



SURUHANJAYA PERSAINGAN MALAYSIA
MALAYSIA COMPETITION COMMISSION

ANNUAL
REPORT



PROMOTING **COMPETITION,**
PROTECTING **YOU**



COVER RATIONALE

The number 19 takes center stage in this bold design, signifying a year of excellence and accomplishment.

Within the number are graphical elements representing investigation, market review, advocacy, international relations and consumer protection, which portrays the core values of MyCC's expertise.

CONTENTS

01

MINISTER'S FOREWORD 01 - 02

02

CHAIRMAN'S MESSAGE 03 - 04

03

**CHIEF EXECUTIVE OFFICER'S
MESSAGE** 05 - 06

04

CORPORATE INFORMATION 07 - 24

Introduction

Vision and Mission

Functions and Powers of the MyCC

Working Committee

Special Committee on Competition

Scope of Competition Act 2010 (Act 712)

*Main Prohibitions under
The Competition Act 2010 (Act 712)*

Organisation Structure

Members of the Commission &
Chief Executive Officer

05

MILESTONES 25 - 28

06

2019 IN REVIEW 29 - 56

Enforcement Activities

Market Review on Food Sector & Block
Exemption

International Programmes

*Capacity Building
International Meeting
Working Visits*

Advocacy Programmes

Communication and Public Relations

MyCC in News

07

FINANCIAL STATEMENTS 57 - 84



MINISTER'S FOREWORD



**DATUK SERI SAIFUDDIN
NASUTION ISMAIL**

Minister of Domestic Trade and
Consumer Affairs (MDTCA)

The Ministry of Domestic Trade and Consumer Affairs (MDTCA) is entrusted with the responsibility of ensuring protection of consumers' interests while at the same time ensuring that enterprises can operate efficiently, innovatively, and competitively. The implementation and enforcement of competition law ensures a conducive business environment in the market is observed and complied. Towards this end, competition law is one of the imperative measures taken by the government to ensure that the country's economy remains competitive and free from all anti-competitive practices that can undermine the country's economic development.

As the Minister of Domestic Trade and Consumer Affairs, one of my key responsibilities is to ensure that there are no elements of unscrupulous practices in the domestic economy that could harm domestic trade and consumer interests. In this regard, Malaysia Competition Commission (MyCC) will continue to strive to execute its mandate efficiently and effectively with a commitment to ensure competition culture remains conducive and markets work well for consumers, businesses, and the economy.

Nonetheless, we realise that awareness is still lacking in society, especially among industry players and consumers about the existence of the competition law in this country. This is due to the fact that implementing competition law is a complex process and requires careful judgment to ensure the effectiveness of the enforcement of competition law. In this regard, we would like to congratulate the efforts of the MyCC for its active role in implementing a series of high-impact advocacy programs for the past eight years to educate the public especially the business community on the importance of competition law.

For the year 2019, Global Competitiveness Index 4.0 ranked Malaysia 27th among 141 economies. This index is an assessment of the nation's competitiveness and it measures the set of institutions, policies, and factors that determine the level of productivity that sets the sustainability of current and medium-term levels of economic prosperity.

Meanwhile, Malaysia made a significant jump to a global rank of 15th in the ease of doing business global rankings, outranking countries such as Canada (22nd), Germany (24th), France (32nd), Switzerland (38th) and Japan (39th). In the report, Malaysia is also ranked second in ASEAN after Singapore.

It is imperative that an economy with healthy levels of competition will increase a country's attractiveness as a place of doing business and lead to large inflows of domestic and foreign investments. Consequently, it provides huge benefits to consumers as they enjoy lower prices, better services, and greater choices. Therefore, the MyCC will continue to hold the Government's mandate to ensure that concerted efforts are taken to combat anti-competitive practices and to cultivate a healthy and competitive marketplace in sync with the needs for sustainable growth of the Malaysian economy.

I believe that in these volatile times, where the dynamic of the economy has been fast changing amidst disruptive technology becoming an everyday buzzword, regulators such as the MyCC must be very vigilant in preventing anti-competitive practices from taking root and becoming prevalent in the new and emerging markets. On the part of the Ministry, we will continue to provide the MyCC with unrelenting support in observing and taking necessary action against any business enterprises that are found infringing the Competition Act 2010.

CHAIRMAN'S MESSAGE



**DATO' SERI MOHD
HISHAMUDIN MD YUNUS**

Chairman

The Malaysia Competition Commission (MyCC) was established on 1 April 2011 as a regulatory body tasked with ensuring a fair and conducive process for competition in the country. Since its inception, the MyCC has been relentlessly pursuing its mission to be the leading competition authority in Malaysia through efficient and effective implementation of its mandate. The MyCC has effectively raised awareness among businesses as well as the society at large on the importance of complying with the Competition Act 2010. The MyCC, an agency under the Ministry of Domestic Trade and Consumer Affairs (MDTCA) has been fostering fair competition among Malaysians through its numerous investigations and advocacy programmes. To date, the MyCC remains the Government's vital focal point on matters related to competition.

The year 2019 had yet again been another productive and successful year for the MyCC. The MyCC had achieved several milestones and recognition as it continues in spearheading a fair, competitive, and conducive business environment in Malaysia. In 2019, the MyCC has been elected to be the Chair of the ASEAN Experts Group on Competition (AEGC)

on behalf of Malaysia. In the year under review, the MyCC had also successfully organised and hosted the 23rd and 24th ASEAN Experts Group on Competition (AEGC) and Related Meetings in April and October 2019 respectively. A significant milestone was achieved by the MyCC following the success of AEGC, whereby Malaysia has been selected to become the pilot country to undertake the Peer Review process focusing on competition advocacy throughout the years of enforcement which is expected to be completed next year.

Throughout the year, the MyCC has received 163 complaints, and out of these, 89 cases had been resolved. The increase in the number of complaints over the years provides evidence of the increase in awareness of the existence of the MyCC and competition law in Malaysia. This is also due to the advocacy programmes conducted ever since the establishment of the MyCC which has shown positive impact. This has been significantly proven as the MyCC has been recognised by frequently receiving invitations from Government agencies and companies to provide briefings on the Competition Act.

Throughout the year, the MyCC has continuously pursued its efforts in combatting bid rigging activities and other types of cartels to ensure a level playing field in the commercial market in Malaysia. The MyCC's efforts has been reflected in its initiative in organising the forum on bid rigging annually. The MyCC has been organising this forum since 2016 to highlight the importance of awareness on bid rigging conducted in government procurement. This initiative was launched along with the first bid rigging case in Malaysia brought about by the MyCC.

On the enforcement front, the MyCC has issued two proposed decisions on eight IT companies for alleged bid rigging conduct and also on Grab for abuse of dominance. The MyCC has also accepted an undertaking from the Sabah Tourist Guides Association (STGA) concerning the fixing of tourist guides' professional fees during the year.

A significant milestone has been achieved by the MyCC on 5 April 2019 in addressing pressing issues relating to competition in intellectual property rights in the country. On that date, the MyCC has published and put into effect Guidelines on Intellectual Property Rights and Competition Law.

Since 2018, the MyCC has been embarking on a review

of the Competition Act 2010 and the Competition Commission Act 2010. Currently, the MyCC is in the midst of vigilantly undertaking various measures to ensure comprehensive amendments to the Acts before it can be tabled in the Parliament.

Moving forward, the MyCC will continue to equip itself with new and dynamic strategies that will help to ensure the effectiveness of its enforcement so as to bring about a competitive business environment in Malaysia. This effort is imperative in ensuring that the role of the MyCC remains relevant in the current borderless business landscape and the dynamic changes which are occurring in the global business frontier.

With dedication and commitment shown by the MyCC in relentlessly pursuing all initiatives and programs targeted for the stakeholders in Malaysia, I strongly believe that the MyCC will continue to achieve greater success in 2020. We expect that the efforts by the Commission will elevate the degree of understanding and compliance with the provisions of the competition laws in Malaysia among the businesses as well as the consumer community.

MESSAGE FROM THE CEO



ENCIK ISKANDAR ISMAIL

Chief Executive Officer

The Competition Act 2010 (Act 712) which came into force on 1 January 2012 aims to facilitate economic development through the promotion and protection of the process of competition. Competition plays a vital role in enhancing efficiency, innovation, and entrepreneurship which in turn brings about competitive prices, enhances product and service quality, and creates more choices for consumers. Since its inception, the MyCC has faced many challenges in optimising the Act especially in resolving issues on the competition. Given the dynamism in the current and future business environment, the MyCC will require time to inculcate understanding of the Act among stakeholders and the public. Further, the MyCC whilst continuously pursuing its mandated role, will seek to educate the society on the Act to enhance and sustain Malaysia's economic growth.

The MyCC has been consistent in pursuing its advocacy programmes which involve a broad spectrum of activities with the aim to increase understanding of competition and its benefits within the wider society. The MyCC has taken cognisance of the fact that businesses may not fully understand the benefits of competition law and policy or may have a negative perception toward competition enforcement. Consequently, since the Act has come into force, the MyCC has undertaken to organise various advocacy activities to create awareness among the public especially stakeholders comprising sector regulators, SMEs academicians, practitioners as well as Government agencies and ministries. In this regard, advocacy serves as one of the important components and a significant investment of the MyCC functions in its effort to prevent anti-competitive behaviour in the country. In 2019, significant achievements were made by the MyCC in its pursuit of this objective. The MyCC continues its #bebaskartel promotion which has been introduced last year in conjunction with its 7th Anniversary.

The MyCC continues to make significant collaboration with the industry's stakeholders to further develop the country's resources in the field of competition and fair business dealings. In 2019, the MyCC has signed a Memorandum of Understanding with various universities as well as Government agencies namely, Universiti Putra Malaysia, Brickfields Asia College, and Monash University, Malaysia Productivity Corporation and Malaysian Institute of Economic Research to strengthen collaboration on competition matters.

The MyCC has also completed its market review on the food sector particularly in 5 selected food items that is aimed to assist the Government's effort to reduce the high cost of living issues in Malaysia. We would like to thank all stakeholders including Government agencies for providing valuable feedback and suggestions during the public consultation period. Next year, the MyCC will conduct a Market Review under the Competition Act 2010 for the Service Sector in Malaysia (Wholesale and Retail for Selected Products). The MyCC has also provided seven policy advice to government agencies on competition matters.

The MyCC places special emphasis on the importance of the local and international capacity building to develop best practices and enhance competencies for its workforce and at the same time develop experts on competition law in strengthening and enhancing the enforcement regime in Malaysia. To further strengthen its role, the MyCC has embarked on a staff exchange programme with other competition authorities to address competition issues and to exchange knowledge and expertise. In 2019, the MyCC participated in international staff exchange programmes with other competition authorities to give exposure to our officers in addressing competition issues and cases. To strengthen and improve the MyCC's human capital, the MyCC has also sent its officers internationally such as attachment programmes at EU Summer School, KFTC 2019 Internship Program and ACCC CLIP secondment program. The MyCC has also participated in the Expert Dispatch Programme with counterparts such as Australian Competition and Consumer Commission (ACCC), Korea Fair Trade Commission (KFTC) and Japan Fair Trade Commission (JFTC) to gain skill and knowledge and share best practices. The MyCC will continue to participate in capacity building programmes and attachments to improve the level of expertise and strengthen cooperation.

The lists of cases involving different sectors portray a high level of adaptability and dedication by the MyCC's

young and dynamic workforce. Since January 2012, the MyCC has solved 451 out of 566 complaints received from the general public. As we look ahead to the next decade, we are mindful to ensure that the roles and functions of the MyCC remain relevant to its vision and mission. I believe that the MyCC will become among the country's best and most active enforcement agencies. The MyCC will continue to be diligent until fair competition practices are robustly implemented in our country's development plan.

On behalf of the management team, I would like to express my heartfelt gratitude to the Minister of Domestic Trade and Consumer Affairs for his continuous support to the MyCC. A special word of thanks also to the Members of the Commission for their continuous guidance. Last, but certainly not least, thanks to my fellow management team members and staff for their dedication and commitment in carrying out their tasks. Next year, we will move forward to the year 2020, which marks the beginning of the new decade. In view of the impending challenges in the new decade, the MyCC will remain committed to upholding the stakeholders' well-being, and towards this end, it will keep abreast with the dynamism and fast changing market environment and will remain steadfast in striving towards promoting safe and fair competition in Malaysia.

CORPORATE INFORMATION





INTRODUCTION

The Malaysia Competition Commission (MyCC) was established on 1 April 2011 as the enforcement authority for the **Competition Act 2010 (Act 712)**. The Act was designed to foster sustainable economic development through enhancing efficiency, innovation and competitive entrepreneurship. Ultimately, the objective is to ensure more competitive pricing, better quality products and wider choices in the market for consumers in the protection of their rights and interests.



VISION



To be the leading competition authority in Malaysia.

MISSION



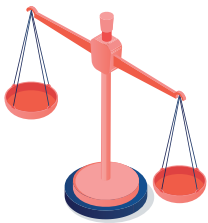
To execute our mandate efficiently and effectively, with a commitment to ensure a conducive competition culture to make markets work well for consumers, businesses and the economy.

FUNCTIONS AND POWERS OF THE MyCC

UNDER THE COMPETITION COMMISSION ACT 2010 (ACT 713)

FUNCTIONS

(SECTION 16)



- To advise the Minister, Government or other public authority on matters related to competition;
- To enforce competition laws through investigation and market study, and to issue guidelines related to the implementation and enforcement of competition laws; and
- To educate the public, businesses and other stakeholders on the benefits of competition to the economy as a whole.

POWERS

(SECTION 17)



- To impose penalty for the infringement of the provisions of the competition laws;
- To impose fees or charges for services rendered by the MyCC;
- To conduct programmes in the course of performing the functions of the MyCC;
- To collaborate with any other organisations or Government agencies for the purpose of performing the MyCC's functions; and
- To require the furnishing of information by enterprises to assist the MyCC in the performance of its functions.

WORKING COMMITTEE



THE INVESTIGATION AND ENFORCEMENT COMMITTEE

Ensure all investigations undertaken by the Investigation and Enforcement Division are carried out in accordance with Standard Operating Procedures (SOPs) and best practices to ensure the effective and efficient enforcement of the Competition Act 2010 (the Act) by the Commission.



THE FINANCE AND ADMINISTRATION COMMITTEE

Established to formulate principles and guidelines governing financial, administrative, and human resource matters, including financial management control, accounting procedure, procurement process, general administration, and human resource management for the Commission.



THE LEGAL AND DRAFTING COMMITTEE

Established to carry out the tasks concerning legal advice and drafting provisions of the Competition Act 2010 (Act 712) and the Competition Commission Act 2010 (Act 713), as well as their subsidiary legislation including guidelines.



THE SELECTION AND APPOINTMENT COMMITTEE

Established to formulate principles and guidelines in governing human resource matters, focusing on the selection and appointment of permanent, contract, research assistants, and temporary officers for the Commission.



THE ADVOCACY AND COMMUNICATION COMMITTEE

Established to ensure all sectors that need to be educated about the law are covered in the advocacy and communications plan, ensure messages delivered are consistent, and ensure continuous publicity for the Commission.



THE AUDIT AND RISK COMMITTEE

Responsible to examine all the records, documents, and reports on financial and non-financial matters; to advise the Members of the Commission on the performance of activities which are subject to audit examination; to ensure the appropriate procedures are in place to identify, assess and manage risk from a strategic and operational perspective; and to ensure compliance with procedures and processes that have been approved and put in place by the Commission.



THE ECONOMICS COMMITTEE

Established to examine and to give direction on matters related to economic analysis, market review and policy advisory work. The Economic Committee provides policy advice and evaluates appropriate justification from economic perspective; provides guidance, advice, and reviews on economic assessments, analysis and issues for investigation and exemption cases; and provides suggestions and proposes action plans for market review.

SPECIAL COMMITTEE ON COMPETITION

The Special Committee on Competition is a committee that has been established since 2012 and is chaired by the MyCC. The Committee comprises of nine (9) other sector regulators including the **Malaysian Communications and Multimedia Commission (MCMC)**, **Land Public Transport Agency (APAD)**, **Central Bank of Malaysia (BNM)**, **Energy Commission (EC)**, **National Water Services Commission (SPAN)**, **Securities Commission (SC)**, **Malaysian Aviation Commission (MAVCOM)**, **Intellectual Property Corporation of Malaysia (MyIPO)** and most recently the **Companies Commission of Malaysia (SSM)**. The committee held a meeting on 27 September 2019 to discuss various issues affecting competition in markets involving different sectors that include telecommunications, land public transport, finance, electricity and water supply, aviation, and intellectual property.



SCOPE OF THE COMPETITION ACT 2010 (ACT 712)

The Act 712 covers all commercial activities conducted within and outside Malaysia which affect competition in any market within Malaysia.

Activities that are excluded from the scope of the **Act 712** are:



Activities that involve an exercise of Governmental authority



Agreements or conducts that comply with any law



Activities which are conducted based on the principle of solidarity



Purchase of goods or services not for re-sale or re-supply



Services involving general economic interest, which cover public utilities, or having the character of a revenue-producing monopoly

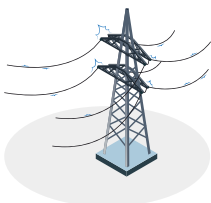


Collective bargaining activities or collective agreements on behalf of employees between employers and trade union

THE ACT DOES NOT APPLY TO COMMERCIAL ACTIVITIES WHICH ARE REGULATED UNDER:



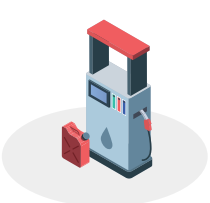
Communications and Multimedia Act 1998



Energy Commission Act 2001



Petroleum Development Act 1974



Petroleum Regulations 1974



Malaysian Aviation Commission Act 2015

MAIN PROHIBITIONS UNDER THE COMPETITION ACT 2010 (ACT 712)

The Act 712 prohibits enterprises from engaging in two forms of conduct:



ANTI COMPETITIVE AGREEMENTS

(SECTION 4)

The Act prohibits any agreement, whether in written form or otherwise between enterprises which has the object, or effect of significantly preventing, restricting or distorting competition within a market for goods or services.

An anti competitive agreement, which may be open or secret (e.g. cartel), is one by which enterprises collectively agree not to compete or to collaborate with one another to reduce competition and distort market forces.



ABUSE OF DOMINANT POSITION

(SECTION 10)

An enterprise that has a market share of more than 60% is considered to be in a dominant position in its particular market.

An enterprise with a dominant position in a market is not in breach of any law unless it has abused that position by restricting competition of other enterprises in the same market that could adversely affect the interests of consumers.

FINANCIAL
PENALTY UP TO

Maximum of
10%



FINANCIAL PENALTY

If the MyCC determines that there has been an infringement of Act 712, an enterprise can be imposed a financial penalty of up to a **maximum of 10%** of its worldwide turnover and directed to comply with any other direction as the MyCC deems appropriate to bring the infringement to an end.

OVERVIEW OF ENFORCEMENT PROCEDURE



Ex-Officio
[S.14(1)]



Complaint
[S.15]



Minister's Direction
[S.14(2)]



Leniency Regime
[S.41]

Assessment
and/or Inquiry



INVESTIGATION

Interim
Measures
[S.35]



PROPOSED DECISION [S.36]

Undertaking
[S.43]



REPRESENTATION



Written and
/or Oral

Hearing



FINAL DECISION

NON INFRINGEMENT
[S.39]

INFRINGEMENT
[S.40]



COMPETITION APPEAL TRIBUNAL

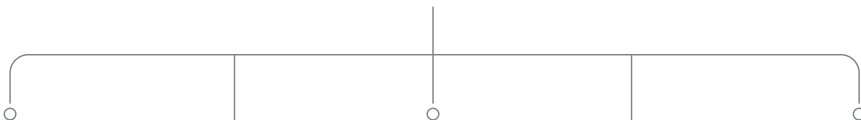
MyCC's ORGANISATIONAL STRUCTURE



**CHAIRMAN AND
MEMBERS OF THE
COMMISSION**



CHIEF EXECUTIVE OFFICER



**Investigation and
Enforcement
Division**



**Strategic Planning and
International Affairs
Division**



**Business and
Economics Division**



**Management
Services Division**



Legal Division



**Communications
and Advocacy
Division**

MEMBERS OF THE COMMISSION



01

DATO' SERI MOHD
HISHAMUDIN MD
YUNUS

02

DATO' JAGJIT
SINGH BANT
SINGH

03

DATUK
TAY LEE LY

04

PROFESOR
DR SAADIAH
MOHAMAD

05

MOHD
HASSAN AHMAD



06

DR. NASARUDIN
ABDUL RAHMAN

07

DATO' IR. HJ.
MOHD JAMAL
SULAIMAN

08

DATO' HJ.
ISKANDAR HALIM
HJ. SULAIMAN

09

DR. NOR
MAZNY ABDUL
MAJID

10

DR. MADELINE
BERMA

MEMBERS OF THE COMMISSION & CHIEF EXECUTIVE OFFICER

The Commission comprises the Chairman, six members representing the Government and three members representing the private sector. The members, including the Chairman, are appointed by the Prime Minister based on the recommendation from the Minister of Domestic Trade and Consumer Affairs (MDTCA). Each member serves a three-year term subject to a maximum of two consecutive terms. Overall, Members of the Commission represent multiple fields of legal, economic, financial, trade and consumer interests.

01

**DATO’ SERI MOHD
HISHAMUDIN MD YUNUS**



*CHAIRMAN OF SELECTION AND
APPOINTMENT COMMITTEE*

Dato’ Seri Mohd Hishamudin Md Yunus is a law graduate from the University of London who has previously served as the Malaysian Court of Appeal Judge, Chief Registrar of the Supreme Court, Senior Federal Counsel, and President of the Sessions Court throughout his 45 years of legal experience. During his service in the High Court, he has written more than 750 judgments, in which all have been published in the legal journals and has received the International Commercial Arbitration certification from the Chartered Institute of Arbitrators, United Kingdom.

Dato’ Seri Mohd Hishamudin Md Yunus has also served as a Legal Advisor to the Ministry of Primary Industry, a spokesman for rubber producing countries at the Natural Rubber Agreement Negotiations in Switzerland, and Head of Delegation for the International Bar Association’s Human Right Institute (IBAHRI) to South Africa before becoming an Arbitrator at the Kuala Lumpur Regional Centre for Arbitration.

02

DATO' JAGJIT SINGH BANT SINGH



Dato' Jagjit Singh Bant Singh is the founding partner of the legal firm, Jagjit Ariff & Co. He holds a Masters of Law with Merit in Commercial and Corporate Law-Intellectual Property Degree from King's College, University of London. His expertise is in the laws and practical and procedural aspects of intellectual property matters. Dato' Jagjit Singh was a former Judge and served under the Malaysian Judicial and Legal Service for 28 years in various positions which includes his tenures as a Senior Federal Counsel, Deputy Treasury Solicitor, Legal Advisor to the Ministry of Health, Deputy Public Prosecutor, and Senior Assistant Parliamentary Draftsman.

He was a member of the Special Copyright Task Force to the Ministry of Domestic Trade and Consumer Affairs from 1999 to 2001, Panel of Experts Committee for the National ICT Security and Emergency Response Centre from 2001 to 2003 and Legal Advisor to the Special Parliamentary Select Committee on the Penal Code (Amendment) Bill 2004 and the Criminal Procedure Code (Amendment) Bill 2004. Dato' Jagjit Singh Bant Singh has authored 'The Practical Approach to the Enforcement of Intellectual Property Rights' and co-authored 'Civil Trials Guidebook'.

03

DATUK TAY LEE LY



CHAIRMAN OF LEGAL AND
DRAFTING COMMITTEE

Datuk Tay Lee Ly has been the Legal Advisor to the Ministry of Domestic Trade and Consumer Affairs (MDTCA) since December 2013 and has served under the Judicial and Legal Service for 30 years. As the Legal Advisor of MDTCA, she is also the head of the Legal Division of MDTCA and is involved in the drafting of legislations under the supervision of MDTCA.

Before serving at MDTCA, Datuk Tay had served as a Chairman of Industrial Court Malaysia in Kuala Lumpur, Legal Advisor to the Ministry of Works, Ministry of Plantation Industries and Commodities and Economic Planning Unit in the Prime Minister's Department, Magistrate in the Petaling Jaya Court, Deputy Public Prosecutor, Senior Assistant Parliamentary Draftsman and Senior Federal Counsel in the Attorney General's Chambers.

MEMBERS OF THE COMMISSION & CHIEF EXECUTIVE OFFICER

04

PROFESSOR DR. SAADIAH MOHAMAD



CHAIRMAN OF ECONOMIC
COMMITTEE

Prof. Dr. Saadiah Mohamad is a Professor of Economics at the Faculty of Business and Management, Universiti Teknologi MARA (UiTM). She attained her Bachelor's Degree in Town & Country Planning from the University of Manchester, Masters in Economics from the University of Missouri, USA; and Ph.D. in Economics from Universiti Kebangsaan Malaysia (UKM). Prior to her tenures as a professor, she was the Deputy Dean of the Industry and Community Linkages at the faculty; and was a Visiting Research Fellow at the Oxford Centre for Islamic Studies of Oxford University from 2015 to 2016.

Prof. Dr. Saadiah had research attachments with the World Bank in 2001, Bank Negara Malaysia in 2007, and the Asian Institute of Finance from 2010 to 2011. She has published over 70 academic papers on Economics, Islamic and Social Finance. Prof. Dr. Saadiah was the first Director of the World Islamic Economic Forum (WIFE) of the WIFE-UiTM International Centre. She held the Executive Committee Member of the Malaysian Economics Association for six consecutive terms from 2004 to 2015, Honorary Secretary to the association from 2014 to 2015; and currently the Executive Committee Member of the International Council of Islamic Finance Educators.

05

MOHD HASSAN AHMAD



CHAIRMAN OF AUDIT AND RISK
COMMITTEE

Mohd Hassan Ahmad is currently the Deputy Under-Secretary of the Fiscal and Economics Division, Ministry of Finance. He holds a Bachelor of Accounting from Universiti Putra Malaysia (UPM) and a Master's Degree in Economics from the University of Sydney, Australia. In 2000, he was appointed as an Administration and Diplomatic Officer and began his career at the Ministry of Finance. He holds several positions throughout his tenure in the ministry.

06

DR. NASARUDIN ABDUL RAHMAN



CHAIRMAN OF ADVOCACY AND
COMMUNICATION COMMITTEE

Dr. Nasarudin Abdul Rahman is an Assistant Professor at the Ahmad Ibrahim Kulliyah of Laws in International Islamic University Malaysia (IIUM). Dr. Nasarudin attained his Bachelor of Laws (LLB)(Hons) Degree in 2002 from IIUM, Masters in Comparative Laws in 2008 from IIUM; and Ph.D. from Macquarie University of Sydney, Australia in the area of competition policy and law in Malaysia.

He has published numerous articles on Malaysian competition law and policy; and authored a book titled 'Competition Law in Malaysia', published by Thomson Reuters. Before joining IIUM, Dr. Nasarudin was an advocate and solicitor of the High Court of Malaya. Currently, Dr. Nasarudin lectures corporate law for undergraduates' and his areas of interest include Industrial Relations, Islamic Banking, and Competition Policy & Law.

07

DATO' IR. HJ. MOHD JAMAL SULAIMAN



CHAIRMAN OF FINANCE AND
ADMINISTRATION COMMITTEE

Dato' Ir. Hj. Mohd Jamal Sulaiman holds a Bachelor's Degree in Civil Engineering from the University of Salford, the United Kingdom. He began his career as a Civil Engineer in July 1981 and was later transferred to the Malaysian Public Works Department (JKR) in the state of Pahang. During his 36 years of service, he served in various posts which include the Economic Planning Unit, and Hulu Selangor District Water Supply Department at the Selangor State JKR.

He was a Director of Policy and Corporate Management from 2014 to 2017; and was appointed as Senior Director of General of Works (Building Sector) at JKR, before his retirement later that year. During the span of his public service career, he was awarded the Excellent Service Award twice and the JKR Special Achievement Award in 2010.

MEMBERS OF THE COMMISSION & CHIEF EXECUTIVE OFFICER

08

**DATO' HJ. ISKANDAR HALIM
HJ. SULAIMAN**



Dato' Hj. Iskandar Halim Bin Hj Sulaiman received his Bachelor's Degree in Sociology from Universiti Sains Malaysia (USM). He served as an Inspector of Enforcement at the Ministry of Trade and Industry (MITI) in 1981 and has accumulated 38 years of experience in the field of enforcement.

Dato' Hj. Iskandar Halim Bin Hj Sulaiman served as the Enforcement Director at Perlis and Sarawak Branches, before being brought back to the Head Office in 2005 to fill the vacancy as Director of the Intellectual Property Protection Unit. In 2017, Dato' Iskandar was appointed as the Deputy Director of Enforcement (Special Operations Branch) before being commissioned as the Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) Enforcement Director. Throughout his services, Dato' Iskandar was awarded the Excellent Service Award three times.

09

**DR. NOR MAZNY ABDUL
MAJID**



Dr. Nor Mazny Abdul Majid attained her Bachelor of Laws (LLB) Degree from the International Islamic University Malaysia (IIUM) in 1994, Master's in Information Technology Law from the University of Strathclyde, the United Kingdom in 2002; and acquired her Ph.D. from Victoria University, Australia in 2012. Dr. Nor Mazny has been in the Administrative and Diplomatic Service since 1995, with almost 24 years of experience in various posts.

Dr. Nor Mazny started her career as an Assistant Secretary at the Ministry of Entrepreneur Development and later moved to the Ministry of Finance. She was then assigned to the Ministry of Energy, Green Technology and Water as the Senior Principal Assistant Secretary from 2010 to 2011. In 2011, she was appointed Director of Policy & Development, Legal Affairs Division in the Prime Minister's Department, and has been promoted to Deputy Director General of the same division in 2015. Currently, she is the Director of Public Higher Education Institution Governance Division, Ministry of Education.

DR. MADELINE BERMA

Dr. Madeline Berma attained her Bachelor of Economics at Universiti Kebangsaan Malaysia (UKM) in 1982; and later completed her Master of Arts at the University of Wisconsin-Madison, the USA in 1986. Subsequently, she received her Ph.D. from University of Hull, England in 1997. Dr. Madeline is credited strongly for her 35 years of academic experience, in which she held various positions during her years under UKM.

Currently, Dr. Madeline is a Commissioner member at the Human Rights Commission of Malaysia and is a consultant under NuMind Plus Training & Consultancy. Her past publications and researches specialise in the field of development economics, which includes areas of poverty, inequality, rural development, women development, and marginalized communities. She was awarded three (3) distinctive recognitions, which are Pingat Ahli Bintang Kenyalang (ABK), Sarawak Women in Education Special Award, and Tokoh Wanita Sempena Hari Pekerja (CUEPACS).

CHIEF EXECUTIVE OFFICER**ISKANDAR ISMAIL**

Iskandar Ismail was appointed as the Chief Executive Officer for the MyCC on 15th October 2018 after serving as the Director of Investigation and Enforcement Division for more than 5 years. He graduated from the International Islamic University with LLB (Hons) in 1997 and holds LLM in International and Comparative Law from the George Washington University Law School, Washington DC. Admitted to the High Court of Malaya as an advocate and solicitor, he has served at Bank Negara Malaysia as a Prosecuting Officer for 7 years. Prior to joining the MyCC, he was an Assistant Trial Attorney with the United Nations for the International Criminal Tribunal for Rwanda in Tanzania for 8 years.

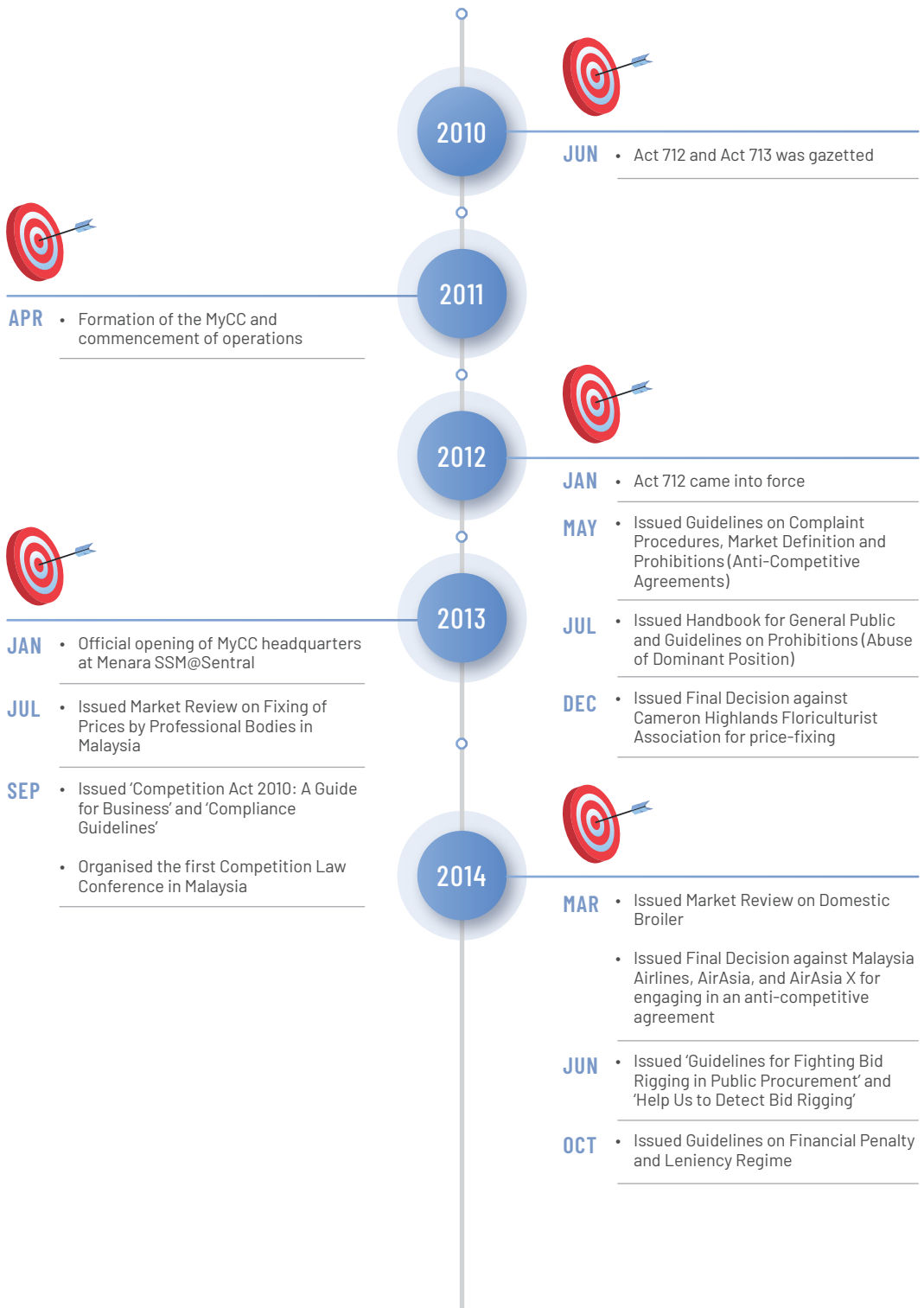
During his tenure as Chief Executive Officer and the Director of the Investigation and Enforcement Division, Iskandar has led and overseen the investigation of many of the MyCC's landmark cases such as Malaysian Airline Systems Bhd and AirAsia Berhad, Container Depot Operators in Penang, MyEG Services Bhd, the General Insurance Association of Malaysia (PIAM) and its 22 members, Dagang Net Technologies Sdn Bhd and several others. As the Chief Executive Officer, he also oversees cases involving Grab and the first bid rigging case in Malaysia involving eight IT companies. He also led the Market Review on Food Sector which has received widespread attention and positive impact from various parties. He has also been frequently invited to be a speaker at several local and foreign conferences, forums and seminars given his experience and practical knowledge in the investigation and enforcement of Competition Law. Iskandar was also appointed as the Chairman of the ASEAN Expert Group for Competition (AEGC) Meeting representing Malaysia for 2019.

MILESTONES





MILESTONES





JAN • Issued Final Decision against 24 Ice Manufacturers for price fixing

FEB • Issued Final Decision against Sibü Confectionery and Bakery Association for price fixing

2015



JUN • Issued Final Decision against five (5) Container Depot Operators for engaging in an anti-competitive agreement

• Issued Final Decision against My E.G. Services Berhad for abuse of dominant position

2016



MAR • Organised Malaysia Competition Conference 2017 "Competition Law: Breaking Norms, Managing Change"

DEC • Issued Market Review on Pharmaceutical Sector and Building Materials in Construction Industry

2017



OCT • Issued Final Decision against seven (7) Tuition and Day Care Centres for price fixing

2018



MAR • Issued Proposed Decision against eight (8) Enterprises involving Procurement of IT Services for bid rigging

OGO • Issued Market Review on Food Sector

OCT • Issued Proposed Decision against Grab inc, GrabCar Sdn.Bhd. and MyTeksi Sdn. Bhd for abuse of dominant position

2019

2019 IN REVIEW





ENFORCEMENT ACTIVITIES

In the year 2019, the MyCC have conducted several investigations and enforcements against several enterprises for the infringement of Act 712.

PROPOSED DECISION

(SECTION 36)



IT COMPANIES

The MyCC issued a proposed decision against eight (8) companies for engaging in a bid rigging, submitted to Akademi Seni Budaya dan Warisan Kebangsaan (ASWARA); through Request for Quotations (RFQs) and tenders, valued at RM 1.92 million.

GRABCAR SDN. BHD. AND MYTEKSI SDN. BHD. (GRAB)

The MyCC issued a proposed decision against Grab for collectively breaching Section 10 of Act 712 for abusing its dominant position by imposing a number of restrictive clauses. The restrictive clauses prevented drivers from promoting and providing advertising services to Grab's competitors in the e-hailing and transit media advertising market; the proposed penalty amounted to RM 86,772,943.76

FINDING OF NON-INFRINGEMENT

(SECTION 39)



COCA-COLA BOTTLERS (MALAYSIA) SDN BHD AND COCA-COLA REFRESHMENTS MALAYSIA SDN BHD (COCA-COLA)

The MyCC issued a decision of non-infringement to Coca-Cola, as the Commission found no evidence of infringement in relation to a price increase notice of Coca-Cola beverages issued to supermarkets and hypermarkets in Peninsular Malaysia; prior to the implementation of Sales and Services Tax (SST) on 1 September 2018. This investigation follows a ministerial directive (in accordance to Section 14(1) of CA 2010) to investigate the notice issued by Coca-Cola Bottlers (Malaysia) Sdn Bhd and Coca-Cola Refreshments Malaysia Sdn Bhd (hereinafter referred to as Coca-Cola) in July 2018; the notice issued contained recommended resale price of various Coca-Cola beverages to be sold to retailers and the recommended consumer price to the consumer. The MyCC had examined whether the notice can restrict supermarkets and hypermarkets, including their customers, from determining their resale prices independently. The MyCC concluded that Coca-Cola, supermarkets, and hypermarkets were not involved in any vertical agreement that would likely harm the market.

UNDERTAKING

(SECTION 43)



SABAH TOURIST GUIDES ASSOCIATION (STGA)

The MyCC has accepted an official undertaking from the Sabah Tourist Guides Association (STGA). This undertaking was made on behalf of all STGA's 477 members in regards to the competition concern in relation to fixing of tourist guides' professional fees. To address the MyCC's concerns, the members of STGA undertook measures to revoke the issued Minimum Tourist Guides Professional Fees dated on 1 March 2009. The STGA has also proceeded not to hold any forms of discussion in relation to the tourist guides' fees, applicable to the STGA members. Simultaneously, the members also undertook halting implementation of the proposed STGA Sabah Professional Guiding Fee Rates; as discussed at the STGA's Extraordinary General Meeting held on 20 April 2017. The STGA additionally undertook measures to remind all members to fully comply with the Competition Act 2010; and will not hesitate to provide full cooperation to the MyCC in the event of any complaints made against their members in the future.

WARNING LETTER



SABAH GOLD MERCHANTS ASSOCIATION

A warning letter was issued by the Commission to a company under Sabah Gold Merchants Association on 14 May 2019; in which the Commission suspected the enterprise of being involved in price fixing which may prevent, restrict or distort competition.

ENFORCEMENT ACTIVITIES

STATISTICAL SUMMARY 2019

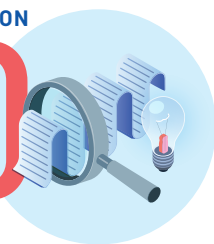
ASSESSMENT

87

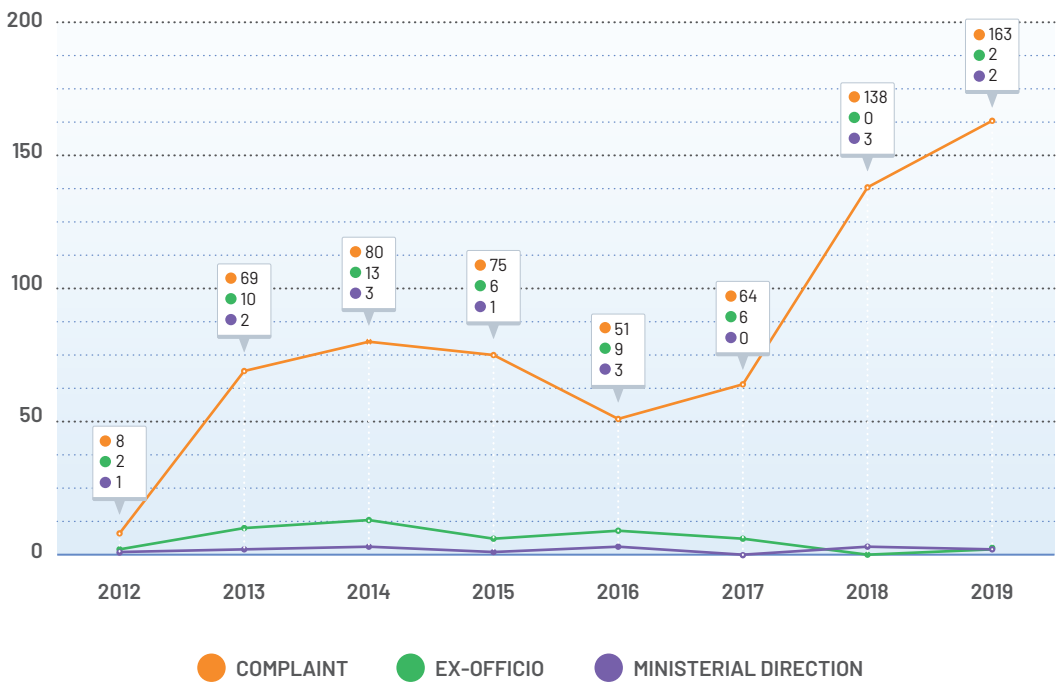


INVESTIGATION

70



	ACTIVE	CLOSED
COMPLAINT	74	89
EX-OFFICIO	2	0
MINISTERIAL DIRECTION	2	0



POLICY ADVICE

In 2019, the MyCC has provided seven (7) policy advice on competition issues to ministries and Government agencies in Malaysia. The MyCC provided recommendations and policy advice to the Government in relation to;

01 Draft of Guidelines for Doing Online Business to MDTCA;

02 Proposed Amendment to the Electronic Commerce Act 2006 (Act 658) to MDTCA;

03 Regulatory Mechanism of Drug Price to Ministry of Health (MOH);

04 Memorandum of the Cabinet on National Transportation Policy by the Ministry of Transport;

05 Proposed Joint Committee on PhAMA Joint Drug Price Mechanism by MOH; and

06 Policy Advice on tender procurement at the Ministry of Works.

GUIDELINES ON INTELLECTUAL PROPERTY RIGHTS AND COMPETITION LAW

The Guidelines on Intellectual Property have been gazetted as **G.N. No. 6206 | Vol. 63, dated 5 April 2019.**

The objective of these Guidelines is to provide transparency on the complex interface between intellectual property law and competition law to the public and to provide guidance the Commission on anti-competition investigations involving intellectual property. The Guidelines also address issues of anti-competitive behaviours that may occur among intellectual property licensees. In this regard, the Guidelines may address the related competition issues in intellectual property rights.

These Guidelines focuses on the following:

01 The interface between competition law and intellectual property rights;

02 The relevant markets where intellectual property rights are concerned;

03 The prohibitions under the Competition Act 2010; and

04 The conflicting situations between intellectual property rights and competition law.

In conclusion, these Guidelines benefit businesses, consumers, and licensees of intellectual property in Malaysia. Through these Guidelines, legal practitioners are also able to better advise clients on relevant intellectual property law issues.

ENFORCEMENT ACTIVITIES

AMENDMENT OF THE ACT

The Act 712 was introduced to regulate business processes with the intent of enabling companies to compete openly and fairly. After nearly eight (8) years of the enforcement of Act 712, since 1 January 2012, the MyCC found it necessary to review the Act for the following purposes:

01

Fulfil the needs to clarify policy requirements and aligned with best practices from other countries;

02

Ensure that the constraints and weaknesses in terms of implementation and enforcement of the existing Act 712 can be improved; and

03

Improve investigation processes and procedures to ensure that the objectives of Act 712, to protect competition processes, can be achieved by the Commission.

The Commission additionally proposes to incorporate the provisions of the mergers and acquisitions regime in Act 712. The proposed amendments are on par with the rapid domestic economic growth and fulfils the urgency to monitor the activities of mergers and acquisitions within the industry to be consistent with the objectives of the competition.

The Competition Commission Act 2010 (Act 713) empowers the Commission to carry out specific functions such as implementing and enforcing the provisions of Act 712. Since nine (9) years after Act 713 was introduced, the Commission found that there is a need to amend Act 713 to ensure that the implementation of the Commission's operations are more effective and efficient.

MARKET REVIEW ON FOOD SECTOR

The MyCC has successfully completed the Market Review on Food Sector in 2019. On 6 August 2019, the study was officially published after the launching of the Market Review by the Minister of Domestic Trade and Consumer Affairs, YB Datuk Seri Saifuddin Nasution Ismail. This review is open for public reference and can be obtained in physical copy or alternatively in a digital copy that is available on the MyCC's website.

The MyCC's power to conduct a market review is subjected to Section 11 of Act 712, whereby the MyCC at its own initiative, or upon the request of the Minister, is empowered to conduct a review of any market to determine whether any feature or combination of features of the market may prevent, restrict or distort competition in the market.

In the Market Review on Food Sector, **five (5) food sub-sectors** were selected for review namely:



Beef



Indian Mackerel



Mustard Leaf



Round Cabbage



Infant Formula

The selection of these 5 food sub-sectors is based on household spending on food groups (i.e. meat, fish & seafood, and vegetables) accounting to a total amount of 48% of households spending according to the data from the Household Spending Study, released by the Department of Statistics Malaysia (2016).

The main objective of the Market Review on the Food Sector conducted by the MyCC was to understand the market structure and identify any anti-competitive behaviour along the supply chain. In addition, the study is aimed at understanding the legislation and policy regulation within the related sector, while aiming to propose the best solution to empower healthy competition within the sector.

Taking approximately a total of nine (9) months, the Market Review on Food Sector was conducted from November 2018 to July 2019 with the involvement of 176 stakeholders across supply chains such as Government agencies, industry players, consumers, industry associations, and others.

The selection of
these **5 SUB-SECTORS**
accounts for

48%

of **household spending**
from the Household Spending
Study

MARKET REVIEW ON FOOD SECTOR



To ensure the success of the inclusive and high impact research, a Focus Group Discussion session was held on 12 December 2018 at the Cititel Hotel, Kuala Lumpur. Furthermore, a physical public consultation session was held on 18 June 2019 and 20 June 2019 respectively at the Marriot Hotel, Putrajaya, and Seri Pacific Hotel, Kuala Lumpur. In addition, an online public consultation session was held for 30 days to give stakeholders in the food and public sectors an opportunity to provide additional insights and input to the MyCC, to improve the research outcomes and to achieve the desired objectives. In summary, the main findings of this study are as follows:

01

Malaysia's high dependence on food imports;

04

Multiple intermediaries in the supply chain;

02

High barriers to entry in the food sector;

05

A limited number of exporters and shortage of foreign supplies; and

03

Misuse of Approved Permit (AP);

06

The monopoly of the Kuala Lumpur Wholesale Market

BLOCK EXEMPTION

Following the block exemption application received on 29 August 2018, the MyCC has conducted further evaluation of several key issues such as the efficiency and competitiveness of the shipping industry in Malaysia. An in-depth evaluation has been conducted for nine (9) months, along with several engagement sessions amongst key industrial players and stakeholders. The in-depth evaluation has been carried out to ensure that the block exemption assessment is transparent and comprehensive.

Under Section 9 of Act 712, the MyCC has taken the initiative to conduct physical and online public consultation sessions with the objective of sharing assessment results and obtaining feedback on those assessments. These public engagement sessions were conducted for one (1) month from 31 May 2019 to 29 June 2019. During the engagement sessions, the Commission had received five (5) written feedback from the Ministry of Transportation, Freight Forwarders Association, the Association of Malaysian Manufacturers, the World Shipping Council, and the Malaysian National Shippers Council.

Based on the evaluation and feedback received, the MyCC has decided to approve the block exemption (specifically the Vessel Sharing Agreements) which had been applied on 19 July 2019 and formally gazetted on 13 November 2019 through the Attorney General's Chambers.

RESEARCH GRANT PROGRAMME

Section 16(g) of the Competition Commission Act 2010 outlines the functions of the MyCC to conduct general studies on issues related to competition or specific sectors of the Malaysian economy.

In line with that, for 2019, the MyCC has offered **a grant amounting to RM50,000 under the Research Grant Programme (RGP)** to any researcher interested in conducting strategic research related to the field required by the MyCC towards ensuring a continuous healthy competition in any market sector. The strategic research areas of interest of the MyCC for the RGP are as follows:

01



Increase consumer access to basic goods and services in line with the cost of living issues; and

02



The development of competition policies in the era of the digital economy.

Upon evaluation of the 26 applications received, the MyCC has selected research collaborations from UiTM and INTI International University for RGP in 2019, with a study entitled "Reconsideration of Competition Theory for E-Commerce Consumer Sale of Goods: Vertical Restraints".






INTERNATIONAL PROGRAMMES

INTERNATIONAL CAPACITY BUILDING PROGRAMME

Internationally, the MyCC is also actively involved in conferences, workshops, meetings, and capacity building overseas. As a member of the ASEAN Experts Group on Competition (AEGC), International Competition Network (ICN), Organization for Economic Co-operation and Development (OECD), United Nations Conference on Trade and Development (UNCTAD), and others, the MyCC regularly receives invitations to overseas programs as speakers, moderators, participants, and meeting members.






For the year 2019, the MyCC has attended a total of 39 programs including forums, workshops, secondment programmes, other capacity building programmes, and 11 international meetings. A total of 5 programmes and 2 international meetings were held in Malaysia and were all conducted by the Commission.

		
1 February	Manila, Philippines	2019 Forum on Competition in Developing Countries
20-22 February	Bangkok, Thailand	AANZFTA Competition Law Implementation Program (CLIP) Cartel Investigations Workshop Module One
28 February – 1 March	Santiago, Chile	Workshop Economic Analysis in Horizontal and Non-Horizontal Mergers
28 February – 1 March	Kyiv, Ukraine	2019 ICN Advocacy Workshop
4-7 March	Tokyo, Japan	ASEAN Training Course Strategic Planning & Management of Enforcement Activities
7-8 March	Singapore	GCR Live Singapore 8th Annual Asia-Pacific Law Leaders Forum
12-14 March	Johannesburg, South Africa	Improving Business Environment For Prosperity (IBEP) Program Peer-To-Peer Learning Event
26-28 March	Busan, South Korea	Competition Law Workshop on Competition Rules in the Transportation Sector
6-7 May	Ho Chi Minh City, Vietnam	Kick-off Workshop for the 2019 AEGC Priority Deliverables
7-9 May	Mexico City, Mexico	Competition Policy for Regulating Online Platforms in the APEC Region
14-17 May	Cartagena, Colombia	2019 ICN Annual Conference
27-28 May	Bangkok, Thailand	OECD KPC-OTCC Bilateral Seminar and Study Visit
12-13 June	Singapore	2nd Annual Competition Law Asia 2019
17-18 June	Bali, Indonesia	Brainstorming Meeting on the Development of Peer Review Guidance and the Undertaking of Peer Review






		
18-19 June	Taipei, Taiwan	2019 Taiwan International Conference on Competition Policy and Competition Law
24-28 June	Kuala Lumpur, Malaysia	EU-ASEAN Competition Week 
27-28 June	Bangkok, Thailand	15th Annual Conference of the Asian Law and Economics Association (AsLEA)
4-5 July	Kuala Lumpur, Malaysia	German-Malaysian Symposium on Competition Law 
1-12 July	Brussels, Belgium	EU Summer School (2 weeks)
11-12 July	Bangkok, Thailand	Digital Integration Framework Action Plan: Consultative Workshop (DIFAP Workshop)
1-2 August	Hong Kong	The Competition Enforcers and Academics Summit
26-27 August	Pretoria, South Africa	Study Visit to the Competition Commission South Africa
27-30 August	Pretoria, South Africa	Thirteenth Annual Competition Law, Economics & Policy Conference
4-6 September	Ulaanbaatar, Mongolia	Competition Law Workshop on Vertical Restraints
5-6 September	Manila, Philippines	Comprehensive Review of Potentially Anti-Competitive Laws and Regulations
9 September – 15 November	ACCC, Australia	ACCC Secondment (3 months)

INTERNATIONAL PROGRAMMES

INTERNATIONAL CAPACITY BUILDING PROGRAMME

		
10-12 September	Malaysia	CLIP Module 5: Remedies <div>  </div>
16-19 September	Moscow, Russia	VI BRICS Competition Conference "10-year anniversary of successful cooperation: results and prospects"
17-19 September	Sydney, Australia	AANZFTA Consumer Protection Scoping Project (CPSP) Study Visit & Travel arrangements for CPSP Study Visit
25-26 September	Kuala Lumpur, Malaysia	Regional Antitrust Seminar on Market Definition and Enforcement in the Digital Economy <div>  </div>
7-10 October	Foz do Iguaçu, Brazil	ICN Cartel Workshop 2019
16-18 October	Tokyo, Japan	Competition Law Workshop on Competition Issues of Digitalisation
30 October-12 November	Seoul, South Korea	KFTC 2019 Internship Programme
12-14 November	Seoul, South Korea	OECD Workshop on Investigative Techniques for Cartels
14-15 November	Phnom Penh, Cambodia	8th ASEAN Competition Conference
19-21 November	Bangkok, Thailand	Module 6: Market Studies by Competition Agencies
3 December	Kuala Lumpur, Malaysia	Briefing Session on Malaysian Competition Law for Japanese Companies
4-5 December	Jakarta, Indonesia	Competition and Energy Regulation Workshop
6-7 December	Paris, France	OECD Global Forum on Competition

INTERNATIONAL MEETINGS

		
31 January	Manila, Philippines	Side Meeting with the Mergers and Acquisitions Division of PCC
2 March	Santiago, Chile	APEC Competition Policy and Law Group (CPLG) Meeting
27-29 March	Washington DC, United States of America	American Bar Association Section of Antitrust Law's International Task Force Washington Spring Meeting
8-12 April	Kuala Lumpur, Malaysia	The 23rd Meeting of the ASEAN Experts Group on Competition (AEGC) and related meetings 
29 April – 1 May	Melbourne, Australia	11th Meeting of the AANZFTA FJC and Related Meetings: AANZFTA CC
2-4 July	Brisbane, Australia	CLIP Commissioner's Retreat
9-10 July	Ulaanbaatar, Mongolia	15th East Asia Top Level Officials' Meeting on Competition Policy (EATOP) & The 12th East Asia Conference on Competition (EAC)
8-12 July	Geneva, Switzerland	UNCTAD - Eighteenth session of the Intergovernmental Group of Experts on Competition Law and Policy
13 July	Bangkok, Thailand	Special Meeting of the CoW for the AEC on the Fourth Industrial Revolution (4IR Meeting)
14-18 October	Langkawi, Malaysia	The 24th Meeting of the ASEAN Experts Group on Competition (AEGC) and related meetings & Workshop on Regional Cooperation 
15 November	Phnom Penh, Cambodia	ASEAN Experts Group on Competition (AEGC) Head of Agencies Meeting

INTERNATIONAL PROGRAMMES

ATTACHMENT PROGRAMMES

Expert dispatch programmes have also been held at the MyCC. Through this programme, competition experts from the Australian Competition and Consumer Commission (ACCC), the Korea Fair Trade Commission (KFTC), and the Japan Fair Trade Commission (JFTC) have been attached to the MyCC for 3 months for the purpose of training the MyCC officers on enforcement issues.



Australian
Competition and
Consumer
Commission (ACCC)



13 MAY - 2 AUG 2019



Korea Fair Trade
Commission
(KFTC)



15 JUL - 9 AUG 2019



Japan Fair Trade
Commission
(JFTC)



7 OCT - 20 DEC 2019

In addition, the MyCC has also participated in two attachment programmes by sending officers to the EU Summer School in Belgium for 2 weeks, to the KFTC 2019 Internship Program for 2 weeks, and to the ACCC Secondment Program in Australia for 3 months.



The ACCC Secondment Program in Australia



The EU Summer School in Belgium

WORKING VISITS

In 2019, the MyCC welcomed working visits from The Australian High Commission on 1 August 2019, the Taiwan Fair Trade Commission (TFTC) on 24 September 2019, and The Authority for Fair Competition and Consumer Protection (AFCCP) of Mongolia on 27 September 2019.



01
AUG 2019

The Australian High
Commission



24
SEPT 2019

Taiwan Fair Trade
Commission (TFTC)



27
SEPT 2019

The Authority for Fair
Competition and Consumer
Protection (AFCCP) of
Mongolia



ADVOCACY PROGRAMMES

In general, apart from enforcement activities, advocacy programmes are an effective method to raise awareness of all parties, especially among consumers and companies on the existence and role of the Commission and Act 712. In 2019, a total of 31 advocacy programmes were conducted involving various sectors in the public, private sector, stakeholders, professionals, and the media.

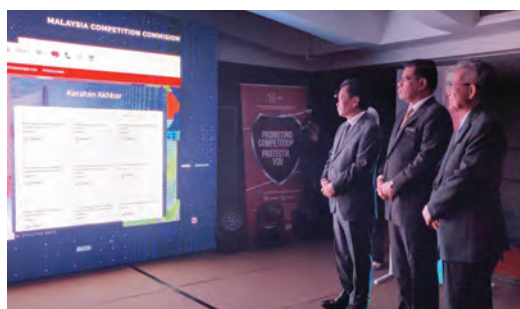
Among advocacy programmes organised by the MyCC are:



FORUM ON UNDERSTANDING AND AVOIDING BID RIGGING CONDUCT IN GOVERNMENT PROCUREMENT ACTIVITIES

On 21 February 2019, the MyCC in collaboration with the Malaysian Agricultural Research and Development Institute (MARDI) organised the Forum on Understanding and Avoiding Bid Rigging Conduct in Government Procurement Activities held at Dewan Tan Sri Yusof Hashim, MARDI Headquarters. This forum is one of the ongoing initiatives undertaken by the Commission to create awareness among procurement officials in the public sector on the roles of the Commission and the implementation of the Competition Act 2010, particularly in addressing bid rigging issues in public procurement.

In addition, the forum aimed to increase the understanding of Government officials on procurement methods and procedures to avoid bid rigging. The forum, attended by 380 participants, was officiated by Dr. Kamariah Long, Deputy Director-General of MARDI. The forum also involved experts from the MyCC, the National Audit Department, the Government Policy and Procurement Division, the Ministry of Finance, and the Malaysian Anti-Corruption Commission in discussing the links between bid rigging and corruption, the effectiveness of procurement procedures, bid rigging risks, direct negotiation issues and investigations carried out by the MyCC related to bid rigging.



COMPETITION SEMINAR SERIES 2019: SAY NO TO BID RIGGING & BUSINESS TRANSFORMATION THROUGH THE COMPLIANCE AND ENFORCEMENT OF COMPETITION LAW 2010

On 8 August 2019, the Commission organised a course for Government officials directly involved in the procurement process. The 2019 Seminar Series: Say No to Bid Rigging is the first such advocacy program held in Sabah, specifically in Kota Kinabalu, Tawau, and Sandakan.

In addition, the Commission also launched a revamped and improved Competitive Compliance e-Learning System. The ceremony was officiated by YAB Datuk Seri Mohd Shafie Haji Apdal, the Chief Minister of Sabah as well as YB Datuk Seri Saifuddin Nasution Ismail, Minister of Domestic Trade and Consumer Affairs and YBhg. Dato' Seri Mohd Hishamudin Md Yunus, Chairman of the Commission. This seminar is one of the Commission's ongoing efforts in educating Government officials to detect and address any fraudulent activity in Government procurement procedures.

On 9 August 2019, the Commission had conducted a briefing specifically to the business community and industry in order to raise awareness and encourage compliance with the Act 712. The Commission also provided training and a detailed description in using the e-learning system called "e-Learning System on Competition Compliance for SMEs".

ADVOCACY PROGRAMMES



THE SIGNING OF MEMORANDUM OF UNDERSTANDING (MOU)

Throughout 2019, the Commission signed five Memoranda of Understanding (MoU); three with institutions of higher learning, namely Universiti Putra Malaysia, Brickfields Asia College, and Monash University Malaysia. The other two are with the Malaysian Productivity Corporation (MPC) and the Malaysian Institute of Economic Research (MIER).

The main aim of the MoU with the public institutions and the private sector is to ensure that subjects or modules of competition law can be developed in the universities involved. In addition, it is also a platform for students at participating universities to get the opportunity to do internships at the Commission to produce more experts in the field of competition law in Malaysia.

The MoU between the MyCC and MPC is rooted in the "APEC-OECD Checklist for Regulatory Reform" which prioritises placing Competitive Impact Assessment in the Regulatory Impact Analysis (RIA). Meanwhile, the agreement between the Commission and MIER is seen as giving both agencies a chance to share their expertise in the field of economic and policy research with the government.

The signing of the MoU is expected to develop educational activities, research, and advocacy programs between the Commission and its MoU partners while strengthening the implementation of Act 712 to better protect healthy competition for businesses and consumers.



ROUNDTABLE SESSIONS RELATED TO IMPLEMENTATION AND ENFORCEMENT OF THE COMPETITION ACT 2010

On 18 December 2019, the Commission organised a roundtable session to get feedback on the role, function, and effect of the enforcement of the Competition Law 2010 among sector regulators, legal practitioners, academics, companies, and stakeholders. The feedback and views from this roundtable session will be used to enhance the Commission's future functions.



COURSE ON COMPETITION ACT 2010 AT ILKAP

On 2 – 3 April 2019, the Commission, in collaboration with the Institute for Judicial and Legal Training (ILKAP), conducted the Competition Act 2010 course at the ILKAP campus, Bandar Baru Bangi. The courses involving 30 participants included Judicial and Legal Services, Enforcement Agencies, and the private sector. The objective of this course is to introduce the role and functions of the Commission in general and the issues relating to Act 712 in particular to the participants.

ADVOCACY PROGRAMMES

LISTS OF ADVOCACY PROGRAMMES

		
12 January	Asian International Arbitration Centre (AIAC)	LEXiCON 2018/19
13 January	Marriot Hotel, Putrajaya	"Emergence of Competition Law in Malaysia" @ 53rd Judges Conference
18 January	Sky Park One City, Subang Jaya	Briefing Session to the Honda Trading Malaysia Sdn Bhd on Competition Act 2010
21 February	Tan Sri Yusof Hashim Hall, MARDI Headquarters, Serdang	Forum Memahami dan Menghindari Perlakuan Tipuan Bida dalam Urusan Perolehan Kerajaan
27 February	TNB Dua Sentral, KL	Briefing Session to Tenaga Nasional Berhad (TNB) Legal Services Department on Competition Act 2010
5 March	Contract and Quantity Surveyor Branch, Tun Ismail Mohamed Ali Tower	Knowledge Sharing Session (KSS): Bid Rigging and Cartel in Government Procurement – Jabatan Kerja Raya Malaysia
19 March	Pavilion Hotel, Kuala Lumpur	Legal 4.0: Leveraging Caliber Competition Practices to Achieve Efficient Functional Performance in Organisation
20 March	MITEC, KL	International Construction Week (ICW) 2019 & ASEAN SUPER 8
2-3 April	Kaedah Room, Perdana Building	Briefing to ILKAP on CA 2010
2 April	Eastin Hotel, KL	The 8th Annual National Procurement Conference 2019 – "Transforming Procurement – Best Practices in Procurement Government"
27 April	Topaz Ballroom, One World Hotel, Selangor	MARGMA Annual Seminars

		
7 May	Philip Kotler Hall, FEP, UPM Serdang	Talk on CA 2010 with Institution of Higher Learning – Universiti Putra Malaysia
14 May	Wisma DLS, Glenmarie, Shah Alam	Training Session To Lam Soon Edible Oils Sdn. Bhd. On Competition Act 2010
3 July	Doubletree Hilton Hotel, Kuala Lumpur	Corporate Counsel Conference 2019 – Practical Guidelines For Avoiding Competition Law Violations In Your Organization
17 July	InterContinental Hotel, Kuala Lumpur	“The Impact Of Competition Policy & Enforcement On The Economy” @ 2nd Annual General Counsel & Company Secretary : Over the Horizon 2019
8 August	Hotel Hyatt Regency, Kota Kinabalu, Sabah	Siri Seminar Persaingan 2019: Katakan Tidak Kepada Tipuan Bida
9 August	Hotel Hyatt Regency, Kota Kinabalu, Sabah	Siri Seminar Persaingan 2019: Managing Competition Compliance in Your Business
27 August	Hotel Four Points By Sandakan, Sandakan, Sabah	Siri Seminar Persaingan 2019: Transformasi Perniagaan Melalui Pematuhan Dan Penguatkuasaan Undang-Undang Persaingan 2010
29 August	Hotel Borneo Royale, Tawau, Sabah	Siri Seminar Persaingan 2019: Transformasi Perniagaan Melalui Pematuhan Dan Penguatkuasaan Undang-Undang Persaingan 2010
11 September	Gas Malaysia Berhad, Shah Alam Megapuri Hall, DBKL, KL	Briefing Session to Gas Malaysia Berhad on Competition Act 2010
20 September	Hall 3 Kuala Lumpur Convention Centre, KL	Taklimat Garis Panduan Menentang Tipuan Bida Dalam Perolehan Awam kepada Dewan Bandaraya Kuala Lumpur
7 October	Tenaga Nasional Berhad, Bangunan Dua Sentral, KL	PETRONAS 2019 Compliance Conference – Up, Close and Personal With MyCC

ADVOCACY PROGRAMMES

		
24 October	Main Meeting Room, Malaysia Competition Commission (MyCC)	Training Session to Legal Division of Tenaga Nasional Berhad (TNB) on Competition Act 2010
14 November	Multipurpose Hall, Indah Water Konsortium S/B, Damansara Heights, KL	Talk on CA 2010 with Institution of Higher Learning - Saito University College
21 November	Universiti Utara Malaysia, Sintok	Enhancing Integrity in Procurement Training Programme - Knowledge Sharing on Competition in Malaysia
24 November	Main Meeting Room, Malaysia Competition Commission (MyCC)	Talk on CA 2010 with Institution of Higher Learning - Universiti Utara Malaysia
25 November	Sunway Putra Hotel, KL	Talk on CA 2010 with Institution of Higher Learning - Saito University College
27 November	Vivatel Hotel, Kuala Lumpur	Consumer Protection and Digital Financial Literacy - Market Conduct and Competition
18 December	Vivatel Hotel, Kuala Lumpur	Roundtable Session on Implementation and Enforcement of Competition Act 2010 & Competition Workshop: Building Success Partnership
19 December		Bengkel Kewartawanan mengenai Undang-Undang Persaingan 2010
20 December	Wisma FGV, KL	Procurement Knowledge Sharing Session - FGV Holdings Berhad

COMMUNICATION AND PUBLIC RELATIONS

In 2019, the initiatives undertaken include exhibitions, conducting interviews for the mass media such as radio, television, and newspaper.

The MyCC had also issued press releases via print and electronic media regarding cases and issues related to competition and conducted online publicity via its official social media and portals.

PARTICIPATION IN PROGRAMMES BY THE MINISTRY AND ITS AGENCIES

The MyCC also involved in programmes organised by the Ministry and its agencies throughout 2019, which include, among others:



22 - 23
APR 2019

SSM BIZFair



23
JUL 2019

SSM Conference 2019



30 - 03
OCT - NOV 2019

Karnival Beli Barangan Malaysia
(Johor)



30
JUL 2019

Hari Penjaja dan Peniaga Kecil 2019
Peringkat Kebangsaan



COMMUNICATION AND PUBLIC RELATIONS

OTHER PROGRAMMES BY THE MyCC

The Community Service Programme was conducted on 16 May 2019 to further strengthen the MyCC's publicity and public relations initiatives, specially organised for the poor and needy students of Sekolah Kebangsaan Seri Cheras, Kuala Lumpur.



TALKS AND INTERVIEWS

The MyCC held a series of talks and interviews that were featured in Astro Awani @ Niaga AWANI, Berita Harian, Bloomberg, Focus Malaysia, The Edge, and BFM regarding the MyCC's functions and roles, as well as covering the latest issues and developments on the MyCC and competition laws in Malaysia.

The MyCC also held press conferences related to its decisions and market review launching.



MEDIA STATEMENTS

In 2019, a total of 15 press releases were issued by the MyCC related to;



MyCC meterai hubungan kerjasama dengan Monash University, Brickfields Asia College dan MIER

MyCC organises seminar on bid rigging and competition compliance in sabah

MyCC raised competition concerns on five (5) food items Malaysia Competition Commission to keep close eye on cement industry

No resale price maintenance on its products by Coca-Cola

High court sides with MyCC on their decision against MyEG

MyCC and MARDI combating bid riggings

MyCC launches the guidelines on intellectual property rights and competition law



MyCC signs MoU with UPM and MPC

MyCC proposes to fine Grab RM86 million for abusive practices

MyCC welcome public feedback in relation to the proposed block exemption order in respect of liner shipping services

RM9.4 million penalty imposed on MyEG for infringing the competition act 2010

MyCC accepts undertaking from the Sabah Tourist Guides Association (STGA)

Sector regulators support special committee on competition

RM 1.94 million penalty to eight enterprises for bid rigging

WEBSITE AND SOCIAL MEDIA PLATFORM

The MyCC shared its publicity and public relations activities through website and social media to disseminate the latest information to the public. On 8 August 2019, the MyCC has launched its revamped website and e-Learning System on Competition Compliance.



THE MYCC OFFICIAL WEBSITE

www.mycc.gov.my



@themyc

MyCC 'polis' antipersaingan

Walapun sudah lapan tahun dibubarkan sejak 1 April 2011, nama Suruhajaya Persingan Malaysia (MyCC) agak terenggang. Namun minggu lalu, MyCC tiba-tiba 'populir' apabila laporan Kajian Pasaran Sektor Makanan setebal 336 muka surat membincangkan lima jenis makanan dikategorikan dengan kumpulan kepentingan serta cadangan yang perlu diberi perhatian serius. Warman BI, MOHJ Azizi Nahi dan AMIN ZEDJIAN ISMAK mendengangkan komisi Renua Pegawai Eksekutif MyCC, Iskandar Ismail, mengenai agenda itu yang dibubarkan seperti 'polis' antipersaingan.

Iskandar Ismail berkata lapan tahun selepas dibubarkan MyCC, beliau adalah seorang yang sangat berminat dengan industri makanan. Beliau berkata, beliau telah menghabiskan masa beberapa tahun untuk mempelajari industri makanan di negara-negara maju. Beliau berkata, beliau telah mempelajari industri makanan di negara-negara maju. Beliau berkata, beliau telah mempelajari industri makanan di negara-negara maju.



Memor Sokong JAP 2019, MyCC mampunyai bekang kuasa dalam apa-apa aktiviti komersial, sama ada dalam atau luar negara. Siasa boleh dimusnahkan melalui tiga cara iaitu undang, anjakan mental dan atas inisiatif sendiri.

Iskandar Ismail, Pegawai Eksekutif MyCC

Soal Jawab

1. Mengapa perlu ada MyCC?
MyCC adalah badan yang bertanggungjawab untuk memantau dan mengawal persaingan dalam industri makanan. MyCC adalah badan yang bertanggungjawab untuk memantau dan mengawal persaingan dalam industri makanan.

2. Apakah peranan MyCC?
MyCC berperanan untuk memantau dan mengawal persaingan dalam industri makanan. MyCC berperanan untuk memantau dan mengawal persaingan dalam industri makanan.

3. Apakah peranan MyCC?
MyCC berperanan untuk memantau dan mengawal persaingan dalam industri makanan. MyCC berperanan untuk memantau dan mengawal persaingan dalam industri makanan.

Making MyCC a potent regulator

- Malaysia does not have merger control provisions but if it goes well, it will be a good start.
- An empowered role would be a better society of possible anti-trust laws.



Hege seni
Pernah ada yang dengar tentang MyCC? Kalau ada, mungkin anda akan ingat MyCC sebagai badan yang bertanggungjawab untuk memantau dan mengawal persaingan dalam industri makanan.

MyCC adalah badan yang bertanggungjawab untuk memantau dan mengawal persaingan dalam industri makanan. MyCC adalah badan yang bertanggungjawab untuk memantau dan mengawal persaingan dalam industri makanan.

涉及假標欺詐活動 8公司或遭罰款193萬

Suruhajaya Persingan Malaysia (MyCC) telah mengumumkan bahawa lapan syarikat telah didenda kerana melanggar peraturan anti-patung. Denda ini berjumlah RM193,000.00.

Perusahaan	Denda (RM)
1. [Syarikat]	100,000.00
2. [Syarikat]	50,000.00
3. [Syarikat]	20,000.00
4. [Syarikat]	10,000.00
5. [Syarikat]	5,000.00
6. [Syarikat]	5,000.00
7. [Syarikat]	5,000.00
8. [Syarikat]	5,000.00
Jumlah	193,000.00

Kaji semula kedudukan dominan, monopoli

MyCC telah mengumumkan bahawa mereka akan mengkaji semula kedudukan dominan dan monopoli dalam industri makanan. MyCC telah mengumumkan bahawa mereka akan mengkaji semula kedudukan dominan dan monopoli dalam industri makanan.

PECAH AMALAN MONOPOLI, KARTEL

MyCC telah mengumumkan bahawa mereka akan mengkaji semula amalan monopoli dan kartel dalam industri makanan. MyCC telah mengumumkan bahawa mereka akan mengkaji semula amalan monopoli dan kartel dalam industri makanan.

Bisnis

MyCC siasat terperinci dakwaan monopoli Grab

Suruhajaya Persingan Malaysia (MyCC) telah mengumumkan bahawa mereka akan mengkaji semula dakwaan monopoli Grab dalam industri makanan. MyCC telah mengumumkan bahawa mereka akan mengkaji semula dakwaan monopoli Grab dalam industri makanan.

MyCC proposes RM1.9m in penalties against IT firms

MyCC has announced that it will impose penalties of RM1.9 million on IT firms for violating competition law. MyCC has announced that it will impose penalties of RM1.9 million on IT firms for violating competition law.

FINANCIAL STATEMENTS







**SIJIL KETUA AUDIT NEGARA
MENGENAI PENYATA KEWANGAN
SURUHANJAYA PERSAINGAN MALAYSIA
BAGI TAHUN BERAKHIR 31 DISEMBER 2019**

Sijil Mengenai Pengauditan Penyata Kewangan

Pendapat

Penyata Kewangan Suruhanjaya Persaingan Malaysia yang merangkumi Penyata Kedudukan Kewangan pada 31 Disember 2019 dan Penyata Prestasi Kewangan, Penyata Perubahan Aset Bersih serta Penyata Aliran Tunai bagi tahun berakhir pada tarikh tersebut dan nota kepada penyata kewangan termasuklah ringkasan polisi perakaunan yang signifikan seperti yang dinyatakan pada muka surat 1 hingga 26, telah diaudit oleh wakil saya.

Pada pendapat saya, penyata kewangan ini memberikan gambaran yang benar dan saksama mengenai kedudukan kewangan Suruhanjaya Persaingan Malaysia pada 31 Disember 2019 dan prestasi kewangan serta aliran tunai bagi tahun berakhir pada tarikh tersebut selaras dengan Piawaian Perakaunan Sektor Awam Malaysia (MPSAS) dan Akta Suruhanjaya Persaingan 2010 (Akta 713).

Asas Kepada Pendapat

Pengauditan telah dilaksanakan berdasarkan Akta Audit 1957 dan *International Standards of Supreme Audit Institutions*. Tanggungjawab saya dikehendaki selanjutnya di perenggan Tanggungjawab Juruaudit Terhadap Pengauditan Penyata Kewangan dalam sijil ini. Saya percaya bahawa bukti audit yang diperolehi adalah mencukupi dan bersesuaian untuk dijadikan asas kepada pendapat saya.

Kebebasan dan Tanggungjawab Etika Lain

Saya adalah bebas daripada Suruhanjaya Persaingan Malaysia dan telah memenuhi tanggungjawab etika lain berdasarkan *International Standards of Supreme Audit Institutions*.

Maklumat Lain Selain Daripada Penyata Kewangan dan Sijil Juruaudit Mengenainya

Anggota Suruhanjaya, Suruhanjaya Persaingan Malaysia bertanggungjawab terhadap maklumat lain dalam Laporan Tahunan. Pendapat saya terhadap Penyata Kewangan Suruhanjaya Persaingan Malaysia tidak meliputi maklumat lain selain daripada Penyata Kewangan dan Sijil Juruaudit mengenainya dan saya tidak menyatakan sebarang bentuk kesimpulan jaminan mengenainya.

Tanggungjawab Anggota Suruhanjaya Terhadap Penyata Kewangan

Anggota Suruhanjaya bertanggungjawab terhadap penyediaan Penyata Kewangan Suruhanjaya Persaingan Malaysia yang memberi gambaran benar dan saksama selaras dengan Piawaian Perakaunan Sektor Awam Malaysia (MPSAS) dan Akta Suruhanjaya Persaingan 2010 (Akta 713). Anggota Suruhanjaya juga bertanggungjawab terhadap penetapan kawalan dalaman yang perlu bagi membolehkan penyediaan Penyata Kewangan Suruhanjaya Persaingan Malaysia yang bebas daripada salah nyata yang ketara sama ada disebabkan fraud atau kesilapan.

Semasa penyediaan Penyata Kewangan Suruhanjaya Persaingan Malaysia, Anggota Suruhanjaya bertanggungjawab untuk menilai keupayaan Suruhanjaya Persaingan Malaysia untuk beroperasi sebagai satu usaha berterusan, mendedahkannya jika berkaitan serta menggunakannya sebagai asas perakaunan.

Tanggungjawab Juruaudit Terhadap Pengauditan Penyata Kewangan

Objektif saya adalah untuk memperoleh keyakinan yang munasabah sama ada Penyata Kewangan Suruhanjaya Persaingan Malaysia secara keseluruhannya adalah bebas daripada salah nyata yang ketara, sama ada disebabkan fraud atau kesilapan, dan mengeluarkan Sijil Juruaudit yang merangkumi pendapat saya. Jaminan yang munasabah adalah satu tahap jaminan yang tinggi, tetapi bukan satu jaminan bahawa audit yang dijalankan mengikut *International Standards of Supreme Audit Institutions* akan sentiasa mengesan salah nyata yang ketara apabila ia wujud. Salah nyata boleh wujud daripada fraud atau kesilapan dan dianggap ketara sama ada secara individu atau agregat sekiranya boleh dijangkakan dengan munasabah untuk mempengaruhi keputusan ekonomi yang dibuat oleh pengguna berdasarkan penyata kewangan ini.

Sebagai sebahagian daripada pengauditan mengikut *International Standards of Supreme Audit Institutions*, saya menggunakan pertimbangan profesional dan mengekalkan keraguan profesional sepanjang pengauditan. Saya juga:

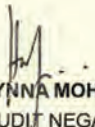
- a. Mengenal pasti dan menilai risiko salah nyata ketara dalam Penyata Kewangan Suruhanjaya Persaingan Malaysia, sama ada disebabkan fraud atau kesilapan, merangka dan melaksanakan prosedur audit yang responsif terhadap risiko berkenaan serta mendapatkan bukti audit yang mencukupi dan bersesuaian untuk memberikan asas kepada pendapat saya. Risiko untuk tidak mengesan salah nyata ketara akibat daripada fraud adalah lebih tinggi daripada kesilapan kerana fraud mungkin melibatkan pakatan, pemalsuan, ketinggalan yang disengajakan, representasi yang salah, atau mengatasi kawalan dalaman.
- b. Memahami kawalan dalaman yang relevan untuk merangka prosedur audit yang bersesuaian tetapi bukan untuk menyatakan pendapat mengenai keberkesanan kawalan dalaman Suruhanjaya Persaingan Malaysia.
- c. Menilai kesesuaian dasar perakaunan yang diguna pakai dan kemunasabahan anggaran perakaunan dan pendedahan yang berkaitan oleh Anggota Suruhanjaya.
- d. Membuat kesimpulan terhadap kesesuaian penggunaan asas perakaunan untuk usaha berterusan oleh Anggota Suruhanjaya dan berdasarkan bukti audit yang diperolehi, sama ada wujudnya ketidakpastian ketara yang berkaitan dengan peristiwa atau keadaan yang mungkin menimbulkan keraguan yang signifikan terhadap keupayaan Suruhanjaya Persaingan Malaysia sebagai satu usaha berterusan. Jika saya membuat kesimpulan bahawa ketidakpastian ketara wujud, saya perlu melaporkan dalam Sijil Juruaudit terhadap pendedahan yang berkaitan dalam Penyata Kewangan Suruhanjaya Persaingan Malaysia atau, jika pendedahan tersebut tidak mencukupi, pendapat saya akan diubah. Kesimpulan saya dibuat berdasarkan bukti audit yang diperolehi sehingga tarikh Sijil Juruaudit.
- e. Menilai sama ada keseluruhan persembahan termasuk pendedahan Penyata Kewangan Suruhanjaya Persaingan Malaysia memberi gambaran yang saksama.

Hal-hal Lain

- a. Seperti yang dinyatakan pada Nota 2.1 kepada penyata kewangan, Suruhanjaya Persaingan Malaysia telah menerima pakai Piawaian Perakaunan Sektor Awam Malaysia (MPSAS) mulai 1 Januari 2019, dengan tarikh peralihan pada 1 Januari 2019. Piawaian ini diterima pakai secara retrospektif oleh Suruhanjaya Persaingan Malaysia terhadap angka perbandingan dalam penyata kewangan ini, termasuk Penyata Kedudukan Kewangan Suruhanjaya Persaingan Malaysia pada 31 Disember 2019 dan Penyata Prestasi Kewangan, Penyata Perubahan Aset Bersih serta Penyata Aliran Tunai Suruhanjaya Persaingan Malaysia bagi tahun berakhir pada 31 Disember 2019 dan pendedahan berkaitan. Saya tidak terlibat untuk melaporkan maklumat perbandingan yang dinyatakan semula dan yang tidak diaudit.

Tanggungjawab saya sebagai sebahagian daripada pengauditan Penyata Kewangan Suruhanjaya Persaingan Malaysia bagi tahun berakhir 31 Disember 2019, dalam keadaan ini, termasuk mendapatkan bukti audit yang mencukupi dan bersesuaian yang baki awal pada 1 Januari 2019 tidak mengandungi salah nyata yang boleh memberi kesan ketara terhadap kedudukan kewangan pada 31 Disember 2019 dan prestasi kewangan dan aliran tunai bagi tahun berakhir pada tarikh tersebut.

- b. Sijil ini dibuat untuk Anggota Suruhanjaya berdasarkan Akta Suruhanjaya Persaingan 2010 (Akta 713) dan bukan untuk tujuan lain. Saya tidak bertanggungjawab terhadap pihak lain bagi kandungan sijil ini.


(HELY HERLYNNA MOHD KASSIM)
b.p. KETUA AUDIT NEGARA

PUTRAJAYA
12 NOVEMBER 2020





PENYATA Pengerusi dan Seorang Anggota Suruhanjaya Suruhanjaya Persaingan Malaysia

Kami **DATO' SERI MOHD HISHAMUDIN BIN MD YUNUS** dan **DATO' JAGJIT SINGH A/L BANT SINGH** yang merupakan Pengerusi dan salah seorang Anggota Suruhanjaya **Suruhanjaya Persaingan Malaysia** dengan ini menyatakan bahawa, pada pendapat Anggota Suruhanjaya, Penyata Kewangan yang mengandungi Penyata Kedudukan Kewangan, Penyata Pendapatan, Penyata Perubahan Ekuiti dan Penyata Aliran Tunai yang berikut ini berserta dengan nota-nota kepada Penyata Kewangan di dalamnya, adalah disediakan untuk menunjukkan pandangan yang benar dan saksama berkenaan kedudukan **Suruhanjaya Persaingan Malaysia** pada **31 DISEMBER 2019** dan hasil kendaliannya serta perubahan kedudukan kewangannya bagi tahun berakhir pada tarikh tersebut.

Bagi pihak Lembaga,

DATO' SERI MOHD HISHAMUDIN BIN MD YUNUS

PENGERUSI
SURUHANJAYA PERSAINGAN MALAYSIA

TARIKH: 9 NOVEMBER 2020
TEMPAT: KUALA LUMPUR

Bagi pihak Lembaga,

DATO' JAGJIT SINGH A/L BANT SINGH

ANGGOTA
SURUHANJAYA PERSAINGAN
MALAYSIA

TARIKH: 9 NOVEMBER 2020
TEMPAT: KUALA LUMPUR

Suruhanjaya Persaingan Malaysia
Malaysia Competition Commission (MyCC)
Level 15, Menara SSM @ Sentral,
No.7, Jalan Stesen Sentral 5,
Kuala Lumpur Sentral,
50623 Kuala Lumpur.
Tel : +603 2273 2277
Faks : +603 2272 1692
www.myc.gov.my



**PENGAKUAN OLEH KETUA PEGAWAI EKSEKUTIF
YANG BERTANGGUNGJAWAB KE ATAS PENGURUSAN KEWANGAN
SURUHANJAYA PERSAINGAN MALAYSIA**

Saya, ISKANDAR BIN ISMAIL, pegawai utama yang bertanggungjawab ke atas pengurusan kewangan dan rekod-rekod perakaunan SURUHANJAYA PERSAINGAN MALAYSIA dengan ikhlasnya mengakui bahawa Penyata Kedudukan Kewangan, Penyata Pendapatan, Penyata Perubahan Ekuiti dan Penyata Aliran Tunai dalam kedudukan kewangan yang berikut ini berserta dengan nota-nota kepada Penyata Kewangan di dalamnya mengikut sebaik-baik pengetahuan dan kepercayaan saya, adalah betul dan saya membuat ikrar ini dengan sebenarnya mempercayai bahawa ia adalah benar dan atas kehendak-kehendak Akta Akuan Berkanun, 1960.

Sebenarnya dan sesungguhnya)
diakui oleh penama di atas)
di KUALALUMPUR)
pada - 9 NOV. 2020)

.....
ISKANDAR BIN ISMAIL
KETUA PEGAWAI EKSEKUTIF,
SURUHANJAYA PERSAINGAN MALAYSIA



5B, JALAN RAKYAT
(JALAN TRAVERS)
BRICKFIELDS
50470 KUALA LUMPUR

Suudhaya
PESURUHJAYA SUMPAH

Suruhanjaya Persaingan Malaysia
Malaysia Competition Commission (MyCC)
Level 15, Menara SSM di Sentral,
No.7, Jalan Stesen Sentral 5,
Kuala Lumpur Sentral,
50623 Kuala Lumpur.
Tel: +603 2273 2277
Faks: +603 2272 1692
www.mycc.gov.my

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Note	2019 RM	2018 RM
NON-CURRENT ASSETS			
Property, Plant and Equipment	3	715,007	985,215
Total of Non-Current Assets		715,007	985,215
CURRENT ASSETS			
Deposits and Prepayments	4	221,441	223,090
Accrued Interest		323,112	446,214
Other Debtors		16,131	9,350
Cash and Cash Equivalents	5	43,275,146	21,874,918
Total Current Assets		43,835,830	22,553,572
TOTAL ASSETS		44,550,837	23,538,787
NON-CURRENT LIABILITIES			
Deffered Government Grants	6	823,873	439,296
Total Non-Current Liabilities		823,873	439,296
CURRENT LIABILITIES			
Accruals and Provision		251,688	64,058
Creditors	7	231,062	69,579
Deffered Income	15	19,664,700	6,412,200
Unpaid Tax		221,042	-
Total Current Liabilities		20,368,492	6,545,837
TOTAL LIABILITIES		21,192,365	6,985,133
TOTAL NET ASSET		23,358,472	16,553,654
TOTAL NET ASSET AND LIABILITIES		44,550,837	23,538,787

The accompanying notes form an integral part of the financial statement.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 RM	2018 RM
INCOME			
Receipt from Government Grants	8	16,361,423	6,927,863
Fines and Penalties		-	33,069
Bank Interest and Fixed Deposit Interest	9	921,008	519,022
Seminar Fees		38,235	4,210
Exemption Application Fees		-	200,000
Sales of Vehicles and Printed Copies		-	34,090
Other Income		11,928	656
Total Income		17,332,594	7,718,910
EXPENSES			
Emoluments		4,301,173	4,295,761
Travel and Accommodation		159,277	122,586
Utilities and Communication		228,218	241,110
Rental		1,018,260	1,041,721
Depreciation	3	385,202	380,664
Administrative Expenses	10	114,265	106,109
Services Expenses		248,110	286,838
Salaries and Allowances for Members of Commission		663,039	595,262
Entertainment, Honorarium and Contributions		171,882	50,309
Unit/Division Expenses	11	2,501,885	1,990,990
Development Expenses - Market Review	12	515,423	117,963
Total Expenses		10,306,734	9,229,313
Surplus/Deficit Income Before Tax		7,025,860	(1,510,403)
Income Tax	13	(221,042)	-
Surplus/Deficit Income After tax		6,804,818	(1,510,403)

The accompanying notes form an integral part of the financial statement.

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Accumulated Surplus RM
Balance as at 1 January 2018	18,064,057
Deficit	(1,510,403)
Balance as at 31 December 2018	16,553,654
Surplus	6,804,818
Balance as at 31 December 2019	23,358,472

The accompanying notes form an integral part of the financial statement.

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 RM	2018 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus / Deficit income	6,804,818	(1,510,403)
Adjustment:		
Depreciation	385,202	380,664
Bank Interest and Fixes Deposit Interest	(921,008)	(519,022)
DEFICIT BEFORE CHANGES OF WORKING CAPITAL	6,269,012	(1,648,761)
Deficit /(Surplus) in Deposits dan Prepayments	1,649	(6,514)
(Surplus) / Deficit in Other Debtors	(6,781)	62,851
Surplus in Other Creditors	14,207,232	3,927,673
NET CASH FROM OPERATING ACTIVITIES	20,471,112	2,335,249
CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Property, Plant and Equipment	(114,994)	(446,639)
Bank Interest Fixed Deposit Interest	1,044,110	555,208
NET CASH FROM INVESTMENT ACTIVITIES	929,116	108,569
DECREASE IN NET CASH AND CASH EQUIVALENTS	21,400,228	2,443,818
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	21,874,918	19,431,100
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	43,275,146	21,874,918
CASH AND CASH EQUIVALENT REPRESENTED BY:		
Cash and Bank Balance	13,041,404	5,839,352
Fixed Deposits	30,233,742	16,035,566
	43,275,146	21,874,918

The accompanying notes form an integral part of the financial statement.

STATEMENT OF COMPARISON BUDGET AND ACTUAL

FOR THE YEAR ENDED 31 DECEMBER 2019

	BUDGET AMOUNT		ACTUAL AMOUNT RM	VARIANCE RM
	ACTUAL RM	FINAL RM		
Expenses				
Emoluments	4,329,790	4,382,990	4,301,173	(81,817)
Travel and Accomodation	152,000	183,300	159,277	(24,023)
Utilities and Communication	233,800	244,000	228,218	(15,782)
Rental	1,052,810	1,018,810	1,018,260	(550)
Depreciation	-	-	385,202	385,202
Administrative Expenses	201,200	223,200	114,265	(108,935)
Services Expenses	196,000	276,000	248,110	(27,890)
Salaries and Allowances for Members of Commission	746,400	712,100	663,039	(49,061)
Entertainment, Honorarium and Contributions	160,000	195,100	171,882	(23,218)
Unit/Division Expenses	4,485,000	4,921,500	2,501,885	(2,419,615)
Development Expenses - Market Review	-	-	515,423	515,423
Total Expenses	11,557,000	12,157,000	10,306,734	1,850,266

The accompanying notes form an integral part of the financial statement.

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

- 1.1 The Malaysia Competition Commission (MyCC) was established on 1 April 2011 under the Competition Commission Act 2010 (Act 713). The MyCC is an agency of the Ministry of Domestic Trade and Consumer Affairs and is an independent body established to enforce the Competition Act 2010. The main role of the MyCC is to protect the competitive process for the benefit of businesses, consumers and the Malaysian economy. As at 31 December 2019, the Commission has 70 officers under its employment.
- 1.2 The MyCC is located at Level 15, Menara SSM @ Sentral No.7, Jalan Stesen Sentral 5, 50623 Kuala Lumpur, Wilayah Persekutuan.
- 1.3 The MyCC Financial Statements are for the period from 1 January 2019 to 31 December 2019.
- 1.4 The MyCC functional currency is in Ringgit Malaysia (RM), where all operations and transactions are performed in RM. For the purpose of this financial statements, all operations and transactions are recorded in RM, which is the MyCC's functional currency.
- 1.5 The MyCC Financial Statements for the year ended 31 Disember 2019 has been approved by the Members of the Commission on 9 November 2020.
- 1.6 The MyCC's main functions are to implement and enforce the provisions of the Competition Act 2010, issue guidelines in relation to the implementation and enforcement of competition law, act as advocate for competition matters, carry out general studies in relation to issues connected to competition in the Malaysian economy or particular sectors of the Malaysian Economy, inform to educate the public regarding the ways in which competition may bring benefit to consumers and the Malaysian economy.

2 ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

- 2.1.1 The financial statements of The MyCC have been prepared on the basis of historical cost conventions other than those specified separately and in compliance with the Malaysian Public Sector Accounting Standards (MPSAS).
- 2.1.2 This financial statement is the first transitional financial statement prepared using MPSAS as the MyCC has opted for exemption in relation to the recognition of assets and liabilities as stated in note 2.14 to the Financial Statements. Previously, the MyCC's financial statements have been prepared in accordance with conventional historical cost and Malaysian Private Entities Reporting Standard (MPERS) accounting standards which has been approved by the Malaysian Accounting Standards Board (MASB).
- 2.1.3 The preparation of financial statements require considerations, estimations, and assumptions that affect the application of policies and amounts to reported assets, liabilities, income and expenses. If these considerations have a material effect on the amounts recognized in the financial statements, they should be disclosed in note 2.13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

2.2 Income and Expenses Recognition

2.2.1 Income Recognition

(i) Government Grants

Government grants that are not subject to certain future performance conditions are taken into account as an income in the statement of financial performance. Meanwhile, Government Grants that are subject to certain future performance conditions such as development grants are recognized as deferred grants and amortized as an income equal to the carrying amount of the liability that has met the conditions.

(ii) Fines and Penalties

Income from fines and penalties includes financial penalties imposed on enterprises or companies for breach of the conditions specified in the Competition Act 2010 (Act 712). The amount of financial penalty imposed will not exceed 10% of the total income of the enterprise or company during the period of the breach.

(iii) Bank Interest and Fixed Deposit Interest

The return on investment is recognized on a time proportion basis that takes into account the rate of effective return on the asset. Interest income is recognized based on time division and effective rates that extend beyond maturity. Meanwhile, bank interest income is recognized on an accrual basis.

(iv) Seminar Fees

The seminar fees received are due to the implementation of seminar programs related to the Competition Act 2010 conducted during the financial year of the MyCC.

(v) Exemption Application Fees

Exemption Application Fees received are from business entities applying for exemption from the Competition Act 2010.

(vi) Sales of Vehicles and Printed Copies

Sales of vehicles are revenue received by the MyCC for vehicles disposed of and sold.

(vii) Other Receipts

Other receipts are receipts other than note 2.2.2 (i) to (v) above. It is recognized as income after service is rendered.

2.3 Property, Plant and Equipment

- 2.3.1 Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes all direct costs involved in bringing the asset to the location and that enable it to operate in the manner required by the management. Daily service costs are recognized as an expense in the statement of financial performance. Property, plant and equipment are recognized at a cost of more than RM2,000 per unit.
- 2.3.2 Values under property, plant and equipment items shall be derecognised upon disposal or when no future economic benefit or service potential is expected from their use or disposal. Profits or losses from derecognition of property, plant and equipment are determined by comparing the net disposal value with the carrying amount of the asset where the difference is accounted for as profit or loss in the financial performance statement.

2.4 Depreciation of Property, Plant and Equipment

- 2.4.1 Depreciation is calculated using the straight-line method to write off the asset cost value over the estimated useful lives of the assets.

- 2.4.2 Depreciation rates on property, plant and equipment are as follows:

Motor Vehicles	20%
Office Equipment and Furniture	10%
Books	10%
Computers	20%

- 2.4.3 If there are signs of a significant change in factors affecting the residual value, life expectancy or useful pattern of the asset since the date of the last annual report, the residual value, depreciation method and useful life of the depreciable asset will be reviewed and adjusted prospectively during the current year.

2.5 Financial Assets

- 2.5.1 Financial assets are recognized in the statement of financial position when the MyCC becomes a party to the provision of instrument contracts.
- 2.5.2 At the beginning of recognition, financial assets are measured at fair value, including transaction costs for financial assets not measured at fair value through surplus or deficit, which are directly involved in generating financial assets.
- 2.5.3 Subsequent to initial recognition, financial assets are classified into one of four categories of financial assets namely financial assets are measured at fair value through surplus or deficit, receivables, investments held to maturity and financial assets available for sale.
- 2.5.4 The purchase or sale of financial assets requiring the delivery of assets within a period of time specified by the rules or conventions in the market will be recognized on the transaction made, which is the date on which the Commission commits to buy or sell the asset.

NOTES TO THE FINANCIAL STATEMENTS

2.5 Financial Assets (continued)

2.5.5 The MyCC has the following categories of financial assets:

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, the financial asset is measured at amortized cost using the effective method or less impairment. Amortized cost is calculated taking into account any discount or premium on the purchase of the asset as well as the cost which is part of the effective interest rate. Losses from impairment are recognized in surplus or deficit.

(ii) Investment held to maturity

Non-derivative financial assets with maturities of fixed or determinable payments and are classified as held to maturity when the MyCC has the positive intention and ability to hold the investment until maturity. After initial measurements are held to maturity, investments are measured at amortized cost using the effective interest method or less impairment. Amortization costs are calculated taking into account any discounts or premiums on the acquisition and costs that are part of the effective interest method. Losses arising on impairment are recognized in the statement of financial performance.

(iii) Derecognition of financial assets

Financial assets are derecognised when the contractual rights to cash flows from the financial assets have expired and the Commission has transferred significant risks and rewards of ownership of the financial assets to the other party. During derecognition of financial assets as a whole, the difference between the carrying value and the amount of consideration received is recognized in surplus or deficit during the derecognition period.

(iv) Impairment of Financial Assets

At each balance sheet date, the MyCC reviews the carrying value of financial assets to determine whether any indication of impairment exists. If any indication exists, impair value is obtained by comparing the carrying value with the recoverable value. The recoverable value is the higher value between the net selling price and the estimated fair value using the discounted forward cash flow estimates. The recoverable value will be determined for each asset or otherwise it will be determined by cash-generating unit owned by the asset.

Impairment losses are recognized in the statement of financial performance as an expense in the period in which it is incurred.

An impairment reversal of recognized asset in the previous year will be recorded if there is any indication that the impairment recognized in the previous year no longer exists or has decreased. Such impairment reversal will be recorded until the actual amount of the asset to be determined (after deduction of depreciation and amortization) if no impairment loss has been previously recorded. The reversal of value will be recorded directly in the statement of financial performance.

2.6 Provisions and Liabilities

- 2.6.1 Provisions are recognized when the MyCC has current liabilities as a result of past events. There is a possibility that an outflow of resources with economic benefits should be made to settle the liabilities and enable reliable amount of liabilities be estimated. When the MyCC estimates some or all of the provisions to be repaid, allocation related expenses are set out in the statement of financial performance from any repayment.

2.7 Financial Liabilities

- 2.7.1 Financial liabilities are recognized in the statement of financial position when the MyCC is party to the contractual provisions of the instrument.
- 2.7.2 At the beginning of recognition, financial liabilities are measured at fair value including transaction costs for financial liabilities not measured at fair value through surplus or deficit, which are directly involved in the issuance of financial liabilities.
- 2.7.3 Following initial recognition, financial liabilities are classified into one of two categories of financial liabilities namely financial liabilities measured at fair value through surplus or deficit and outstanding loans.
- 2.7.4 The MyCC has the following categories of financial liabilities:
- (i) Loan and outstanding loans
Following initial recognition, loans and outstanding loans are measured at amortized cost using the effective interest method. Profits or losses are recognized in surplus or deficit when the financial liability is derecognised or impaired.

An effective interest method is a method of calculating the amortized cost of a financial liability and to provide for interest expense for the relevant period. The effective interest rate is the discounted rate of the estimated future cash payments that are accurate over the life of the financial liability or when appropriate, a shorter period, with the carrying amount of the financial liability.

- (ii) Derecognition of Financial Liability
Financial liabilities are derecognised when the obligations stated in the contract have been discharged, cancelled or expired.

If there is a discrepancy between the carrying amount of the derecognized financial liability and the consideration paid, it is recognized in surplus or deficit during the derecognition period.

NOTES TO THE FINANCIAL STATEMENTS

2.8 Contingent Liability

- 2.8.1 There is a possibility of transferring economic benefits to a third parties if an appeal is made to the MyCC decision. Accordingly, information of contingent circumstances as required under 'Section 21 Probability' is not disclosed on the grounds that it may affect the outcome of the legal proceedings.

2.9 Cash and Cash Equivalents

- 2.9.1 Cash and cash equivalents includes cash in hand, bank balance and fixed deposits at financial institutions which have maturities of twelve months or less available for conversion to known amounts of cash and subject to the risk of insignificant changes in value.

2.10 Employee Benefit

2.10.1 (i) Short-Term Employee Benefits

Short-term employee benefits include basic salaries, fixed allowances, variable allowances and other leave including annual leave.

(ii) After-Service Employee Benefits

the MyCC contributes to the Employees Provident Fund (EPF) at a rate that must be contributed in accordance with the laws of Malaysia. The contribution is charged to the statement of financial performance during the financial period in which it occurs.

The MyCC contributes to the Retirement Fund (Incorporated) for employees given pensionable status at the codified rate. The contribution is charged to the statement of financial performance during the financial period in which it occurs.

2.11 Sales and Services Tax (SST)

- 2.11.1 Each income, expense and assets are recognized net of SST. The SST amount is not claimed and recognized as an expense or as part of the cost of acquisition of asset.

2.12 Budget Information

- 2.12.1 The annual budget is provided on a cash basis. As financial statements are prepared on an accrual basis, a comparison of budget and actual statement are disclosed separately. This statement has been prepared using the annual budget preparation basis.

2.13 Considerations and Key Sources of Estimated Uncertainty

2.13.1 The measurement of assets and liabilities requires the management to make estimates based on monitoring and other assumptions deemed appropriate. Among the considerations that are subject to estimation uncertainties are in measuring:

(i) Changes in the Useful Life of Property, Plant and Equipment

Property, Plant and Equipment are depreciated using a straight-line method over their estimated useful life. Changes in estimates of asset use patterns and technological development can affect the life expectancy and residual value of the asset. This causes future asset depreciation to be reviewed.

(ii) Income Tax Computation

Consideration is important in determining the MyCC's current and deferred tax as the final tax of the MyCC as a whole is uncertain. Once the final taxable payment has been determined by the authority, the taxable amount has a probability of being different from the initial estimate of tax due. These differences can affect current and deferred tax at the time the calculation is made. The MyCC will take into account the difference whether it is overpaid or underpaid for current tax or deferred tax at the time the difference is identified.

(iii) Provision Measurement

The MyCC continuously used the best estimate as a basis for measuring a provision. The estimate is made based on past experience, other indicators or assumptions and reasonable future events in determining a provision.

NOTES TO THE FINANCIAL STATEMENTS

2.14 Effects of MPSAS Application

2.14.1 The MyCC has used the transitional provisions and exemptions as follows when preparing financial statements for the first time using the MPSAS accounting.

Provision and exemption that have significant impact on the financial statements:

- (i) Provision for Accumulated Leave (Gantian Cuti Rehat)
For the previous financial years, the MyCC has not made provisions for Cash Award in lieu of Accumulated Leave (JPA terms). MPSAS requires these provisions to be made as it has fulfilled the condition required to make the provisions. The MyCC will make a calculation of the Cash Award in lieu of Accumulated Leave (JPA terms) provision where some assumptions need to be made in the calculation of the Cash Award in lieu of Accumulated Leave (JPA terms). The MyCC has adopted provisions and exemptions to recognise the provision for the Cash Award in lieu of Accumulated Leave (JPA terms) for a period of one year from the date of application of MPSAS or until such provisions are recognised and measured (whichever is earlier). This is because the MyCC is still in the process of collecting the data in relation to the MyCC's staff.
- (ii) Inventory recognition
The MyCC has some inventories not recorded in the financial statements where the MyCC has recognized it as an expense in the financial performance statements. MPSAS requires this inventory to be capitalized. The MyCC has selected provisions and exemptions for the recognition of this inventory for a period of one year from the date of application of MPSAS or until such provisions are recognized and measured (whichever is earlier). The MyCC is in the process of updating inventory information.

Provisions and Exceptions that do not have a material effect on the financial statements:

- (i) Derecognized financial assets and liabilities
The MyCC will not re-recognize any previously derecognized financial assets or liabilities adopting the previous accounting framework when adopting the MPSAS framework. If a financial asset or liability is likely to be derecognised under the previous accounting framework, the MyCC chooses to continue to recognize the financial asset and liability until it is disposed of or settled.

2.15 Financial Risk Management Policy

2.15.1 The MyCC financial risk management policy is aimed at ensuring sufficient financial and non-financial resources to operate smoothly. The MyCC will consider and evaluate the risks of financial management raised from time to time.

(i) Interest Rate Risk

The MyCC finances its operations with internal funds and is therefore not exposed to interest rate risk from bank loans.

(ii) Credit Risk

The MyCC does not deal with material credit basis and is therefore not exposed to credit risk.

(iii) Foreign Exchange Risk

The MyCC does not have foreign exchange transactions and is therefore not exposed to foreign exchange risk.

(iv) Liquidity Risk

The MyCC practices prudent liquidity risk management to minimize the mismatch of financial assets and liabilities and to create sufficient levels of cash and cash equivalents to meet working capital requirements.

(v) Legal Action Risk

Subsection 3 (3) of the Competition Commission Act 2010 (Act 713) provides that the Commission may be sued in its name while Subsection 3(4) empowers the MyCC to enter into contracts. The MyCC may be subject to legal action by a third party if the MyCC breaches the contract or any procedure under Act 712 and Act 713.

NOTES TO THE FINANCIAL STATEMENTS

3 PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicles	Furniture and Office Equipment	Books	Computers	Total
	RM	RM	RM	RM	RM
Cost					
Balance as at 1 January 2019	818,080	269,319	276,313	1,160,077	2,523,789
Addition in the current year	-	-	-	114,994	114,994
Balance as at 31 December 2019	818,080	269,319	276,313	1,275,071	2,638,783
Accumulated Depreciation					
Balance as at 1 January 2019	501,732	143,695	152,072	741,075	1,538,574
Current Year Depreciation	94,087	26,932	27,631	236,552	385,202
Balance as at 31 December 2019	595,819	170,627	179,703	977,627	1,923,776
Net Book Value	222,261	98,692	96,610	297,444	715,007

3 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Motor Vehicles <i>Restated</i> RM	Furniture and Office Equipment RM	Books RM	Computers RM	Total <i>Restated</i> RM
Cost					
Balance as at 1 January 2018	669,366	257,734	276,313	1,045,453	2,248,866
Addition / (Reduction) in Current Year	320,430	11,585	-	114,624	446,639
Disposal in Current Year Assets	(171,716)	-	-	-	(171,716)
Balance as at 31 December 2018	818,080	269,319	276,313	1,160,077	2,523,789
Accumulated Depreciation					
Balance as at 1 January 2018	579,362	116,763	124,441	509,060	1,329,626
Current Year Depreciation	94,086	26,932	27,631	232,015	380,664
Disposal in Current Year Assets	(171,716)	-	-	-	(171,716)
Balance as at 31 December 2018	501,732	143,695	152,072	741,075	1,538,574
Net Book Value	316,348	125,624	124,241	419,002	985,215

4 DEPOSIT AND PREPAYMENT

	2019 RM	2018 RM
Electricity Deposit	77,470	77,469
Other Deposit and Collateral	142,621	145,621
Self Advance	1,350	-
Total Deposit and Prepayment	221,441	223,090

NOTES TO THE FINANCIAL STATEMENTS

5 CASH AND CASH EQUIVALENT

	2019 RM	2018 RM
Cash in Hand	4,057	3,991
CIMB Current Account (Operating)	11,866,482	5,012,024
CIMB Current Account (Development)	1,170,865	823,337
Total Cash in Hand and Bank Balance	13,041,404	5,839,352
Fixed Deposit		
Bank Kerjasama Rakyat Malaysia	14,173,693	13,577,457
Malaysia Building Soceity Berhad	16,060,049	2,458,109
Total Fixed Deposit	30,233,742	16,035,566
Cash and Cash Equivalent	43,275,146	21,874,918

6 DEFFERED GOVERNMENT GRANT (NON-CURRENT LIABILITIES)

The MyCC was allocated with a development grant for development under the Eleventh Malaysia Plan (RMK-11) from the Ministry of Domestic Trade and Consumer Affairs (MDTCA) during the financial years of 2016, 2017 and 2019. In 2019, the MyCC received allocation for development grant amounted to RM900,000 for the purpose of conducting Market Study on Services Sector. Nevertheless, a total of RM76, 127 was spent in 2019, while the remaining balance of RM823,873 will be made in the subsequent year until its completion.

7 CREDITORS

	2019 RM	2018 RM
Other deductions	4,596	4,206
Creditors - Others	226,466	65,373
Total Creditors	231,062	69,579

8 RECEIPT FROM GOVERNMENT GRANTS

	2019 RM	2018 RM
Operating Grant	15,846,000	6,809,900
Development Grant	515,423	117,963
	16,361,423	6,927,863

The MyCC has received operating grant amounting to RM15, 846,000 (2018:RM6,809,900) to finance its financial obligation for the year 2019.

9 BANK INTEREST AND FIXED DEPOSIT INTEREST

	2019 RM	2018 RM
Bank Interest	78,433	15,125
Bank Kerjasama Rakyat Malaysia	537,624	391,678
Malaysia Building Society Berhad	304,951	112,219
	921,008	519,022

The interest rate for fixed deposit is between 2.70% - 3.95% with the tenure between 1 day to 12 months.

10 ADMINISTRATIVE EXPENSES

	2019 RM	2018 RM
Petrol Expenses	35,790	31,759
Office Expenses	78,475	74,350
	114,265	106,109

NOTES TO THE FINANCIAL STATEMENTS

11 UNIT/ DIVISION EXPENSES

	2019 RM	2018 RM
Capacity Building Training	1,127,276	369,974
Advocacy Programme	171,635	564,301
Enforcement and Investigation	275,955	146,556
Media and Communication Planning	309,328	519,300
Legal	198,484	106,788
Research (Guidelines/ Market Study)	145,540	46,590
ICT and Website Development	273,667	237,481
	2,501,885	1,990,990

12 DEVELOPMENT EXPENSES

	2019 RM	2018 RM
Market Review on Building Materials Sector	-	5,715
Market Review on Food Sector	439,296	112,248
Market Review on Services Sector	76,127	-
	515,423	117,963

13 INCOME TAX

Adjustment to income tax expenses on pre-tax surplus at the statutory income tax rate to income tax expense at the MyCC's effective tax rate for the year ended 31 December 2019 and the differences for the preceding year are as follows:

	2019 RM	2018 RM
Surplus/ (Deficit) before tax	7,025,860	(1,510,403)
Taxes at statutory income tax rate (24%)	1,686,206	(362,497)
Non-deductible expenses	109,907	91,359
Surplus/ Deficit business deductible	(1,417,797)	271,138
Capital Allowance	(157,274)	-
	221,042	-

14 KEY MANAGEMENT PERSONNEL

The key management personnel are those who have power and responsibility to plan, direct and control the MyCC's activities directly or indirectly.

The total emoluments and allowances for the key management personnel for the year ended 31 December 2019 and the difference for the preceding year is as follows:

	2019 RM	2018 RM
Total Emoluments and Allowances	724,471	645,318
	724,471	645,318

15 LEGAL CASE

Deferred income of RM19,664,700 is the penalty payment that has been decided on MyEG amounting to RM9,654,700 (2018: RM6,412,200) and AirAsia Berhad (AirAsia) which includes a penalty of RM10,000,000 plus costs of RM10,000.

As at 31 December 2019, the case of Malaysia Airline System Berhad (MAS) and AirAsia is still at the Judicial Review stage of the decision by the High Court in the Court of Appeal.