
NEWS RELEASE

MyCC INVESTIGATES GENERAL INSURERS FOR PRICE FIXING

Kuala Lumpur, 20 October 2016 – The Malaysia Competition Commission (“MyCC”) is investigating a number of general insurance companies including its association for alleged anti-competitive agreements in relation to the automobile repair industry in Malaysia.

The MyCC Chief Executive Officer, Dato’ Abu Samah Shabudin stated that “The investigation involves commercial activities between workshops and general insurers in Malaysia particularly on trade discounts on part prices for certain vehicle makes as well as the labour rate paid to the workshops”.

According to the Competition Act 2010 (“the Act”), the agreements which are deemed to be anti-competitive include price fixing in the market in which the enterprises compete. MyCC’s Guidelines on Chapter 1 Prohibition: Anti-competitive Agreements further provide that price fixing includes fixing the price itself or fixing an element of the price, such as fixing discount, setting a percentage price increase or setting the permitted range of prices between competitors.

The MyCC will continue to monitor the activities of all trade associations, including professional bodies to ensure that they do not indulge in activities which could stifle competition among them and infringe any of the provisions under the Act. An infringement under the Act may attract a financial penalty of not more than 10% of the worldwide turnover of an enterprise over the period of the infringement.

For media enquiries, please contact:

Noor Hasnizan Hassan, Tel +603 2273 2277 (ext 111), Email: izan@mycc.gov.my

Wan Nurhafizah, Tel +603 2273 2277 (ext 703), Email: nurhafizah@mycc.gov.my

Corporate Communication Unit

Malaysia Competition Commission

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 at reasonable prices. The Act applies to all commercial activities undertaken within and outside 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 anti-competitive practices/ conduct under the competition laws. For more information on the Act and the MyCC's activities, log on to www.mycc.gov.my.