



NEWS RELEASE

MyCC MEETS ASSOCIATION OF WATER & ENERGY RESEARCH MALAYSIA (AWER)

KUALA LUMPUR, 4 March 2015 – The Malaysia Competition Commission (MyCC) met with the Association of Water & Energy Research Malaysia (AWER) last week to discuss AWER’s alleged anticompetitive practices in the retail sale of non-energy efficient products in Malaysia. The meeting also discussed how AWER will cooperate with the MyCC regarding any suspected anti-competitive practices in this industry.

AWER had earlier alleged that there is “element of cartel and profiteering” regarding the phasing out of Compact Fluorescent Light (CFL) lamp in Malaysia.

“Similar prices offered by enterprises on their own are not anticompetitive in nature. An allegation of cartel has to be backed with some evidence of price fixing by the enterprises involved.” says Dr. Mohd Khalid Abdul Samad, MyCC Chief Executive Officer.

“We take note AWER’s concerns on the possibility of enterprises engaging into anticompetitive practices and look forward to receiving any evidence they may have to support their claim” he added.

Section 4 of the Competition Act 2010 prohibits enterprises, including associations, from fixing, directly or indirectly a purchase or selling price or any other trading conditions for goods and services.



The Competition Act 2010 has been in force from 1st January 2012 and it is necessary for associations and business enterprises to comply with the legislation. The Commission may impose a financial penalty, which is not more than 10% of the worldwide turnover of the enterprise over the period of the infringement, or impose any other direction that it considers appropriate to ensure future compliance by associations and business enterprises.

Any members of the public who have information concerning conduct by associations and/or enterprises who are or have engaged in price fixing activities should contact the MyCC at +603-2273 2277 or via email at complaints@mycc.gov.my.

For more information on the MyCC and the Competition Act 2010, log on to www.mycc.gov.my.

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EDITOR'S NOTES:

1. The details on Section 4 (1) and (2) of the Competition Act 2010: Prohibited *horizontal and vertical agreement is as follows:
 4. (1) A horizontal or vertical agreement between enterprises is prohibited insofar as the agreement has the object or effect of significantly preventing, restricting or distorting competition in any market for goods or services.
 - (2) Without prejudice to the generality of subsection (1), a horizontal agreement between enterprises which has the object to—
 - (a) fix, directly or indirectly, a purchase or selling price or any other trading conditions;
 - (b) share market or sources of supply;
 - (c) limit or control—
 - (i) production;
 - (ii) market outlets or market access;
 - (iii) technical or technological development; or



- (iv) investment; or
- (d) perform an act of bid rigging, is deemed to have the object of significantly preventing, restricting, or distorting competition in any market for goods or services.

* “horizontal agreement” = agreement between enterprises each of which operates at the same level in the production or distribution chain;

“vertical agreement” = agreement between enterprises each of which operates at a different level in the production or distribution chain.

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Corporate Communication Unit

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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.