

NEWS RELEASE

MyCC ISSUES ANOTHER PROPOSED DECISION FOR BID RIGGING AGAINST SEVEN ENTERPRISES

KUALA LUMPUR, 19 DECEMBER 2023 - The Malaysia Competition Commission (MyCC) has issued a Proposed Decision against seven (7) enterprises for their involvement in bid rigging of the following four (4) tenders for the provision of goods and services issued by the Ministry of Defence worth approximately RM20.8 million.

The following enterprises are implicated via their participation in the listed tenders:

No.	Enterprises	Tender 1 (2016)	Tender 2 (2020)	Tender 3 (2016)	Tender 4 (2020)
1.	Agenda Eksklusif Sdn. Bhd.	✓	✓	✓	✓
2.	Nekad Waja Resources	✓	✓	✓	✓
3.	Star Apax Enterprise	✓	✓	✓	✓
4.	Prospectrum Sdn. Bhd.	-	-	✓	-
5.	Spectron Sdn. Bhd.	-	✓	-	✓
6.	Teknokrat Makmur Enterprise	-	-	✓	-
7.	NK Panorama Enterprise	-	-	✓	-

MyCC's investigation has provisionally found that these enterprises had colluded in their bid submissions for the respective tenders and through the investigation, it was also revealed that these enterprises had engaged in bid rigging through the exchange of information, facilitation of tender submission and subcontracting as a kickback.

It is important to highlight that MyCC's findings are provisional and it should not be assumed that any enterprise has infringed the Competition Act 2010 at this stage. These enterprises can submit their written response within 30 days after receiving the Proposed Decision. They also have the option to present their response orally at a later date, which will be determined after receiving their written submissions. MyCC, acting as a quasi-judicial body will only issues its Final Decision on whether there is a finding

of infringement or non-infringement of the Competition Act 2010 after listening to and considering the representations made by the enterprises.

Bid rigging cartels, which involve collusion among competitors to manipulate the bidding process for public procurement, have long been a concern for both government and the public at large. The harmful effects of bid rigging cartels are far-reaching. They may not only lead to inflated prices for public projects and services but also hinder innovation and deter new entrants from entering the market. Ultimately, it is the citizens who bear the brunt of these increased costs and it can lead to a waste of public funds. By exposing and taking legal action against these cartels, MyCC aims to ensure a level playing field for all market participants in preventing leakages of government fund.

“MyCC, in line with our priorities, firmly committed to collaborating with the government to eliminate bid rigging cartels which is in tandem with the aspiration of the government. We deem cartel activities as the supreme evil in competition law. MyCC remains dedicated to our ongoing investigations into bid rigging cartels and anticipates releasing more decisions in the coming months. MyCC’s dedicated team of investigators have been working tirelessly to uncover and dismantle these harmful bid rigging cartels. Their extensive research and meticulous analysis have led to the investigation of cases involving more than 500 companies for tenders’ worth over RM2 billion. We would like to thank the Ministry of Defence for their openness and excellent cooperation. Therefore, we strongly urge all government agencies at all levels; federal, state, and local to emulate the Ministry of Defence, to actively engage and cooperate with MyCC in the government efforts to combat bid rigging in public procurement,” said Mr. Iskandar Ismail, Chief Executive Officer of MyCC.

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About the Malaysia Competition Commission (MyCC)

Established through the Competition Commission Act 2010 in April 2011, MyCC is an independent body responsible for enforcing the Competition Act 2010 (the Act), which was implemented to create protect the process of competition which would, in turn, stimulate productivity, continuous entrepreneurship and innovation amongst businesses, 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 12th anniversary on 1 April 2023 and to date MyCC has taken decisive action against almost 250 companies relating to cartels and abuse of dominant positions resulting in a cumulative penalty of more than RM150 million. MyCC's current priorities include amending the Act to introduce 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