
NEWS RELEASE

**SEMINAR ON FIGHTING BID-RIGGING AND ABUSE OF DOMINANT POSITION IN PUBLIC
PROCUREMENT UNDER THE COMPETITION ACT 2010**

KUALA LUMPUR, 26 September 2016 – Y.Bhg. Dato’ Basaruddin Sadali, Deputy Secretary General (Domestic Trade), Ministry of Domestic Trade, Co-operatives and Consumerism (KPDNKK), on behalf of Y.Bhg. Dato’ Sri Jamil Salleh, Secretary General of KPDNKK officiated at the "Seminar on Fighting Bid Rigging and Abuse of Dominant Position in Public Procurement under the Competition Act 2010 (CA 2010).

The seminar was attended by 150 procurement officers from various government agencies, for the purpose of educating the officers in detecting and combatting bid rigging practices, as part of the advocacy efforts by the Malaysia Competition Commission (MyCC). This seminar also aimed to increase awareness amongst the officers on bid rigging and abuse of dominant position issues in public procurement to create a healthy culture of competition.

Bid rigging is an infringement under Section 4(2)(d) of the CA 2010 and if found guilty, enterprises can be fined up to a maximum of 10 percent of their worldwide turnover. Bid rigging practices by tenderers during public procurement procedures pose a threat to public institutions, because they can drain public funds and tarnish the credibility of the public sector. A proactive approach by those who implement procurement processes in all ministries and agencies can increase effective budgets and the public sector reputation. Abuse of dominant position issues by government concession holders are also subject to the CA 2010. The CA 2010 does not penalise an enterprise because of its dominant position. It only prohibits any enterprise, independently or collectively with other enterprises, from engaging in any conduct that amounts to an abuse of dominance.

The CA 2010 empowers the MyCC to investigate and take action against enterprises that engage in anti-competitive conduct. An investigation may be initiated by a direction of the Minister of KPDNKK, on the MyCC's initiatives or complaints lodged with the MyCC.

The public including the government procurement officers encouraged to lodge complaints related to anti-competitive behaviour and may refer to the Guideline on Complaint Procedures on the MyCC’s website. The official complaint form can be downloaded from the MyCC’s website. Price fixing, dividing markets, controlling supplies and bid rigging are among examples of anti-competitive conduct. An abuse of a dominant position occurs when an enterprise which has market power, acts in a manner that negates competition in the market and engages in activities that leaves the consumers no choice but to buy products

which they do not need. The enterprise may purposely limit the supply of goods for which it is the the sole supplier.

MyCC has also published its guideline entitled "Help Us Detect Bid Rigging" (also available in the Bahasa Malaysia version entitled "Bantu Kami Kenal Pasti Tipuan Bida"), as a reference guide for public procurement officers to identify and detect bid rigging practices. The guideline can be downloaded from MyCC's website. For more information on the CA 2010 and MyCC's activities, log on to www.mycc.gov.my.

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Corporate Communication Unit

Malaysia Competition Commission

About Malaysia Competition Commission (MyCC)

Established in June 2011, MyCC is an independent body responsible for enforcing the Competition Act 2010, which was implemented to create healthy competition which would in turn stimulate productivity and innovation, thus creating wider choices of products for consumers with better quality at reasonable prices. The Act applies to all commercial activities undertaken within and outside Malaysia that affect competition in the Malaysian market. It provides a regulatory framework including powers to investigate, adjudicate and impose penalties on the perpetrators of anti-competitive practices/ conduct under the competition laws. For more information on the Act and the MyCC's activities, log on to www.mycc.gov.my