



NEWS RELEASE

**MyCC Launches Two Handbooks on Bid Rigging:
“Garis Panduan Menentang Tipuan Bida Dalam Perolehan Awam” and
“Help Us Detect Bid Rigging”**

KOTA KINABALU, 25th September 2014 – “Public procurement is an essential government activity that may affect a country’s economy hence inculcating preventive measures in tender design is also important apart from knowing how to detect bid rigging,” said Dato' Sri Hasan Malek, Minister of Domestic Trade, Co-operatives & Consumerism (MDTCC) at the launch of the “Help Us Detect Bid Rigging” and the “Garis Panduan Menentang Tipuan Bida dalam Perolehan Awam” handbooks held by the Malaysia Competition Commission (MyCC) today.

Bid rigging is an offence under Section 4(2)(d) of the Competition Act 2010 enforced by the MyCC and if found guilty, enterprises can be fined up to a maximum of 10 percent of its worldwide turnover. Bid rigging practices by tenderers during public procurement procedures are a great threat for public institutions, especially with regards to cost-intensive and technologically advanced investments and projects. A pro-active approach by procurement bodies to detect and deter bid rigging generates savings, improves budgets and the reputation of public authorities.

“For Malaysia, public procurement is an important means for not only meeting day-to-day functional needs, but also for fulfilling socio-economic objectives and promoting economic growth. Malaysian economic reports have indicated that, for the past ten years, public expenditure amounted to approximately 24 to 33 percent of the country’s Gross Domestic Product (GDP), higher than most OECD countries,” he said.

Studies by the Organisation of Economic Co-operation and Development (OECD) showed that government procurement accounts for a substantial part of the economy with 10 to 15 percent of the national budgets in developed countries, and up to 20 percent in developing countries.

The MyCC first launched the two books in Kuala Lumpur in June this year, and today’s Kota Kinabalu launch and bid rigging seminar are part of the Commission’s continuous advocacy efforts nationwide.

According to MyCC Chairman, Tan Sri Dato’ Sri Siti Norma Yaakob, in order to effectively combat bid rigging, the cooperation of all related regulators and procurement bodies is



essential. Hence the Commission has also worked towards forging a strategic alliance with the Ministry of Finance (MOF), Malaysian Anti-Corruption Commission (MACC), and the National Audit Department (NAD) to gain better understanding and further collaboration in combating bid rigging issues on a national level.

Also present at the launch were MDTCC Deputy Secretary-General, Dato' Azmi bin Lateh, MyCC Chief Executive Officer, Shila Dorai Raj and Director of MDTCC Sabah, Severinus Tukah.

Today's seminar on bid rigging was attended by approximately 150 procurement officers from numerous Government agencies. The MyCC has also held bid rigging seminars in Kangar, Sibul and Sandakan since the first book launch in Kuala Lumpur as part of its ongoing advocacy efforts. Overall this year, the MyCC has conducted 19 advocacy programmes nationwide.

The "Garis Panduan Menentang Tipuan Bida dalam Perolehan Awam" was originally an OECD publication, translated by the MyCC into Bahasa Malaysia. The MyCC's "Help Us Detect Bid Rigging" handbook is also available in Bahasa Malaysia.

Both publications can be downloaded for free from the MyCC website, www.mycc.gov.my. Enquiries regarding advocacy seminars may be directed to spiad@mycc.gov.my.

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For media enquiries, please contact:

Rowena Wong, Tel +603 2273 2277 (ext 111), Email: rowena@mycc.gov.my

Anis Syafiq, Tel +603 2273 2277 (ext 212), Email: anis@mycc.gov.my

MyCC Corporate Communication Unit

About Malaysia Competition Commission (MyCC)

Established in June 2011, MyCC is an independent body responsible for enforcing the Competition Act 2010, which was implemented to create healthy competition which would in turn stimulate productivity and innovation, thus creating wider choices of products for consumers with better quality and reasonable prices.

The Act applies to all commercial activities undertaken within and outside Malaysia that affects competition in the Malaysian market. It provides a regulatory framework including powers to investigate, adjudicate and impose penalties on the perpetrators of the competition laws.

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