

Dumping Problems on Business Competition in Tax Law Aspects

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Abstract: The impact of globalization has resulted in many countries becoming increasingly interdependent, prompting many countries to intensify international trade flows through cross-border cooperation. The problems above some of them occur on exports and imports. Manufacturers from different countries need to compete in reality, with an orientation to dominate large-scale markets. The domestic market of a country through a variety of ways. Among the measures taken by a producer of such a country is to lower prices irrationally, or called dumping, to the lowest point than the price in place in the country concerned. The exclusion of the producer affects the marketing price of its similar commodities, thus complicating the production of the country's intended commodity and resulting in a reduction in production. This research uses a literary study or a library survey. Literature studies are research approaches aimed at gathering quality data sources based on a specific topic. The aim of literature studies is to describe the main content based on available information. The results of the study showed that dumping is a mechanism to market a commodity to the country market for a large quantity and to deal with very low nominal (cheap) expects not to lower the purchase price in the country in order to be able to 'subjugate' the country's market and can regain price control. There's a variety of influences triggered by dumping practices. Therefore, this article sets out a measure to deal with it, namely the anti-dumping rules.

Keywords: Globalization, Production, Dumping.

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Abstrak: Dampak globalisasi mengakibatkan kondisi banyak negara semakin bergantung satu sama lainnya, hal itu mendorong banyak negara memperderas arus perdagangan internasional melalui kerja sama antar lintas batas negara. Problematika tersebut di atas beberapa di antaranya terjadi pada ekspor dan impor. Produsen dari berbagai negara memang perlu bersaing pada kenyataannya, dengan berorientasi untuk menguasai pasar bercakupan luas. pasar domestik suatu negara melalui beragam cara. Di antara langkah yang diambil produsen suatu negara tersebut yakni dengan menurunkan harga secara irasional, atau disebut dumping, sampai pada titik terendah daripada harga yang berlaku dinegara yang dituju. Keculusan yang diperbuat produsen itu berdampak kepada harga pemasaran komoditas sejenisnya sehingga menyulitkan produksi komoditas negara yang dituju dan mengakibatkan penyusutan produksi. Penelitian ini menggunakan *studi literatur* atau tinjauan pustaka. Studi literatur merupakan pendekatan penelitian yang bertujuan mengumpulkan sumber data yang berkualitas berdasarkan topik tertentu. Tujuan dari *studi literatur* adalah untuk mendeskripsikan isi utama berdasarkan informasi yang tersedia. Pada hasil penelitian didapat hasil bahwa Dumping ialah mekanisme memasarkan sebuah barang ke pasar negarayang ditujudengan jumlah yang banyak dan mematok nominal sangat rendah (murah) yang berekspektasi terhadap tidak diturunkannya harga beli di dalam negeri supaya mampu 'menundukkan' pasar negara yang dituju serta dapatkembali memegang kendali harga. Terdapat beraneka ragam pengaruh yang dipicu sebab adanya praktik dumping. Oleh karena itu dalam artikel ini ditetapkanlah suatu langkah untuk menangannya yakni peraturan anti-dumping.

Kata kunci:
 Globalisasi, Produsen,
 Dumping.

INTRODUCTION

Today we acknowledge that the 'rocket' of globalization is increasingly soaring. This demands economic and business progressivity in all countries in the world and makes it something that is very urgent, promising, and very promising. The rapid globalization has clearly increased the intensity of collaboration between countries as reflected in the existence of exports and imports, even fading the boundaries in carrying out economic activities that were

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previously blocked, one of which is digital communication media that fades geographical barriers between countries. The impact of globalization has resulted in the condition of many countries becoming increasingly dependent on each other, this has encouraged many countries to accelerate the flow of international trade through cross-border cooperation.¹

We agree that the basis for conducting trade is to achieve as much profit as possible. The existence of globalization is a trigger for a country to meet its national needs for the sake of economic collaboration which according to the speaker is manifested in a scheme of reducing, standardizing tariffs, or eliminating various non-tariff barriers. The fading of barriers in free trade actually has the potential to penetrate more and more profits but also has the potential for the emergence of new problems due to economic openness.

The above problems occur in exports and imports. This can happen if each country is not independent and results in uncontrolled free trade in many countries in the world with the acquisition of products that are not produced by several countries. Several experts say that a country sets product prices below average as a basis for setting cheap commodity prices and low labor wages, and it is not an exception that offering low prices is a step towards market monopoly.²

Everything is certain to have advantages and disadvantages, including trade. Without denying a few shortcomings and advantages of trade, dependence on developed countries is still one of the negative consequences of efforts made to secure the domestic market for efforts to prevent competition that is directed at economic politics and personal interests. That is the real reason why developing countries, including Indonesia, have difficulty competing. Because of the lack of competitiveness, it results in producers' dependence on subsidies provided by the government. Therefore, trade activities can lead to unfair trade practices.³

¹ Wahono Diphayana, *Perdagangan Internasional* (Deepublish, 2018). Hlm., 9-11

² Diphayana. Hlm., 9-11

³ Eunike Trisnawati, Mochammad Farisi, and Doni Yusra Pebrianto, 'Implikasi Pencegahan Dumping Sebagai Unfair Trade Practices Terhadap Negara Berkembang', *Utī Possidetis: Journal of International Law*, 1.3 (2020), pp. 254–76.

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Producers from various countries do need to compete in reality, with an orientation to control a wide market. However, the tight competition along with its development actually leads to injustice and even tends to become a conflict between countries. Whether this is called cunning, funny, or whatever, producers who want to dominate the market and of course with big profits, they attract a country's domestic market share through various means. Among the steps taken by producers of a country is to lower prices irrationally, or called dumping, to the lowest point than the price prevailing in the target country. The cunningness of the producers has an impact on the marketing price of similar commodities, making it difficult to produce commodities in the target country and resulting in a reduction in production.⁴

The irrational price reduction prompted the government to swiftly take all steps to protect domestic producers and their domestic markets to avoid unfair cross-border cooperation between countries. Because of this condition, it became one of several factors causing developed countries to regulate provisions and protection policies through the implementation of a set of laws on the domestic market and its producers (Anti-Dumping), as well as minimizing the entry of foreign commodities into their countries (protectionistic) through the option of increasing import duties which also became a deterrent to the entry of developing country products.

Policies to prevent dumping such as anti-dumping and protectionism promoted by developed countries result in losses and injustice in trade activities. Anti-dumping and protectionist policies also have the potential to ignite unfair trade practices when misused. This injustice is what directly hinders the growth of the industrial sector and sluggish the economic face of developing countries.

Trisnawati, Farisi, and Pebrianto revealed that developing countries fundamentally can no longer freely offer their domestic goods to developed countries. Developed countries protect themselves with the regulatory shield

⁴ Eunike Trisnawati; Mochammad Farisi; Doni Yusra Pebrianto, *Implikasi Pencegahan Dumping sebagai Unfair Trade Practices Terhadap Negara Berkembang*, Vol.1, No.3, (*Uti Possidetis: Journal of International Law*, 2020), hlm. 259

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they set to secure the market by accusing dumping or outright rejecting products made by developing countries which leads to unfair trade practices.⁵

METHOD

The research method used is literature study or literature review. Literature study is a research approach that aims to collect quality data sources based on a particular topic. The purpose of literature study is to describe the main content based on available information. This research is conducted by collecting information and data through various materials available in the library, such as reference books, previous similar research results, articles, notes, and various journals that are relevant to the problem being researched. In literature study, the research stages include collecting scientific articles, discussions, and drawing conclusions. The research data sources consist of national journal articles.

RESULTS AND DISCUSSION

Definition of Dumping and Anti-Dumping

Free trade continues to spur competitive and tight business competition for economic subjects participating in it. The author does not deny that competition always has a positive impact, but the author believes that there is a negative impact. The author's point is that in the course of trade, fraudulent practices are also found because of the desires and desires of economic subjects who continue to compete to obtain as much profit as possible. This is actually an obstacle to the sustainability of international trade. If this condition is left unchecked, it will continue to the 'level' of unhealthy trade competition. One concrete evidence created by fraudulent practices is dumping.⁶

⁵ Eunike Trisnawati; Mochammad Farisi; Doni Yusra Pebrianto, *Implikasi Pencegahan Dumping sebagai Unfair Trade Practices Terhadap Negara Berkembang*, Vol.1, No.3, (*Uti Possidetis: Journal of International Law*, 2020), hlm. 260-261

⁶ Fahmi Fairuzzaman, 'Peran Hukum Dalam Pembangunan Ekonomi Di Indonesia: Arah Kebijakan Pemerintah Menghadapi Praktek Dumping', *Lex Renaissance*, 6.2 (2021), pp. 313–23, doi:<https://doi.org/10.20885/JLR.vol6.iss2.art7>.

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Dumping is a mechanism for selling a product to a foreign market in large quantities and setting a very low (cheap) price. The purpose of dumping is so that the purchase price in the target country is not lowered until later the dumping perpetrator can control the market in that country and he influences the price again. According to the Black Law Dictionary, dumping is defined as the act of selling goods on a large scale by setting a price that is below the reasonable limit or normal value, dumping can also be interpreted as marketing products in other countries at a price lower than the domestic market price standard. There is also a definition based on Article II section (1) in the Anti-Dumping Agreement (Article 2 section [1]), which defines dumping as an act of selling goods to another country's market at a price lower than the 'normal value' of the goods or products.⁷

Islam is also familiar with the term dumping which is called "siyasah al-ighraq" or slashing prices. It is different when compared to the law of 'world' trade, Islam emphasizes the prohibition of dumping as stipulated in the hadith of the Prophet SAW is caused by the emergence of mafsadah which is reflected in the bankruptcy of producers of similar products.⁸ Drs. Moh. Subhan produced a journal whose theme is the economic views of Yahya bin Umar from a modern economic perspective. In the journal, Yahya bin Umar's economic ideas related to Siyasah al-Ighraq (Dumping Policy) are explored, namely Siyasah al-Ighraq is a trading mechanism that is oriented towards making a profit by selling goods at a relatively lower price than the official price in the market. We agree that this kind of thing is clearly forbidden because it is clearly detrimental to society.⁹

Muhammad Ashri views dumping as a dishonest competition in the form of price discrimination, namely goods marketed in other countries' markets are

⁷ Fairuzzaman. 317

⁸ S H I Zulhamdi, *Hukum Bisnis* (Cv. Pusdikra Mitra Jaya), doi:https://scholar.google.com/citations?view_op=view_citation&hl=id&user=rIY_zfsAAAAJ&citation_for_view=rIY_zfsAAAAJ:ISLTfruPkqC.

⁹ Nurul Maghfiroh, 'Dumping Dalam Perspektif Maqasid Syariah', doi:<http://digilib.uin-suka.ac.id/id/eprint/26865>.

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much cheaper than the normal price or selling price in third countries.¹⁰ With the above understandings, we can see that dumping is clearly detrimental to industrial development for importing countries.

Leading economists classify dumping into the following three things:

1. Sporadic Dumping, which is dumping in the form of selling products in foreign markets in a relatively short time at a price below the domestic nominal of the exporting country or the production price of the product to handle excess capacity.
2. Persistent Dumping, which is marketing in the target country's market at a price below the domestic price or the production cost is carried out consistently and continuously which is a continuation of previous product sales.
3. Predatory Dumping, which is selling at a loss in order to take advantage of market opportunities (access) and efforts to eliminate competitors.

In reality, dumping often becomes a shield under the guise of simply protecting its domestic market. One example is the incident where several Australian manufacturers accused Indonesia of dumping stationery exports. Because of this accusation, the Australian Government imposed a ban on importing the goods for some time.¹¹

There are various impacts that arise from dumping practices, including similar domestic products being less competitive because the price of imported goods is much more affordable when compared to domestic products. The occurrence of massive layoffs (Termination of Employment) is caused by domestic industries having to save operational costs in order to be able to compete with various lower-priced imported products. Even more chaotic,

¹⁰ Silmi Nabila Fasya SP, Titin Suprihatin, and Yayat Rahmat Hidayat, 'Tinjauan Fikih Muamalah Terhadap Praktik Dumping (Siyasah Al-Ighraq) Dalam Perdagangan Internasional', *Prosiding Hukum Ekonomi Syariah*, 2018, pp. 952–56.

¹¹ Nita Anggraini, 'Dumping Dalam Perspektif Hukum Dagang Internasional Dan Hukum Islam', *Mazahib*, 2015, doi:<https://doi.org/10.21093/mj.v14i2.344>.

domestic industries are closing down because their production is decreasing and their products are not selling in the market.¹²

The existence of losses from one party is what becomes the dichotomy of the existence of the goal of free trade, namely fair competition. Dumping practices also have the potential to have a negative impact on economic development, because due to the loss of a country's domestic industry, the national economy will also be disturbed. When the national economy is intervened, development will be hampered. Therefore, the negative impact of dumping has resulted in a preventive measure, namely the anti-dumping policy.

Anti-dumping practices are urgent when carrying out international trade activities in order to achieve fair trade. This has been arranged through the Anti-Dumping Agreement (Agreement on the Implementation of Article VI of GATT 1994 or Anti-Dumping Agreement). Binding tariffs and apply equally to all WTO member trading partners and become the key to trade flows.¹³

The existence of anti-dumping is as a safeguard for mobility to foreign markets or to submit applications to third country market authorities, including through investigations of non-tariff protection and barriers that harm domestic companies. Anti-dumping actions in the form of trade protection are taken when domestic companies in the domestic market suffer losses because similar products exported by a country are priced below 'standard' (unfair) so that they have a negative impact (causal link) on domestic industries that have been established or that will establish industries.¹⁴

Ratification of International Agreements and Anti-Dumping Laws

1. Ratification of International Agreements

When we examine international trade, we cannot deny its cornerstone, namely International Agreements. The establishment of an international

¹² SP, Suprihatin, and Hidayat.6

¹³ Fairuzzaman.

¹⁴ Rahmadi Indra Tektona, Nuzulia Kusuma Sari, and Amru Hanifa Mukti, 'Kepastian Dalam Penyelesaian Hukum Oleh Indonesia Pada Dumping Yang Dilakukan Republik Rakyat Tiongkok Dan Vietnam', *Jurnal Ius Constituendum*, 6.2 (2021), pp. 328-47, doi:<http://dx.doi.org/10.26623/jic.v6i2.2432>.

agreement in a sovereign country requires validation in the form of ratification in order to be implemented in that country. The Republic of Indonesia also requires a legal basis so that the international agreement can be validated in the form of a law or ratification.¹⁵ In addition to the legal basis, it is also mandatory to be based on participation in an international agreement. Both aspects are determined in the interpretation of Article 11 in paragraphs (1) and (2) of the 1945 Constitution as follows:

- a. The President, accompanied by the approval of the DPR, decides on a declaration of war, or peace, and agreements with other countries.
- b. The President in designing other international agreements that have a broad and fundamental impact on the lives of the people regarding the burden of state finances, and/or the need for changes or the formation of mandatory laws with the approval of the DPR.

Based on the two verses above, further policies related to the ratification of international agreements were formulated through "Law Number 24 of 2000 concerning International Agreements". So it is clear, the basis that becomes the benchmark in determining the direction of policy to ratify international agreements. The status of the ratification of this international agreement is the validation of the Agreement Establishing the World Trade Organization (WTO) along with accompanying regulations including regulations on preventive measures against fraudulent dumping practices.

2. Anti-Dumping Law

Indonesia needs a legal umbrella to overcome dumping. The initial step taken by our country is through ratification of the Agreement Establishing the World Trade Organization (WTO) through "Law Number 7 of 1994 concerning Ratification of the Agreement Establishing the World Trade Organization (Agreement Establishing the World Trade Organization)". Through this

¹⁵ Zulhamdi Zulhamdi, 'Aspek Hukum Perjanjian Dalam Aktivitas Bisnis', *Al-Hiwalah: Journal Syariah Economic Law*, 1.1 (2022), pp. 75–84, doi:<https://doi.org/10.47766/alhiwalah.v1i1.892>.

ratification, Indonesia is obliged to comply with various regulations imposed by the WTO along with the agreements contained there.

One of the agreements contained is the Anti-Dumping Agreement or has the official name Agreement on Implementation of Article VI of The General Agreement on Tariffs and Trade 1994. Then Indonesia issued "Law Number 10 of 1995 concerning Customs", then updated with "Law Number 17 of 2006" in order to align with the "Anti-Dumping Regulation" which is inserted in "Chapter IV Part 1". Based on the stipulation of the regulation, when it has been proven to have carried out dumping, an Anti-Dumping Import Duty (BMAD) will be imposed. The Anti-Dumping provisions are further stipulated in their implementation in "Government Regulation Number 34 of 1996 concerning Anti-Dumping Import Duty and Countervailing Import Duty". The existence of these regulations is actually the seriousness of our government in implementing the international agreements that have been approved. It can also be seen where the direction of government policy is according to the existing regulations, especially related to the prevention of fraudulent dumping practices.¹⁶

3. The Relationship between Dumping Practices and Unfair Business Competition According to the Law of Business Competition

J. Soedrajad Dwiwandono revealed that in fact, Indonesia in the economic field has many weaknesses that he found related to business competition; supply and demand. The law of supply is related to the number of goods and the price level. The price of an item is in line with the amount of supply. The higher the price, the more producers compete in selling their products so that they can increase the supply of the goods. However, when the price of goods decreases, producers will save their goods in the warehouse in order to reduce the amount of supply.

This is done because the desire of producers is to obtain the greatest possible profit. This happens to producers with big wallets, they will lose first so that later they will get maximum profit. By selling goods that are cheaper than

¹⁶ Fairuzzaman.321-322

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the price on the market to even losing first in order to 'wipe out' other business actors. When other business actors have been marginalized, the market is controlled, then the price of goods is increased step by step, followed by the supply which is also increased. Consumers who depend on the product will consistently buy (subscribe). The term for this international trade action is called dumping. Basically, exporters set prices that are much more affordable when compared to the selling price in their country of origin with the aim of eliminating local producers.

When dumping is interpreted as a type of predatory pricing, it is referred to as an act of producers from a country exporting goods to another country who set prices that are much lower when compared to the price on the exporter's market of origin with similar goods. The implementation of dumping is the practice of a trader's business that competes unfairly. Because for the importing country, the practice of dumping will directly harm the business world in the importing country. The rapid flow of products from exporters with a nominal price that is cheap compared to domestically made products will lead to the loss of competitiveness of similar products, until unfortunately the market for similar products dies domestically. It is certain that this will have an impact on layoffs as explained in sub-chapter A in the author's paper.

Market control has been prohibited as stipulated in Law Number 5 of 1999 and can arise in the form of marketing of goods and/or services through selling at a loss (predatory pricing) which is oriented towards eliminating rivals.

Interpretation of Article 20 of Law Number 5 of 1999 states a prohibition for business actors who supply goods/services by selling at a loss or setting prices very cheaply with the aim of marginalizing or eliminating their competitors' businesses in the relevant market, which will result in the emergence of monopolistic practices and/or unfair business competition. Prices that are much lower according to other business actors are very detrimental because they are unable to compete in pricing and business competition in the market. However, consumers still benefit because the product price is very cheap. The long-term impact is that consumers are indirectly harmed when there

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are no other business actors, or only the dumping actor has the goods. Later, when the price of goods is increased, producers have no other option and are forced to buy at any price, especially if the consumer is already dependent. Predatory pricing activities often occur in trade practices carried out by exporters who start by selling goods/services between countries at a nominal value below the reasonable limit in their own country.

Two causes of the prohibition of dumping in Article 7 of Law Number 5 of 1999, namely:

- a. Dumping triggers the death of SMEs who are trying to penetrate the market share.
- b. Dumping actors deliberately lower the nominal price below the market to eliminate competitors who are in a strong position, with full price control in the hands of dumping actors.

"Law Number 5 of 1999" is interpreted as relating to business actors, namely each individual or business entity that is a legal entity or not a legal entity. If we pay close attention to the provisions of "Article 20 of Law Number 5 of 1999", in fact not all loss-making sales activities are automatically categorized as dumping. If there is an indication of predatory action, it must be investigated whether there is an alibi that can be accepted and justified for the act (?) and also whether the act does indeed trigger unfair business competition (?) Several things that should be considered before accusing business actors can be seen through:

1. Investigation and proof that the business actor markets its products at low prices or at a loss (below a reasonable limit). If it markets at a low price but does not suffer a loss, then the business actor is competing healthily. The business actor can market cheaply because it is more efficient than its competitors;
2. However, if the business actor is suspected of marketing cheaply or at a loss, then it is mandatory to prove that the business actor has the skills and logical reasons that allow him to sell at a loss, because sometimes a business actor

applies loss-making to avoid the potential for much greater losses or simply to obtain funds to move from the market (business); and

3. Have evidence that the business actor will only apply predatory pricing when the business actor feels confident that he can cover losses in the early stages by setting very high prices in the later stages.¹⁷

Legal Efforts in Dumping Practices

A product that enters the domestic market through dumping is said to be a “dumping good”. This is stated in “Article 1 paragraph (4) of Government Regulation Number 34 of 2011 concerning Anti-Dumping Measures, Countervailing Measures and Trade Safeguard Measures”, that dumping goods are products/goods imported using export price parameters that are cheaper than the normal nominal in the exporting country.

In order to protect domestic products from dumping goods, the Ministry of Industry and Trade has taken various law enforcement steps, namely:

1. Preventive steps, namely preventing violations by sellers of imported goods or products domestically that are detrimental to domestic companies that produce similar goods. This step can be taken through several methods, namely:
 - a. Providing socialization, education and training for business actors (exporters and importers) regarding export and import provisions.
 - b. Providing guidance for officials and institutions related to handling trade and dumping problems.
 - c. Reviewing bureaucratic procedures for importing goods that are indicated to be detrimental to similar industries domestically.
2. Repressive Steps, namely the imposition of sanctions in the form of additional import duty payments that can be called BMAD (Anti-Dumping Import Duty), in accordance with what is stated in Article IV paragraph (2)

¹⁷ I Putu Surya Samudra; I Wayan Novy Purwanto, *Problematika Hukum tentang Praktik Dumping Ditinjau dari Hukum Persaingan bisnis*, Vol.8, No.3, (Jurnal Kertha Negara, 2020), hlm. 65-68

of GATT, namely, "The state can impose counter sanctions if the exporting country has been proven to sell products below the normal nominal limit which causes losses to the importing country". BMAD is intended as a tariff barrier regulated by the government to protect domestic companies. The existence of this BMAD can be given for a period of five years, if during that period dumping is still found.

As a follow-up action, the Government enacted "Law Number 10 of 1995 concerning Customs". According to Article 18, BMAD is imposed on imported products in the event that:

1. The export price of the product is cheaper than the nominal, and
2. Imports of available products, namely:
 - a. Resulting in losses for domestic companies that produce similar products through that product.
 - b. Triggering losses for domestic companies that produce similar products through that product; or.
 - c. Becoming an obstacle to the growth of the same product industry in the country.

The government also enforced "Government Regulation Number 34 of 2011 concerning Anti-Dumping Measures, Countervailing Measures and Trade Safeguard Measures". As stated in Article 1 paragraph (1), namely, the anti-dumping policy is a step taken by the government through BMAD sanctions on dumped goods. KADI (Indonesian Anti-Dumping Committee) which is the only legal set used to protect the domestic industry from unfair competition of imported products that penetrate the Indonesian market through dumping. Through the formation of KADI (Indonesian Anti-Dumping Committee), later Indonesian exporters who are accused of carrying out unfair competition in the country of destination for export, will receive protection and defense from KADI.

Several parties who are authorized to report losses from dumping are as follows:

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- a) Indonesian producers who suffer serious losses or the threat of serious losses due to soaring imports of the same product, investigated products, and/or products that directly compete.
- b) Association of producers of the same product, investigated goods, and/or goods that directly compete.
- c) Labor unions that represent the interests of domestic industries of similar products, investigated goods, and/or goods that directly compete.¹⁸

Government Actions on the Effectiveness of the Indonesian Anti-Dumping Committee

The Indonesian Anti-Dumping Committee as the authority that investigates anti-dumping and the sole institution authorized to submit analytical clauses (comprehensive) accompanied by legal basis, assessment, and concrete evidence that the existence of dumping that hits domestic companies, becomes a reality that a number of 20 cases rejected by the Ministry of Finance and several cases that have been subject to BMAD are like a double-edged sword. This is where the effectiveness of KADI is questioned, in connection with the main tasks carried out and its declining functions.

Several things that the author has outlined above, therefore we can simply see that there are several aspects that seem to be less investigated, observed, or projected in detail by KADI which have the potential to experience difficulties for the development of the country's economy. For example, the quality of a product that is "said to be dumping" which is not in line with the quality of industrial products in our country, therefore the country needs to import because the domestic industrial capacity is unable to meet the needs and there is no domestic industry that is losing money because of the gap in quality that has a gap, and it does not meet the dumping criteria imposed by BMAD. We can entertain in "Article 17 of Government Regulation Number 34 of 2011" it has been determined that KADI must evaluate the economic aspects of the

¹⁸ Resa Feran, 'Praktik Dumping Dalam Perspektif Hukum Perdagangan Internasional Di Indonesia', *Lex Privatum*, 10.2 (2022). 3-4

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domestic industry, when it is shown that after the imposition of BMAD, especially the impact on business entities that apply the production results that will be subject to BMAD suffer losses, it is a sign that the industry in question can 'die'. Because of this, it can be concluded that KADI has not implemented their duties properly. This is something important, for that the government should emphasize several regulations that are often not implemented by KADI through the revision of "Government Regulation Number 34 of 2011" so that there are no longer domestic industries that continue to suffer losses.¹⁹

CONCLUSION

Dumping is a mechanism for marketing goods to the target country's market in large quantities and setting a very low (cheap) nominal that expects the domestic purchase price not to be lowered in order to be able to 'subdue' the target country's market and be able to regain control of prices. Leading economists classify dumping into three types, including: Sporadic Dumping, Persistent Dumping, and Predatory Dumping.

There are various influences triggered by dumping practices. Therefore, a step was established to handle it, namely anti-dumping regulations. Anti-dumping practices are one of several urgent aspects in conducting international trade in order to realize fair trade. In order to protect local goods from the invasion of dumped goods, the Ministry of Industry and Trade has taken various law enforcement steps, including preventive and repressive efforts.

Even so, massive efforts are still needed for us to consistently use and wear domestic products. Consistency starts from us, we develop the domestic market starting now, for a brighter tomorrow and future.

¹⁹ Hanna Tasya Zahrani, 'Efektivitas Performa Komite Anti Dumping Indonesia Dalam Memberi Perlindungan Hukum Pada Industri Lokal', *Jurnal Kepastian Hukum Dan Keadilan*, 2.1 (2021), pp. 82–83.

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