

NEWS RELEASE

MyCC JOINS FORCES WITH KPDN ON SUGAR ISSUES

KUALA LUMPUR, 7 JUNE 2023 – The Malaysia Competition Commission (MyCC) is aware of the various issues surrounding the supply and sale of sugar within the market, including various allegations of hoarding, conditional sale, and refusal to supply by certain players in the market. These practices are now being monitored closely and MyCC is committed to taking appropriate action to safeguard competition in the market, which includes protecting the interest of the consumers.

MyCC would like to urge all players in the sugar industry, from the downstream to the upstream, not excluding producers and wholesalers, to re-evaluate their conducts or policies, to ensure their activities are in line with the relevant laws in particular the Competition Act 2010 (the Act).

Hoarding, which restricts or controls market access and outlets for the supply and/or sale of sugar by a group of sugar players or a dominant sugar player can subject any of them to stern enforcement action under Section 4(2)(c) and 10(2)(b) of the Act, respectively.

Furthermore, MyCC emphasises that imposing conditions such as tying or bundling to the supply and/or sale of sugar by any major player at any level of the market is also considered an infringement under Section 10(2)(e) of the Act. Additionally, it is prohibited under Section 10(2)(c) of the CA 2010 for any significant players within the sugar market to refuse supply or sale on purpose to any buyers.

All the above three practices are prohibited and can attract penalties of up to 10% of the player's worldwide turnover. It is pertinent to note that MyCC possesses the authority to impose financial penalty independently, notwithstanding any enforcement actions imposed under other relevant laws enforced by the Ministry of Domestic Trade and Cost of Living (KPDN), such as the Control of Supply Act 1961.

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“MyCC is now working closely with KPDN to ensure the market is free from any distortion for the sake of the consumers. MyCC will leave no avenue unexplored in our actions, including to launch a comprehensive investigation, if necessary. Consumers can trust MyCC's commitment to enforcing the Act in order to maintain a level playing field within the sugar industry,” said Iskandar Ismail, Chief Executive Officer of MyCC.

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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 10th year anniversary on 1 April 2021 and announced the launch of its rebranding and redesigned logo to elevate its corporate identity. The Logo embodies the culture and colours of the organization as well as its strengths and work values. The symbol of the butterfly is globally known to represent endurance, change, hope and life. This new look also shows simplicity at its finest, signifying the changes and maturity of MyCC itself.

For more information on the Act and MyCC activities, log on to www.mycc.gov.my