

## ABSTRACT

Nowadays, private sector corruption is getting higher and the forms of corruption are becoming more widespread. Other than that, corruption in the private sector has a serious negative impact on the country's economy and society in general. Furthermore, the issue of regulating the private-to-private corruption has emerged since 2006 when Indonesia enacted the Law Number 7 of 2006 on the Ratification of United Nation Convention Against Corruption (UNCAC). Some articles recommend state parties to criminalize private-to-private corruption. However, until now Indonesia legal instrument has not yet regulated private-to-private corruption. By using a normative legal research method, the study argues the urgency of Corruption Eradication Commission in developing its authority to handle corruption in the private sector. The research shows that the high number of private sector corruption signify that the private sector has corrupt behavior and tends to corrupt in business activities. The private-to-private corruption has also serious impacts on unfair competition, inflated cost, firm-level consequences, inefficiency economy, politic, legal and social impacts. Learning from Corrupt Practices Investigation Bureau (CPIB) Singapore and Independent Commission Against Corruption (ICAC) Hong Kong that have proved the importance to eradicate corruption in private-to-private corruption. Therefore, it may be concluded that there is an urgency of Corruption Eradication Commission (KPK) in developing its authority to handle private-to-private corruption.

**Keywords:** *Corruption, Corruption Eradication Commission (KPK), Private-to-Private Corruption*