
NEWS RELEASE

MYCC HOSTS SPECIAL COMMITTEE ON COMPETITION MEETING

KUALA LUMPUR, 14 May 2012 – The Special Committee on Competition, spearheaded by the Malaysia Competition Commission (MyCC), held its inaugural meeting today.

The Special Committee on Competition comprises representatives from the sectoral regulators, namely the Malaysia Communications and Multimedia Commission (MCMC), the Energy Commission (EC), the National Water Services Commission (SPAN), the Land Public Transport Commission (SPAD), the Central Bank of Malaysia (BNM), the Securities Commission (SC) and MyCC.

“The Special Committee on Competition was formed essentially to share common issues on competition law as well as to ensure that there is consistency in the application of the law,” said MyCC Chairman, Tan Sri Dato’ Siti Norma Yaakob. “It is also to ensure that the terms and principles on competition introduced by sector regulators excluded from the Act are consistent with the Competition Act 2010.”

It is stated in the Competition Act 2010 that the Act does not apply to sectors that have provisions on controlling anti-competitive practices – these are the sectors under the Communications and Multimedia Act 1998 and the Energy Commission Act 2001.

However commercial activities which are competition-related and are out of the scope of the agreements regulated by MCMC and EC will still be covered under the Competition Act 2010. All other areas related to competition in other sectors are also covered by the Act.

The kick-start meeting discussed the terms of reference covered by the special committee on competition, which is as follows:

- (i) Review and discuss competition issues with sector regulators;
- (ii) Ensure, where possible, harmonization of competition principles, interpretation and application of the law;
- (iii) Conduct joint research and make recommendation on the development of competition policy and law including peer review of related competition policy and law framework in respective sectors;
- (iv) Carry out joint educational activities and media campaigns on competition-related issues if necessary to the public;

- (v) Provide necessary support to the Malaysia Competition Commission and vice versa to the respective sector regulators at national and international forum on competition;
- (vi) Provide necessary technical support to the Malaysia Competition Commission and vice versa to the respective sector regulators;
- (vii) Conduct joint advocacy programmes in the promotion of competition policy and law in Malaysia; and
- (viii) Any other functions necessary for the promotion of competition policy and law in Malaysia.

Meantime, the role of MyCC with respect to sector regulators were outlined as follows:-

- (i) Advocacy Role – MyCC if possible to comment on draft regulation or to submit an opinion on proposed regulatory reforms and projects (as in the case of the Gas Supply Act). Section 16(a) of the Competition Commission Act 2010 specifically provides for this (to advise the Minister or any other public or regulatory authority on all matters concerning competition)
- (ii) Ensure coordination and coherence between sector regulators and the competition authority
- (iii) For those sectors which do not have any competition regulation, traditional competition law issues such as prohibition of anti-competitive practices to be left to MyCC to be enforced.
- (iv) MOUs to govern respective competences. As in the case of BNM, an MOU to be signed whereby the MOU will determine the areas of responsibilities. In this case, BNM will issue guidelines of what constitutes price-fixing and tied selling (two traditional competition issues which generally is looked into by a competition authority) while MyCC will enforce these provisions while using sector specific expertise of BNM officials.

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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.