



## **Towards Fair Competition**

Putting an end to bid rigging

## Chairman's Message



Competition is important as it provides businesses ongoing incentives to innovate, and make their production and distribution more efficient as well as responsive to today's fast changing world. With the emergence of so many enterprises in the market today, there is a need to promote a healthy competition process in the business environment that will lead to the economic development and welfare of consumers.

The competition process is important as it drives efficiency and productivity, fosters innovation, provides consumers with a wider choice of

higher quality goods and services at competitive prices, and creates a strong regulatory framework, which includes competition law to attract investors' confidence.

Considering that the current competition law is relatively new in Malaysia, MyCC will work hard in developing an effective competition enforcement regime with the knowledge and best practices shared by other competition authorities around the world through its international engagement and networking efforts.

Moving forward, MyCC aims to put emphasis on combating bid rigging conduct that frequently occurred in the national procurement. MyCC will concentrate on educating the Government agencies and SMEs that are closely related to this practice as bid rigging usually leads to excessive tender prices and thus, affects public procurement and the nation's economy as a whole.

MyCC is serious in preventing this kind of conduct as the private and public organisations rely on competitive bidding processes to achieve the best value. It is very important for the public to realise that bid rigging is a serious infringement under the Competition Act 2010 (CA 2010) and is a barrier to the government to create more effective and competitive public procurement.

Since bid rigging is not easily identified, it requires co-operation from other Government agencies. As such, MyCC has taken the initiative to establish collaboration with several Government agencies such as the Malaysian Anti-Corruption Commission (MACC), Ministry of Finance Malaysia (MOF) and the National Audit Department of Malaysia (JAN) to ensure fair competition.

In championing competition law in Malaysia, MyCC continues to spearhead the Special Committee comprising several sector regulators such as the Malaysia Communications and Multimedia Commission (MCMC), the Energy Commission (ST), the National Water Services Commission (SPAN), the Land Public Transport Commission (SPAD), the Central Bank of Malaysia (BNM), the Securities Commission (SC) and the Malaysian Aviation Commission (MAVCOM) in discussing mutual issues on competition law and policy, and ensuring consistency in the application of the CA 2010 and other related laws.

I am confident that the Commission will grow in its capabilities and expertise, which in turn will provide significant impact in promoting a more conducive and competitive market, both locally and internationally.

DATUK CHE MOHAMAD ZULKIFLY JUSOH  
Chairman of MyCC

"MyCC is serious in preventing bid rigging as the private and public organisations rely on competitive bidding processes to achieve the best value."

## CEO's Message

Towards the end of 2017, MyCC welcomed a new line-up of Commission Members consisting of economics and legal background. This field of law is rather unique as it requires an appreciation of both economic and legal principles, and concepts. I am sure that their areas of expertise and experience will be very beneficial to the Commission.

In nurturing a conducive competition culture, MyCC will strengthen its role as an enforcer and advocator that is committed to driving innovation, promoting competition and safeguarding the process, thereby protecting the interests of businesses, consumers and the national economy.

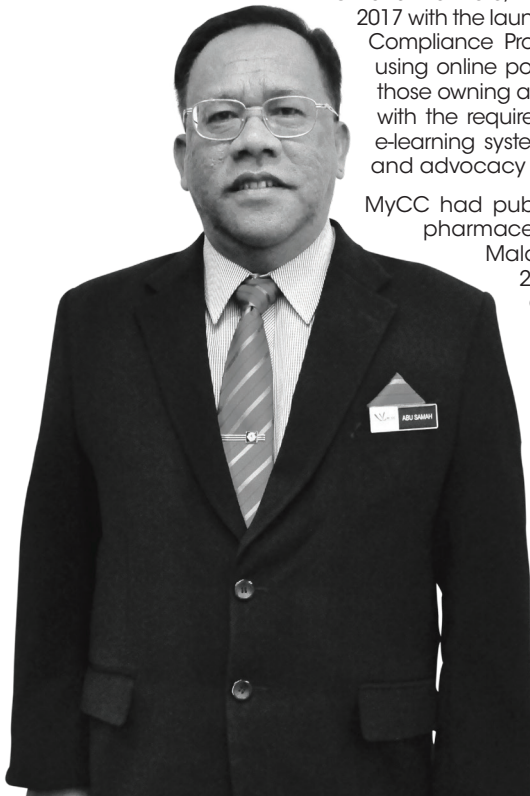
Even though the awareness level has made a significant growth, MyCC, in conjunction with its 7th anniversary, will drive its advocacy activities as a continuous effort to spread awareness on its work and the importance of the Competition Act 2010 (CA 2010).

As the Commission is approaching its 7th year, our main and ongoing exertion is in introducing the competition law to the younger generation. The Commission had successfully organised the 2nd Moot Court Competition on Competition Law 2017 and engaged with various universities throughout Malaysia.

On a further note, we are proud on the notable development in 2017 with the launch of the e-Learning System on Competition Compliance Programme for SMEs. This preliminary course using online portal was designed to introduce CA 2010 to those owning and/or working in SMEs to help them comply with the requirements of the Act. MyCC will introduce the e-learning system to SMEs in full force during our seminar and advocacy programmes in 2018.

MyCC had published two market review reports on the pharmaceutical sector and building materials in the Malaysian construction industry under CA 2010. The reports aimed to help the Commission in the enforcement of the Act, promote and strengthen competition process in those particular sectors. The two reports are available for viewing at the Commission's website.

It is hoped that the advocacy programmes and market studies conducted would eventually support the Commission's efforts in identifying serious infringements such as cartels and abuse of dominance by enterprises. As the sole agency that enforces the competition law in Malaysia, which is one of the components towards achieving a developed nation status, the Government is working to empower and strengthen the MyCC to allow them to operate optimally, thus combat any anti-competitive practices that harm consumers, businesses and the economy.



**DATO' ABU SAMAH SHABUDIN**  
Chief Executive Officer of MyCC

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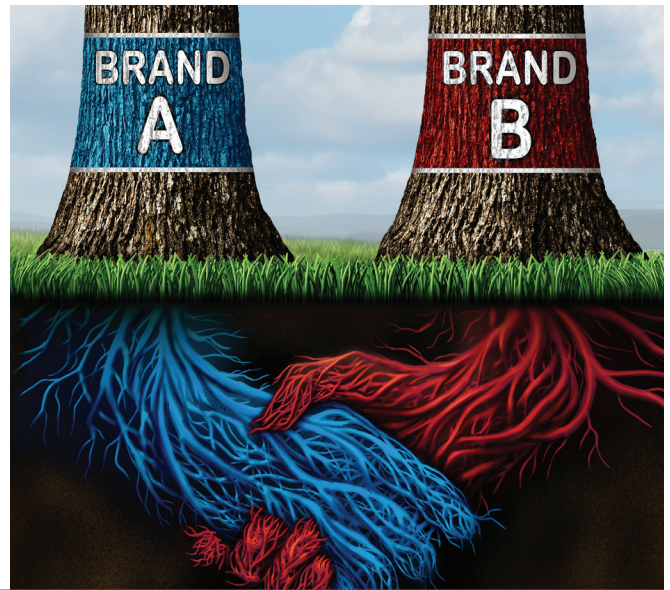
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# Bid Rigging A Conspiracy

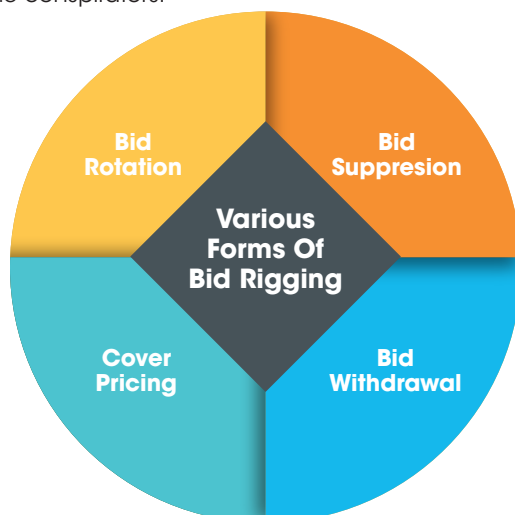
by **Adlan Abdul Razak**, Senior Lecturer, Faculty of Law, Universiti Teknologi MARA (UiTM)



Companies and government agencies normally organise tender activities to get the best rate for specific jobs and services. Bidders would then, bid among themselves to offer the most competitive rates, and normally the best bidder would be offered the job. As a result, the said companies and government agencies would get the best goods and services at the lowest price, thus, saving money. A competitive bidding process enables both private and public organisations to get better value for money, subsequently, freeing resources for use on other goods or services. This is among the many benefits of competition.

Nevertheless, for this to work, bidders must set prices independently of each other as collusion can cause prices to inflate, and consumers would end up paying more than what is necessary. This unscrupulous act is also known as bid rigging. It normally occurs when bidders, that would otherwise be expected to compete, secretly conspire to raise prices, or lower the quality of goods or services for purchasers who wish to acquire products or services through a bidding process. Bid rigging can be particularly harmful if it affects public procurement because government has to pay more for the goods and services that it requires. In the end, the intended savings from tender exercises may not be realised.

The bidders would agree between themselves on who would win the tender and at what price. Thus, impeding the efforts of companies and government agencies to obtain the lowest possible price for the goods and services that they put for tender. Bid rigging schemes often include mechanisms to apportion and distribute the additional profits obtained because of the higher final contracted price among the conspirators.



## Bid suppression

This occurs when some of those who collude do not make a bid, and thus, allow predetermined party to get the tender.

## Bid rotation

This occurs when bidders take turns to submit the most competitive tender price, or the lowest bid (and therefore winning the contract). They rotate the winning bid amongst themselves.

## Bid withdrawal

This is where colluding bidders deliberately withdraw their bid at the end of the tender period, thus, leaving their chosen bidder to win the bid.

## Cover pricing

This involves colluding bidders who submit a bid price that is deliberately higher than that submitted by the bidder they have determined should get the tender. Such collusive tendering is also known as 'courtesy bidding' or 'complementary bidding'.

In Singapore, the Competition Commission Singapore (CCS), issued its first infringement decision under their Competition Act against six (6) pest control companies for bid rigging in the provision of termite control and treatment services. The pest control companies which are already providing pest control services to the customer requested that the other companies submit bids at certain prices to ensure that they do not win. The other pest control companies either agreed to the request or submitted even higher bids. Penalties of SGD 260,000 were imposed on the companies.

More recently in Japan, the police raided several firms involved in the construction of high speed rail tracks linking major cities in Japan. They discovered that four contractors have won 15 out of the 22 contracts tendered, with each winning approximately equal number of projects, which indicated a high possibility of bid rigging.

Bid rigging is made illegal in Malaysia by Section 4(2)(d) of the Competition Act 2010. It is deemed to be a hard core cartel, thus, there isn't a need to do market analysis to determine whether the act of bid rigging has the objective of significantly preventing, restricting, or distorting competition in any market for goods or services. The mere discovery of bid rigging practices is sufficient to bring an action under this provision.

The Malaysia Competition Commission (MyCC) has shared tell-tale signs of collusion or bid rigging on their website.



This tool is useful for procurement officers to detect the possibility of bid rigging and report them to MyCC.

Sources are from OECD and MyCC materials

Among the signs include:

Significantly lower bid price than the one submitted in previous tender exercise

Large price difference between designated winning bidders and other bidders

Unexplained similar price among other bidders

Low number of tenders received despite the existence of large numbers of potential bidders

Same mistakes were found on the documents of other bidders

Only the winning bidder's documents are thorough and detailed

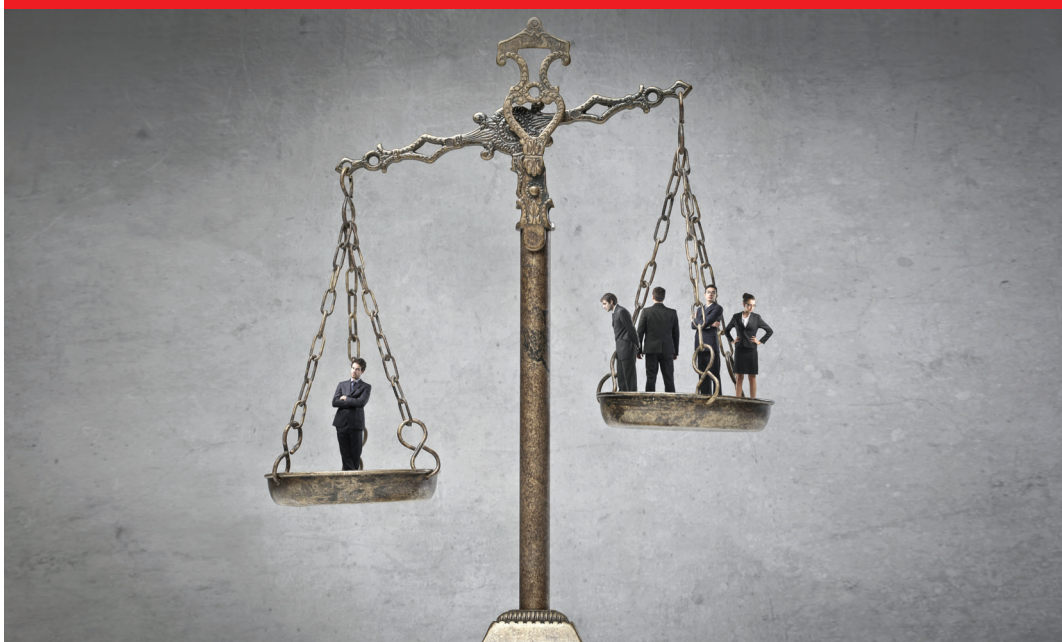
Thus, if the procurement officers suspect that they could be bid rigging activities going on in their procurement exercise, they should report it to MyCC. If there is reasonable basis, MyCC will commence investigation on the relevant bidders.

Once investigations commenced, MyCC has wide powers to demand surrender of various documents from the relevant bidders and they would have to co-operate. Failure to do so may amount to an offence under the Competition Act. The Company can be subjected to a fine of up to RM10 million and/or the individuals involved be slapped with a fine of up to RM2 million and imprisonment of up to 5 years.

If the Company is then, found to be involved in bid rigging, they will be slapped with a penalty of up to 10% of the company's worldwide turnover during the period that they were involved in the bid rigging activities. Nonetheless, this hefty fine can be avoided altogether by being the first to report such activity to MyCC and co-operate with them under the leniency regime. This leniency regime is provided under the Act and it allows bidders who were involved in bid rigging to escape liability. They can do this by coming forward to MyCC and report such bid rigging activities. If they were the first to report and bring an end to the bid rigging activity, they can escape 100% liability. While others, who were in the scheme, will be held liable for infringements. It has been noted that in some jurisdictions, those who initiated the bid rigging scheme, were the first to report to their respective competition authorities. While they escaped liability, other companies who agreed to such scheme were heavily penalised.

Bid rigging is anti-competitive. It can result in wastage in resources and public procurement, and tax payers' money being drained. Bid rigging is prohibited under CA 2010 and carries a hefty fine. Failure to co-operate with bid rigging investigation can result in imprisonment terms for individuals involved. There is also a possibility that the company which initiated the bid rigging scheme, reported it to MyCC and escaped with zero liability while others were made to pay heavily. Thus, it is best to avoid any bid rigging scheme and report them to MyCC.

# Uneven Playing Field



On 28th December 2017, the Competition Appeal Tribunal (CAT) dismissed the appeal by My E.G. Services Berhad and My E.G Commerce Sdn. Bhd. against MyCC's decision for abusing their dominant position under section 10(2)(d)(iii) of the Competition Act 2010 (CA 2010). In addition to paying a financial penalty amounting to RM6,412,200.00, CAT ordered MyEG to immediately cease and desist from imposing different conditions to equivalent transactions, and provide an efficient gateway for all its competitors and potential new entrants in the relevant market of sale of the mandatory insurances as well as allow other competitors to compete at the same level within 60 days from the date of CAT's decision.



## Draw A Line In The Sand

The MyCC has accepted an undertaking from a group of sand operators in Kelantan concerning the alleged fixing of sand prices for the territories of Kota Bharu, Pasir Mas, Tanah Merah and Machang in Kelantan. Prior to this, MyCC had conducted an investigation against the 13 enterprises on suspicion of an infringement of Section 4 (2) (a) under the Competition Act 2010. These sand enterprises had agreed to impose a new sand price based on the price list of sand issued by their parties for their respective territories. To address MyCC's concerns, the operators have undertaken to rescind the issued price list of sand dated 10 January 2017, terminate any other anti-competitive behaviour in relation to the price list as well as issue a press release of their undertaking to the major newspapers.

## 2 More Years Of **Block Exemption** Granted For Liner Shipping Agreements

The MyCC granted block exemption for liner shipping agreements in respect of Vessel Sharing Agreements (VSA) and Voluntary Discussion Agreements (VDA) made within Malaysia or which have an effect on liner shipping services in Malaysia subject to the condition that no element of price fixing, price recommendation or tariff imposition by any person on transport users.



The Block Exemption Order (BEO) commenced on 7th July 2017 and will continue for a period of two years or until the same is cancelled by MyCC. The decision was made after taking into consideration the feedback from the public, stakeholders of the industry and relevant government ministries over the period of 30 days which started from 11th May 2017.

In 2014, MyCC had granted a 3-year block exemption for liner shipping agreements which expired on 6th July 2017. The application for the renewal of block exemption for VSA and VDA in respect of liner shipping services was submitted by the Malaysia Shipowners Association (MASA) and the Shipping Association of Malaysia (SAM) on 6th March 2017.

MyCC in the exercise of the powers conferred by Subsection 8(1) of the Competition Act 2010 (CA 2010) may grant a block exemption provided all the conditions under Section 5 of CA 2010 are satisfied cumulatively.

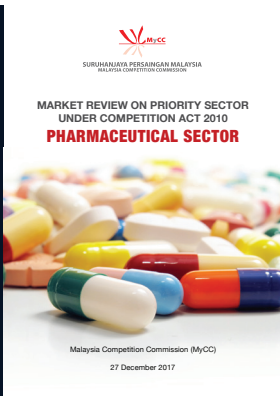
The BEO does not exempt or provide immunity in respect of any abuse of a dominant position under Section 10 of CA 2010. Therefore, parties to a liner shipping agreement can still be found liable for an infringement if they are caught abusing their dominant positions in the liner shipping market.

The BEO does not cover inland carriage of goods and warehousing of goods. In addition, the BEO allows liner shipping operators to offer, on the basis of individual confidential contracting, their own service arrangements, upon certain conditions.

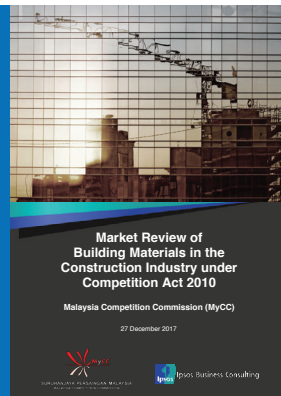


# Two Market Reviews Completed In 2017

In 2017, MyCC conducted market review on two sectors namely the pharmaceutical sector and building materials in the construction industry under the CA 2010. The main objective is to identify the market structure, supply chain and competition level within these sectors in Malaysia. The 2 market reviews are expected to provide indication on the competition level of the sectors, whether there is any legislation or policy that impedes competition and how MyCC can assist in promoting competition in these sectors. These sectors were selected based on prior analysis on general understanding and knowledge of existing market conditions in Malaysia and other jurisdictions, particularly sectors with a high probability for practices in cartels or collusion as well as abuse of dominance that affect the production and provision of essential goods or services, and the concerns on consumer's welfare on cost of living and social benefits. The reports were finalised after taking into consideration the views and feedback received from the stakeholders and public. The public consultation took place from 17th November to 7th December 2017 with a few sessions held in Kuala Lumpur, Penang and Johor Bahru.



**Pharmaceutical Sector**



**Building Materials In The Construction Industry**

MyCC was encouraged to conduct a market review on the pharmaceutical sector as the demand for essential medicines is inelastic whereby consumers would purchase them despite the hike in prices. Moreover, there is asymmetric information between patients and prescribers as the decision maker is the prescriber while the payer is the patient. In addition, anti-competitive practices are prevalent in the pharmaceutical sector across many countries. Findings show that the generic drugs manufacturing sector is dominated by local manufacturers and the sector is rather competitive as generic drugs do not have exclusive rights and face heavy price competition from imported generic medicines. On the other hand, the originator drugs importers are dominated by multinational corporations (MNCs) from high-income countries. They command a high degree of market power as patented drugs come with exclusivity and pricing control.

The market review on this industry was conducted due to the concerns raised by relevant government agencies in relation to the rising cost of living and less affordable housing in Malaysia. In addition, anti-competitive practices are prevalent in the construction industry across many countries. Therefore, this market review focused on four building materials namely steel, cement, ready-mixed concrete and sand which accounted close to 60% of the estimated value of top 8 building materials used in construction projects in 2016. The findings from this market review showed that the four building materials are not the main factor that influenced the rising cost of housing.

"Based on both market review reports, MyCC found that there is no conclusive evidence of anti-competitive behaviour between the industry players in the pharmaceutical sector and building materials in construction industry."

The final reports of these market reviews are available at [www.mycc.gov.my](http://www.mycc.gov.my)



## UNDP-MyCC Workshop

The United Nations Development Programme (UNDP) and MyCC, in collaboration with the ASEAN Secretariat, organised an ASEAN regional workshop from 28th - 29th September 2017 in Putrajaya to address the growing interest of many low and middle-income countries in understanding the use of competition law to promote access to medicines for protecting public welfare, as an important tool to complement other areas of regulation.



The key objectives of this workshop:

- Demonstrate how competition law and policy can contribute to the range of policy and legal measures to promote access to health technologies, through the lens of consumer protection and addressing unfair/excessive pricing
- Strengthen capacity and coherence around the legislative, policy and regulatory options for using competition law to promote access to health technologies
- Explore intra-ASEAN collaboration on medicine price collection and sharing, including discussions on the methodology, to enhance investigative resources for competition authorities



The 2-day workshop was a success as it attracted the participation of numerous representatives from national competition authorities as well as health authorities from ASEAN Member States, together with global leading experts on the use of competition law in the context of promoting access to medicines. In addition, it has contributed to the realisation of a number of ASEAN commitments and strategies. They include effective competition policy and consumer protection for 'A Competitive, Innovative and Dynamic ASEAN' under the ASEAN Economic Community Blueprint 2025; and accelerating efforts towards achieving Universal Health Coverage in the ASEAN Post-2015 Health Development Agenda and the ASEAN Declaration on Strengthening Social Protection, among others.





## Combat Bid Rigging And Abuse Of Dominance

On 23rd November 2017, MyCC organised a 'Forum Against Bid Rigging And Abuse Of Dominance In Public Procurement Under The Competition Act 2010' that was attended by approximately 300 participants from various Government agencies, Government-Linked Investment Companies (GLIC) and Government-Linked Companies (GLC) throughout the country. The forum aimed to provide guidance to companies in public procurement to combat bid rigging issues and abuse of dominance. The keynote speakers of the seminar included representatives from MyCC, Komisi Pengawas Persaingan Usaha (KPPU), the Ministry of Finance Malaysia, the National Audit Department and the Malaysian Anti-Corruption Commission. Mohammad Reza, one of the Commissioners from KPPU shared his experiences in tackling bid rigging issues through the enforcement of competition law.

## Media Training – Helping Media Understand Competition Law

On 20th December 2017, MyCC in collaboration with the Malaysian Press Institute (MPI) held a media training workshop on competition law in KL Hilton. This workshop was organised to brief and properly guide the media by sharing the knowledge of competition law to ensure accurate dissemination of information especially on how healthy competition can drive the economy holistically. The workshop also highlighted the important role of the media and the need for media practitioners to help the public recognise and expose anti-competitive practices.

The two key speakers at the workshop were MyCC's Enforcement Director, Iskandar Ismail and Deputy Prime Minister's Press Secretary, Datuk Ibrahim Yahaya. During the workshop, Iskandar Ismail shared with the participants his knowledge and experience on competition law as well as the cases successfully investigated by the commission for infringing the CA 2010. Meanwhile, Datuk Ibrahim Yahaya, a veteran newsman shared his skills and extensive experience gained over the years in the media and broadcasting world.





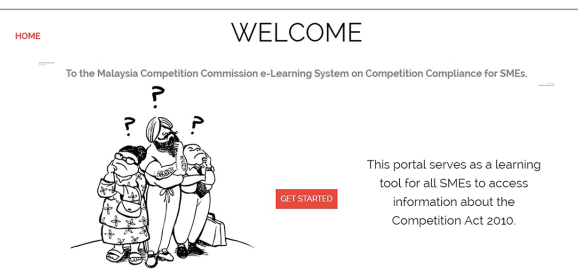
## 2nd Moot Court Competition On Competition Law 2017

The MyCC organised a three-day programme for the 2nd Moot Court Competition on Competition Law 2017 at the International Islamic University Malaysia (IIUM) from 28th - 30th October 2017. It is an initiative by MyCC to provide exposure and awareness of the Competition Act 2010 (CA 2010) to students in the Institute of Higher Learning (IHL) in Malaysia.

The collaboration with IIUM is one of the efforts to strengthen the relationship between the university and MyCC in order to promote knowledge on competition. MyCC believes that a programme such as this can attract other students and IHLs to contribute in the areas of education and research as well as sharing on the Competition Law. In addition to that, it can create a group of highly skilled and knowledgeable experts on the Competition Law in Malaysia in the future.



This 2nd Moot Court Competition saw the participation of seven teams from four IHLs namely University of Malaya (UM), Universiti Kebangsaan Malaysia (UKM), IIUM and University Utara Malaysia (UUM). The teams from UM won both the first and second place, and took home prizes consisting of RM3,000 and a trophy, and RM1,500 and a trophy respectively.



## SMEs Compliance Programme

In line with its vision to raise awareness among the general public of the importance of the Competition Act 2010 (CA 2010) to consumers and its benefits to the nation's economy, MyCC has developed an 'e-Learning system on Competition Compliance Programme (CCP) for Small and Medium-Sized Enterprise (SME)'. This web-based system consisting of 5 modules which cover all the bases of the CA 2010 was launched in March 2017 and made available to the public in June 2017 with the aim of increasing competition compliance as well as awareness amongst SMEs by 2020.

As part of its initiative to promote this e-Learning system to all SMEs nationwide, MyCC in collaboration with SME Corp. Malaysia and MDTCC organised various seminars in the last quarter of 2017. The 'Better Business With Competition Compliance For SMEs' seminar, which is a continuation of the seminars for SMEs organised by MyCC previously was held in Kuala Lumpur on 12th October, Sarawak on 28th November and Sabah on 29th November. Meanwhile the 'Pematuhan Dan Penguatkuasaan Akta Persaingan 2010' seminar in Kelantan was held on 19th November.



# Six Years Of Championing Competition

The Competition Act 2010 was enforced on 1 January 2012 after being gazetted on 10 June 2010 by the Government. The Malaysia Competition Commission (“Commission”) was given the mandate to administer and enforce the Competition Act 2010 (“CA 2010”) under the Competition Commission Act 2010 (“CCA 2010”). Since its establishment, the Commission vigorously embarked in engaging targeted stakeholders across all levels with its advocacy and outreach activities. In 2013, the Commission had conducted a “Baseline Study to Gauge the Level of Awareness of the Competition Act 2010 Among Businesses” and in 2016, a similar study on “Awareness and Perception of the CA2010 and Role of the Commission in Malaysia” was conducted again to look at the level of improvements that have been achieved since the 2013 study.



In the 2013 baseline study, 600 respondents of small and medium enterprises (SMEs) from services (75.4%), manufacturing (14.2%), building and construction (6.4%), agriculture (3.1%) and mining and quarry (0.8%) industries participated in the study.

The baseline study used only SMEs as a sample of study whereas the latest study in 2016 used samples from respondents of varied backgrounds. Despite Commission’s efforts in conducting 97 advocacy programmes nationwide between 2011 and 2013, the baseline study indicated a low level of awareness and knowledge of the CA 2010 among the respondents in the 14 states in Malaysia. Perlis, Melaka and Sabah projected zero level of awareness and knowledge of the CA 2010. The study also showed that highest percentage scores for awareness level of CA 2010 were only around 11%. This applied for three states namely Pahang (10.7%); Johor (10.6%) and Penang (10.3%). Knowledge level of the CA 2010 was also low for all states to which almost all states indicated below 10%. The only exception was Perak where 11.8% of responding businesses recorded that they had a fair amount of knowledge of the CA 2010.

In 2016, as a follow up to the aforementioned baseline study, Commission conducted a study to examine the current level of awareness and knowledge of the Commission’s main stakeholders of the CA 2010. This time, the targeted stakeholders involved were business communities, government agencies, competition practitioners (lawyers and economists), consumers (students), and Consumers/Trade Associations. The purpose of this study is to gauge the performance of the advocacy and outreach activities from the perspectives of the stakeholders and it will serve as the guidance in assisting the Commission in its efforts to enhance the effectiveness and quality of the advocacy and outreach programmes to be carried out in the future.

A total of 463 respondents participated in the study. It comprised of 27 respondents from Government Link Company (GLCs), 44 respondents from Multinational Corporations (MNCs), 154 respondents from Small and Medium Enterprises (SMEs), 144 respondents from Government Agencies, 31 respondents from Practitioners (Lawyers & Economists) and 63 from Consumers (Students and Consumers/Trade Associations). Table 1 shows the level of awareness of the CA 2010 and knowledge of the CA 2010 by stakeholders in more detail.

Table 1: Level of awareness and knowledge of the CA 2010 by Stakeholders

N=463	Level of awareness		Level of knowledge (N=217)			
	Yes	No	A lot	A fair amount	Not very much	Have heard, but know nothing
	(N=217)	(N=246)	(N=11)	(N=34)	(N=86)	(N=86)
Government Link Company (GLGs) (27)	25.9%	74.1%	14.3%	14.3%	57.1%	14.3%
Multinational Corporations (MNCs) (44)	38.6%	61.4%	5.9%	11.8%	29.4%	52.9%
Small and Medium Enterprises (SMEs) (154)	56.5%	43.5%	10.3%	14.9%	40.2%	34.5%
Government Agencies (144)	41.0%	59.0%	0.0%	15.3%	44.1%	40.7%
Practitioners (Lawyers & Economists) (31)	87.1%	12.9%	0.0%	22.2%	33.3%	44.4%
Students (57)	26.3%	73.7%	0.0%	20.0%	40.0%	40.0%
Consumers / Trade Associations (6)	83.3%	16.7%	0.0%	0.0%	20.0%	80.0%

Practitioners (lawyers and economists) have the highest awareness about the CA 2010 among the respondent groups with 87.1% of them said they know about the CA 2010. The lowest awareness group of respondents are the GLCs with only 25.9% from 27 respondents have heard about the CA 2010 before. It can also be seen that level of awareness amongst the SMEs is moderate at 56%.

Since baseline study only uses SMEs, a detailed analysis of level of awareness and level of knowledge of 154 SME respondents in 2016 study is undertaken as a comparison. As shown in Figure 1, the highest percentage score for awareness of the CA 2010 is from the state of Perlis with 100% score, and followed by three states: Johor (75%), Sabah (75%) and Penang (65.3%).

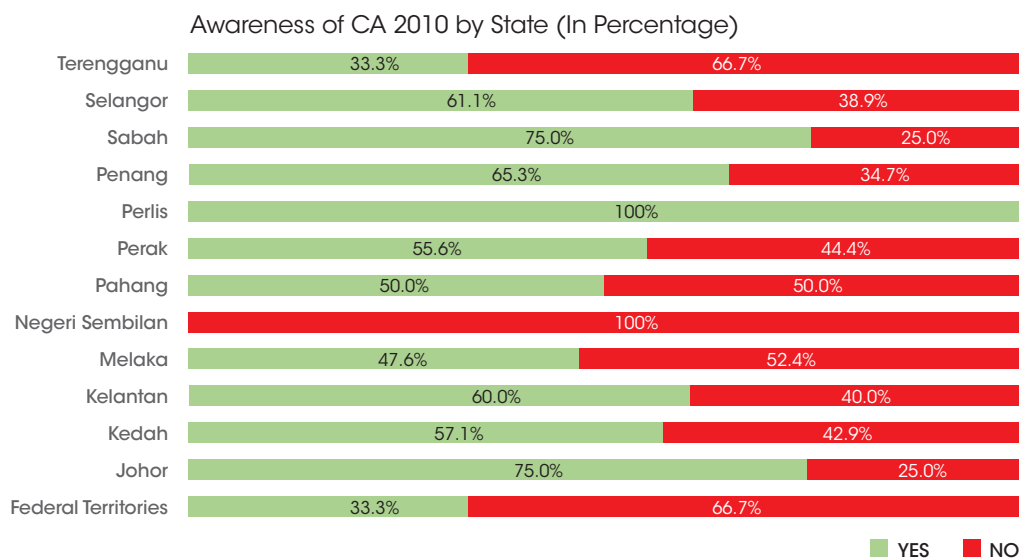


Figure 1: Awareness of the CA 2010 by State

As shown in Figure 2, majority of all states showed that they have knowledge about CA 2010 but not very much of it. Meanwhile, the respondents in Kelantan (33.3%), Kedah (25%), Federal Territories (16.7%), Penang (12.5%) and Melaka (10%) have a lot of knowledge about CA 2010. Surprisingly, all the respondents from Terengganu have heard of CA 2010 but know nothing about the act. However, the results must be read with caution due to small sample size in some states.

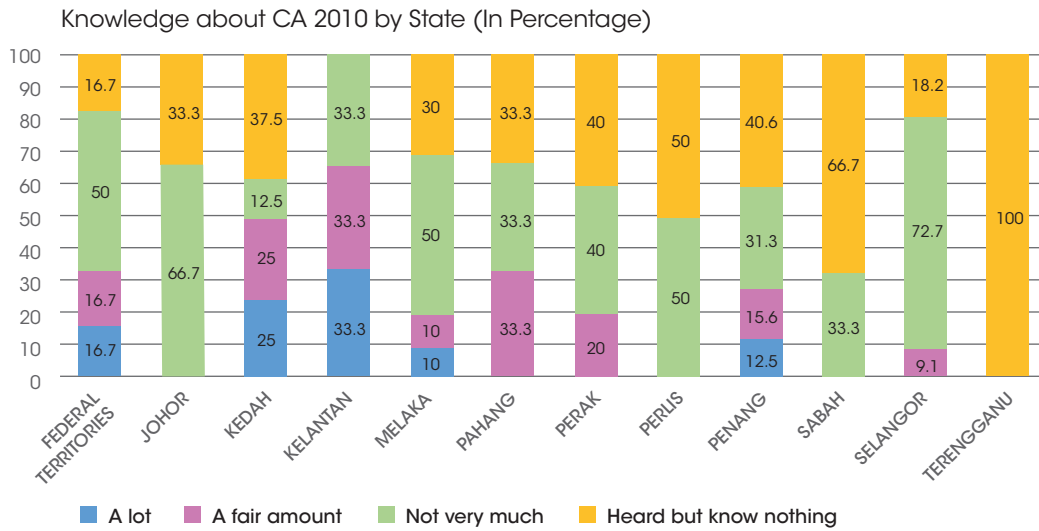


Figure 2: Knowledge about CA 2010 by State

Figure 3 shows that SMEs are the highest stakeholder group in acknowledging on the quality of advocacy and outreach programmes of the Commission. Practitioners (Lawyers & Economists), the least among the stakeholder groups acknowledging on the quality of advocacy and outreach programmes of the Commission.

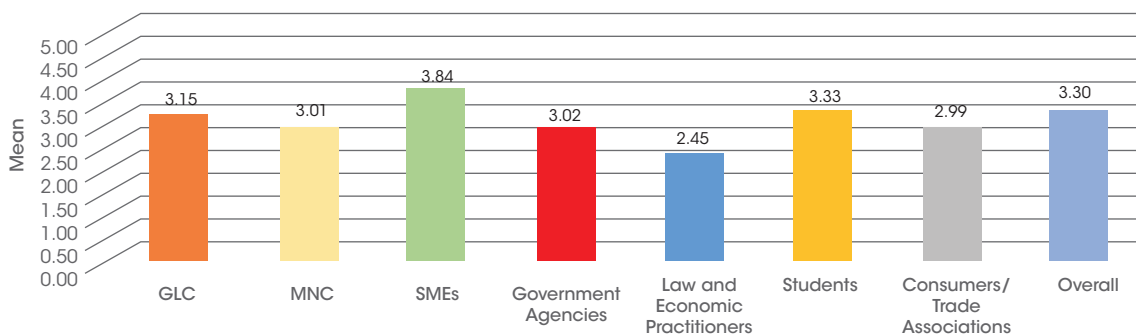


Figure 3: Quality of Advocacy and Outreach Activities of the Commission

Table 2 shows that Practitioners (lawyers & economists), followed by Government Agencies and Consumers/Trade Association acknowledge that Malaysian businesses are run by only a few large players with not enough competition.

Table 2: Perception of Stakeholders that Business in Malaysia is run by a few large players

N=463	GLCs	MNCs	SMEs	Government Agencies	Practitioners (Law & Economists)	Students	Consumer/ Trade Associations
Business in Malaysia is being run by only a few large players	3.40	3.40	3.44	3.75	3.96	3.31	3.66

Figure 4 shows that business entities (MNCs, SMEs and GLCs) indicate having good and positive practices, attitude and culture of Compliance with the CA 2010.

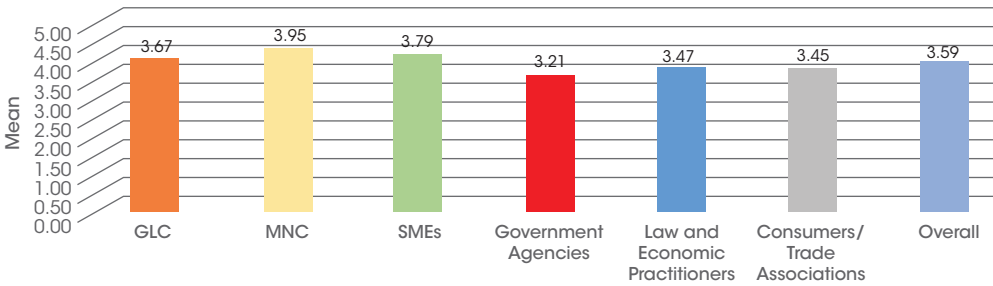


Figure 4: The Company Practices, Attitudes and Culture of Compliance to the CA 2010

Figure 5 show that about 80% of respondents refer to the internet as the main source of reference for awareness and existence of Commission and the CA 2010. The Internet is the most preferable source of information on the CA 2010 by respondents. This is followed by the Commission’s Website, Facebook, Twitter and YouTube. Newspaper comes in sixth as a source of reference.

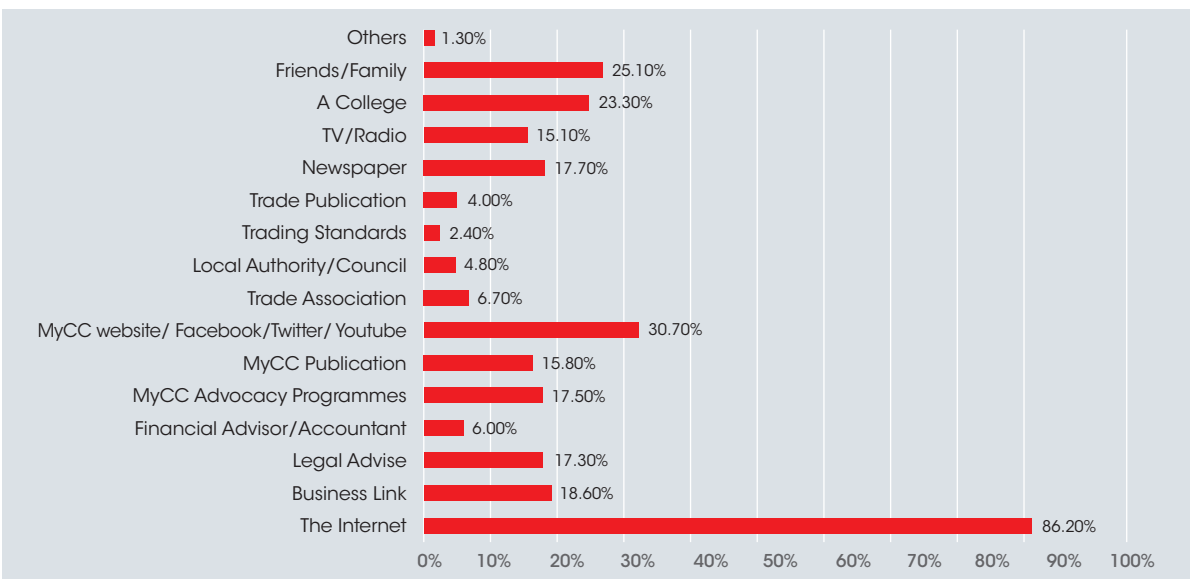


Figure 5: Sources of information on Competition Legislation

Figure 6 shows that Facebook is the first preference social media site by respondents with 87.9% of respondents referring to it, followed by Instagram (51.20%) and Google+ (49.50%).

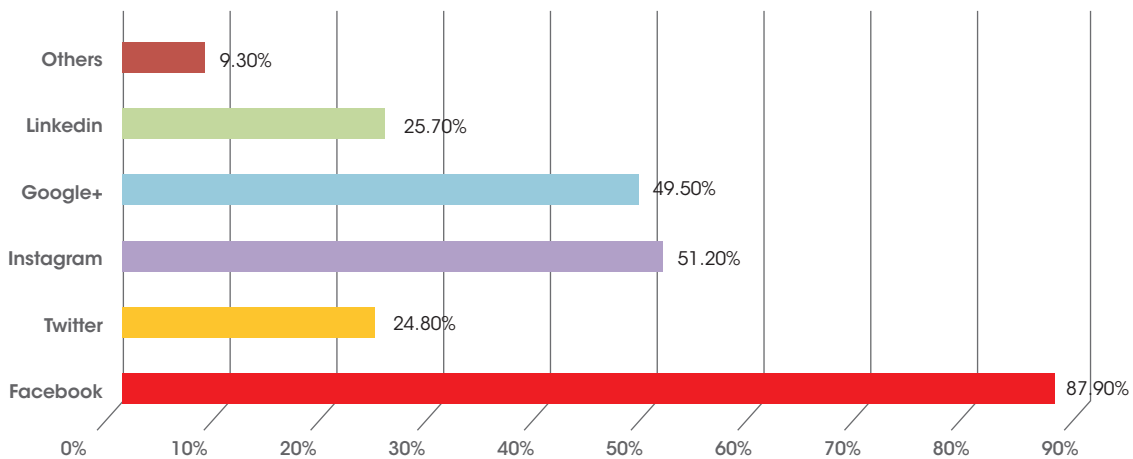


Figure 6: The stakeholders' preferences of the social media sites

## Conclusion

Overall, the level of knowledge on the CA 2010 in the 2016 study is higher than the Baseline study. The two main sources of reference about the Competition Legislation is through the Internet and Commission's website/ Facebook/Twitter/YouTube.

In conclusion, the 2016 study revealed an overall improvement in the quality of the Commission's advocacy and outreach programmes in relation to awareness and perceptions of the CA 2010. This showed that the hard work put forth by the Commission over the past few years have not gone unnoticed by the public at large. Thus, this study propagated the need for continuous quality communication, training and education to be given to stakeholders and optimum utilisation of the available social media sites with usage of multiple languages. In emphasising the enforcement activities, it is recommended that the Commission's advocacy and outreach programmes include compliance aspect such as industry specific "Do's and Don'ts" of the marketplace as a guide to stakeholders as well as establish helpdesk facilities to help stakeholders with uncertainties with regards to the CA 2010.

By: Malaysia Competition Commission, Hasnah Haron (UMP), Ishak Ismail (UMP) and Yuvaraj Ganesan (USM)





## Courtesy Visit From EU Delegation

The European Union (EU) Delegation to Malaysia, led by its Ambassador, H.E Mrs. Maria Castillo Fernandez paid a courtesy visit to the MyCC on 19th December 2017 with the aim of forging closer ties and strengthening co-operation between the two jurisdictions.

During the courtesy visit, both parties shared and exchanged ideas and views pertaining to competition matters in both jurisdictions. The visit has provided insights towards greater understanding and appreciation of each other's principles and perspectives on various matters related to competition policy and law. It has also helped to further strengthen the long-standing relations between MyCC and the European Commission, signifying the depth and breadth of co-operation established between the two jurisdictions.



## MyCC Welcomes KPPU

MyCC had the honour of hosting Miss Sulastris Ambarianti Subari from the Indonesian Competition Commission, KPPU as part of its attachment programme. During her time here, she was placed in the investigation unit to assist the MyCC's Enforcement Division in the area of bid rigging investigation. She shared her knowledge and experience on law enforcement in KPPU including case handling procedures. She was assigned to handle among others, cases on bid rigging during her attachment period. Her expertise and insights on bid rigging were invaluable as KPPU has more experience in handling bid rigging cases.



# Cross-Border Network

“ International cooperation across various jurisdictions helps to strengthen capabilities and enhance knowledge. The programme encourages secondees to seek inputs from their counterparts, and learn from their strengths and weaknesses as well as facilitate the network of relationships between competition commissions. ”



Hafiz Aizat, 3rd from right.

## MyCC Employee Exchange Programme To KPPU

From 3rd July 2017 - 30th August 2017, a MyCC officer underwent an Employee Exchange Programme to KPPU organised by the Japan-ASEAN Integration Fund (JAIF). The objective of the programme is to provide the secondees opportunities for learning and exposure from a more robust and experienced foreign competition agency. During his time at KPPU, Hafiz assisted in the investigation of bid rigging cases as well as attended public hearings at KPPU, the State Court and workshop on the risks and ways of proving irregularities at all levels of procurement by the government on goods and services. Besides that, he also focused on bridging potential cooperation in enforcement between KPPU and MyCC while there. With this experience, the secondee can share the knowledge and skills obtained with other MyCC members.

## MyCC Secondment Programme To ACCC

From 10th July 2017 - 16th September 2017, two MyCC officers underwent a 75-day secondment programme organised by the ASEAN Australia New Zealand Free Trade Agreement (AANZFTA). The objective of this programme is to provide the secondees learning opportunities and exposure from a more experienced foreign competition agency, as well as enhance the effectiveness of MyCC's enforcement and investigations once the programme ends. The programme provided the opportunity for the secondees to directly experience case handling, gain an understanding on the structure and operation of the ACCC, and complete the Foundation Course on Competition Law and Economics at the University of Melbourne. The secondees were placed at the ACCC's enforcement divisions, and in some cases, with a rotation to the merger division. The secondees helped with market research on the vehicle industry, exposed to the purpose and processes of various meetings held by ACCC as well as attended a hearing session at the Federal Court in Sydney on issues of consumerism, and basic workshop on investigative skills at ACCC, Melbourne.



Karen Chai and Tuan Syakeer, 2nd from right and left, respectively.

## MDTCC's Monthly Gathering

The Ministry of Domestic Trade, Co-operatives and Consumerism (MDTCC) held its year end monthly gathering for 2017 on 14th December. Co-organised by MyCC and the Cooperative College of Malaysia (MKM), the event was attended by YB Dato' Seri Hamzah Bin Zainudin, the Minister of MDTCC, officers and staff of MDTCC as well as agencies under the Ministry.

As co-organisers, the two sister agencies had put in a lot of effort and hard work to ensure the success of the event. Among the highlights were the celebration of Hari Inovasi and Hari Integriti KPDNKK 2017, introduction of new officers, celebration of December birthdays, and MKM's 61st Anniversary and the launch of TV programmes - '1 Pengguna 1 Suara' and 'Pengguna Bijak'. There were also blood donation sessions, dental examination and innovation exhibition booths held throughout the event.

The programme was enlightened by the choral speaking performance from students of SMK (P) Treacher Methodist, Taiping, winner of Choral Speaking Competition in conjunction with Hari Pengguna Kebangsaan 2017.



## Islamic Affairs Premiere Forum

MyCC, with the cooperation of the Intellectual Property Corporation of Malaysia (MyIPO) and the Malaysian Islamic Development Department (JAKIM) had organised an Islamic Affairs Premiere Forum entitled '*Bendang Sendiri, Padinya Orang*' on 15th September 2017 in conjunction with Fiesta Larut 2017. The issues discussed included the importance of conducting a fair business and respecting the intellectual property or copyrights of others.

The forum was handled by Ustaz Zakaria Othman, accompanied by Ustaz Syed Norhisyam Tuan Padang and Dato' Dr. Mohd Izhar Ariff Mohd Kassim on the panel. The forum was attended by 1,500 residents from Batu Kurau, Perak. A recording of the forum was aired on 5th October 2017 on RTM1.



## 'Majlis Berbuka Puasa Bersama MyCC'

MyCC held a breaking fast event - '*Majlis Berbuka Puasa Bersama MyCC*' at Rahman Putra Golf Club Malaysia on 15th June 2017 as part of our CSR programme. The event was celebrated with the presence of Dato' Abu Samah Shabudin, the Chief Executive Officer of MyCC and guests of honour who also contributed to make it a memorable one.

This event allowed the employees of MyCC to display and appreciate noble characteristics and positive values, foster the spirit of helping others, as well as to celebrate the spirit of the blessed month and joys of Eid al-Fitr with the '*asnaf*' and orphans.





SURUHANJAYA PERSAINGAN MALAYSIA  
MALAYSIA COMPETITION COMMISSION

CELEBRATING

# SUCCESSFUL YEARS

MyCC will turn 7 on 1st April 2018. To kick-start this **7th anniversary celebration**, MyCC has many exciting events lined up for the public from now till April 2018. Find out more from our website at [www.mycc.gov.my](http://www.mycc.gov.my)!

#bebaskartel

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Competition Law  
2018

Road Tour  
2018

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MyCC 7th  
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