

MyCompetition NEWS

Promoting Competition, Protecting You



Years of
SUCCESS





The Economic Transformation Programme envisions Malaysia to have a gross national income (GNI) per capita of US\$15,000 by the year 2020, and is in line with the national mission of achieving developed-nation status by then.

This requires attracting investments worth US\$444 billion. Therefore, it is imperative that Malaysia is able to present itself as a viable destination to investors by guaranteeing that they will be able to compete on a level playing field.

The Global Competitiveness Report 2016–2017 assesses the competitiveness landscape of 138 economies, providing insight into the drivers of their productivity and prosperity. Those placed highly on the

list are usually the ones who receive the most Foreign Direct Investments (FDIs), which is a testament to the trust and confidence they engender through their commitment to competition.

The Federal Government has already taken a number of steps to boost Malaysia's standing. It introduced and passed the Competition Act 2010 (CA 2010), which identifies and forbids anti-competitive practices that significantly prevents, restricts or distorts competition in the market and serves as a guideline for both public and private sector entities to follow, and this ensures that our competition laws are comparable with international standards.

Since it commenced operations in April 2011, the MyCC has achieved many milestones in advancing the appreciation and understanding of the importance of competition. This is owing to the leadership of its former Chairman Tan Sri Dato' Seri Siti Norma Yaakob. On behalf of the Ministry, I wish to thank her for her service, and welcome her successor Tuan Che Mohamad Zulkifly Jusoh to his new role. I am confident that under his guidance, the MyCC will continue to make new strides in promoting competition in Malaysia.

Businesses of all sizes also need to play their part. Small and Medium Enterprises (SMEs) are of particular importance, as they make up 97% of all businesses in Malaysia, and account for nearly 37% of the Gross Domestic Product (GDP) as well as 18% of exports based on the 11th Malaysia Plan 2016–2020. A healthy and competitive SME sector will help lift our nation's standing in the Global Competitiveness Index, leading to more investments and stronger economic growth.

I urge all private enterprises to work hand-in-hand with the Government to help bring about a more competitive and prosperous Malaysia.

Dato' Seri Hamzah Zainudin

Minister of Domestic Trade,
Co-operatives and Consumerism



The MyCC celebrated the sixth anniversary of its establishment on the 1st of April this year. In the same month, I took office as the Commission's new Chairman. I wish to express my appreciation to the Minister of Domestic Trade, Co-operatives and Consumerism, Dato' Seri Hamzah Zainudin, for entrusting me with the responsibility of being the MyCC's new Chairman.

Since the MyCC's formation in 2011, an increasing number of Malaysians understand and appreciate the importance of competition, especially with regards to it being a vital component in realising our national mission.

While we celebrate the MyCC's past successes, we do not intend to rest on our laurels. This is why the MyCC is stepping up efforts in organising various advocacy programmes where we will engage various public and private sector organisations, in particular SMEs, government agencies and higher learning institutions. We believe that a healthier competition environment helps ensure higher quality products for consumers at more competitive prices. Moreover, it expands opportunities for local innovative businesses to grow in the international arena.

Ultimately, the MyCC's goals cannot be achieved solely through

use of regulations and penalties. Instead, we need to continue being vigilant in showing why competition is best for everyone.

It is my goal to take the MyCC to greater heights and be one of the leading competition authorities and champions in the region.

Che Mohamad Zulkifly Jusoh

Chairman



We are confident that their wisdom and experience will complement those of our existing Commission Members, and bring great benefit to the MyCC. This will help us fulfil our mission of "executing our mandate efficiently and effectively, with a commitment to ensure a conducive competition culture to make markets work well for consumers, businesses and the economy."

In light of this, we will continue to organise advocacy programmes and engage with relevant stakeholders. For instance, bid rigging is one particular area we have been focusing on, and we have worked closely with SMEs and also the procurement sector to address this issue. At the same time, we have engaged higher learning institutions to implement Competition Law as part of their syllabus in order for students to be equipped with knowledge regarding the Competition Act 2010. In addition, we have discussed expanding our permanent workforce with the Public Service Department (PSD). This includes attracting as well as retaining highly qualified talent, which would enable us to operate with greater efficiency.

We hope this publication will help you understand what we do, and more importantly why we do it.

Dato' Abu Samah Shabudin
Chief Executive Officer

2017 so far has been a busy and productive year for the Malaysia Competition Commission (MyCC). As part of our continuous effort to advocate competition in Malaysia, we organised the Malaysia Competition Conference 2017 as well as the 7th ASEAN Competition Conference (7th ACC). The success of both conferences reflects just how far the MyCC has come since we became operational in April 2011. In just six years, we have managed to establish ourselves as a respected member of the wider family of the ASEAN competition authorities.

As we enter the second half of 2017, we bid farewell to former members. The MyCC would like to extend our appreciation, not just for their service, but for their leadership and guidance whilst in the MyCC. We also welcome our new Chairman, Tuan Che Mohamad Zulkifly Jusoh; and our new Commission Members, Datin Seri Ruzaina Wan Haniff and Dato' Jagjit Singh a/l Bant Singh.

Members of Commission

YB Tuan Che Mohamad Zulkifly Jusoh
Chairman (1st of Apr 2017 – 31st of Mar 2020)

Dr. Zakariah Abdul Rashid
Executive Director, Malaysian Institute of Economic Research
(27th of June 2014 – 26th of June 2017)

Datin Seri Ruzaina Wan Haniff
Advocate and Solicitor (High Court of Malaya)
(non-practising) (1st of Apr 2017 – 31st of Mar 2020)

Datuk Seri Dr. Rahamat Bivi Yusoff
Director General, Economic Planning Unit
Prime Minister Office (1st of Jan 2015 – 6 June 2017)

Dato' Jagjit Singh a/l Bant Singh
Advocate and Solicitor, Jagjit Ariff & Co,
(1st of Apr 2017 – 31st of Mar 2020)

Puan Normazli Abdul Rahim
Treasury Solicitor, Ministry of Finance
(4th of Feb 2015 – 3rd of Feb 2018)

Dato' Ahmad Hisham Kamaruddin
Founding Partner of Hisham & Associates
(11th of Aug 2014 – 10th of Aug 2017)

Dato' Basaruddin bin Sadali
Deputy Secretary General (Domestic Trade)
Ministry of Domestic Trade, Co-operatives and Consumerism
(8th of Jan 2016 – 7th of Jan 2019)

Dato' Gan Khuan Poh
Director, Lintramax (M) Sdn Bhd
(15th of May 2014 – 14th of May 2017)

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

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Tel: +603 7729 4886
Fax: +603 7729 4887

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For enquiries, please email
enquiries@mycc.gov.my, call +603-2273 2277
or fax +603-2272 2293/1692.

New Zealand Commerce Commission

By Teh Ju-Lian, Senior Assistant Director, Malaysia Competition Commission

There are three things that come to mind when people think about New Zealand: rugby, sheep and the Lord of the Rings, and not necessarily in that order. I am glad to say that, during my secondment with the New Zealand Commerce Commission (NZCC), I encountered all three and so much more, which made my time there an unforgettable experience.

I was assigned as an Investigator with the Competition Branch of the NZCC under the supervision of Team Leader, Grant Chamberlain and Competition Manager, Katie Rusbatch, and was involved in two cartel investigations.

I have learnt quite a fair bit about cartel investigations, especially how evidence handling and analysis can be conducted more effectively. Their importance in an investigation cannot be overstated, especially in the digital age we currently live in.



Teh Ju-Lian (fourth from right), together with members of NZCC's investigation team including Grant Chamberlain (third from right) and Katie Rusbatch (third from left).

I was also able to observe and experience an entirely different work culture, which emphasised professionalism and having a work-life balance at the same time.

I wish to thank the Competition Law Implementation Program (CLIP) team under Julie Glasgow for all their hard work without which this

secondment would not have been possible. I encourage and entreat everyone to participate in the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) CLIP Secondments as they are invaluable for both professional and personal development, and help establish strong links and relationships between regional competition authorities.



Tokyo, Japan

The MyCC's Enforcement Division Director, Iskandar Ismail and Principal Assistant Director of Strategic Planning and International Affairs, Hany Azreen Shamsiruddin attended a training course on the 'Promotion of Cross-Border Enforcement in

ASEAN Region' from the 11th–13th of January. Held in Tokyo, Japan, the course aimed to strengthen the capacity of ASEAN member states to enforce competition law as well as to promote cross-border cooperation.

Sydney, Australia

On the 23rd–25th of May, Fong Chuen Fuen, the MyCC's Senior Assistant Director of the Business and Economics Division represented the Commission at a workshop on "Competition in the Pharmaceutical Sector" in Sydney, Australia. The workshop highlighted the strong role competition policy plays in the pharmaceutical sector, and aimed to strengthen the capacity of competition officials in handling cases from the sector.



The Ridzqun International Hotel, Brunei

A workshop on “Competition Economics in Practice” was held at The Ridzqun International Hotel in Brunei. Held from the 7th–9th February, the workshop aimed at providing officials with the skill sets to direct and engage in economic thinking and analysis within their organisations. Hjh Junaidah Mohd Shazilli, Head of the Business and Economics Division and Mohd Hasbullah Mohamad Faudzi, Assistant Director of the Business and Economics Division attended on behalf of the MyCC.



Nha Trang City, Vietnam

The MyCC’s Business and Economics Division Assistant Director, Ismail Faruqi and Enforcement Division Assistant Directors, Tong Yew Fai, Mohd Fauzan and Ponn Wann, represented the Commission as part of Malaysia’s delegation to the APEC Senior Officials’ Meeting (SOM1) and related meetings at Nha Trang City, Vietnam in February this year. Ismail Faruqi and Tong Yew Fai attended two workshops there. The first on the 20th–21st of February on ‘Using Competition Assessment to Eliminate Barriers to Trade, and

Commerce in Goods and Services’, highlighted possible hindrances government policy may pose to competition, and showcased ways competition assessments can help liberalise trade in goods and services. The workshop also introduced the OECD Competition Assessment Toolkit and how it can be used in APEC economies.

The second workshop, titled ‘Economics of Competition Policy’ took place on the 22nd–23rd of February. The event enabled

Auckland, New Zealand



H. Hezrin Jeffry Daud Hong, the MyCC’s Strategic Planning and International Affairs Division Senior Assistant Director and Karen Chai, Assistant Director of the Legal Division attended a workshop in Auckland from the 1st–2nd of June 2017. The main objective was to discuss the efficiency of leniency programmes. The workshop was timely as a number of ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) competition commissions are reportedly considering introducing leniency programme in their jurisdictions.

the MyCC representatives to exchange skills and knowledge with competition officials from other APEC countries on using economic evidence in competition cases.

In addition, Mohd Fauzan and Ponn Wann represented the MyCC at a seminar on ‘Investigative Powers of Competition Agencies’ on the 24th–25th of February, which saw experts from the United States and Mexico conducting training on the effective use of investigative powers.

Malaysia Competition Conference 2017

In March, the Malaysia Competition Commission (MyCC) organised the Malaysia Competition Conference 2017. Officiated by His Royal Highness Paduka Seri Sultan Nazrin Muizzuddin Shah Ibni Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-Lah, Sultan of Perak, the two-day conference was held at the Sunway Resort Hotel & Spa, Selangor from 6th–7th of March 2017. The theme “*Competition Law: Breaking Norms, Managing Change*” reflected the event’s objectives where participants were encouraged to discuss competition law and ways to uphold them.

The conference gathered more than 200 attendees from around the world to share experiences and knowledge, as well as create awareness on the importance of competition among businesses.



(Front row) His Royal Highness Paduka Seri Sultan Nazrin Muizzuddin Shah, the Sultan of Perak (centre) along with Dato’ Sri Jamil Salleh, the Secretary General of Ministry of Domestic Trade, Co-operatives and Consumerism (on the extreme left), Dato’ Seri Hamzah Zainudin, the Minister of Domestic Trade, Co-operatives and Consumerism (second from left), Tan Sri Dato’ Seri Siti Norma Yaakob, former Chairman of the MyCC (second from right) and Dato’ Abu Samah Shabudin, the CEO of the MyCC (extreme right). (Back row) The esteemed Commission Members of the MyCC.

The focus topics during the conference included the role of the judiciary in competition law and policy, competition law and its direction, protecting small and

medium enterprises, competition in e-commerce, economic analysis in competition law and challenges in enforcing competition law in today’s world.

The 7th ASEAN Competition Conference

The Malaysia Competition Commission (MyCC) successfully hosted the 7th ASEAN Competition Conference (7th ACC) at the Sunway Resort Hotel & Spa, Selangor on the 8th–9th of March 2017. The theme “*ASEAN@50: Managing Change in a Competitive*

ASEAN” was chosen to commemorate the 50th Anniversary of ASEAN as well as the 10th Anniversary of the ASEAN Expert Group on Competition (AEGC). The conference highlighted the challenges faced by younger competition authorities in ASEAN and

facilitated the exchange of knowledge and ideas among the 200 attendees.

Featuring different themes each year, the ACC is responsible for the regional development of Competition Policy and Law (CPL) within the ASEAN region. The CPL helps prevent anti-competitive practices by promoting the benefits of healthy competition among businesses.

The 7th ACC was co-organised with the AEGC, the ASEAN Secretariat, the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) Economic Cooperation Support Programme (AECSP), as well as the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, which was commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ).



The discussion for “*ASEAN’s Young Competition Agencies – the Tough Get Going*” was facilitated by Toh Han Li, Competition Commission of Singapore, Chief Executive (centre). Panelists were Dato’ Ahmad Hisham Kamaruddin, the MyCC Commission Member (extreme left), Gwen Grecia De Vera, Executive Director of the Philippine Competition Commission (second from left), David Chrystall, Chief Adviser of New Zealand Commerce Commission (second from right) and Aung Min Thyke, Director of the Department of Trade, Republic of the Union of Myanmar (extreme right).

Fostering Healthy Competition

Adlan Abdul Razak,
MARA University of Technology



The principle of demand and supply is usually what helps determine the prices of goods and services in a free and competitive market. Under this rule, prices go up as demand increase because the supply of a particular good or service is limited and is unable to cope with the pace of demand. However, if there is greater supply than demand, the supplier would have to lower the price in order to generate sales.

A free and competitive market will respond effectively to the needs and demands of consumers, thus enabling the economy to allocate resources efficiently, reduce wastage and be more competitive. A competitive market will also bring about innovation, provide more choices at competitive prices to consumers, and promote better economic growth

However, there are instances where producers may collude between themselves to influence the price in the market, either by fixing the price of a particular product or service or limiting their supply. This will artificially increase the price of that product or force consumers to purchase unrelated product as part of a bundle.

Such actions distort the market, and prices in a distorted market do not reflect what the consumers want. Instead, producers have greater control over prices in such a scenario, and there is no incentive for them to be innovative and competitive. Thus, consumers will be forced to settle for less choices, higher prices, and lower quality. In addition, there will be more wastage as resources will not be allocated efficiently. Therefore, the nation will not be competitive and economic growth will suffer.

As such, in 2010 the government introduced the Competition Act 2010 (CA 2010) and the Competition Commission Act 2010. These two laws have helped ensure that

markets in Malaysia remain competitive and innovative, thereby protecting consumer interests.

The former identifies and penalises anti-competitive practices, while the latter set up the Malaysia Competition Commission (MyCC) as the regulatory agency that promotes competition and enforces the CA 2010.

To date, the MyCC has investigated many high profile cases and imposed hefty fines on a number of organisations, including government-linked companies that have violated the CA 2010. This shows the MyCC's independence and commitment to its duty without fear or favour. At the same time, its vigilance means that industry players should familiarise themselves with the CA 2010 and ensure that their practices do not run afoul of the Act.

▶ For the full article, please visit mycc.gov.my



Say No To Cartels

By Dr Nasarudin, Deputy Dean of Student Affairs,
International Islamic University Malaysia (IIUM)



If we were to go back five years ago, when the implementation of competition law in Malaysia was still in its nascent stage, the initial cases handled by the MyCC involved incidents where prices of certain products were fixed. One early landmark decision saw the MyCC ruling that the Cameron Highlands Floriculturist Association had infringed Section 4 (2) of the Competition Act 2010 by fixing the prices of flowers, thus preventing and distorting competition in the floriculture market.

This type of activity is typical of a cartel, where cartel members, which are businesses, engage in anti-competitive practices such as colluding to eliminate uncertainties or to soften competition in the market. The most common cartel activity is where they collude to increase the price of certain goods and services (based on percentage) by engaging in horizontal and vertical agreements. This also includes plans to limit their services in certain markets that have already been dominated by other enterprises.

So far, out of the 18 cases that the MyCC has investigated, 14 involved cartel activities. As such, action has been taken against corporations in the aviation industry, producers of confectionaries and baked goods, and ice enterprises.

Consumers are the ones who are most affected by cartels. However, most of the time, consumers do not realise that they are being manipulated by such activities. Firms hike up prices even though they can actually be lowered for the benefit of consumers. With this, the consumer's freedom of choice is hindered.

Cartel activities also unsettle economies, as sudden price hikes of a certain good leads to a domino effect, which affects the prices of fuel and other necessities such as

MyCC confirms 'proposed decision' against PIAM, members
KUALA LUMPUR: Malaysia Competition Commission (MyCC) CEO Datuk Abu Samah Shabudin said yesterday it had indeed issued a "proposed decision" on Feb 22, 2017 against the General Insurance Association of Malaysia (PIAM) and its 22 members for being parties to an anti-competitive agreement.
per hour for Piam Approved Repairers Scheme workshops.
MyCC, while acknowledging that it proposes to impose various remedies including financial penalties against the 22 general insurers, did not confirm the RM213.45 million penalties reported by Allianz Malaysia Bhd in its filing with Bursa Malaysia last Friday.
MyCC makes its assessment and its reasons for arriving at the decision. This is issued to the enterprises concerned to assist them to make representations and provide any other information to support their representations to the MyCC. The enterprises concerned have 30 days from the date of receipt of the

MyCC imposes RM213mil penalty on general insurers
KUALA LUMPUR: The Malaysia Competition Commission (MyCC) has proposed to impose a financial penalty of RM213.45mil on all 23 general insurers in the country. Allianz Malaysia Bhd said yesterday, its subsidiary, Allianz General Insurance Company (M) Bhd (AGIC), was among the insurers - who are members of Persatuan Insurans Am Malaysia (PIAM) - alleged to have infringed one of the prohibitions under Part II of the Competition Act 2010 (CA). It said the financial penalty resulted from MyCC's investigation into the alleged infringement in the agreement between PIAM and the Federation of Automobile Workshop Owners' Association of Malaysia (FAWOAM) on trade discount rates for parts for certain vehicle makes and labour hourly rates for PIAM approved repairers scheme workshops. "These rates were applied by AGIC pursuant to a members' circular issued by PIAM, which arose from Bank Negara's directive to PIAM to engage FAWOAM to resolve the issues of parts trade discounts and labour hourly rate," it said. Allianz said the proposed decision included a proposed financial penalty of RM213.45mil on all the 22 general insurers. Allianz said its general insurer AGIC, as one of the members of PIAM, would have a share of RM27.48mil of the proposed penalty. It said the proposed decision was not final and AGIC would defend its position that it has not infringed Section 4(2)(a) of the CA.

The latest proposed decision by the MyCC on cartels.

electricity. Such incidents can be seen all over the globe, such as in countries like Singapore, Indonesia and South Africa.

Detecting cartel activities takes a lot of manpower. As the enforcement agency entrusted with implementing the Competition Act 2010, the MyCC places high priority on proactively combating cartel activities. It has done so by raising public awareness about their dangers, such as organising over 200 advocacy

programmes. With members of the public being more knowledgeable about the regulations, they can help detect and alert the MyCC about cartel activities.

Another obstacle is that most of the time, such activities are done in secret. This is why the MyCC is offering leniency to businesses that admit to and help identify anti-competitive practices. This helps reinforce the law among the business community.

Ultimately, the MyCC should not be seen as an agency that seeks to limit businesses, but one that motivates economic growth through promoting a more competitive environment.

► For the full article, please visit www.mycc.gov.my

Competition Advocacy Programmes in 2017

MARCH

Briefing on CA2010 with Nilai University

Date: 1st of March 2017

Venue: Nilai University, Nilai, Negeri Sembilan

Speaker: Dhaniah Ahmad, Principal Assistant Director of Enforcement Division

Engagement Session with the Judiciary of Malaysia

Date: 7th of March 2017

Venue: Palace of Justice, Putrajaya

Speaker: Judge Dennis Davis (High Court and Judge President of the Competition Appeal Court of South Africa)

Engagement Session on CA2010 with Money Services Business Regulation Department, Bank Negara Malaysia

Date: 24th of March 2017

Venue: The MyCC Office, KL Sentral

Speakers: Ayuda Sari Ismail, Director of Strategic Planning & International Affairs Division and Iskandar Ismail, Enforcement Division Director

APRIL

Engagement Session on CA2010 with Ministry of Tourism and Culture (MOTAC)

Date: 10th of April 2017 | Venue: The MyCC Office, KL Sentral

Speakers: Ayuda Sari Ismail, Director of Strategic Planning & International Affairs Division and

Hany Azreen Shamsiruddin, Principal Assistant Director of Strategic Planning & International Affairs



Dato' Abu Samah Shabudin, Chief Executive Officer of the MyCC led the briefing at the Ministry of Domestic Trade, Co-operatives & Consumerism (MDTCC) office in Terengganu.

MAY

Discussion on the CA2010 and Issues Related to Competition in the Health Sector

Date: 5th of May 2017

Venue: Ministry of Health, Putrajaya

Speakers: Ayuda Sari Ismail, Director of Strategic Planning & International Affairs Division and Dharliza Dris, Director of Legal Division

Briefing on the CA2010 in conjunction with the Capacity Intellectual Intensive Course on 'Kos Sara Hidup' (Cost of Living)

Date: 14th of May 2017

Venue: MARA University of Technology, Terengganu

Speaker: Mohd Azman Mohd Mahmud @ Bahari, Principal Assistant Director of Enforcement Division

Briefing on the CA2010 with the Enforcement Division of the Ministry of Domestic Trade, Co-operatives & Consumerism (MDTCC)

Date: 14th of May 2017

Venue: MDTCC Office, Terengganu

Speakers: Ayuda Sari Ismail, Director of Strategic Planning & International Affairs Division and Iskandar Ismail, Enforcement Division Director

Briefing Session on the CA2010 for Industry Parties (Money Services Business)

Date: 15th of May 2017 | Venue: Sasana Kijang,

Bank Negara Malaysia, Kuala Lumpur

Speakers: Iskandar Ismail, Enforcement Division Director and Karen Chai E-Zhu, Assistant Director of the Legal Division

Enforcement Seminar on CA2010 with Toyo Tires Malaysia Sdn Bhd

Date: 16th of May 2017 | Venue: Toyo Tyre Sales & Marketing

Malaysia Sdn. Bhd., Shah Alam, Selangor

Speakers: Ayuda Sari Ismail, Director of Strategic Planning & International Affairs Division and Dhaniah Ahmad, Principal Assistant Director of Enforcement Division

Briefing Session on the CA2010 with the Enforcement Division of the Ministry of Domestic Trade, Co-operatives & Consumerism (MDTCC)

Date: 22th of May 2017

Venue: MDTCC Office, Pulau Pinang

Speakers: Mohd Azman Mohd Mahmud @ Bahari, Principal Assistant Director of Enforcement Division and H. Hezrin Jeffry bin Daud Hong, Senior Assistant Director of Strategic Planning & International Affairs Division



Esteemed members of the MyCC seated with the Enforcement Division from the Ministry of Domestic Trade, Co-operatives and Consumerism (MDTCC) office in Pulau Pinang.

Collaboration & Competition

As part of the MyCC's advocacy efforts in ensuring future generations understand the importance of competition and the Competition Act

2010 (CA 2010), the MyCC signed Memoranda of Understanding (MoU) with representatives from the Co-operative College of Malaysia

(MKM) as well as five other Institutions of Higher Learning (IHL). These IHL were University of Malaya (UM), the National University of Malaysia (UKM), MARA University of Technology (UiTM), International Islamic University Malaysia (IIUM) and Taylor's University.

The former Chairman of the MyCC, Tan Sri Dato' Seri Siti Norma Yaakob (right) signed Memorandum of Understanding with Prof Madya Dr Abdul Rahman Abdul Razak Shaik, the Director General of Co-operative College of Malaysia (MKM) (left), witnessed by Dato' Sri Alias Haji Ahmad (middle).



This collaboration will introduce subjects associated with Competition Law as compulsory course modules in business and law syllabus. Consequently, the interest of consumers is protected as they will be more knowledgeable about the CA 2010.

Bid Rigging

Beating Bid Rigging

The MyCC, together with the Japan Fair Trade Commission (JFTC) and Commission for the Supervision of Business Competition (KPPU) hosted a two-day bid rigging workshop on the 26th-27th of April, at the Corus Hotel in Kuala Lumpur. Titled 'Investigative Strategies

and Techniques to Fight Bid Rigging Cartels', the event enabled the JFTC, which was established 68 years ago, to impart its experience on the subject to 40 participants.

The workshop's agenda included critical discussions on hypothetical

cases, practical investigative sessions on detecting cartels and other related issues. This provided an excellent platform for participants to exchange information, ideas and knowledge in order to further strengthen the principles of the Competition Act 2010.



The Japan Fair Trade Commission shared their expertise during the workshop by creating in-depth discussions on bid rigging.

MyEG's Troubling Issue

The MyCC has fined MyEG Services Berhad for infringing section 10(2)(d)(iii) of the CA 2010. It was found abusing its dominant position in the provision and management of online PLKS (Foreign Workers Permit) renewals.

In addition to the financial penalty, the MyCC also imposed remedial action on MyEG which included an order to immediately cease and desist applying different conditions to equivalent transactions.

On The Road

In February this year, the MyCC issued a proposed decision against the General Insurance Association of Malaysia (PIAM) and 22 of its members for being involved in an anti-competitive agreement involving price-fixing of vehicle parts. Evidence received by the MyCC showed that the PIAM and its members fixed the trade discount of vehicle parts for six auto makers namely Proton, Perodua, Nissan, Toyota, Honda and Naza at 25% while those of Proton Saga's BLM model were fixed at 15%. On top of that, the agreement also fixed an hourly rate of labour at RM30 for PIAM Approved Repairers Scheme workshops.

The MyCC proposed a financial penalty of RM213,454,814 as well as other remedies against all PIAM members for infringing Section 4(2)(a) of the Competition Act 2010 (CA 2010). The case will be heard at an oral representation session later this year.

Tribunal Dismisses Prompt Dynamics Appeal

The Competition Appeal Tribunal (CAT) has dismissed an appeal by Prompt Dynamics Sdn Bhd against an RM152,042 fine for engaging in price-cartel activities. The MyCC had earlier concluded that Prompt Dynamics had infringed Section 4(2)(a) of the CA 2010 and imposed the maximum penalty on the enterprise.

Aside from Prompt Dynamics, the MyCC also investigated and penalised four other companies for price-cartel activities. All five were fined a total of RM645,000.

“The impact of the MyCC can definitely be felt as it has been actively pursuing businesses that act anti-competitively. Educational institutions are especially aware of its efforts, as the MyCC collaborates with universities to advocate competition law, as well as consistently conduct Competition Conferences which are attended by competition law experts from around the world.”

– Puteri Sofia Amiruddin,
Taylor's University Programme Director
(Postgraduate Law Programmes) & Lecturer





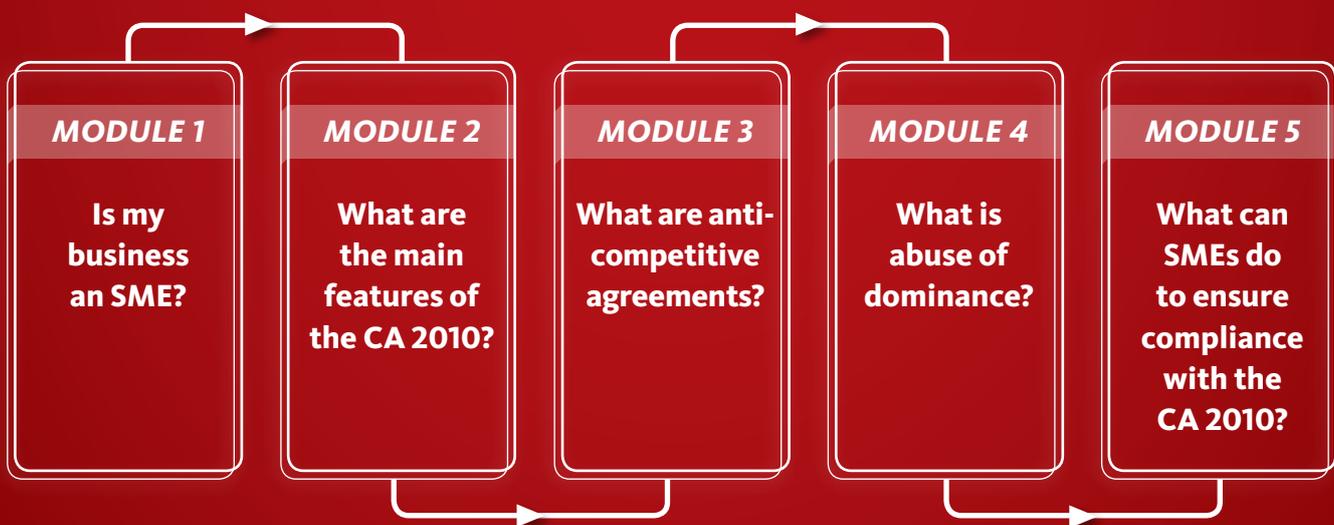
**SURUHANJAYA PERSAINGAN MALAYSIA
MALAYSIA COMPETITION COMMISSION**

CALLING ALL SMEs!

The MyCC has developed an e-Learning system on Competition Compliance Programme (CCP) for **Small and Medium-Sized Enterprise (SME)** to understand the concept and the importance of complying with the principles.

**Do you think you know Competition Act 2010 well enough?
Are you ready to find out?**

Please visit our website at <http://elearning.myc.gov.my> to try out our five unique modules. Test yourself!



The goal for this e-Learning system is to increase competition compliance as well as awareness amongst SMEs by 2020.



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