

Discretion of the Minister of Trade in the Sugar Import Case of 2015–2016 and the Limits of Authority and Accountability in State Administrative Law

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ABSTRACT

Indonesia, as a state based on the rule of law, adheres to the principle that every governmental act must be grounded in applicable regulations. Nevertheless, in practice, there are circumstances not explicitly addressed by legal provisions, creating the necessity for public officials to exercise discretionary authority. Discretion serves as a mechanism that enables flexibility in administrative decision-making to address legal gaps while remaining within the limits of existing legal frameworks. This study examines the concept, scope, principles, and boundaries of discretionary authority in administrative law and evaluates the Minister of Trade's exercise of such authority in the 2015–2016 sugar import case. Employing a normative juridical method with legislative and conceptual approaches, this research reveals that discretion is tightly regulated to prevent abuse of power, including the requirement of procedural compliance and inter-agency coordination. The findings from the sugar import case demonstrate that although the Minister's policy was intended to serve the public interest, it did not comply with procedural coordination requirements and breached established procedures, thereby raising disputes over the legality of the discretionary action. The study concludes that discretion must always be carried out in accordance with the principles of legality, accountability, and effective coordination between relevant governmental bodies. This study contributes to clarifying the boundaries between legitimate discretion and abuse of authority within Indonesia's state administrative law framework.

Keywords: *Discretionary Power, Minister of Trade, Sugar Imports, Administrative Accountability, Abuse of Authority*

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INTRODUCTION

In the administration of government, a minister, as an aide to the president, has very broad authority, including in economic and trade affairs, particularly in setting policies related to commodities such as sugar (Marks, 2025). Sugar is a vital commodity closely linked to the basic needs of the community, price stability, and the interests of local sugarcane farmers. Due to its strategic nature, sugar import policies are often subjects of public debate and prone to controversy. On the other hand, state administrative law provides space for government officials to exercise discretion. Discretion is defined as the authority granted to officials to make decisions or take actions under certain conditions when regulations do not clearly govern them, when legal vacuums occur, or to enable the more effective implementation of existing regulations. However, the use of discretion by ministers often raises serious problems such as potential conflicts of interest, abuse of authority, and violations of the principle of legality (Nalle, 2018).

Indonesia is a state based on law that upholds the principle that all government administration must be grounded in applicable legal rules (Zamroni, 2019). This concept requires that the actions of public officials, including administrative decisions, be based on clear and systematic legal norms. However, in practice, there are situations where laws and regulations cannot regulate every aspect in detail or must confront dynamic and unpredictable

conditions. This situation opens space for the exercise of discretionary authority as a form of administrative flexibility provided by law to fill regulatory voids. Discretion allows officials to make decisions based on policy considerations for the smooth functioning of government without being strictly bound by regulatory details. Nonetheless, the exercise of discretion must remain within legal boundaries and must not undermine the principles of legal certainty and accountability. Thus, even though Indonesia upholds the rule of law, discretion is an important instrument emphasizing the dynamic nature of state administrative governance (Muttaqin, 2024; Suparto et al., 2024).

Discretion grants government officials the authority to take decisions or actions that are not explicitly regulated by law to address certain problems requiring flexible and adaptive administrative policies (Cosens et al., 2017). It is not conferred upon just any party, but only on public officials who have positions and responsibilities in government administration, such as regional heads, ministers, or other administrative officials. The concept of discretion reflects the awareness that positive law cannot always provide complete rules for every situation, creating the need for flexibility to allow officials to adjust policies to real needs in the field. Discretion rests on the principles of legality and good governance, and must be exercised prudently, transparently, and responsibly (Sadat, 2020). This is essential to prevent discretion from being used as a pretext to bypass rules or cause abuse of power (Oluwaseun & Akanle, 2020). Therefore, discretion serves as a balancing mechanism between legal certainty and the flexibility required in governmental administration.

The implementation of discretion is carried out by government officials who hold strategic authority in administrative decision-making, particularly those at the ministerial level who play crucial roles in managing national policy (Nababan & Budianto, 2020; Wibowo, 2024). This discretionary authority allows ministers to adapt policies to special conditions not fully regulated by legislation. Conversely, the use of discretion must observe the principles of state administrative law, including compliance with procedures, inter-agency coordination, and accountability in decision-making (Dziunyk, 2025). The risk of abuse of discretion is a crucial issue that must be mitigated through effective oversight and accountability mechanisms. Therefore, the minister's role as an executor of discretion must be understood within the legal framework that defines their limits and responsibilities. Controversial cases involving ministerial discretion are valuable for studying the dynamics of state administrative law in practice (Endicott, 2021). In this context, examining the use of discretion is highly relevant for maintaining a balance between administrative flexibility and legal certainty.

The case of the sugar import policy in Indonesia exemplifies the problem of limits in discretionary authority (Rumokoy, 2020). Over several periods, the government, through relevant ministers, has set sugar import policies for reasons such as price stabilization and ensuring national stock supplies. However, these policies often sparked polemics for being detrimental to local sugarcane farmers, benefiting certain importer groups, and distorting the market (Martiniello & Azambuja, 2019). A highly relevant example in the discussion of discretion is the 2015–2016 sugar import case. During this period, the Minister of Trade issued a policy granting raw sugar import permits to private companies—despite initial rules limiting such imports to State-Owned Enterprises (SOEs) (Pearson, 2015; Wachilonga, 2020). This policy triggered controversy for allegedly violating coordination procedures and formal legal mechanisms within sugar import regulations. It was later contested in court as exceeding

official authority and causing state financial losses. This case illustrates the boundaries of a minister's discretionary authority in carrying out administrative duties and blurs the line between legitimate administrative action and potential legal violations (Sultan & Azeem, 2023).

The 2015–2016 *sugar import case* involving the Minister of Trade, particularly his decision to grant import permits for raw crystal sugar (*gula kristal mentah*, GKM) to private companies, is a clear example of *discretion* leading to legal controversy. In this period, the Minister of Trade signed a letter of assignment to PT Perusahaan Perdagangan Indonesia (PT PPI), an SOE, to collaborate with eight private companies in importing and processing GKM into white crystal sugar (*gula kristal putih*, GKP). According to the Regulation of the Minister of Trade No. 117 of 2015, GKP imports could only be carried out by SOEs and required prior approval and coordination among ministries, particularly with the Ministry of Industry. In practice, however, import approval letters were issued without following this mandatory coordination process, including without any recommendation from the Ministry of Industry. Furthermore, the eight private companies granted import permits lacked eligibility under applicable regulations. Consequently, the Minister of Trade was alleged to have exceeded his authority, causing state losses estimated at hundreds of billions of rupiah because profits that should have accrued to SOEs were diverted to private companies. The case was tried under Article 2 of the Law on the Eradication of Corruption Crimes, centering on the tension between *discretion* and abuse of authority.

The panel of judges concluded that the Minister of Trade during the 2015–2016 period was aware that the import permits granted to eight private companies contravened existing regulations; nonetheless, he proceeded without proper coordination. Investigators and prosecutors contended that the action exceeded administrative authority and constituted an abuse of discretion leading to corruption (Salau, 2024). The Corruption Court (Tipikor) verdict highlighted that the assignment letter had been issued without the required inter-ministerial coordination. Conversely, the defence argued that the decision reflected legitimate discretion intended to address regulatory gaps and safeguard national interests in sugar supply. This controversy underscores the dilemma between the flexible application of discretion in state administrative law and the strict application of criminal law principles against abuse of authority. Given the strategic position of the Minister of Trade, this case serves as a key benchmark for defining the limits of ministerial discretionary authority in Indonesian administrative practice (Akbar et al., 2025; Halim et al., 2024).

The persistence of this case raises a crucial question in legal and governance circles: do the actions of the Minister of Trade in 2015–2016 constitute legitimate discretion or a criminal act of corruption? This polemic reflects the tension between administrative freedom—necessary for responsive policymaking—and the strict enforcement of the rule of law. Some argue that the decision represented necessary, good-faith discretion undertaken for the public interest. Others contend that it amounted to abuse of authority causing state losses, warranting criminal accountability. This debate signals the need to clarify the limits of discretionary authority, particularly for officials at the ministerial level. The case integrates legal, political, and administrative dimensions that intertwine within state governance. Thus, comprehensively understanding discretion is essential to maintaining balance between flexibility and legal certainty.

Despite growing scholarship on administrative discretion in Indonesia, previous studies have yet to examine comprehensively the boundary between ministerial discretion and criminal liability in corruption cases, especially where procedural requirements intersect with substantive public interest justifications. Recent comparative studies in civil law jurisdictions (e.g., France and the Netherlands) show diverse approaches to oversight of discretion, but these frameworks have not been systematically applied within the Indonesian context. This research addresses that gap by analyzing the constitutional, statutory, and procedural dimensions of ministerial discretion through the lens of the 2015–2016 sugar import case.

Based on the research urgency described above, this study aims to: (1) comprehensively examine the conception of discretion in state administrative law, including its scope, principles, and limits of authority; and (2) critically analyze the discretionary authority of the Minister of Trade in the 2015–2016 sugar import case with reference to state administrative law principles and administrative accountability mechanisms. This study is significant in clarifying the legal implications of discretionary authority and the accountability of public officials in highly contested policy contexts. The findings are expected to contribute to the development of administrative law doctrine and support policy reform regarding oversight of discretion in Indonesia.

METHOD

The research employed a normative juridical method, focusing on the systematic study of legal rules and principles within the framework of state administrative law. The study examined law as a set of written norms contained in legislation, legal doctrines, and relevant literature. The research applied both statutory and conceptual approaches to analyze the legal provisions and principles governing the discretionary authority of state officials, particularly ministers, in relation to the sugar import case handled by the Ministry of Trade during the 2015–2016 period.

The study relied on secondary legal materials obtained through literature research, including laws and regulations, scholarly journals, books, and articles concerning state administrative law and discretion. Data collection was conducted through library research to gain an in-depth understanding of legal theories and norms relevant to the discretionary authority and accountability of state administrative officials. This approach enabled the identification of key legal norms used as references in analyzing the limits of authority and accountability mechanisms for discretionary actions, especially in strategic governmental policies.

Legal interpretation was performed through statutory interpretation, doctrinal analysis, and case comparison to assess the validity and limits of ministerial discretion. The analysis applied three evaluative criteria derived from administrative law principles: (1) the principle of legality, which assessed whether discretionary acts were based on valid legal authority; (2) the principle of propriety, which examined conformity with procedural requirements and inter-agency coordination; and (3) the principle of accountability, which evaluated transparency, justification, and the presence of appropriate oversight mechanisms. The analysis compared the Minister's actions against these normative standards as articulated in Law Number 30 of 2014 concerning Government Administration and relevant ministerial regulations.

The data analysis used a normative juridical qualitative method, emphasizing interpretation and in-depth discussion of the collected legal materials. This analysis connected various laws, administrative law principles, legal doctrines, and judicial decisions to develop a comprehensive understanding of ministerial discretionary authority and administrative accountability. Through this qualitative approach, the research examined the application of discretion in practice and its alignment with existing legal provisions. It also assessed the procedural responsibilities of ministers in exercising discretion, providing insight into the legal dynamics underlying controversial policy implementation. This method ensured that the research produced systematic, well-founded, and contextually relevant legal analysis in addressing the questions raised by the sugar import case.

RESULTS AND DISCUSSION

Conception, Scope, Principles, and Limits of Discretionary Authority in State Administrative Law

The scope of discretion includes various aspects of State administrative actions that require freedom of action from administrative officials, especially when laws and regulations provide choice of decisions or do not regulate clearly. Based on Article 22 of Law Number 30 of 2014, the use of discretion must be in accordance with the purpose of smoothing the administration of government, filling legal vacancies, providing legal certainty, and overcoming stagnation in government. This scope emphasizes that discretion is only used in certain circumstances that require special policies, not to carry out routine functions that have been regulated in great detail. In addition, the scope of discretion is also limited by the obligation to follow the principles of good governance, such as the principles of transparency, accountability, and justice. Thus, the scope of discretion is not only related to freedom of decision-making, but also closely related to responsibilities and supervisory mechanisms. This provision protects the public interest so that there is no deviation or abuse of authority in the practice of state administration. Therefore, discretion is a legal instrument that helps solve administrative problems without having to violate the principle of the rule of law.

The principle of discretion in state administrative law refers to the principles that administrative officials must adhere to in exercising their discretion. First, the principle of legality is regulated in Article 1 paragraph (3) of the 1945 Constitution and Article 24 of Law No. 30 of 2014 which emphasizes that every action of an official must be based on laws and regulations. Second, the principle of jurisdiction requires that discretionary actions are based on a sense of justice and propriety, so that they do not conflict with generally applicable legal norms. The third is the principle of good faith, where discretion must be exercised with sincere intentions for public interest and not for personal or group gain. Fourth, the principle of not causing a conflict of interest aimed at preventing arbitrary actions and abuse of authority. In addition, the principles of transparency and accountability are also important pillars that require officials who use discretion to be able to account for their decisions administratively and legally. These principles affirm that discretion is a limited authority and should not be used carelessly, but must always be oriented to public services and the interests of the state.

The limits of discretionary authority are described in detail in Articles 23 and 24 of Law Number 30 of 2014 concerning Government Administration. Government officials can only exercise discretion if laws and regulations provide choices for decisions or actions, legal

provisions are incomplete or do not regulate clearly, or in a state of government stagnation that hinders the implementation of duties. Within these limits, discretion may not be used to violate the provisions of other regulations that already regulate similar matters. In addition, discretion must consider the objectives of smooth state administration and not cause losses to the wider community. In the event of abuse, officials who exercise discretion may be subject to legal liability in accordance with applicable laws and regulations. This limit of authority also serves as a safeguard so that discretion does not turn into arbitrary practices or human rights violations in the administration of government. Thus, this limitation of authority is very important in order to maintain the principles of the rule of law and good governance.

Discretion has a strategic role in filling legal gaps and providing certainty in situations where laws and regulations are inadequate. According to Article 24 of Law Number 30 of 2014, the main purpose of granting discretion is to facilitate the administration of government, fill legal vacancies, provide legal certainty, and overcome administrative stagnation. This shows that discretion is not just freedom without control, but a solution to legal uncertainty that can interfere with the effectiveness of public administration. In the dynamic practice of modern state administration, discretion is considered necessary to provide a quick and appropriate response to various concrete problems. Therefore, discretion must be used proportionately and in line with the general principles of good governance to ensure legal certainty and public welfare. Precision in the use of discretion is a key factor so that the government can remain effective without reducing legal protection to citizens.

The use of discretion also contains the risk of maladministration if it is not balanced with a good supervision mechanism. In Article 25 of Law Number 30 of 2014, it is stated that the use of discretion must be accountable to superiors and the public who are harmed by the decision. The existence of these provisions shows the importance of transparency and accountability in the discretionary decision-making process. If discretion is abused, there will be administrative irregularities that have the potential to damage public trust in the government and administrative officials. In addition, non-compliance with applicable legal principles can have implications for the administrative lawsuit process at the State Administrative Court. Therefore, this accountability mechanism functions as an internal and external control so that administrative law enforcement runs optimally. Thus, discretion is not an excuse for officials to act outside the established legal corridors.

In practice, discretion is often a point of debate between State administrative law and criminal law, especially regarding which limits include abuse of authority. In the administrative law of the State, discretion is seen as a legitimate and valid authority, while in criminal law, excessive discretion can be interpreted as a criminal act of corruption or abuse of power. Article 3 of Law Number 31 of 1999 concerning the Eradication of Corruption Crimes emphasizes that abuse of authority or authority given to state officials can be subject to criminal sanctions if it harms state finances. Therefore, law enforcement must be able to distinguish legitimate discretionary actions from those that violate criminal law. The proper interpretation of discretion is very important so that public officials are not entangled in criminal lawsuits unfairly. Thus, the balance between freedom of discretion and legal accountability needs to be maintained through strict regulation and supervision.

The conception of discretion as part of state administrative law also requires an examination and testing of discretionary actions. Article 53 of Law Number 30 of 2014

regulates the right of citizens to file a lawsuit against administrative decisions that use discretion if they are considered detrimental or contrary to the principles of public interest. The test of this discretionary action can be carried out through the State Administrative Court (PTUN), which in its authority can cancel discretionary decisions that are assessed and are suspected of not meeting legal requirements. With this mechanism, discretion is also used as an instrument of protection for citizens from abuse of power by administrative officials. On the other hand, state officials also receive legal certainty in carrying out their administrative duties in accordance with the applicable legal provisions. It also shows that discretion is not only the right of officials, but also the obligation to fulfill the principles of good governance that are transparent and fair.

The conception of discretion must also consider the social and economic aspects in society. In this case, discretion allows administrative officials to provide flexible responses to developments or urgent needs that are not specifically regulated in law. Thus, discretion becomes a dynamic instrument for the success of public services and responsive government management. However, the uncontrolled use of discretion has the potential to cause conflicts of interest and abuse of power that is detrimental to the public. Therefore, restrictions and discretionary supervision are very important so that administrative actions remain based on the goals of the state of law and public welfare. Success in the exercise of discretion is reflected in the balance between the discretion of acting and the accountability of state administration.

Thus, basically the concept of discretion in State administrative law is a form of legal adaptation to the complexity of modern governance. Discretion provides flexibility to public officials in uncertain or incomplete legal situations, as stipulated in Articles 23 and 24 of Law Number 30 of 2014. Clear legal boundaries and the general principles of good governance are the guards so that discretion is not abused. The accountability and legal supervision mechanism is an important control tool to maintain the credibility of the state administration. Thus, discretion cannot be seen as a free territory without rules, but rather as an authority that must be operated carefully by prioritizing the public interest and legal justice. The proper implementation of discretion will ensure that the administration of government runs effectively, efficiently, and accountably within the framework of the State of Law. This approach has become very relevant in managing socio-political and economic dynamics in the context of the modern state.

Analysis of the Discretionary Authority of the Minister of Trade related to Sugar Import Cases Based on Legal Principles and State Administration Accountability

The case that ensnared the former Minister of Trade in the 2015-2016 period related to the issue of raw crystal sugar imports (GKM) is a very complex and controversial case. In this case, the former Trade Minister was charged with committing a criminal act of corruption because it was considered to have given import permits to private companies that were not entitled, because according to sugar import regulations should only be carried out by State-Owned Enterprises (SOEs). The decision was considered without involving a coordination meeting between related agencies that must be carried out in regulating sugar imports. This case has caused a major polemic about whether the decision taken by the Minister of Trade for the 2015-2016 period was a legitimate act of administrative discretion or an abuse of authority that led to corruption. In criminal law, the Public Prosecutor bases the indictment on the Law

on the Eradication of Corruption Crimes, which regulates sanctions for abuse of authority. However, from the point of view of state administrative law, there is an argument that such actions can be seen as discretionary policies carried out within the scope of their responsibilities as government officials.

Discretion in State administrative law is the authority of officials to make decisions when the legal rule is inadequate or regulated in detail. In the context of the sugar import case carried out by the Minister of Trade for the period 2015-2016, he used discretionary authority in granting import permits to overcome the shortage of national sugar stocks that caused price increases. Based on Article 22 of Law Number 30 of 2014 concerning Government Administration, discretion may only be exercised if the legal news is incomplete or unclear and aims to facilitate the government. The sugar import policy by the Minister of Trade for the period 2015-2016 departed from concrete national needs and the management of sensitive sugar markets. However, discretionary vulnerability occurs if the implementation does not follow the coordination mechanism stipulated in ministerial decrees and other regulations. This also refers to the use of discretion that must still heed the principles of good governance, including the principles of legal certainty and coordination between government sectors. In this case, although there is discretion carried out by the Minister of Trade for the 2015-2016 period, there are still formal legal provisions that are the parameters of the evaluation of the minister's authority.

In the analysis of the aspect of discretionary authority, the legal basis that is often put forward is the Decree of the Minister of Industry and Trade Number 527/MPP/KEP/9/2004 which regulates the provisions for sugar imports. In it, it is explained that the import of crystal sugar (both raw and white) must in principle go through a coordination meeting between relevant agencies to determine quotas and subsidies. The Minister of Trade for the period 2015-2016 in this case issued a letter of assignment to private companies that did not have the right to import raw crystal sugar. From the perspective of administrative law, the act of passing through the coordination mechanism mandated in the regulation is an important point in question. Although the policy is carried out to meet national needs, public officials are obliged to comply with applicable technical rules. However, it should also be understood that the policy was taken before the new regulation (Permendag 117 of 2015) came into effect, so there is an argument that states that the provision cannot be applied retroactively. This raises a debate between formal legality and the principle of smooth administration within discretionary authority.

In principle, a ministerial discretionary act must meet several conditions to be considered valid in the State administrative law, namely based on the aim of facilitating the administration of government, not contrary to laws and regulations, based on good faith, free from conflicts of interest, and not causing harm to the community. In this case, which was carried out by the Minister of Trade for the period 2015-2016, discretionary considerations are based on the reasons for managing national sugar availability and price stability, which is in the public interest. However, problems arise when the policy is contrary to the provisions that limit sugar imports only to SOEs with an official coordination mechanism. In the administrative order, policymakers must have a strong legal foundation and ensure that formal procedures are carried out before making discretionary decisions. In terms of propriety and accountability, decisions must be transparent and accountable both politically and legally. The

inconsistency with this procedure raises doubts as to the legality of the exercise of discretion in such cases.

The aspect of the accountability of the State administration in the use of discretion is crucial. Article 26 of Law Number 30 of 2014 stipulates that government officials who use discretion must obtain approval from their superiors, in this case the President as the minister's superior. Meanwhile, in the case of sugar imports carried out by the Minister of Trade for the 2015-2016 period, whether the sugar import permit has received the President's approval is the focus of attention. The existence of such approval is important as a mechanism for hierarchical supervision in the State administration, to ensure that discretion is in accordance with the government's policy as a whole. This inconsistency of procedure raises the question of whether the discretion exercised is already within the correct administrative framework. Therefore, the application of discretion without a proper approval channel can be considered a violation of the provisions of State administration and opens up opportunities for abuse of power.

The review of the coordination aspect between ministries is also the focus of the analysis of the discretionary authority carried out by the Minister of Trade for the period 2015-2016. Based on the Ministerial Decree and the principle of good governance, import policies must go through consultation and coordination between the Ministry of Trade, the Ministry of Industry, and related institutions. In practice, the Minister of Trade for the 2015-2016 period was charged with issuing import permits without involving coordination meetings as mandated and required by regulation. This is considered to violate the principle of coordination in the State administrative law which is part of the principle of good governance. The principle of coordination not only prevents misunderstandings between institutions, but also aims to ensure that government decisions are consistent and accountable. The absence of coordination in the decision-making process creates vulnerabilities in the applicability of the law and the legitimacy of policies. Thus, actions that neglect coordination can be considered incompatible with the limits of the government's discretionary authority.

In addition, the principle of legal certainty is an important foundation in the analysis of the use of ministerial discretion. This principle demands that every action of an administrative official must be clearly sourced from a legitimate and legally accountable rule. The case that befell the Trade Meter for the period 2015-2016 provides an issue whether the sugar import policy taken based on discretion has met the principle of legal certainty. On the one hand, the policy is considered to fill a legal vacuum in the management of sugar stock availability. On the other hand, the absence of formal procedures such as coordination meetings and the approval of superiors raises doubts about the legal certainty and legality of decisions. Therefore, the principle of legal certainty requires public officials to act in a clear legal corridor so that decisions do not cause conflicts of interest or losses. Uncertainty in the implementation of discretionary authority has the potential to trigger administrative lawsuits and legal sanctions.

Legal accountability is another crucial aspect in assessing discretionary authority. Law Number 30 of 2014 stipulates that the discretion given to officials must be accountable administratively and legally. In this case, the Minister of Trade for the 2015-2016 period was charged by prosecutors because he was considered to have abused his authority to the detriment of the State's finances. However, the defense of the Minister of Trade for the 2015-2016 period argues that the policies taken are part of the administrative function to fill the void of rules and national interests. Legal accountability is not only about the wrong decision, but also whether

the decision was taken with malicious intent (*mens rea*) and there is an element of corruption. In the assessment of administrative law, administrative actions taken in good faith and in the public interest may be misinterpreted in the criminal realm. This shows the tension between administrative law and criminal law in the context of discretionary authority.

From the perspective of public administration theory, discretion is an instrument that gives flexibility to officials to manage unexpected situations. However, this flexibility is limited by the need to ensure that discretionary use remains within the correct legal corridor. In the case that the Trade Meter ensnared for the period 2015-2016, the exercise of discretion is confronted with how the court interprets the limits of the authority and whether elements of abuse exist in its actions. The tension between practical administrative needs and legal provisions is a critical point in the assessment of this case. In addition, the existence of legal conflicts raises broader questions about how the legal system accommodates dynamic public policy and ensures the accountability of public officials.

Furthermore, an analysis of the limits of discretionary authority contained in Law No. 30 of 2014 and other supporting regulations indicates that there are three main conditions for granting discretion, namely when there is an incompleteness of rules, impasse in decisions, and the need to facilitate administration. The implementation of the sugar import policy carried out by the Minister of Trade for the period 2015-2016 contains elements of incompleteness of rules that can be considered as discretionary space. However, this incompleteness does not provide absolute freedom because there is still an obligation to meet the principles of legality, coordination, and accountability. However, regarding these obligations, the prosecutor considered that there were coordination procedures that were not followed so that discretion was used beyond the limits of authority. This shows the complexity of the application of discretion in administrative law, which must consider juridical and technical aspects at the same time.

Regarding the discretionary authority of the Minister of Trade for the 2015-2016 period in the case of sugar imports, it is important to first elaborate on how the discretion is actually regulated and carried out in the context of state administrative law. Discretion provides an opportunity for public officials to make decisions within certain limits when laws and regulations do not regulate in detail or when the situation demands adaptive policies in the public interest. However, this discretion must be carried out by prioritizing the principles of legality, the principle of legal certainty, and the principle of good governance in accordance with the provisions of Articles 22 to 26 of Law Number 30 of 2014 concerning Government Administration. In this case, the Minister of Trade for the 2015-2016 period was given the authority to make strategic decisions related to sugar imports in response to market conditions and national needs. However, problems arise when the mechanism of coordination, transparency, and approval of superiors is not implemented as it should, thus creating a conflict between the policy of discretion and the principle of state administrative accountability. This invites debate about whether the policy is a legitimate exercise of discretion or an abuse of State authority. From the perspective of administrative law, discretionary actions must meet strict conditions and limitations so as not to cause losses to the State or violate the principles of good governance.

If examined more deeply based on formal legal aspects, the discretionary decision of the Minister of Trade regarding sugar imports is required to rely on binding technical rules,

including the Decree of the Minister of Industry and Trade Number 527/MPP/KEP/9/2004 and the Regulation of the Minister of Trade Number 117 of 2015. These regulations stipulate that sugar imports must be carried out in coordination between relevant institutions in order to maintain policy consistency and avoid losses to the State. In the implementation of the sugar import policy by the Minister of Trade for the period 2015-2016, there are indications of violations of the coordination mechanism, which is one of the reasons for criticism of the discretionary authority taken. Although this decision aims to meet the needs of the national sugar stock and stabilize market prices, procedural inconsistencies cause the action to be considered to exceed the limits of the Minister's discretionary authority. From the point of view of the principle of administrative responsibility, public officials must be able to account for such decisions to superiors, the public, and supervisory institutions, in accordance with the concept of accountability in the State administrative law. Thus, based on procedural and accountability aspects, this policy raises significant problems regarding the limits and legitimacy of the discretion taken.

However, in terms of the principle of public intentions and goals contained in the policy, it is necessary to consider the good faith carried out by the Minister of Trade for the period 2015-2016 in using his discretionary authority. The discretion carried out has a policy basis to address the urgent problem of sugar scarcity, so that it can be said to be substantially oriented to the public interest. However, when viewed from the aspect of legal and procedural formalities, this action needs to be criticized whether it has complied with all administrative mechanisms required by law. The inconsistency in the procedure then makes this action potentially misconstrued as an abuse of authority, although according to some administrative law experts the act does not meet the criminal element of corruption, especially since there is no evidence of malicious intent or personal gain (*mens rea*). The existence of this case puts discretion in an ambiguous position, between legitimate authority as part of state administration and the potential abuse that leads to legal consequences. Therefore, the analysis of discretionary authority here basically also needs to consider the complexity of the relationship between administrative law and criminal law in the context of dynamic and multi-faceted government decision-making.

CONCLUSION

This study concluded that the discretionary authority of public officials, though necessary to address legal gaps and administrative challenges, must operate within the substantive and procedural limits established by law. The analysis of the 2015–2016 sugar import case revealed that the Minister of Trade exceeded legitimate discretion by neglecting coordination procedures and hierarchical approvals, thereby violating the principles of legality, propriety, and accountability under Law Number 30 of 2014 on Government Administration. The findings emphasize that even well-intentioned actions lose legitimacy when they circumvent legal frameworks, creating tension between administrative flexibility and abuse of power. Future research should comparatively examine discretionary oversight practices in other civil law jurisdictions and empirically explore the socio-political factors influencing the misuse of discretion. Such studies would strengthen Indonesia's administrative law by developing more context-sensitive mechanisms to balance policy responsiveness with accountability.

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