

NEWS RELEASE

THE GOVERNMENT SUPPORTS MyCC IN COMBATING BID RIGGING

KUALA LUMPUR, 22 JUNE 2022 – A key mandate of the Malaysia Competition Commission (MyCC) is to support the Government's effort in enhancing the procurement process by combating anti-competitive practices such as bid rigging. In the last decade, MyCC has been working closely with other stakeholders such as the Ministry of Finance, the Malaysian Anti-Corruption Commission (MACC), amongst others in tackling the issue of leakages in government procurement.

The newly released circular on Integrity in Public Procurement (PK 1.6) by the Ministry of Finance marks a major milestone for MyCC that was made possible through ongoing engagement with relevant stakeholders and advocacy efforts on the Competition Act 2010 over the last decade. Under the new circular which came into effect on 1 June 2022, companies interested to participate in government tenders must adhere to the Competition Act 2010, amongst other legislation cited in the circular. Government agencies are also now required to pay attention to the issue of bid rigging cartels in government procurement and report to MyCC if there are any signs of bid rigging pacts.

“In the course of our work over the years, we discovered that apart from corruption and fraudulent actions which are commonly associated with leakages, big rigging is a major threat to public leakages. This form of cartel occurs when two or more competitors conspire to manipulate the procurement process, denying the opportunity for genuine bidders and distorting the competition process altogether. We are grateful for the weight given to the Competition Act 2010 in the new PK 1.6 circular, for which we are certain will strengthen our enforcement efforts in combating bid rigging activities in government tenders.” said Iskandar Ismail, Chief Executive Officer of MyCC.

Following the implementation of this circular, individuals or companies found to be involved in bid rigging conduct in public procurement will be blacklisted by the Ministry of Finance for a period of five (5) years. This has been met with mixed reaction amongst stakeholders, particularly in relation to its effectiveness in combating such activities. It

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must be highlighted that this is a step forward by the government in sending a strong message that bid rigging cartel activities will not be tolerated.

The PK 1.6 circular will be discussed in more detail at the 3rd Malaysia Competition Law Conference 2022 that will be held on 23 and 24 June 2022 at Sunway Resort, Selangor. For more information on the Conference, kindly visit our website at www.mycc.gov.my.

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About the 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 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 10th year anniversary on 1 April 2021 and announced the launch of its rebranding and redesigned logo to elevate its corporate identity. The Logo embodies the culture and colours of the organization as well as its strengths and work values. The symbol of the butterfly is globally known to represent endurance, change, hope and life. This new look also shows simplicity at its finest, signifying the changes and maturity of MyCC itself.

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