

NEWS RELEASE

MyCC LAUNCHES PUBLIC CONSULTATION ON THE PROPOSED RENEWAL OF BLOCK EXEMPTION FOR VESSEL SHARING AGREEMENTS IN RESPECT OF LINER SHIPPING SERVICES

KUALA LUMPUR, 23 AUGUST 2022 – The Malaysia Competition Commission (MyCC) has published its recommendation on the proposed renewal of a block exemption for vessel sharing agreements (VSAs) in respect of liner shipping services, which has expired on 6 July 2022. The assessment on the renewal application of block exemption was made pursuant to section 8 of the Competition Act 2010.

Upon carrying out a detailed assessment of the said application, MyCC has published the proposed block exemption order on its website for a period of thirty (30) days from 22 August until 21 September 2022, pursuant to the requirement under section 9 of the Competition Act 2010. Stakeholders and members of the public are invited to provide their feedback to the proposed block exemption contained in the public consultation document.

“In this latest renewal application of BEO, the applicants have requested for the term of the VSA block exemption to be extended for a period of five (5) years. As part of the assessment process, MyCC has also met with relevant stakeholders to gain input and feedback on the application. We are now inviting the public and all other relevant stakeholders to submit their written submission on the proposed block exemption. We will also be holding a physical public consultation session on 7 September 2022 in Kuala Lumpur,” said Mr. Iskandar Ismail, Chief Executive Officer of MyCC.

“It is important that the renewal of this exemption application generates economic benefit and does not eliminate competition in a substantial part of the liner shipping market. Therefore, the feedback by relevant stakeholders is important for our consideration and assessment of the application,” he added.

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This proposed block exemption only applies to transport services provided by liner operators in respect of ocean transport and will not in any way include any inland carriage of goods occurring as part of through transport including services provided by logistic providers, forwarders, depot operators, truckers, railroads, off-dock consolidation service providers, and off-dock storage and warehousing service providers, whether or not such entities are affiliated with the liner operators.

The consultation documents and all other information related to the proposed renewal of the block exemption are available on MyCC's website at <https://www.mycc.gov.my/>.

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About the Malaysia Competition Commission (MyCC)

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

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

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

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