breach within the internal relationship does not automatically identify the party subject to a KPPU fine; the responsible entity and the administrative infringement must be established under competition law. Cancellation of the acquisition under Article 47(2)(e) concerns infringement of Article 28 and does not automatically follow from late notification.[25]

3.2. Limits of KPPU Authority in Economic Unity Analysis

KPPU derives its functions and powers from Law No. 5 of 1999, particularly Articles 35 and 36, while acquisition oversight rests on Articles 28 and 29 and their implementing regulations. SEE explains why legal boundaries do not necessarily coincide with the boundaries of coordinated market conduct. Sudiarto examines the Indonesian competition law framework, while Whish and Bailey provide conceptual context for competition and merger control in the European Union and United Kingdom. Silalahi, as well as Candra and Sudarwanto, identifies the use of SEE in Indonesian practice, although Law No. 5 of 1999 does not formulate it as an independent source of authority. The doctrine therefore interprets concepts already established by legislation rather than creating new regulatory powers.[26]

The first limit concerns control. Article 9(2) of KPPU Regulation No. 3 of 2023 recognizes share ownership or voting power exceeding 50 percent, as well as ownership or voting power of 50 percent or less that enables the holder to influence and determine management policy. Minority shareholding therefore does not necessarily exclude control. Voting arrangements, rights to appoint corporate officers, and governance documents may help establish that capacity insofar as they bear on the ability to determine policy. Conversely, passive ownership or overlapping personnel alone cannot establish economic unity. Control relationships within a group before a transaction and the change of control over the target after that transaction are separate inquiries.[27]

The second limit concerns economic scope. Article 5(4) of GR 57/2010 and Articles 7 and 8 of KPPU Regulation No. 3 of 2023 provide for the aggregation of the parties' assets and sales and those of entities that directly or indirectly control, or are controlled by, them. Under the 2023 regulation, the calculation concerns values connected to Indonesian territory. Aggregation prevents regulatory avoidance through the fragmentation of legal entities. In a group with multiple acquirers, identifying the BUIT and overlapping entities requires consistent calculation so that the same

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[25] KUHPerdata, Pasal 1800–1807; Peraturan KPPU 3/2023, Pasal 15 dan 46; UU 5/1999, Pasal 28, 29, dan 47.

[26] UU 5/1999, Pasal 1 angka 5, Pasal 28–29, dan Pasal 35–36; Sudiarto, *Pengantar Hukum Persaingan Usaha di Indonesia* (Jakarta: Kencana, 2021) https://library.upnvj.ac.id/index.php?id=24353&keywords=&p=show_detail; Richard Whish, and David Bailey, *Competition Law* (11th ed. Oxford: Oxford University Press, 2024) https://academic.oup.com/oxford-law-pro/book/58228; Silalahi, "Single Economic Entity"; Candra and Sudarwanto, "Pengaturan Doktrin".

[27] Peraturan KPPU 3/2023, Pasal 5 ayat (3), Pasal 9–10.

economic value is not counted several times without legal justification. Aggregation determines whether the notification threshold is met; it does not independently establish administrative liability for every entity included in the calculation.[28]

The third limit concerns affiliation. Article 7 of GR 57/2010 and Article 10 of KPPU Regulation No. 3 of 2023 exempt transactions between affiliated business actors from notification. Such relationships may involve direct or indirect control, control by the same party, or a relationship between a company and its controlling principal shareholder. The exemption cannot be inferred merely from the fact that two purchasers belong to the same group. In a hypothetical example, parent A and subsidiary B belong to one group but jointly acquire shares in previously unaffiliated target C. The A–B relationship does not itself make the acquisition of C an intragroup transaction. If a change of control and the other criteria are satisfied, the transaction remains subject to mandatory notification. By contrast, an internal restructuring that genuinely satisfies the affiliation criteria falls outside that obligation.[29]

Exemption from notification does not confer general immunity from competition law. Article 45 of KPPU Regulation No. 3 of 2023 governs assessments initiated by KPPU concerning transactions that meet the mandatory criteria but have not been reported. Article 47 preserves the handling of own-initiative cases concerning suspected prohibited agreements, prohibited activities, or abuse of a dominant position. Thus, the absence of an obligation to notify an intragroup restructuring does not preclude investigation of other conduct satisfying the elements of an infringement. The exemption operates within its regulatory purpose rather than as a release from all competition law obligations.[30]

The fourth limit is territorial nexus. Article 3(1)(d) and Articles 7 and 8 of KPPU Regulation No. 3 of 2023 connect the notification obligation and threshold calculation to assets or sales in Indonesia. Dirwansyah considers economic unity in the context of extraterritorial enforcement, particularly the need for control criteria and a basis for attribution of liability. However, a foreign parent or substantial global sales do not alone establish jurisdiction over all group activities. The transaction's nexus with Indonesia, control, the local threshold, and applicable procedures remain relevant. Although KPPU's FAQ provides explanations concerning foreign transactions, the text of governing legislation takes precedence where general explanatory guidance generates interpretive differences.[31]

The fifth limit concerns competitive effects. Article 3 of GR 57/2010 identifies market concentration, barriers to entry, potential anticompetitive conduct, efficiencies, and bankruptcy as assessment factors. Articles 18–22 of KPPU Regulation No. 3 of 2023 further govern preliminary and comprehensive assessment. Relevant market

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[28] PP 57/2010, Pasal 5 ayat (4); Peraturan KPPU 3/2023, Pasal 5, 7–8.
[29] PP 57/2010, Pasal 7; Peraturan KPPU 3/2023, Pasal 3, 9–10.
[30] Peraturan KPPU 3/2023, Pasal 45–47.
[31] Peraturan KPPU 3/2023, Pasal 3, 5, 7–8, dan 26; Dirwansyah, "Doktrin Single Economic Entity"; KPPU, "FAQ".

definition and changes in concentration provide a starting point for structural analysis; further assessment may examine entry barriers, potential anticompetitive conduct, efficiencies, bankruptcy conditions, innovation, competitiveness, and other factors specified by regulation. Asset or sales thresholds determine the applicability of notification, not the automatic existence of market power. SEE helps identify the entities included in the assessment, whereas conclusions regarding competitive effects require an independent analysis.[32]

In digital markets, Anisah and Putri highlight the limitations of assessment after a transaction becomes effective. This article does not treat those limitations as an interpretive basis for replacing the post-transaction notification regime. Precisely because oversight occurs after the transaction, clarity about the notifying party and accurate group information affect the regulator's ability to understand changes in market structure. Distinguishing procedural compliance from substantive competitive effects prevents delay without a change in competition from being treated as evidence of monopolization, while ensuring that timely notification does not exempt a transaction from substantive assessment.[33]

The sixth limit concerns procedure and sanctioning authority. Article 18(2) establishes an assessment period of no more than 90 business days, while the assessment hearing and case-handling stages are governed by further provisions. Article 18 also permits requests for information from transaction parties, competitors, or related parties. Seeking information from another group company does not automatically make that company a respondent. The identity of the party alleged to have infringed the law, the basis of the obligation, the grounds for examination, and the opportunity to respond must be established through the relevant procedure.[34]

Conditional approval under KPPU Regulation No. 3 of 2023 raises a hierarchical issue distinct from fines. Conditional approval addresses competition risks at the assessment stage through specified procedures and monitoring. It is not necessarily a new administrative sanction within the meaning of Article 47 of the Competition Law. Its legality and legal consequences depend on the statutory basis for assessment, the relationship between the conditions and identified competitive effects, procedures for acceptance or rejection, and follow-up mechanisms. Where a determination imposes a measure that is punitive in substance, the authority for that sanction must be established under the applicable rules. A difference in terminology does not itself establish that conditional approval conflicts with the statute.[35]

The use of SEE can thus broaden the scope of economic aggregation and explain the rationale for intragroup exemptions, without extinguishing legal personality or creating collective liability without a legal basis. Daly and Jones's

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32 PP 57/2010, Pasal 2–3; Peraturan KPPU 3/2023, Pasal 18–22; Whish and Bailey, *Competition Law*.
33 Anisah and Putri, "Legal Implications"; Peraturan KPPU 3/2023, Pasal 17–22.
34 Peraturan KPPU 3/2023, Pasal 18, 25–29, 45–47; UU 5/1999, Pasal 36 dan 39–44.
35 Peraturan KPPU 3/2023, Pasal 22–24, 28–31, dan 35–42; PP 57/2010, Pasal 3–4; UU 5/1999, Pasal 47.

examination of the tension between economic unity and corporate law reinforces the distinction between identifying an economic unit and attributing legal liability. In Indonesia, Article 35(f) of the Competition Law assigns KPPU the task of issuing guidelines, and the Commission has issued guidance on matters including mergers and late-notification fines. The issue identified here is the clarity of criteria for attributing multiparty filings and delimiting SEE under the materials examined, rather than the asserted absence of KPPU guidelines altogether.[36]

Pasqua's analysis of corporate-group liability under EU competition law further illustrates why formal legal autonomy and economic unity can coexist. His inquiry into liability for competition infringements concerns a legal framework different from Indonesia's administrative notification regime. The conceptual parallel strengthens the distinction between defining an economic unit and establishing the legal basis for holding a particular company responsible; the foreign doctrine does not displace the Indonesian statutory requirements for either notification or sanctions.[37]

3.3. A Three-Stage Framework for Corporate-Group Acquisition Notifications

The two research questions converge in a three-stage framework. The first stage establishes the notification obligation by identifying the transaction, effective date, change of control, affiliation between the acquirer and target, asset or sales thresholds, and Indonesian nexus. The second stage concerns procedural attribution: the identity of the obligated party and the submitting party, whether the representation is recognized, whether the identity and documentation are accurate, and whether registration occurs within the deadline. The third stage concerns substantive assessment: identifying the relevant economic unit, assessing the market and competitive effects, and examining the basis and procedure for administrative measures. The third stage cannot substitute for the second; the first cannot be bypassed by assuming that group affiliation answers the legal question.

Table 1. *Three-Stage Analytical Framework (Doctrinal Synthesis).*

Stage	Assessment criteria	Legal consequence or function
1. Notification obligation	Change of control, thresholds, affiliation, territorial nexus, effective date	Determines whether the transaction and parties satisfy mandatory notification rules.
2. Procedural attribution	Acquirer identity, authority to represent, document accuracy, registration, deadline	Distinguishes compliance, defective representation, inaccurate information, and late notification.
3. Substantive assessment	Economic unit, market, concentration, entry barriers, effects, procedure	Defines the scope of assessment and measures authorized by law.

[36] Daly and Jones, "The Undertaking"; UU 5/1999, Pasal 35 huruf f; Komisi Pengawas Persaingan Usaha, "Pedoman", Diakses 19 November 2026, https://kppu.go.id/media-publikasi/regulasi/pedoman.

[37] Marco Pasqua, "The Liability of Corporate Groups for Violation of EU Competition Law," Journal of European Competition Law & Practice 14, no. 4 (2023): 235–253, https://doi.org/10.1093/jeclap/lpad024.

Consider a hypothetical transaction in which A and B, members of the same group, acquire unaffiliated target C. The first stage establishes whether the transaction results in a change of control and satisfies the mandatory notification criteria. If B alone qualifies as the obligated acquirer, A's participation in financing or consolidation does not automatically generate an independent filing obligation. If both are obligated, the second stage examines whether B's submission encompasses A through a legally recognized procedure. If B acts solely on its own behalf and the disclosed identity is accurate, A's administrative liability is assessed separately; if information is inaccurate, Article 15 may provide a basis for correction. The third stage calculates the relevant group figures and assesses competitive effects without treating all group members as infringers.

This framework contributes more than a general account of potential conflict between separate legal personality and SEE. Legal personality identifies the bearer of the obligation, while economic unity informs the analysis of control and economic scope; specialized rules connect the two through procedure. The construction recognizes unresolved questions about multiparty representation as matters of interpretation and procedural development, not as authorization to disregard Article 14. The framework's effectiveness in actual registration practice and adjudication remains an empirical question beyond the scope of this doctrinal study.

4. CONCLUSION

An acquisition notification by a subsidiary does not automatically discharge its parent's obligation merely because both form part of one economic unit. Whether a company is an obligated acquirer depends on the transaction configuration and mandatory notification rules. Compliance through a single filing depends on a representation mechanism recognized by KPPU procedure, identification of each obligated party, accurate documentation, and evidence of registration. An intercompany power of attorney does not independently satisfy the specific requirements for filing through legal counsel. Defective representation, inaccurate information, and late notification have distinct legal consequences, each governed by its own legal basis and procedure. Liability cannot be established solely from ownership relationships.

SEE functions as an interpretive instrument for identifying control and the scope of the group in acquisition assessment, rather than as an independent source of KPPU authority. Its application is bounded by the applicable criteria for control, affiliation, territorial nexus, competitive effects, procedure, and sanctions under the hierarchy of legislation. The three-stage framework identifying the notification obligation, attributing the procedural act, and assessing substantive competition effects distinguishes who must notify, who submits the notification, and which economic unit is assessed. This distinction reconciles separate corporate personality

with competition oversight without turning economic unity into an automatic basis for liability for all group members.

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