# Menggalakkan Persaingan, Melindungi Anda Menggalakan Persaingan, Melindungi Anda

# Highlights

Proposed Decision on Tuition and Daycare Centres

Advocacy MyCC Classroom

01/2018: JAN - JUN 2018

# CEO MESSAGE

# FORGING AHEAD IN DRIVING COMPETITION



YBhg. Dato' Abu Samah Shabudin CHIEF EXECUTIVE OFFICER, MyCC

#### Past Successes, Future Triumphs

"

2018 marks the seventh year of enforcement of the competition law in Malaysia. Welcome to the latest newsletter of MyCC. In the spirit of safeguarding the process of free and fair competition, I am delighted to be addressing you as the CEO of the Malaysia Competition Commission (MyCC) – Happy New Year to all. It is hard to imagine the year 2017 has ended, but we heading into 2018 with full optimism on all fronts.

At MyCC, we pride ourselves on providing the implementation and enforcement of the Competition Act 2010. This pride is most appropriately placed as 2018 marks the seventh year of enforcement of the competition law in Malaysia.

As MyCC celebrated it's 7th anniversary on 1st April 2018, a great opportunity arose, lending us the time for reflection on the Commission's important role in our economy. Many milestones have been achieved. Despite its infant age of 7 years, MyCC has managed to establish clear precedents in several landmark cases. Amongst others, these cases include the final decision issued against the Malaysian Airline System Berhad, AirAsia Berhad and AirAsia X Sdn. Bhd. for market sharing and My E.G. Services Berhad for abusing its dominant position.

Another landmark case that could be highlighted is the infringement of CA 2010 by 24 ice manufacturers of Kuala Lumpur, Selangor and Putrajaya, 15 Members of the Sibu Confectionery & Bakery Association, Cameron Highlands Floriculturist Association and Container Depot Operators for price fixing conduct.

For editorial submissions and enquiries, please email ccd@mycc.gov.my

Publisher & Distributor The Malaysia Competition Commission (MyCC) Level 15, Menara SSM@Sentral, No.7, Jalan Stesen Sentral 5, Kuala Lumpur Sentral 50623 Kuala Lumpur

> For further details on the MyCC, please visit: The MyCC's official website www.mycc.gov.my



# 7TH YEAR CELEBRATION WITH #BEBASKARTEL

This anniversary celebration revolved around the theme #BebasKartel, imparting the Commission's emphasis on its advocating fair commercial competition and combating cartel practices. High hopes were set as a series of #BebasKartel road tours were conducted to create awareness to the industry players and public in general on the Commission's role and Competition Act 2010 (CA 2010).

MyCC had also organised several contests in conjunction with our themed anniversary, enticing impressive participations from the general public. Contests lined up included an essay writing competition, choral speaking, photography contest and a cycling contest dubbed as 'MyCC Cycle Cyberjaya "Kayuh Kaw Kaw" 2018'. It was indeed encouraging to witness the overwhelming response as colourful individuals partook and helped spread the awareness and educate the enterprises and public in general on the importance of CA2010.

2018 has become a spectator to our exciting initiatives and endeavours. One of many that brought home pride and joy to MyCC is our work in outreach and advocacy. Our outreach to businesses, consumer groups, government bodies as well as students in secondary schools and universities is aimed at increasing the awareness level and creating a clear understanding on the benefits of fair trade competition, the provisions of the Law and the role of MyCC. These outreach activities were achieved by means of seminars, talks and contests.

Apart from that, MyCC has published four market reviews on Fixing of Prices / Fees by Professional Bodies, Domestic Broiler Market, Pharmaceutical and Building Materials under the Competition Act 2010 to strengthen the competition in the industry through market reviews.

We are also privileged to be able to work with other government agencies, to advise on the competition impact of government policies. As we look ahead to the next decade, we are mindful to ensure that the role and mission of MyCC remains relevant along with its vision and mission. By examining the key driving forces that affect MyCC, we recognised that market structures and business conduct are becoming increasingly more complex with technological changes.

MyCC also place emphasis on the importance of capacity building locally and internationally to develop best practices and enhance workforce's competencies while developing experts on competition law in strengthening and enhancing the enforcement regime in Malaysia.

As an enforcement agency in Malaysia, MyCC requires transparency and integrity in carrying out its responsibilities to ensure public confidence towards the credibility of MyCC.

It is my greatest hope that the Commission forges ahead in its duties and that more people are aware of the work we do. It is also my humble wish that this Commission become among the country's best and most active enforcement agencies. Moving forward, let us continue to grow and expand in tandem with MyCC's bigger scope of duties in protecting the competition process in the market.





# PROTECTING COMPETITION IN MALAYSIA – 7 YEARS OF JOURNEY

t all began in June 2010, the first of all achievements when the Competition Act 2010 (CA 2010) was enacted by the Malaysian government. As a statutory body and enforcement agency with its own special way, the Malaysia Competition Commission (MyCC) holds quasi-judicial powers as established under the Competition Commission Act 2010. With great power comes great responsibility as the Commission enforces the complexity and technicality of this new branch of law in Malaysia.

What better way to protect the interest of consumers than through the CA 2010 as it stances as an important component in protecting the competitive process which will drive efficiency, increases productivity and overall economic development. Quality of products and services will improve, choices become more varied and the worry on price will reduce as it is ensured to remain competitive which may result in substantial savings for the consumer.

Whilst few or so companies and enterprises adhere to fair competition, there are still plenty who may directly harm or distort competition, whether by abusing its dominant powers or collude in anti-competitive agreements. These are all forbidden by CA 2010 as the Act strives towards the existence of fair competition within the market and ultimately protect the interest of consumers and businesses

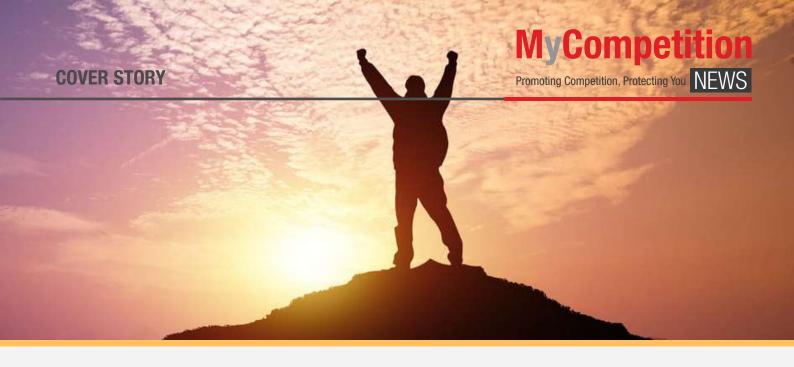
The MyCC has accumulated many feats under its belt, and with just 7 years after the Act was enforced, legal actions have been successfully imposed including financial penalties and warnings as well as undertakings received from several enterprises that are found infringing the law.Among the many cases investigated by the Commission, most enterprises found engaged in price-fixing agreements and others found to be abusing its dominant positions.

Among the sectors and industries found to be a part of the infringement revolves aroundthe services industry, agriculture, shipping, food and beverage, heavy industry, public transportation, retail and wholesale, technology and manufacturing sectors. With countermeasures in place, the Commission is continuing to actively look into anti-competitive behaviour in government procurements, namely bid-rigging which is considered as of the hard-core cartels. With numerous feats piled up, one on top of the other, the greatest accomplishments achieved by the Commission ever since its establishment on 1st April 2011 were the financial penalties imposed that totalled up to more than RM28 million against several companies found infringing CA 2010. As victorious as this achievement was, it was not a proud moment for our nation as MyCC uncovers infringement after infringement.

To stay true to its course in promoting fair competition for all, the Commission has also organised and participated in several international conferences involving local and international experts, comprising other competition authorities and jurisdictions worldwide for international cooperation and exchange of best practices.

As of now, the Commission has successfully completed a few market reviews on some industries in Malaysia, specifically on domestic broiler market and professional bodies, and recently on pharmaceutical sector and building materials in construction industry. By conducting such reviews, the Commission and other stakeholders will be able to better understand the structure of the markets, thus allowing the Commission to determine whether the conduct of companies and enterprises have the tendency to be anti-competitive or not. The copies of this review have been made public for all to view, and they can be obtained at www.mycc.gov.my

When the going gets tough, the tough gets going for MyCC as it will continue to perform its obligations. With this in mind, the MyCC has also published a few guidelines and handbooks which aim to facilitate MyCC's stakeholders especially enterprises in adopting comprehensive compliance programmes. Currently, the Commission has 6 guidelines, which comprise of complaints, market definition, prohibition on anti-competitive agreements, prohibition on abuse of dominant position, financial penalties and leniency regime. Several handbooks have also been made available to help businesses and individuals know their rights as well as to understand the CA 2010. The Competition Act 2010: Handbook for General Public uses illustrations to enable the public to understand the importance of competition through an easier and simpler approach.



Through its efforts in publishing manuals and guidelines, more businesses and enterprises have become more educated and made aware, which helps steer the direction of fair competition for these companies the appropriate way. All these publications can be found and downloaded from the MyCC website, in which the public are welcomed to make full use of, for both businesses and consumers alike.

The purpose of the Commission among many others has always been to cultivate a culture of conducive competition within societies in Malaysia, thus, in its effort to do so, it has conducted more than 200 advocacy programmes involving Small and Medium Enterprises (SMEs), government agencies, associations, higher learning institutions and secondary schools, which has led to the increased awareness on the roles of the Commission and CA 2010.

And this year, the Commission celebrated its 7th anniversary through enhancing its advocacy initiatives by organising a series of events, which has been remarkably executed and participations were through the roof. The events which were held since February 2018 include essay writing competition, photography contest, choral speaking competition and tours on #BebasKartel throughout Malaysia, and is a means to promote competition awareness to the stakeholders. For 2018, the theme was "BebasKartel" and this theme was diligently carried throughout all events, and remembered.

Going further down to the Commissions' list of successes of advocacies, one of its best achievements was organising the Moot Court Competition on Competition Law for university students for 2 consecutive years. Prior to this, MyCC signed six (6) Memorandum of Understanding (MoU) with Cooperative College of Malaysia (CCM) and 5 Institutions of Higher Learning (IHL).This formalises MyCC's intent to encourage and nurture the areas of education and research. The collaboration is also vital in introducing and improving subjects or modules on competition law among CCM and IHLs, as well as to develop a pool of Malaysia's research experts in competition law.

The list does indeed go on with its latest accomplishment, the development of the e-Learning System on Competition Compliance for SMEs which makes up more than 90 per cent of business entities in the country. This System pushes the Commission forward in its dedication to educate the business community, especially SMEs, through compliance programmes to ensure that they comply with competition laws when conducting their businesses.

Throughout the year as well as since its establishment, the Commission remains committed in protecting the process of competition in Malaysia through vigorous enforcement, research and continuous improvements to its advocacy programmes. This will ultimately help ensure that the government's stated goal to nurture a competitive culture in Malaysia can be achieved and realised. Besides benefiting consumers, the enforcement of competition law will also benefit SMEs, existing and new, as it protects them from abuse of monopolies. This will help enhance their business profitability and advancement through innovation and efficiency. Yes, it is a wrong perception that monopoly is not allowed. The Act does allow monopoly; however, it does not allow the bullying of competitors through monopoly, especially towards SMEs.

With all said and done, the Commission will not tolerate companies found to be in breach of CA 2010. Any company found guilty will be penalised a sum of not more than 10 per cent of their total worldwide turnover. For now, the Commission's priority areas currently involve identifying issues that relate to the cost of living in several key industries in Malaysia, such as the pharmaceutical, transport, food, services, e-commerce and construction sectors.

Furthermore, the Commission is also in the process of reviewing its legislation to meet the changing market dynamics, according to international best practices. This will be another huge feat for MyCC as it brings forth with it the fulfilment of its promise to attain fairness in competition for Malaysians by establishing an effective competition system. Competition policy and the competition authority are crucial in nurturing the competitive environment necessary for the improvement of living standards in Malaysia.

Having said that, even after 7 years of competition law enforcement in Malaysia, many have yet aware of its existence. There is a lot more to be done before the Commission can be considered on par with other competition authorities from the more advanced countries with more mature jurisdictions. Support from stakeholders is vital to work together to make it happen. The Commission welcomes the public to lodge complaints regarding competition concerns with the Commission at complaints@mycc.gov.my or come directly to the Commission's office.

#### CASES

"

### TUITION AND DAYCARE CENTRES FINED FOR PRICE FIXING

he Malaysia Competition Commission (MyCC) has issued a decision against seven (7) tuition and day care centres for infringing section 4 of the Competition Act 2010 (CA 2010) by collectively agreeing to fix and standardise the fees charged for the tuition and day care services in the SS19 Subang Jaya area. The said parties had entered into agreement to fix the fees in May 2017 and issued a notice to that effect.

After taking into account the fact and circumstances of the case as well as relevant provisions of the Act and the Commission's Guidelines on Financial Penalty, the Commission has imposed a financial penalty on all seven (7) tuition and day care centres a collective sum of RM33,068.85 for the duration of the infringement but not more than 10% of their worldwide turnover. The decision also requires the said parties to immediately "Cease and Desist" from the act of price fixing and to repudiate the price fixing agreement with immediate effect. These tuition and day care centres will be required to enrol and complete the Commission's e-Learning course on Competition Compliance for Small and Medium Enterprises (SMEs) within one (1) month from issuance of the Decision.

**MyCompetition** 

Promoting Competition, Protecting You NEWS

Pursuant to section 36 of the Act, the Commission had provided detailed reasoning for arriving at its proposed decision so as to provide all seven tuition and day care centres with a fair opportunity to respond accordingly.

The provisional decision also requires the said parties to immediately **"Cease and Desist"** from the act of price fixing



#### CASES



#### JFTC'S FILES CRIMINAL ACCUSATION FOR BID RIGGING IN RAILWAY CONSTRUCTION SECTOR

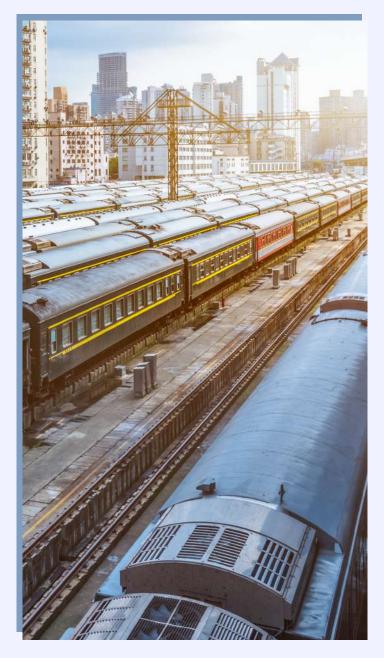
nfringement of the Act is not only found on our shores, but it can also be discovered among neighbouring shores, worldwide even, despite the many initiatives overseen by local authorities to manage fair trade.

In Japan earlier this year, March 2018, Japan Fair Trade Commission (JFTC) filed a criminal accusation with the Public Prosecutor – General against four construction companies, which are Taisei, Kajima, Obayashi and Shimizu. Two executives we prosecuted along for being in charge of sales activities for concerned bids in Taisei and Kajima.

In this particular case, the four construction companies were found to have set an agreement in designating successful bidders as well as bidding at certain fees for said successful bidders to win the deal for construction of new terminal stations for Maglev railway ordered by Central Japan Railway Company (JR Central). JFTC discovered that within the deal made as outlined in their agreement, the construction companies had designated the successful bidders for construction at Shinagawa Station (South Area), Shinagawa Station (North Area) and Nagoya Station (Central Area) whilst exchanging crucial information regarding price quotations for the bids. These actions alone were enough for the construction companies to face prosecution for their blatant disregard towards the Commission.

The Antimonopoly Act was established under Japanese competition law as it stands to provide both administrative and criminal sanctions against cartels and bid riggings. As such, it is JFTC who determines whether administrative measures are deemed enough and criminal sanctions are considered to be appropriate, in accordance with the "JFTC's Policy on Criminal Accusation and Compulsory Investigation of Criminal Cases Regarding Antimonopoly Violations". If found to be criminally guilty of bid rigging, a company can face a fine of not more than five hundred million yen, and a fine of not more than five million yen or imprisonment of up to 5 years for an individual. These stipulated criminal penalties are imposed to set measures to help deter future bid riggings which can create unfavourable impact for companies and individuals who have hung tough and conceded to the Antimonopoly Act.

Source: Asia-Pacific Competition Update, April 2018, Issue 22



a company can face a fine of not more than five hundred million yen, and a fine of not more than five million yen or imprisonment of up to 5 years for an individual



#### #BEBASKARTEL ESSAY WRITING COMPETITION ON COMPETITION LAW 2018

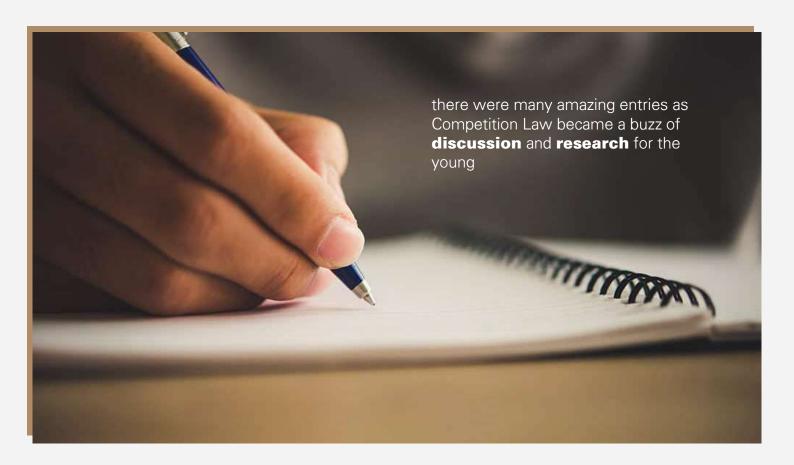
he celebration of MyCC's 7th anniversary has sure been busy! Amidst all the activities and competitions lined up, let us not overlook the Commission's first ever Essay Writing Competition with the theme #BebasKartel.

Reiterating our main purpose, MyCC is steadfast in its aim to promote awareness, as well as to seek writing talents among young writers hailing from various institutions of higher learning in Malaysia through this competition. This endeavour was taken place in order to ensure a continual supply of professionals who are well educated, law students in particular, to be trained in competition law. Indirectly, this can tremendously improve the understanding of competition law among graduates, academia and universities in Malaysia.

MyCC has definitely set its standards high by welcoming challenging minds among the youth, especially Malaysian undergraduates to express their concerns and solutions effectively. There were many amazing entries as Competition Law became a buzz of discussion and research for the young, hoping to influence the public on the importance of #BebasKartel.

This theme is specifically chosen to highlight MyCC's advocacy on anti-competitive market, combating cartel. Carefully crafted topics revolve around Competition Law with the aim of addressing current challenges faced by the MyCC within the Malaysian context.

The winner of this essay writing competition goes to Abdul Mutalib Abdul Shukor from Politeknik Ungku Omar. His winning essay on bid rigging was awarded at a ceremony held in conjunction with MyCC's Mega Celebration on 3 April 2018. Winners from the competition received their awards from the Guest-of-Honour, the Minister of Domestic Trade, Cooperatives and Consumer Affairs, YB Dato' Seri Hamzah Zainudin.



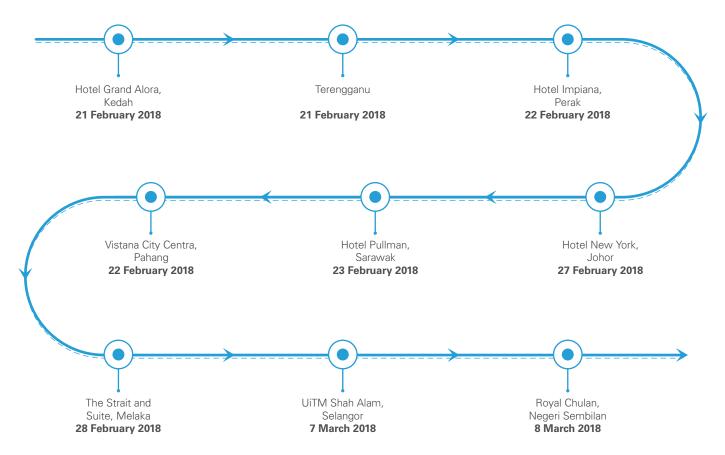
## **#BEBASKARTEL ROAD TOUR** WITH THE ENFORCEMENT OF THE COMPETITION ACT 2010

yCC steered forward in hosting various events and programmes dedicated to fostering a well-learned environment for businesses and consumers alike.

And so, in conjunction with MyCC's 7th anniversary for 2018, the Commission has conducted an advocacy program with a strong emphasis on the #BebasKartel topic to help ensure the enforcement of the Competition Act 2010 for nine states in Malaysia. According to the study which has been done by MyCC, these nine states have recorded low percentage regarding their awareness and knowledge towards the Competition Act 2010. By penetrating these states, the first step is achieved through their acknowledgement and acceptance in receiving further guidance.

The road tour lasted for a month, starting from February until March 2018. The states involved were Kedah, Terengganu, Perak, Pahang, Johor, Malacca, Selangor, Negeri Sembilan and Sarawak. Lively and engaging briefings were presented by MyCC officials and were targeted at stakeholders such as government agencies, business communities, consumers and student associations. Not to mention that the briefing also provided an intriguing introduction and the demonstration on how to use the Competitive Compliance Program e-Learning System for SMEs to participants so that they may assess their own level of compliance with the Act.

This outstanding step-up taken by the Commission is yet another applause worthy initiative to support local bodies, businesses, consumers and the youth as they can emerge stronger in mind and more than ready to persevere within the market and yet come up more successful than before.



9 01/2018 : JAN-JUN 2018



## #BEBASKARTEL CHORAL SPEAKING COMPETITION ON COMPETITION LAW 2018



hat better way to celebrate an anniversary than a choral speaking competition? On 28 March 2018, the Commission has held its first ever Choral Speaking Competition on Competition Law themed #BebasKartel. This competition was organised in lieu of the Commission's 7th anniversary, celebrating its establishment in enforcing and implementing the Competitive Act 2010.

The Commission has realised the importance of nurturing these young millennials on the idea of healthy competition and to inculcate the idea of efficiency, innovation and entrepreneurship to the students at secondary level as they will be the transformative agents in the future for a better nation. Such awareness on healthy competition should start from the root.

Therefore, this event is not only fitting but crucial to develop interest and awareness among students in secondary level about competition law in Malaysia, thus promote continuous supply of talents to the competition law in the future. Choral speaking is an engaging and fun competition, while promoting teamwork, discipline and creativity among students. These attributes can clearly be seen in the impressive and rehearsed works of our young contenders, as they set the stage at Balai Budaya Tun Syed Nasir, Dewan Bahasa & Pustaka, Kuala Lumpur. A collaborated initiative between MyCC and the Ministry of Education Malaysia, we applaud our budding orators as they indoctrinate the concept of fair competition in the market, leaving us hopeful for the future generation.

A hearty congratulation goes out to all schools participating in the competition. The curtain dropped on 3 winners; SMK Jalan Bukit Kajang claimed Victorious, bagging the title champion, while SMK Convent Bukit Nanas and SM Sains Kuala Selangor emerge as the first and second runner ups respectively.

## #BEBASKARTEL "KAYUH KAW KAW" AND FUN RIDE FOR RAISING AWARENESS ON COMPETITION LAW

n 31st March 2018, the Malaysia Competition Commission has organised its inaugural "Cycle Cyberjaya #BebasKartel Kayuh Kaw-Kaw 2018" at Dataran Park and Ride, Cyberjaya, which was held in conjunction with the 7th anniversary of the Commission on 1st April 2018.

This event was strapped with the main purpose of educating the public on the Competition Act 2010 and bringing the Commission closer to the public through the idea of a fun ride concept. It was also aimed for the public to look forward to meeting new faces, making new friends and experiencing some pedal-powered fun.

The participation amounted to 500 people who hailed from cycling clubs, general public, government officials, media colleagues, neighbourhood group students as well as families with children. They all attended and took part in the 30km "#BebasKartel Kayuh Kaw Kaw" and 2km fun ride categories. The auspicious event was officiated by YBhg. Datuk Muez Abd. Aziz, Deputy Secretary General, Ministry of Domestic Trade, Co-operatives and Consumerism (MDTCC).

This programme was well received by community members who came to take part. It was such an exciting time for all, and one of the main attractions during the event was the exhibition of vintage bicycles and trishaws which was brought specially all the way from Perak and Malacca. All in all, the Commission has achieved a valuable success as everyone came together to take part in the fun ride whilst making the public more aware on the importance of #BebasKartel.





Adva

# ERLEBRASKARHEL MECA

n for Competiv

2018-2020

Anniversary celebration reached its peak with the appearance of **YB Dato' Seri Hamzah Zainudin**, Minister of Domestic Trade, Cooperatives and Consumerism (KPDNKK)

#BebasKartel Mega Celebration kicked off with a Roundtable discussion held on April 3, 2018. Flocking the Roundtable are panels ranging from legal experts and other regulatory agencies, partaking in enthusiastic discussion on issues involving the implementation and enforcement of competition laws in the country.

This Roundtable was held at Kuala Lumpur's- stunning venue, Hotel Le Meridien where 200 attendees aimed at providing comprehensive disclosure of the functions and roles of the Commission as well as the importance of complying with the Competition Act 2010. It is the Commission's effort as part of its advocacy activities to raise the level of awareness of SMEs as well as the general public on the objectives of the Competition Act 2010.

MyCC's spirit was high and jubilant as it's 7th anniversary celebration reached its peak with the appearance of YB Dato' Seri Hamzah Zainudin, Minister of Domestic Trade, Cooperatives and Consumerism (KPDNKK). The buzz continues to soar as the event progresses.

The Commission has launched a Strategic Plan for Competition Advocacy and Communication 2018-2020 which is the Commission's strategy in providing the framework to be implemented in the third phase of competition advocacy in the country, along with the launch and airing of MyCC's latest corporate video.

The ceremony is not without its own glitz and glamour where local celebrity Lisa Surihani made an appearance as the Commission's ambassador, enlightening guests in a briefing session on the importance of healthy competition practices.

As the event drew to a close, prizes were awarded to winners of the colourful competitions held throughout the #BebasKartel themed celebration. Winners dazzled their smiles posing with their winnings as they were announced victorious in the competitions partaken. These competitions included the essay writing contest, photography competition, choral speaking competition between secondary schools and 'MyCC Cycle Cyberjaya Kayuh Kaw Kaw' which have been held since February.



#### #BEBASKARTEL PHOTOGRAPHY CONTEST ON COMPETITION LAW 2018

S howcasing talents and skills has become the norm in many events nowadays, and aside from the ability to be recognized, whether locally or internationally through their mad skills, participants usually take part in photography contests to immortalize their pictures in parallel with the need to raise awareness on issues and topics of concern. The 2018 theme #BebasKartel was beautifully portrayed through the 2018 photography contest.

The Malaysia Competition Commission (MyCC) also celebrated their 7th year anniversary, by conducting a photography contest and inviting professional and non-professional photographers nationwide to participate in this photo contest.

With this year's theme of #BebasKartel, it seeks to not only promote MyCC's social media to the public, but the hope is to boost awareness of cartel among the public which will indirectly help them gain a better grasp of competition law and its policy. Through this contest, photographers are able to capture its essence and depict these ideas through amazing photos taken for the contest.

A picture does indeed paint a thousand words as aspiring and experienced photographers share stunning photos deeply ingrained with the year's theme of #BebasKartel and carrying powerful messages throughout.



Mohd Samsi Bin Sumairi (1" Place) Buffalo Cartel "Competition in Wholesale Market"



Clement Chow Kay Ment (2" Place) Lightbulb and chain "Cartel free, unleash your creativity and broaden your opportunities"



Wong Kid Yie (3<sup>rd</sup> Place) Choices at the market "More choices for all"





# MyCC Classroom

M vCC continuously committed to create awareness on competition law among students and to enhance their overall understanding of the competition regime in Malaysia. Following the MoU established with MKM and five other institutes of higher learning in 2015, the Commission has organised teaching sessions through 'MyCC Classroom' programmes with UM, UKM, Taylor's University and ICOOP which were delivered by MyCC's officers from the economics and enforcement division.

These face-to-face teaching sessions are a continuous effort to strengthen collaboration and enhance student's knowledge on competition law and its updates. In reinforcing awareness in students, at times the best way to impart this sentiment is through teaching. MyCC Classroom has affected students involved, and it is hoped that with learning as part of their culture, that they in turn can continue to spread awareness on competition law.

As MyCC continues to grow, we will continue to cultivate young minds across other institutes of higher learning on the importance and goal of the Commission, namely the Competition Act 2010.







# ASEAN Telecommunications and Competition Regulation Workshop

"

Strengthening the **interface between competition** and other **economic areas** is an important component of fostering a competition-aware region in ASEAN

two-day workshop on ASEAN Telecommunications and Competition Regulation was held in Kuala Lumpur on 25-26 April 2018. This Workshop was delivered by the Australian Competition and Consumer Commission (ACCC), in partnership with the Malaysia Competition Commission (MyCC) and the ASEAN Secretariat, under the AANZFTA Competition Law Implementation Program (CLIP).

The primary goal of the Workshop is to strengthen the interface between competition and telecommunications regulators by examining competition law and policy and developments in the telecommunications sector and the complementarity of competition and regulatory instruments.

Among the issues covered in the Workshop include briefings on competition in the telecommunications sector in Southeast Asia, insights from the telecommunications sector, complementarily of competition and regulatory instruments and their common objectives, the importance on strengthening the interface between telecommunications sector and competition regulators and better understanding of their respective institutional scope and structures in the promoting and enforcing competition.

Strengthening the interface between competition and other economic areas is an important component of fostering a competition-aware region in ASEAN. While most of ASEAN have a single competition agency regime with full oversight over competition policy, some sectors like energy, telecommunications or aviation may be regulated through separate authorities, which may also have jurisdiction over competition issues, or there may be co-jurisdictions. Whatever the approaches, in this instance, a better understanding of the functions and roles of the regulatory authorities and better interface with these agencies will facilitate and enhance not only sector-specific knowledge, but also help to develop a mutual understanding of competition issues and challenges among the agencies.

15 01/2018 : JAN-JUN 2018

#### SUB REGIONAL WORKSHOP ON THE SELECTION AND PRIORITISATION OF SECTORS OR INDUSTRIES FOR MARKET STUDIES

his two-day Workshop was organized by the Japan-ASEAN Integrated Fund (JAIF) Programme, collaboration between the Commission for the Supervision of Business Competition (KPPU) and the Japan Fair Trade Commission (JFTC).

Held on 17 and 18 January 2018 in Bandar Seri Begawan, Brunei Darussalam, the main purpose of this workshop is to discuss in detail the issues that need to be addressed in the selection of a topic in accordance with the country's priority sectors to produce quality and effective market research.

In addition, the workshop also addresses the role of competition agencies in developing market research, the use of methodologies and analyses in market research and the linkages between competition agencies and policy makers.

Among the topics of discussion that was held in this Workshop are as follows:

- (a) The objective of market study and its effect to the selection and prioritization of sectors to be studied;
- (b) Market scoping;
- (c) Report outline for market study;
- (d) Common methodology and analysis used for market study;
- (e) Policy advise preparation using the finding of market study;
- (f) Managing interface of competition authorities and policy makers in market studies; and
- (g) Advocating the studies and its ex-post evaluation.

The workshop has exposed participants to the basic techniques in designing and producing relevant market research such as market scope determination, methodological use and analysis in market research, preparation of policy advice based on findings of market research reports, dissemination of research findings to the parties, stakeholders, post-evaluation assessments, and others through partnerships from speakers from Japan and Australia and other ASEAN countries such as Singapore, Indonesia and the Philippines.

Malaysia represented by MyCC presented a paper on "Market Research Objective and Impact on Sector Selection and Priorities for Review". The workshop is believed to have provided the bases for technical expertise among regional competent agency officials including MyCC to undertake and complete market research on this sector or industry of importance. It is essential for the efficiency of such a market to contribute and impact the country's economy in terms of competition.

The workshop has exposed participants to the basic techniques in **designing** and **producing relevant market** 

#### THE 2018 MANILA FORUM ON COMPETITION LAW IN DEVELOPING COUNTRIES

he Philippine Competition Commission (PCC) held an inaugural 2-day Forum on Competition Law in Developing Countries in Manila on 1-2 February 2018. The Forum was held at Makati Shangri-La, Makati City.

The forum was designed to provide a platform for an open discussion on the theory and practice of competition law and policy from a developing country's perspective.

Developing countries face unique challenges in the design and enforcement of their competition policy in terms of their economic, institutional, and legal conditions. Hence, the forum was an opportunity for young competition authorities in Asia and the Pacific region to engage meaningfully in the global discourse on competition law and policy and to learn from the cross-cutting experiences of both developed and developing jurisdictions. The Forum included topics highlighted the effectiveness of competition in developing countries, the public interest in competition policies development, and effects of competition policies on conglomerates and SMEs, among others.

The forum featured eminent competition and development experts, prominent business leaders, high-level government officials, including competition experts from multilateral development agencies, professional societies, and academic institutions.

The forum was designed to provide a platform for an open discussion on the **theory and practice of competition law and policy from a developing country's perspective.** 

#### COMPETITION LAW IMPLEMENTATION PROGRAM (CLIP) MODULE ONE: CARTEL INVESTIGATION WORKSHOP

Since its establishment seven years ago, the Malaysia Competition Commission (MyCC) has always sought opportunities and prospects in broadening its knowledge on competition law as well as combating cartel and Competition Act infringements. These have presented themselves to the Commission through local and international forums and workshops, hosted by developed and developing nations, and attended by countless intellectuals and experts on the enforcement and compliance of competition law.

On 20 until 22 March 2018, the Philippines Competition Commission (PCC) hosted the CLIP Module One: Cartel Investigation Workshop in Manila. The workshop received 25 participations representing the PCC and MyCC, while three facilitators from the Australian Competition and Consumer Commission (ACCC) were involved.

The main objective of this workshop was to create a platform for competition law enforcers and authorities to discuss and share the best technical and process experience to identify, investigate and take action on cartel offenses under the jurisdiction of the Competition Act. In the workshop, discussions also outline the rules for resolving and avoiding antitrust acts by various competing authorities such as ACCC, MyCC and PCC.

The workshop also aimed to provide MyCC officers with learning and exposure platforms in conducting investigations as well as a holistic approach in tracking and conducting inquiries on cartel cases.

Through this workshop, the quality of MyCC's investigation and enforcement has improved through sharing of experience by external competition agencies such as ACCC and PCC.

> The main objective of this workshop was **to create a platform for competition law enforcers**

#### INTERNATIONAL COMPETITION NETWORK (ICN) ANNUAL CONFERENCE 2018

he International Competition Network (ICN) Annual Conference 2018 was held in New Delhi, India from 21 to 23 March 2018 as part of its obligation to bring together agencies from around the globe in the hope of acquiring new knowledge and strategies pertaining competition laws.

International Competition Network (ICN) is a network of unofficial global competition agencies. The network's objective is to provide a platform for all agencies to come together whilst sharing valuable opinions and experiences in ensuring equality of actions taken in implementing competition laws.

For the 2018 conference in New Delhi, ICN has attracted a huge number of participation, and the conference saw 73 countries that came to engage and be a party of the memorable event. It was successfully achieved and reaped a meaningful collusion, with credit given to the Competition Commission of India (CCI) who stood out to be the main organiser of this conference.

> The network's objective is to **provide a platform** for all agencies to come together whilst sharing valuable opinions

The conference has succeeded in summarising the following issues:

- a) Digital technology can be misused by industry players in cartel activities;
- b) Advocacy activities may also assist in providing effective enforcement of competition law;
- c) Each agency must have knowledgeable and experienced economists in the economic aspects of competition law;
- d) The Commission must invest in the welfare and development of its employees;
- e) Organisational structure must always be excellent and improved from time to time; and
- f) The Commission should enact its law to have power over merger and acquisition issues.

Ultimately, conferences such as this has become a meeting space for competing authorities from around the world in their effort to promote sharing of experience, good practices and discussions on how to cope with the latest and future challenges. MyCC continues to find such platforms in order to expand experience and knowledge from their counterparts around the world.

MyCompetition Promoting Competition, Protecting You NEWS

#### APEC COMPETITION WORKSHOP ON MERGER CONTROL REGIMES 2018

"

The workshop aims to **contribute** towards APEC's efforts in **strengthening the reform structure** that can increase competition in the market in the APEC region

A s an initial step toward establishing regional cooperation among ASEAN competent law authorities on the merger control regime, the Asia-Pacific Economic Cooperation (APEC) Papua New Guinea organized the APEC Competition Workshop on Mergers Control Regime held in Port Moresby, Papua New Guinea on 1 and 2 March 2018.

The Malaysia Competition Commission (MyCC) was represented by an official and also in attendance were other officials from competition enforcement agencies from ASEAN countries.

The workshop aims to contribute towards APEC's efforts in strengthening the reform structure that can increase competition in the market in the APEC region. The workshop brings together experts and participants from the APEC region to discuss various merger control regimes used by competition enforcement agencies.

Among the key findings from the workshop were the results of discussions from competition enforcement agencies from the United States, Australia, Chile, Mexico, New Zealand, Vietnam, Papua New Guinea and Peru who shared knowledge and methods to monitor and control mergers and acquisition between companies and types of merger control regimes such as mandatory control or voluntary control.

The workshop also discusses the challenges faced by competition enforcement agencies in implementing various types of merger control regimes including the rules used or usable by competition agencies to make their regimes more effective. The 2-day workshop focuses on the development of competition enforcement agencies and competition advocacy programs to enhance the enforcement agency's capacity in the ASEAN region. The workshop covers issues, rules, guides and challenges in monitoring the merger and acquisition control regimes used by competition enforcement agencies in the ASEAN region.

In addition, the workshop also provides discussion platforms such as the preparation of priorities and the development of agency strategic planning plans, enhancing accountability of enforcement agencies such as ethics and system evaluation, knowledge management and program effectiveness, public relations, co-ordination with stakeholders and issues relating to the joint advocacy program government agencies, enforcement agencies and local companies.

Indirectly, everyone attending can share their expertise, especially competition enforcement agencies from Australia, the United States, New Zealand, Papua New Guinea and Vietnam. They have shared their experience and organizational management that are seen as important and helpful to the government especially in terms of merger and acquisition control regimes. ASEAN representatives are also able to meet and get acquainted with each other, and this can lead to a wider international relations in enforcing competition laws.

The workshop is vital for the MyCC as the rules and policies of takeover and mergers are still not listed in our country's competition laws.



#### GLOBAL COMPETITION REVIEW LIVE SINGAPORE: 7TH ANNUAL ASIA PACIFIC LAW LEADERS FORUM



he Global Competitive Review (GCR) Live is a platform to discuss matters related to the development of competition laws and policies at the level of member countries of Asia Pacific. The forum's participation was opened to competing law enforcement agencies, law practitioners, economists, company representatives, and academics from various fields among member countries.

GCR Live: The 7th Annual Asia Pacific Law Leader Forum was held from 9th to 10th March 2018 at Maxwell Chambers, Singapore. Within two days, the GCR Live Forum has successfully discussed topics and issues pertaining to competition and current issues that require attention to ensure competition in the country's business and economic markets as well as fostering existing international relations. This course was funded by the organiser Global Competition Review.

The main purpose of the GCR is to discuss the latest developments, exchange opinions and experiences on competition laws and policies practiced by member countries. The forum also discusses current business and economic issues that are closely related to competition. In addition, European competent enforcement agencies are also present to provide practical advice on the implementation of this competition policy. Hence, GCR Live is an important forum for the Malaysian Competition Commission (MyCC) in understanding and exchanging views on compliance with law and competition policies among participating member countries. It can also ensure the sharing of knowledge and information regarding the implementation of laws and policies between two or more countries.

This two-day forum provides a clear picture and a proliferation of knowledge on new issues of competition. A knowledge-sharing session and interactive discussion were held and useful information was shared by forums and participants. The sessions provide a better understanding of the latest competition issues, corporate merger issues, cross-border investigations, technological advances in anti-competitive behavior and know-how about the current status of competition laws among ASEAN countries.

In summary, the key take away from this forum include:

- a) The constraint in empowering competition laws is considered a challenge especially to new agencies;
- b) Enforcement of competition and enhancement of e-commerce investigations laws, policies and procedures to prepare for the digital economy era; and

c) Implementing mergers and acquisitions of companies.

The last topic above is considered important and is fundamental to the competition law. In fact, most countries have successfully implemented it via merge notification. This is especially important involving the incorporation of a company from an outside country. Hence, policy provisions for review of the requirements of the Competition Act 2010 include the legal provisions for mergers and acquisitions of enterprises that are necessary in line with the development of the digital economy and the global marketplace of Malaysia.

From a global context, this forum has met its goal to remain committed to improving the state of the world, in which the competition authorities can address the opportunities and challenges of competition law practiced by ASEAN countries over the coming years.

19 01/2018 : JAN-JUN 2018



th

ERSARY

