

**MEDIA RELEASE**

**STERN ACTION AGAINST ASSOCIATIONS PROMOTING CARTELS**

**KUALA LUMPUR, 21 DECEMBER** – The Malaysia Competition Commission (MyCC) expresses its grave concern over recent actions by certain associations that have announced price increases, setting of minimum prices for goods or services including introducing new trading conditions that negatively have impacted the cost-of-living challenges faced by the *rakyat*. These activities are particularly troubling as they impact essential sectors such as transportation, care services, healthcare and food which are critical to daily life.

MyCC takes a firm stance against associations that openly announce price hikes, minimum pricing or new trading conditions, particularly through the media, without considering its adverse effects on the *rakyat's* struggles. Such announcements may constitute anticompetitive agreements or cartel activities, as they reflect decisions made by association committee members who are competitors in the same industry. These announcements can also serve as signals to association members, encouraging coordinated participation in cartel practices.

While MyCC acknowledges the rising business costs globally and domestically, businesses must not resort to collusion as a solution. Actions such as coordinating price increases, minimum prices or imposition of new trading conditions that further burden consumers are prohibited. Such decisions should be made independently, without directives or influence from associations. Businesses cannot use their roles or memberships in associations as a shield to legitimise their cartel behaviours.

MyCC has conducted numerous investigations into associations including its committee members and association members and has found that they used association platforms to encourage the formation of cartels among themselves. MyCC recently imposed financial penalties amounting to RM415.5 million on five poultry feed producers, uncovering evidence that they used the Malaysian Feedmillers Association platform to convene, initiate and further strengthen their cartel activities through the exchange of

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information on costs and prices.

In light of this, MyCC has opened several investigation papers against associations, their committee members and members suspected of engaging in cartel-like activities. Information obtained from major media outlets and social media platforms indicates that some associations through their leaders attempt to mislead the public by claiming that the price increase announcements are merely projections for the future or price guidelines when in fact these announcements are cartel-like decisions made by the associations. MyCC is also aware that some associations even attempt to conceal their decisions, believing these actions will go unnoticed despite their clear violation of competition laws.

MyCC, without fear or favour, remains steadfast in its commitment to protecting consumer interests and ensuring a competitive and healthy marketplace. Enforcement efforts will continue to target any enterprise, regardless of size, involved in cartel activities. The upcoming amendments to the Competition Act 2010, set to be tabled early next year, will enhance MyCC's investigative and enforcement powers, enabling stricter action against economic sabotage activities by cartels, in particular harsher penalties.

MyCC encourages association committee members and members opposing cartel practices by their own associations, the public and government agencies to report any suspected attempts or actions leading to cartel formation. Reports can be lodged via MyCC's official website at <https://www.mycc.gov.my/en/complaints> or via email at [complaints@mycc.gov.my](mailto:complaints@mycc.gov.my). Alternative reporting channels include letters, phone calls or in-person visits to the MyCC office. MyCC assures all complainants and informants that their confidentiality will be protected.

Tan Sri Dato' Sri Idrus bin Harun  
Chairman  
Malaysia Competition Commission

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**For media enquiries, please contact:**

Policy and Communications Division

Mobile: +6019 215 2273

Email: [pcd@mycc.gov.my](mailto:pcd@mycc.gov.my)

**About the Malaysia Competition Commission (MyCC)**

Established in June 2011, MyCC is an independent body responsible for enforcing the Competition Act 2010, which was implemented to create healthy competition which would, in turn, stimulate productivity and innovation, thus creating wider choices of products for consumers with better quality and reasonable prices.

The Act applies to all commercial activities undertaken within and outside of Malaysia that affect competition in the Malaysian market. It provides a regulatory framework including powers to investigate, adjudicate and impose penalties on the perpetrators of the competition laws.

MyCC celebrated its 13<sup>th</sup> anniversary on 1 April 2024 and to date, MyCC has taken decisive action against over 100 companies relating to cartels and abuse of dominant positions resulting in a cumulative penalty of more than RM570 million. MyCC's current priorities include amending the Act to introduce the merger control regime, actively targeting bid rigging cartels and cartels in the food and agriculture sectors as well as focusing on the challenges brought by the digital economy to competition law and policy.

For more information on the Act and MyCC activities, log on to [www.mycc.gov.my](http://www.mycc.gov.my)