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**NEWS RELEASE**

## **MyCC PUBLISHES LENIENCY REGIME AND FINANCIAL PENALTIES GUIDELINES**

**KUALA LUMPUR, 16<sup>th</sup> October 2014** - The Malaysia Competition Commission (MyCC) has finalized and published its Guidelines on Leniency Regime and Financial Penalties after a nationwide public consultation earlier this year. The documents are available for viewing and download from the MyCC website, [www.mycc.gov.my](http://www.mycc.gov.my), starting today.

Both Guidelines are based on the statutory framework of the Competition Act 2010 (“the Act”). The Guidelines on Leniency Regime is based on Section 41, which allows the MyCC to grant a reduction of up to a maximum 100 percent of any penalties that could otherwise be imposed on infringing enterprises. The MyCC’s Leniency Regime is to help enterprises that are involved in cartel activities to come forward to MyCC with evidence of such activities. It’s a framework that enables either immunity from or a reduction in financial penalties in exchange for cooperation and full disclosure of the cartel.

The Guidelines on Financial Penalties is based on Section 17 of the Competition Commission Act and Section 40(1) of the Act, which grant the MyCC broad powers to carry out the performance of its functions under the Act and a specific power to impose a financial penalty for any infringement of the Act. Essentially the financial penalty amount to be imposed is at the MyCC’s discretion as long as it does not exceed the statutory maximum established by subsection 40(4), which is ten percent of the worldwide turnover of the infringing enterprise during the period of infringement.

According to MyCC Chief Executive Officer, Shila Dorai Raj, the public is however to note that the Guidelines are not a substitute for the Act or any Regulations issued thus far. While these guidelines offer a framework for enterprises to understand the way the MyCC will interpret the relevant sections pertaining to leniency and penalty, the MyCC strongly advises enterprises to conduct self-assessments of their businesses in respect of their conduct, procedures, management and control to avoid serious implications arising from infringements.



The MyCC CEO reiterates that all enterprises should endeavor to have competition compliance manuals and training for all their employees at all levels, including the Board of Directors.

For more information on the Guidelines on Leniency Regime and Financial Penalties, the MyCC and the Competition Act 2010, log on to [www.mycc.gov.my](http://www.mycc.gov.my).

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**About 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 Malaysia that affects 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.

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