

## Gojek fined Rp3.3 billion for late acquisition notification!

### Background

The Indonesian Competition Commission (*Komisi Pengawas Persaingan Usaha*, **KPPU**) recently imposed a fine of Rp3.3 billion (approximately US\$230,000) on PT Aplikasi Karya Anak Bangsa (popularly known as **Gojek**), the first Indonesian decacorn technology company that provides a wide range of services, including ride-hailing, food delivery, and digital payment services, for its failure to submit a post-merger notification of its acquisition of shares in PT Global Locket Sejahtera (**Loket.com**) within the mandatory time limit.

On 25 March 2021, KPPU decided Case No.30/KPPU-M/2020, where it found that Gojek violated Article 29 of Law No.5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition (**Competition Law**) and Article 5 of Government Regulation No.57 of 2010 on Merger or Consolidation of Business Entities and Acquisition of Company Shares which may result in Monopolistic Practices and Unfair Business Competition (**GR 57/2010**).

### Case overview

KPPU took the initiative to investigate an alleged delay of Gojek's notification of its majority share acquisition of Loket.com, a technology company that provides software in the form of a platform for events and event creators. Since KPPU determined that the transaction became effective on 9 August 2017, Gojek was therefore obliged under the relevant regulations to have submitted a transaction notification to KPPU by no later than 30 business days after the transaction's effective date, that is, by 22 September 2017 (**Deadline**).

However, Gojek only submitted the transaction notification to KPPU on 22 February 2019, which was 347 business days past the Deadline.

Given the long delay after the Deadline before Gojek submitted the transaction notification, KPPU had no difficulty in finding that Gojek had clearly violated Article 29 of the Competition Law and Article 5 of GR 57/2010. Gojek still has the ability to file an appeal to the Commercial Court against the KPPU decision within a 14-business-day window after receiving formal notification of the KPPU decision. Otherwise, the decision will become final and binding. Under the current rules, an appeal to the Commercial Court would require Gojek to provide a bank guarantee of 20% of the total fine imposed by KPPU.

### Lesson learned

We learn from Gojek's experience as described above that KPPU has teeth and that it will punish companies that ignore the mandatory KPPU notification deadlines. Therefore, it is prudent to ensure that any merger or acquisition strictly complies with all of the Competition Law and regulatory requirements.

### Further information

If you have any queries on Indonesia's merger, consolidation or acquisition regulations or any other competition issues, please do not hesitate to get in touch with us. We will continue to monitor any future developments in the competition sector and will report them in future client updates as soon as they occur.

# SOEMADIPRADJA & TAHER



*S&T is one of Indonesia's leading law firms with recognised market leading competition law, corporate, intellectual property and dispute resolution practices.*

*If you would like to discuss any aspect of this update, please feel free to contact us.*



**Ardian Deny Sidharta**  
*Partner*  
[deny\\_sidharta@soemath.com](mailto:deny_sidharta@soemath.com)



**Robert Reid**  
*Foreign Counsel*  
[robert\\_reid@soemath.com](mailto:robert_reid@soemath.com)



**Oene J. Marseille**  
*Foreign Counsel*  
[oene\\_marseille@soemath.com](mailto:oene_marseille@soemath.com)



**Verry Iskandar**  
*Senior Associate*  
[verry\\_iskandar@soemath.com](mailto:verry_iskandar@soemath.com)



**I Gusti Adika Satriawan Ranuh**  
*Associate*  
[adika\\_ranuh@soemath.com](mailto:adika_ranuh@soemath.com)



**Madeleine Jacobus**  
*Trainee Associate*  
[madeleine\\_jacobus@soemath.com](mailto:madeleine_jacobus@soemath.com)