



Ekasakti Journal of law and Justice

e-ISSN: 2987-436X | p-ISSN: 2987-7954

Vol 4, No. 1, June 2026

journal homepage <https://ejrev.org/law>

Regulation of Trade in Communication Services in the Framework of the General Agreement on Trade in Services (GATS) in Indonesia: A Study on the Practice of Perum LKBN Antara

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Article History

Revised: 2026-04-20

Accepted: 2026-06-08

Published: 2026-06-11

Abstract: The GATS, or General Agreement on Trade in Services, is set out in Annex 1B of the WTO Agreement, which sets out the rules and principles that member states must follow in trade in communication services. Perum LKBN Antara assigned by the State, based on article 1 paragraph 3 of the GATS, the services provided by Antara fall within the scope of the exemption of services provided in the implementation of government authority, namely services that are not supplied commercially or competitively. Antara's business practices are also subject to gradual liberalization as stipulated in Articles IV and XIX of the GATS, namely communication services are adjusted to national policy objectives. The formulation of the problem in this thesis is how to apply the principles in GATS to the communication services sector in the laws and regulations in Indonesia, how to implement the principles of GATS in Indonesia, especially in the communication services sector in relation to the LKBN Antara Regulation in the face of the liberalization of the communication services sector. The purpose of the research is to review and analyze the regulation of trade in services within the framework of GATS in the communication sector as well as to examine and analyze the practice of trade in communication services in Indonesia through Perum LKBN Antara. This study uses an empirical juridical approach with primary data through interviews with officials of Perum LKBN Antara, and secondary data obtained from the study of legal documents and related literature. The practice of Perum LKBN Antara and regulating its rights and obligations is Law Number 7 of 2014 concerning Trade, Law (UU) Number 1 of 2024 concerning Information and Electronic Transactions (ITE Law), and Article XVI and Article XVII of the GATS regulating the service sector as well as Law of the Republic of Indonesia No. 40 of 1999 concerning the Press, Law Number 32 of 2002 concerning Broadcasting, Government Regulation Number 40 of 2007 concerning Public Companies (Perum) of the Antara National News Agency.

Keywords: Communication Services Trade Regulation; GATS; Practices; Intermediate LKBN Regulations

Introduction

The history of the establishment of the *World Trade Organization (WTO)* is inseparable from the development of the international trade system before the organization was officially established. The WTO exists as a continuation of the *General Agreement on Tariffs and Trade (GATT)* which was first introduced in 1947 as an international agreement to reduce various obstacles in global trade. Along with the increasingly complex dynamics of world trade, the existence of an institution that has a wider scope and authority is a necessity. Therefore, in 1995 the WTO was established as a replacement for the GATT with the aim of building a more organized, open, and equitable international trading system for its member states.¹

¹ Directorate of Multilateral Trade and Industry of the Ministry of Foreign Affairs of the Republic of Indonesia, *Overview WTO*, Edition II, Jakarta, 2003, p.18.

World Trade Organization (WTO) It was established through an international treaty signed in Marrakesh, Morocco, on April 15, 1994. This agreement was the final result of the Uruguay Round (1986–1994) involving more than 120 countries, which together control about 90 percent of the world's commodity trade. The WTO is actually a continuation of the *General Agreement on Tariffs and Trade (GATT)* 1947, which aims to encourage the liberalization of international trade. Nevertheless, GATT provisions remain the foundation of the multilateral trading system, but they were strengthened and refined through the outcome of the Uruguay Round of negotiations, including the agreement on the establishment of the WTO.²

Table 1. GATT vs WTO: A Comparison of Two Trade Eras³

No	Aspects	GATT	WTO
1	Year of Formation	1947	1995
2	Key Focus	Reduce Rates	Setting up trades Global
3	Members	A number of countries Certain	Almost all countries in the world
4	Mechanism Dispute Resolution	Less formal	More structured and formal

The field of work of *the World Trade Organization (WTO)* is expanding and developing as new issues emerge, namely: protection of intellectual property rights or *Trade-Related Aspects of Intellectual Property Rights (TRIPS)*; investors related to trade policies or *Trade-Related Investment Measures (TRIMS)* and trade in services agreements (GATS). The acceptance of this agreement was initially the will of developed countries. There are several basic principles adhered to by the WTO, including;

1. Principle of National Treatment: each imported product must be treated the same as a domestic product after entering the market.
2. Market Access Principle: Countries should reduce trade barriers such as tariffs and quotas.
3. Principle of Special Treatment: Developing countries receive special treatment to support their economic growth.

Each country is allowed to open the service sector according to its own supply capacity and development goals. A positive list is a list of desired sectors that are officially opened and committed to within the WTO. This principle is often referred to as the flexibility principle of the GATS, and the General Agreement on Trade in Services, set out in Annex 1B of the WTO Agreement;

"There are a number of rules and principles that member states must follow in trade in communication services, by setting out a framework for the liberalization of trade in services, regulating how member states can enforce domestic regulations relevant to trade in communication services, without creating unnecessary barriers to trade".

Meanwhile, the general framework for liberalization of trade in services and domestic regulation is regulated in the main articles of the GATS (in Annex 1B), namely:

1. *Article VI (Domestic Regulation), paragraph 1:*
"In sectors where specific commitments are undertaken, each Member shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective, and impartial manner".⁴

² Kertadjoemena, H.S (1996), *GATT and WTO, International Trading Systems, Forums and Institutions*, UI Press, p.3.
³ Understanding The WTO: Basics, *What is the World Trade Organization?*" [http:// www.wto.org/english/thewto_e/whatis_e/tif_e/fact4_e.htm](http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact4_e.htm), retrieved December 11, 2025.
⁴ *WTO Analytical Index, WTO, English Publication*, https://www.wto.org/english/res_e/publications_e/ai17_e/gats_art2_oth.pdf, p. 290. Uploaded on January 11, 2025, at 10.00-13.30 WIB.

Article VI (Domestic Regulation): establishes general principles that domestic regulations (such as licensing and qualification requirements, as well as technical standards) should be implemented in a "reasonable, objective and impartial manner", and should not be an unnecessary barrier to trade, especially in sectors where member states have made market access commitments."

2. *Article XVI (Market Access)*

"With respect to market access through the modes of supply identified in Article I, each Member shall accord services and service suppliers of any other Member treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in its Schedule".⁵(WTO, GATS, Article XVI)

Article XVI (Market Access):

"Regulates specific commitments made by each member state regarding the level of market access they provide for certain service sectors, including communications services" (WTO, GATS, Article XVI).

3. *Article XVII (National Treatment)*

"In the sectors inscribed in its Schedule, and subject to any conditions and qualifications set out therein, each Member shall accord to services and service suppliers of any other Member, in respect of all measures affecting the supply of services, treatment no less favourable than that it accords to its own like services and service suppliers"⁶

Article XVII (National Treatment):

"Requiring treatment that is no less favorable for foreign services or service providers compared to domestic service providers, in accordance with the limitations and conditions listed in the commitment schedule of each country.

4. *Article XIX (Negotiation of Specific Commitments)*

According to Article XIX of the WTO Agreement requires that members participate in regular rounds of negotiations, starting within five years of the Agreement's entry into force and continuing periodically thereafter. The goal of these negotiations is to gradually increase trade liberalization while minimizing any negative effects on trade in services. The process is designed to promote the interests of all members fairly and ensure a balanced distribution of rights and obligations.

Article XIX (Negotiation of Specific Commitments):

"Provide a framework for future progressive liberalization negotiations".

Based on the articles of the GATS framework and the specific Annex on Telecommunications, together with the Reference Paper, collectively regulate trade in communications services. Member countries include their specific commitments in their Schedules of Specific Commitments. With Indonesia's accession as a member of the WTO, the country is also bound by the provisions and commitments stipulated in the GATS, including in the communication sector.⁷

⁵ WTO. Analytical Index: WTO. English Publication. Available at: https://www.wto.org/english/res_e/publications_e/ai17_e/gats_art2_oth.pdf, p. 298 uploaded on January 11, 2025, at 10.00-13.30 WIB.

⁶ WTO Analytical Index: WTO English Publication. https://www.wto.org/english/res_e/publications_e/ai17_e/gats_art2_oth.pdf, p. 298. Uploaded on January 11, 2025, at 10.00-13.30 WIB.

⁷ Rudolf Adi Nugroho, *International Trade Law*, (Yogyakarta: Graha Ilmu, 2018), p. 123.

The communication sector has a unique and strategic character. On the one hand, this sector is a key driver of economic growth and global integration. But on the other hand, communication also concerns aspects of information sovereignty, culture, and national security. The implementation of liberalization of this sector based on the GATS often poses challenges, especially in balancing openness to foreign actors and protection of domestic interests.⁸

The GATS regulation in the information sector is related to economic and technical aspects, as well as regulations, state sovereignty, and information governance. While the GATS provides flexibility for member states to maintain certain policies in the public interest, in practice, developing countries such as Indonesia face significant challenges in formulating policies that can accommodate international demands while maintaining national stability.⁹ One of the main challenges is the limited capacity of national regulations that have not been fully able to regulate the inflow of foreign service providers in the field of communication. Several loopholes in laws and regulations still open up an imbalance between domestic and foreign actors, especially in terms of market access, content control, and media ownership rights.¹⁰ In addition, the rapid development of digital technology often exceeds the speed of national regulatory updates, so that the government has difficulty controlling the implications of liberalizing communication services in real time. The liberalization of communication services without adequate supervision can lead to the dominance of information by foreign actors, which has the potential to affect public opinion and domestic political stability, so it is important for Indonesia to position the communication sector as a strategic sector that requires a special approach in the implementation of the GATS. The specific approach in the arrangement of the GATS is included in Article IV of the GATS, which discusses;

1. Increasing the participation of developing countries in world trade in services, which is a form of Special and Differential *Treatment* (SDT).
2. Article IV of the GATS stipulates that members of developed countries, and to the extent possible other members, should give special consideration to developing countries. Thus, the main provisions in Article IV can be summarized as follows:
 - a. Strengthening domestic capacity, and competitiveness: Developing countries are encouraged to increase domestic service capacity, operational efficiency and competitiveness for example through commercial access to relevant technologies.
 - b. Improved access to networks and distribution: These provisions provide opportunities for developing countries to expand access to international distribution channels and information networks that support their trade activities.
 - c. Liberalization of market access: Developing countries are gaining ease of access to foreign markets in sectors and modes of supply that are their export priorities, thereby encouraging economic growth and integration in global trade.
 - d. Priority is given primarily to *Least-Developed Countries* (LDCs) in the implementation of these provisions, taking into account the significant challenges they face in meeting the specific commitments being negotiated.

In addition, Article XII of the GATS also regulates allowing developing countries and countries in transition to restrict trade in services for reasons of balance of payments difficulties. The state needs to formulate the right strategy so that liberalization can bring economic benefits, but not at the expense of national values, local culture, and control over the flow of strategic information.¹¹ In the context of liberalization there are several things that are likely to happen (*das sein*) such as the dominance of foreign

⁸ Aaditya Mattoo and Pierre Sauvé, "Regionalism in Services Trade," *Journal of Economic Integration*, Vol. 28, No. 3 (2013): 364–386.

⁹ Bernard Hoekman, *The General Agreement on Trade in Services: An Introduction*, (Washington, D.C.: World Bank, 1995), pp. 12–13.

¹⁰ Huala Adolf, *International Trade Law*, (Jakarta: Rajawali Pers, 2019), pp. 217–220.

¹¹ Togar M. Simatupang, "Information Liberalization and Challenges to State Sovereignty," *Journal of Social and Political Sciences*, Vol. 18, No. 3 (2015): 189–203.

companies, the erosion of local culture can be eroded by the entry of more dominant foreign culture because access to strategic information may be uneven, providing benefits for parties who have better access, including foreign companies, inequality of information. In addition, the economy in this case may become overly dependent on the foreign service sector, reducing the independence of the national economy. Rapid social change due to liberalization can cause social problems and instability. By formulating the right strategy, the state can minimize the negative impact of trade liberalization and maximize its benefits. This requires a balanced approach between economic openness and the protection of national interests.

To answer this problem, it is important to conduct an academic study that examines and analyzes the GATS arrangement in the communication sector, especially in the Indonesian context. This study must consider aspects of international law, national law, and the role of state institutions that are at the forefront of information and communication management, such as the National News Agency (LKBN) Antara Institution. Globalization has made information one of the strategic commodities. In the context of international trade, the communication sector includes broadcasting, news, and digital information distribution services, which are economically valuable, and politically and culturally sensitive. The *General Agreement on Trade in Services (GATS)*, as part of the World Trade Organization's (WTO) *legal framework*, places the communications sector on the list of service sectors that must undergo gradual and transparent liberalization. This means that member countries, including Indonesia, are required to open some of their markets to foreign actors, including in information and media services.¹²

Since then, the communication and media sectors have been open to foreign investment with certain restrictions, but national policies are still not fully integrated with the principles of the GATS. This raises serious questions about the readiness of national regulations, the protection of domestic service providers, and the gap between international spirit and implementation on the ground. In addition, an academic study that analyzes the implementation of GATS principles in the communication sector, especially in the context of Indonesia with a literature review is the Public Company (Perum) LKBN Antara.

The legal basis for the practice of Perum LKBN Antara in the trade of communication services in the GATS framework is;

1. Law Number 7 of 1994 concerning the Ratification of the Agreement Establishing The World Trade Organization.
2. Trade Law Number 7 of 2014 which regulates Trade in Services.
3. The Electronic Information and Transaction Law (ITE Law) Number 1 of 2024 (RI, 2024) is¹³ the second amendment to Law Number 19 of 2016 and Law Number 11 of 2008 concerning Electronic Information and Transactions (ITE Law).
4. Law Number 36 of 1999 concerning Telecommunications.
5. Law of the Republic of Indonesia Number 40 of 1999 concerning the Press.
6. Law Number 32 of 2002 concerning Broadcasting.
7. Government Regulation Number 40 of 2007 concerning Public Companies (Perum) Institutions of the Antara National News Agency. This Government Regulation was established on July 18, 2007.

One of the institutions that is a key actor in this sector is Perum LKBN Antara, as the official state-owned news agency. In its capacity, Antara is a provider of public information as well as a state representative in information diplomacy, public opinion formation, and strengthening national identity.

¹² Bernard Hoekman and Michel Kosteki, *The Political Economy of the World Trading System: The WTO and Beyond*, (Oxford: Oxford University Press, 2009), pp. 248-251

¹³ Republic of Indonesia, Law Number 1 of 2024 concerning Electronic Information and Transactions, Second Amendment to Law Number 11 of 2008 concerning Information and Electronic Transactions, Statute Book Number 1 of 2024 Supplement to Statute Book 6905; p. 21.

Research Methods

Legal research is carried out because there are legal problems that need to be studied and analyzed systematically in order to produce solutions that can be scientifically accounted for. The research used in this writing is empirical juridical research. Empirical juridical research is legal research that examines the application of normative legal provisions in practice to legal events that occur in society. This approach focuses on observing legal facts in the field by relating them to applicable laws and regulations. Through the empirical legal research method, this research aims to understand law as it functions in real life and examine how the law works in people's lives.¹⁴ The empirical juridical approach focuses on the study of legal facts that occur in the field by relating them to the provisions of applicable laws and regulations.¹⁵ The empirical legal research method is used to study law as it is applied and functions in real life in people's lives. This research focuses on the application of the law in practice, by collecting empirical data from the field, for example through interviews or observations.¹⁶ In addition, the type of research used by the researcher in this paper is also normative juridical. According to Peter Mahmud Marzuki's view, legal research is essentially normative research.¹⁷ Primary data sources are those that provide information directly to researchers. This data is obtained directly from the research object through methods such as interviews, observations, or unofficial documents, and is subsequently processed for research analysis. For this reason, before arriving at the intended results, it is first important to classify several aspects that can describe the research methods used.

Results and Discussion

Regulation of Trade in Services within the Framework of GATS Related to the Field of Communication

The regulation of trade in communication services within the framework of *the General Agreement on Trade in Services (GATS)*¹⁸ focuses on the liberalization of the telecommunications sector which contains the principles of non-discrimination, transparency and market access. This arrangement is particularly relevant for Indonesia because it demands adjustments to domestic regulations to integrate the national telecommunications market into a global mechanism. Trade in services based on the GATS is carried out through four main modes. First, the *cross-border mode of supply*, where services are delivered from the territory of one country to another without physically moving providers or consumers. An example is business consulting provided via email or teleconference. Second, the mode of *consumption abroad*, where consumers travel to other countries to receive services, as in the case of medical tourism or educational tourism. Third, the mode of commercial presence, which is the service provider establishes a branch office or subsidiary in the destination country to provide services directly. Finally, the fourth mode is the individual movement of service providers or the presence of natural persons, where professional individuals move to another country for a while to provide services directly, such as consultants or technical experts.¹⁹ GATS as an international agreement born from the Uruguay Round of the WTO in 1995, has a basic principle in the form of liberalization of trade in services between countries in a progressive, transparent, and non-discriminatory manner.²⁰ Indonesia as a WTO member country has ratified the *General Agreement on Trade in Services (GATS)* through Law Number 7 of 1994, which makes the provisions in the GATS legally binding at the national level. Within the framework of the GATS,

¹⁴ Abdulkadir Muhammad, *Law and Legal Research*, Citra Aditya Bakti, Bandung, 2004 p. 134.

¹⁵ Hadari Nawawi and Soejono, *Legal Research Methods*, Rineka Cipta, Jakarta, 2003. p. 23.

¹⁶ Irwansyah, *Op. Cit.*, p. 174.

¹⁷ Peter Mahmud Marzuki, *Legal Research*. Kencana Prenada Media Group. Jakarta, 2009. p. 35.

¹⁸ S.P.Saptono, *Trade in Services: Mode of Supply in Trade in the Service Sector*, WTO Bulletin, Ministry of Foreign Affairs of the Republic of Indonesia, www.deplu.go.id, 21 April 2004, p. 1.

¹⁹ Tulus Tambunan (2013). "Development Economics: Theory and Policy". Jakarta: LP3ES, pp. 112-115.

²⁰ Tbrights, "What is the Most Favoured Nation," is available at: [https://tbrights.com/apa-itu-most-favoured-nation-mfn/#:~:text=In%20in%20Article%20the%20Mentioned%20That%20Principle,WTO%20\(%20Organization%20Trade%20World%20\)%20.Diskdse](https://tbrights.com/apa-itu-most-favoured-nation-mfn/#:~:text=In%20in%20Article%20the%20Mentioned%20That%20Principle,WTO%20(%20Organization%20Trade%20World%20)%20.Diskdse) on September 30, 2005, at 14.00.

communication services are included in the sectors included in Indonesia's commitment scheme, with certain limitations in terms of market access and national treatment. Some articles in the *General Agreement on Trade in Services (GATS)* that are relevant to the field of communication²¹: Articles in the GATS that are relevant to the field of communication include Article V (Regional Economic Cooperation), Article IX (Intentional Linkage), Article XIII (Monopoly Agreements), and Article XVII (National Treatment). These articles regulate the establishment of regional economic cooperation, agreements to open the telecommunication service sector, and provisions for no less favorable treatment for communication service providers from other member countries.

Article V:

"Establishment of free trade areas, economic integration, and other trade and services agreements among member states to promote trade in services".

Article IX

"Provisions that allow member states to make agreements on regional economic cooperation in the communication services sector".

Article XIII

"Provisions that allow member states to maintain a monopoly in the provision of communication services and to provide equal treatment for communication services provided by other member states".

Article XVII

"The provision is that there is an obligation for member countries to provide treatment that is not less favorable to communication service providers from other member countries compared to similar service providers".

*Article II Of The General Agreement on Trade in Services;
Article II (Most-Favored Nation Treatment),*²²

Article II

- (1) "Under this Agreement, Members must ensure that services and service suppliers originating from other Members receive treatment that is equally favourable to that granted to similar services and service suppliers from any third country."

"The provisions that govern the principle of *Most Favoured Nation (MFN)* or the Treatment of the Most Benefited Country. This means that a GATS member state should treat all other members equally in terms of tariffs and trade policies, not give more favourable treatment to one member than another."

- (2) "A Member is permitted to maintain a measure that departs from paragraph 1, provided that the measure is included in the Annex on Article II Exemptions and complies with the conditions set out therein."

"Members of the GATS may maintain actions that are inconsistent with paragraph 1, provided that such actions are listed in the Annex on Article II Exceptions and meet the requirements set forth therein."

The rapid development of trade in services requires an arrangement that is able to ensure the smooth growth of the service sector, so that it can play a role in supporting the economy. The General Agreement on Trade in Services (GATS) is a basic agreement that regulates multilateral trade in services within the framework of the World Trade Organization (WTO). This agreement contains two main provisions, namely the regulation of the framework and

²¹ WTO Analytical Index, available at: https://www.wto.org/english/res_e/publications_e/ai17_e/gats_art2_oth.pdf, accessed on July 25, 2025, at 10:00 a.m.

²² WTO Analytical Index, available at: https://www.wto.org/english/res_e/publications_e/ai17_e/gats_art2_oth.pdf, accessed on July 25, 2025, at 10:00 a.m.

the commitment to liberalization of the service sector and sub-sector listed in the list of schedules of each member. As per the basic principles of GATS, every member is required to apply the principle of Most Favoured Nation (MFN) or non-discrimination between services and service providers. The MFN principle is one of the fundamental principles in the GATS which aims to prevent different treatment from one country to another. The application of MFN principles in trade in services, on the one hand, can encourage economic growth, but on the other hand also increase the level of competition between countries.

- (3) "Nothing in this Agreement shall be interpreted as preventing a Member from providing benefits to adjacent countries to promote service exchanges confined to contiguous border regions, provided that such services are locally produced and locally consumed. *The provisions of this Agreement shall not be so construed as to prevent any Member from granting or providing advantages to neighboring countries in order to facilitate exchanges limited to contiguous frontier zones of services that are both locally produced and consumed.*"²³

"The clauses in this agreement relate to trade or services, and they shall not prevent countries from offering special trade benefits to their neighbours, in particular for locally produced and consumed services within border areas".

This arrangement provides the possibility of preferential treatment in cross-border trade for certain local services, such as those exchanged in border areas, without violating broader treaties.

- (4) *"Measures relating to judicial and administrative assistance.*
- (5) *"At its meeting on 1 March 1995, the Council for Trade in Services agreed to adopt the following conclusions of the Sub-Committee on Services concerning measures relating to judicial and administrative assistance."*

"The Council on 1 March 1995 formally accepted a number of conclusions reached by the Services Sub-Committee on measures related to legal and administrative assistance. This means that the WTO, through the Council for Trade in Services, formally adopts the recommendations of the special group (Sub-Committee) on how member states should deal with administrative and legal issues and judicial assistance related to trade in services."

- (6) *"At the conclusion of the Uruguay Round, the participants agreed that Article II of the GATS (MFN) would not apply to measures concerning judicial and administrative assistance. This understanding was subsequently reflected in document MTN. GNS/W/177/Rev.1/Add.1, which provides that."*²⁴

"At the end of the Uruguay Round, the participants agreed that Article II GATS (MFN) will not apply to measures relating to legal and administrative assistance. This agreement is reflected in the MTN document. GNS/W/177/Rev.1/Add".

Trade Practices of Indonesian Communication Services Through Perum LKBN Antara

The Practice of Trade in Indonesian Communication Services Through Perum LKBN Antara Based on National Law through the Perum Lembaga Berita Nasional (LKBN) Antara is an important study in examining how international agreements can interact with national legal and institutional instruments, especially when it comes to sectors that are considered strategic by the state. In the legal context, this study requires a critical analysis of the implementation of international norms that have been ratified, and how these norms are implemented in national legal and institutional practices, including their influence on the existence and operationalization of state entities such as Perum LKBN Antara. This

²³ Muh. Eid al-Fitr, *International Trade Arrangements in the Field of Services: Presence of Natural Person through the GATS Mechanism*, thesis, Hasanuddin University, 2020 loc. cit.

²⁴ Columbia Law School, Arthur W Diamond Law Library, "Introduction tu GATT and WTO", available on: <https://guides.law.columbia.edu/c.php?g=1221777&p=8966854#:-:text=The%20Uruguay%20Round%20concluded%20in,operations%20on%20January%201%2C%201995>, accessed on 123 June 2025, at 13.00.

institution needs to be careful in providing full communication services to foreign participation because of the strategic factors inherent in the flow of information. Perum LKBN Antara as a state-owned enterprise mandated to provide information communication services, has a central role in maintaining national information sovereignty.²⁵ Antara is not only a business entity that sells news services, but also a state instrument in managing domestic and international information flows. In the context of the implementation of the GATS, the position of Perum LKBN Antara can be seen as a representation of how Indonesia maintains state control over the communication services sector while still fulfilling its international commitments to liberalize trade in services regulated in the GATS.

The main legal basis that underlies the practice of Public Companies (Perum) of the Antara National News Agency (LKBN) in the trade of communication services in Indonesia is Government Regulation Number 40 of 2007 concerning Public Companies (Perum) of the Antara National News Agency Institution. In addition to the PP, there are several other relevant national legal foundations, namely:

- a. Law Number 19 of 2003 concerning State-Owned Enterprises (SOEs), which regulates the general framework for the management of SOEs, including Perum. This law has undergone changes, most recently with Law No. 1 of 2025.
- b. Law Number 40 of 2007 concerning Limited Liability Companies, which although it focuses more on PTs, some general principles of corporate law apply universally.
- c. Law Number 14 of 2008 concerning Public Information Disclosure, which requires Antara as a state-owned enterprise to manage and provide public information transparently.
- d. Regulation of the Minister of SOEs and Regulation of the Internal Board of Directors of Perum LKBN Antara, which details corporate governance, procurement of goods/services, and other daily operations.
- e. Laws related to the press and broadcasting sector also indirectly affect Antara's operations, especially in terms of journalistic content and ethics.

As a state-owned enterprise, the operations of Perum LKBN Antara are regulated by national law, including: Government Regulation Number 40 of 2007 concerning Public Companies (Perum) Antara National News Agency Institution, which is the legal basis for the establishment and implementation of the company's operations.

- a. Law No. 36 of 1999 concerning Telecommunications, which regulates the implementation of communication services in Indonesia.²⁶
- b. Law No. 7 of 2014 concerning Trade, which includes general provisions regarding trade in services, including international trade cooperation.²⁷
- c. Other laws and regulations related to SOE governance, employment, finance, and corporate ethical standards.

In carrying out its international business, Perum LKBN Antara is also bound by international law, especially related to the trade in communication services, in accordance with the Ratified International Treaty: Indonesia adopts an approach where international law can be applied after going through the process of incorporation or ratification into national law. Between complying with international trade agreements such as *the Agreement Establishing the World Trade Organization (WTO)* which was ratified through Law No. 7 of 1994. This agreement includes the *General Agreement on Trade in Services (GATS)* which regulates trade in cross-border communication services. In the General Principles of International Law: Antara also respects the general principles of international law and universally recognized international customs, such as the principle of good faith in international contracts and dispute

²⁵ Republic of Indonesia, *Government Regulation Number 40 of 2007 about Public Company (Perum) Institution of the National News Agency Antara*, Country Gazette Year 2007 Number 84, Jakarta 18 July 2007.

²⁶ Republic of Indonesia, *Law Number 36 of 1999 concerning Telecommunications*, Statute Book No. 154 of 1999, Supplement to Statute Book No. 3881, p. 21.

²⁷ Republic of Indonesia, Law No. 7 of 2014, concerning Trade, LN No. 45.

resolution. Cross-Border Cooperation Practices: In the exchange of news and communication services with news agencies of other countries or international organizations, Antara operates under the umbrella of relevant bilateral or multilateral agreements, ensuring the existence of mutual recognition of competencies and service standards.

Normatively, the GATS recognizes that the state has the right to regulate the provision of services within its jurisdiction to achieve national policy objectives, including the protection of the public interest, national security, and moral values so that Indonesia has room to limit full liberalization in the communications sector. This can be seen in Indonesia's commitment scheme at the WTO, which explicitly places restrictions on foreign participation in the news sector. This is where the balance that continues to be sought lies between the fulfillment of international commitments and the protection of national interests. In practice, as in Perum LKBN Antara, of course, this has legal and administrative consequences that are not simple, especially in ensuring the reasonable openness of the service market without sacrificing strategic interests. In order to enhance the company's reputation in the international business arena, the Directorate of Antara News obtained the ISO 9001:2000 Certificate in December 2008, which is a mandatory standard for the implementation of a good quality management system. This certificate was later updated to ISO 9001:2008 and eventually became ISO 9001:2015²⁸ This ISO is a reference for the quality of Perum LKBN Antara practices in the field of trade in services and communication through Operational Cooperation (KSO) with Foreign Partners, namely;

1. KSO (Operational Cooperation) Between and Foreign News Agencies

To meet the public's needs for global information, Antara has established collaborations, both commercially and non-commercially, with news agencies around the world, including AAP (Australia), Reuters (UK), AFP (France), DPA (Germany), Kyodo (Japan), Bernama (Malaysia), Xinhua (China), CIC (Colombia), and NAMPA (Namibia). Antara is also active in various regional and international organizations, such as ANEX (ASEAN News Exchange), OANA (Organization of Asia-Pacific News Agencies), and NANAP (Non-Aligned News Agencies Pool).²⁹

LKBN Antara collaborates with the Embassy of the Republic of Indonesia (KBRI) to convey the latest information about Indonesia and international news to the public. In order to carry out the state's assignment in the form of information dissemination throughout Indonesia, including 3T areas (frontier, isolated, and disadvantaged), Antara collaborates with local media in various provinces, both print and electronic media.

Hundreds of foreign news obtained from partners, as well as about 750 stories from the reporters' own coverage, are disseminated daily through the latest communication technologies, such as VSAT and DVB, as well as various internet-based technologies, including websites, email, and FTP (File Transfer Protocol).³⁰ Perum LKBN Antara also collaborates with foreign news agencies in Asia Pacific, Antara formed the *Asia Pulse* consortium in providing Asian business information services, and formed the *Asia Net* consortium in disseminating press releases globally.

In addition, Perum LKBN Antara carries out Operational Cooperation (KSO) with foreign partners such as *Reuters and Bloomberg* in providing global market data and information services. PT. Antara ETP was officially established on January 24, 2022 and received an ETP license from Bank Indonesia on October 17, 2022.³¹ Since December 1, 2022, PT. Antara ETP has been operating a *venue electronic trading platform* supported by *Bloomberg* as a service and technology provider partner. PT.

²⁸ Corporate Antaranews.com, "News Distribution Network", <https://korporat.antaranews.com/tentang/jaringan-distribusi-berita>, uploaded on October 30, 2025, at 20.15 WIB.

²⁹ Corporate Antaranews.com, "News Distribution Network", <https://korporat.antaranews.com/tentang/jaringan-distribusi-berita>, uploaded on October 21, 2025, at 13.15 WIB.

³⁰ Corporate Antaranews.com "News Distribution Network" <https://korporat.antaranews.com/tentang/jaringan-distribusi-berita>, uploaded on October 30, 2025, at 15.00 WIB.

³¹ PPIID antaranews.com, "RKAP 2024 Book", https://ppid.antaranews.com/assets/upload/file/regulasi/Buku_RKAP_2024.pdf, uploaded on September 20, 2025, at 10.15 WIB.

Antara ETPs use the basis of Bloomberg's *FXGO trading platform* which has been proven to be efficient, secure and used in various countries. The Antara ETP platform is accessible to banks and corporations domiciled in Indonesia that have signed the necessary agreements with *Bloomberg* and Antara ETP to gain access to the platform.

2. Bilateral Operational Cooperation (KSO) with Bloomberg L.P

Perum LKBN Antara has started cooperation with Bloomberg L.P, since 1947. The cooperation agreement witnessed by LM. Sitorus Osman Siregar, Manimbul, L.S & Associates, Official Translator and sworn is marked by a Letter of Cooperation Agreement made on July 1, 1996, between:

- a. Bloomberg L.P, a limited liability company) Delaware is located at 499 Park Avenius, New York (Bloomberg),
- b. LKBN Antara (National News Agency Institution) Antara is located at Wisma Antara, 17 Merdeka Selatan, Jakarta ("Antara").

For the target market of LKBN Antara, Bloomberg prioritizes the regional aspect with the main marketing goal being the region around Indonesia (Southeast Asia). For the scale of entry, Perum LKBN Antara does not have so much urgency so a small scale as a method of market penetration is enough, because LKBN Antara which moves in the information services sector industry prefers to take advantage of cooperation with other media offices and take advantage of its access to the Indonesian Embassy and Indonesian attachés, with the organizational structure of Perum LKBN Antara namely:

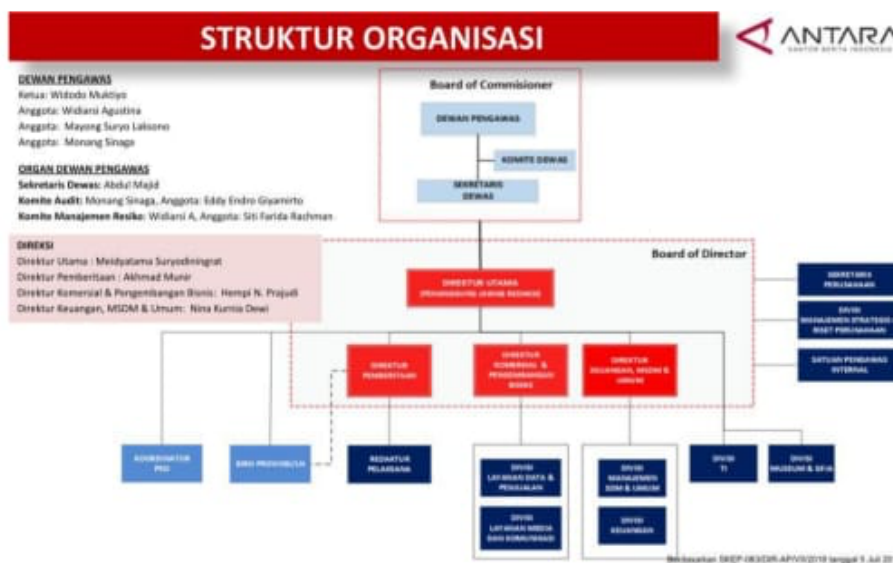


Figure 1. Organizational Structure of Perum LKBN Antara

The organizational structure of Perum LKBN Antara can be broken down into three different dimensions, namely vertical differentiation, horizontal differentiation and integrating mechanism, overall LKBN Antara uses a centralized system.

The implementation of GATS in Indonesia faces a number of legal and institutional challenges. First, structurally, there is no national legal instrument that specifically translates the norms of the GATS into a sectoral legal system in the field of communication. Regulations regarding business competition, broadcasting, and mass media are still scattered in various laws and regulations, and not all of them are compatible with the principles of GATS. This causes a missynchronization between international obligations and domestic regulations, so that it has the potential to cause legal uncertainty for communication service business actors, both domestic such as Perum LKBN Antara and foreign.

Second, Perum LKBN Antara as the implementer of state communication services has not fully transformed following the global dynamics regulated in the GATS framework. In the era of digitalization, communication services have experienced an expansion of the definition and spectrum of services, ranging from digital news platforms, online content providers, to information aggregators. Antara, despite having historical legitimacy and legal protection as a state entity, must compete with foreign media that have greater capital, a wider network, and more sophisticated technological support. In this context, the implementation of GATS requires not only market openness, but also institutional readiness to face global competition.

Third, there is a dilemma between liberalization and sovereignty. The GATS prioritizes the principle of non-discrimination, but in the communication sector, the existence of information as a commodity as well as an instrument of power makes it difficult to implement a fully liberal approach without sacrificing state sovereignty. Perum LKBN Antara is at the intersection. On the one hand, he is required to be professional and competitive as a communication service market player, but on the other hand he must carry out an ideological function as a mouthpiece of government information. This tension often results in ambiguity in policy, both in business and editorial policy aspects.

From a legal point of view, the absence of derivative regulations that expressly regulate the implementation of GATS in the communication sector causes the implementation of this agreement to tend to be interpretive. The absence of technical guidance or legal tools outlining how the GATS principles should be applied in communication services leads to the potential for multi-interpretation among bureaucracies and business actors. In practice, the implementation of GATS is often only interpreted as a formal obligation without an in-depth evaluation of the impact of service liberalization on national strategic sectors.

In addition, the state's approach to formulating GATS commitments is often top-down, where the involvement of domestic actors, including LKBN Antara, is not optimized. This results in Indonesia's weak bargaining position in international service negotiations because it is not supported by empirical input from key actors in the service sector. In the long run, this can result in the issuance of unrealistic commitments or even harm the national interest.

Communication services play an important role in shaping public opinion, national identity, and international relations, so it is appropriate for Indonesia to formulate a more structured legal strategy in integrating the GATS with the national legal system. The strategy must include the preparation of sectoral regulations that are in sync with international agreements, capacity building of implementing institutions such as Perum LKBN Antara, and the establishment of a monitoring and evaluation mechanism for the implementation of GATS in the communication sector. Without such concrete steps, the implementation of GATS in Indonesia will continue to be partial, non-optimal, and risk eroding the strategic function of state entities in managing communication services.

In the Great Dictionary of Indonesian Language (KBBI), practice is defined as the actual implementation of what is called in theory, the implementation of work in a profession, or the act of applying theories, beliefs and so on. The practice of trade in services in the field of communication through the LKBN Antara Perum within the framework of GATS cannot be separated from the context of national law, the dynamics of information globalization, and the role of the state in maintaining data and information sovereignty. This study underscores the importance of an adaptive and contextual legal approach, where liberalization of services should not be read narrowly as absolute openness, but must be in line with the protection of broader national interests. As a law student, understanding of these dynamics not only reflects the mastery of international trade law theory, but also sensitivity to the nation's strategic interests in the global arena. The results of the study show that until now there has been no specific derivative regulation that implements Indonesia's commitment to GATS in the communication services sector as a whole. Existing regulations are still sectoral. Such as Law Number 32 of 2002 concerning Broadcasting, Law Number

11 of 2008 concerning Information and Electronic Transactions, and Government Regulation (PP) Number 40 of 2007 concerning Public Companies (Perum) LKBN Antara.

The opinion of officials of the Directorate General of International Trade of the Ministry of Trade conveyed in a report written by H.S. Dillon, that the communication services sector is indeed in the "sensitive" category in negotiations, so it needs to be done carefully and limitedly. The official emphasized that;

"The communication sector, including the media and news, is still limited in *market access* because it concerns ideological aspects and state sovereignty so that Perum LKBN Antara continues to function as a strategic institution that is not open to foreign investment."

From the side of Perum LKBN Antara itself, an interview with a structural official in the legal and foreign relations section, Yandri SH, revealed that:

"This institution is aware of the demand to be more competitive in the face of global dynamics, but remains within the national policy corridor that prioritizes the function of public services".

The statement of the resource person stated:

"We interact with foreign news agencies such as *Reuters*, *Xinhua*, and *AFP* in the form of news exchange cooperation, but not in the context of investment or joint management. LKBN Antara is still in the line of national information defense."

The results of this interview emphasized that the cooperation established was limited and did not involve aspects of stock takeover, management, or foreign capital in the structure of Perum LKBN Antara. This means that the form of implementation of GATS in the communication services sector in Indonesia is not carried out through full liberalization, but through a limited cooperation scheme that maintains state sovereignty in terms of news broadcasting. In addition, operational cooperation such as with Bloomberg, only managing communication services including information sales services with equipment and equipment have all been completed by Bloomberg, including building rent, do not pay permanent employees or those contracted by Bloomberg, while Perum LKBN Antara only provides labor (Organic Employees) and PKWT Personnel or contract workers whose salaries are fully paid by Perum LKBN Antara according to functional and structural positions, without incentives from Bloomberg.

Meanwhile, a number of international law academics, said that:

"Indonesia does in principle have room to limit liberalization based on the provisions of Article XIV of the GATS, especially when it comes to public interest and national security. However, he also reminded that the restrictions should remain rational and proportionate so as not to contradict the spirit of transparency and non-discrimination which is the main principle of GATS".³²

In this explanation, it can be concluded that;

"The state may restrict certain sectors from liberalization, but there must be a strong justification, and there needs to be a periodic evaluation mechanism so that it is not stagnant or too closed."

Field findings also reveal that there are internal limitations in Perum LKBN Antara related to the mastery of information technology and digital skills needed to compete with international media. Several internal sources mentioned that the digitization of news services is still in the development stage and is not fully optimal, especially in terms of content monetization and multichannel

³² WTO *Anayitical Index*, WTO *Org. English Publication*, available at: https://www.wto.org/english/res_e/publications_e/ai17_e/gats_art2_oth.pdf, accessed on October 20, 2025, at 10.00 WIB.

distribution based on digital algorithms. Content monetization is the process of turning created digital content (such as videos, articles, *podcasts*) into a source of income. This is done by utilizing various strategies such as advertising, premium subscriptions, affiliate marketing, sponsorships, or digital product sales. The goal is to turn creative work into a sustainable revenue stream

In terms of regulation, the results of the analysis show that there is no legal device that explicitly mentions the GATS regulation as the operational basis for Perum LKBN Antara's cooperation with *Bloomberg*. However, the regulation focuses more on the institutional function and responsibility of Perum LKBN Antara as a distributor of government information, without mentioning aspects of trade and services or competition in the international market. This reinforces the initial conclusion that the implementation of GATS in this sector has not been translated concretely into national law.

Overall, the results of the research and interviews confirm that the regulation of trade in communication services within the framework of the General Agreement on Trade Inservices (GATS) in Indonesia (Study on the Practice of Perum LKBN Antara), is still within the very strict control space of the State. Despite international interaction and cooperation, there is no evidence of liberalization in the sense of open market access or national treatment of foreign service providers in the news sector. The implementation of GATS in this sector is more symbolic and limited, adjusted to national interests and the sensitivity of the communication sector.

The regulation of trade in services within the framework of GATS in the communication sector is not only related to economic and technical aspects, but also concerns regulations, state sovereignty, and information governance. While the GATS provides flexibility for member states to maintain certain policies in the public interest, in practice, developing countries such as Indonesia face significant challenges in formulating policies that can accommodate international demands while maintaining national stability.³³ One of the main challenges is;

- a. Limited capacity of national regulations that have not been fully able to regulate the inflow of foreign service providers in the field of communication. Several loopholes in laws and regulations still open up an imbalance between domestic and foreign actors, especially in terms of market access, content control, and media ownership rights.³⁴
- b. The rapid development of digital technology often exceeds the speed of national regulatory updates, so the government has difficulties in controlling the implications of the liberalization of communication services in *real time*, as stipulated in Article 40B of the Republic of Indonesia, Law Number 1 of 2024 concerning Electronic Information and Transactions (ITE Law).

"The government protects the use of electronic systems and electronic transactions in the public interest by ensuring the availability of access to accurate, decent, correct, and responsible information."

On the other hand, there are concerns that trade in communication services in the era of globalization without adequate supervision could lead to the domination of information by foreign actors, potentially affecting public opinion and domestic political stability. It is important for Indonesia to position the communications sector as a strategic sector that requires a specific approach within the framework of the GATS. The state needs to formulate the right strategy so that trade in communication sector services can bring economic benefits, but not at the expense of national values, local culture, and control over the flow of strategic information.³⁵ The role of state institutions that are at the forefront of information and communication management, such as Perum LKBN Antara, has made information one of the strategic commodities. In the context of international trade, the communication sector that includes broadcasting, news, and digital information distribution services

³³ Bernard Hoekman, "The General Agreement on Trade in Services: An Introduction", (Washington, D.C.: World Bank, 1995), pp. 12-13.

³⁴ Huala Adolf, "International Trade Law", (Jakarta: Rajawali Pers, 2019), pp. 217-220.

³⁵ Togar M. Simatupang, "Information Liberalization and Challenges to State Sovereignty," Journal of Social and Political Sciences, Vol. 18, No. 3 (2015): 189-203.

is not only economically valuable, but also politically and culturally sensitive. The GATS, as part of the legal framework of the World Trade Organization (WTO), places the communications sector on the list of service sectors that must undergo gradual and transparent liberalization. This means that member countries, including Indonesia, are required to open some of their markets to foreign actors, including in information and media services.³⁶ Behind the liberalization spirit, there are concerns about threats to information sovereignty, and developing countries like Indonesia face a dilemma: on the one hand, they want to attract foreign investment and improve the competitiveness of the communications sector but they also have an interest in maintaining media independence and control over the dissemination of public information.

Conclusion

Based on the discussion of the previous chapters and the results of the legal analysis, the following can be concluded:

1. The regulation of trade in communication services within the framework of *the General Agreement on Trade In Services (GATS)* in Indonesia (Study on the Practice of Perum LKBN Antara), is still within a very tight state control space. Despite international interaction and cooperation, there is no evidence of liberalization in the sense of open market access or national treatment of foreign service providers in the news sector. The implementation of GATS in this sector is more symbolic and limited, adjusted to the national interests and sensitivities of the communication services sector.
2. From a legal point of view, the absence of derivative regulations that expressly regulate the implementation of GATS in the communication services sector causes the implementation of this agreement to tend to be interpretive. There is no technical guidance or legal toolkit that describes how the GATS principles should be applied in communication services, causing the potential for multiple interpretations among bureaucracies and business actors. The state's approach to formulating GATS commitments is often top-down, where the involvement of domestic actors, including LKBN Antara, is poorly optimized, resulting in Indonesia's weak bargaining position in international service negotiations because it is not supported by empirical input from key actors in the services sector. In the long run, this can result in the issuance of unrealistic commitments or even harm the national interest.

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³⁶ Bernard Hoekman and Michel Kostecki, *The Political Economy of the World Trading System: The WTO and Beyond* (Oxford: Oxford University Press, 2009), pp. 248–251

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