



Indonesia Upholds Antitrust Fine Against Google: Key Lessons for Global Companies

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Google has lost its court challenge against Indonesia's competition authority (KPPU) over the Google Play billing system, leaving in place a record fine. The ruling is a reminder for global companies that the Indonesian regulator is keeping in step with overseas developments in digital industries (see, for example, similar cases in the USA and India), and is likely to bring more cases that mirror actions brought overseas.

The KPPU initiated this case in 2024, finding that Google had conducted monopolistic practices (Art. 17) and abused its dominant position (Art. 25b – restricting markets and technological developments) by forcing app developers on the Google Play Store to use its own billing system, for which it charged fees of 15% to 30%. Interestingly, the KPPU found Google had not violated the Article 19 prohibition on market control, nor certain other provisions of Article 25.

In January 2025, the KPPU fined Google IDR202.5 billion (about \$12.6 million) and ordered the company to stop making Google Play Billing mandatory. Google challenged the ruling at Jakarta Commercial Court. On 19 June 2025, the court rejected Google's appeal in full.

As part of the decision, Google must also offer app developers participation in the User Choice Billing (UCB) program, which includes a minimum 5% reduction in service fees for one year after the ruling becomes final and binding. Google must now comply with the decision or pursue a further appeal at the Supreme Court within 14 working days of receiving the ruling.

While the IDR 202.5 billion fine is modest when compared to fines handed out by competition regulators elsewhere, it is the highest the KPPU has ever imposed, perhaps signaling a more aggressive future stance. It is worth noting that Government Regulation 44 of 2021 on competition enforcement allows the KPPU to issue fines of up to 10% of the turnover or 50% of the profit obtained on the relevant market during the violation period.

Given the large resources required to produce, market, maintain and secure digital platforms, this case raises questions about how the KPPU sees digital businesses protecting their investments. Going forward, tech companies may need to do more to explain their models to local regulators.

Other recent examples of regulatory interest in the digital space are an online loans cartel case and the heavily conditional merger approval of TikTok's purchase of Tokopedia. The latter follows a 2023 Trade Ministry prohibition on social media platforms selling directly in Indonesia. No matter how large or how small the company, the recent regulatory focus on online business platforms puts both local and foreign companies operating in Indonesia on notice that the KPPU is paying attention.

In-depth coverage of these cases to follow.

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