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Malaysia Competition Commission (MyCC) Officially Launches Its Strategic Plan For 2021 - 2025

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Recently, the MyCC has launched its Strategic Plan for 2021–2025 (Strategic Plan 2021-2025), which outlines its strategies and action plans, with the view of achieving a robust, efficient and sustainable economy through the implementation of competition policy and law.

The Strategic Plan 2021-2025 also focuses on identified recovery measures in light of the economic downturn caused by the COVID-19 pandemic. It also supports the growth of new economic sectors for e-commerce and innovation whilst promoting environmental, social and governance (ESG) agendas by and for businesses.

The MyCC takes into consideration several factors when undertaking its activities for Strategic Plan 2021-2025:

- Amendments to the Competition Act 2010 (CA 2010) and the Competition Commission Act 2010 (CCA 2010) to address the loopholes in the law and legislate clearer provisions for MyCC to dispose of its function effectively. The amendments will also introduce, among others, a merger control regime that prohibits mergers that substantially lessen competition.
- The impact of the COVID-19 pandemic which has restricted economic activities, resulting in market consolidation.
- To consider how the CA 2010 can be used to encourage ESG agendas in businesses.
- Developments in ASEAN including the ASEAN Competition Action Plan (ACAP) and regional Free Trade Agreements (FTAs) such as the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which the MyCC as the

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National Competition Authority (NCA) is obligated to implement and enforce the competition-related commitments incorporated in these FTAs.

- The implementation of National-Level Economic Plans, such as the Shared Prosperity Vision 2030 and the 12th Malaysia Plan.

Strategic Goal 1:

Deliver effective outcomes for MyCC's core activities

- Increase and communicate the MyCC's enforcement outcomes effectively.
- Establish a dedicated merger team to assess and review mergers and acquisitions (M&A) to ensure any change in market structures will not substantially lessen competition in the markets.
- Provide relevant policy advice for Ministries and government agencies to ensure that their policies are aligned with championing competition in the economy.
- Advise the Government to consider phasing off the enforcement of traditional regulation instruments such as price control regulations, which have the unintended consequence of distorting price in the Malaysian markets and opening the potential avenue for regulatory capture.
- Educate, advocate and promote to all relevant stakeholders on the importance and benefits of competition in the markets.

OUR EXPERTISE:

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Banking & Finance (Conventional & Islamic)

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Corporate & Commercial

Capital Markets (Debt & Equity)

Energy, Infrastructure & Projects

Fintech

Foreign Direct Investments

Mergers & Acquisitions

Personal Data Protection

Real Estate Transactions

Regulatory Compliance

Strategic Goal 2:

Align the application of Competition Policy and Law with Current Market Environment

- Amend the CA 2010 and CCA 2010 to strengthen the powers for and procedures of the investigation procedures; formalise the roles and functions of the MyCC; and incorporate merger control provisions.

- Implement competition policy and enforce the amended legislation accordingly.
- Work closely with other sector regulators and relevant authorities to ensure consistency in the application of competition and law in the Malaysian markets.
- Advise the National Digital Economy Policy Advisory Board and the 4IR Council on competition-related policy suggestions for digital markets.
- Collaborate with the Malaysian Productivity Council (MPC) on the latter's endeavour to carry out the regulatory impact analysis (RIA) programme throughout all Ministries and government agencies, ensuring that the RIC includes competition analyses when necessary.
- Undertake a market study to develop an understanding and to identify the potential competition issues in the e-commerce sector and digital markets.
- Identify other sectors or industries that are a priority for market studies.
- Broaden and deepen MyCC's cooperation and collaborative work at international and regional levels to keep updated with the current economic and legal concepts and thoughts.

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Strategic Goal:

Strengthen and expand MyCC's capacity, capabilities and resources

- Update MyCC's Human Resource policy to attract, develop and retain talent to ensure that it can perform its functions and responsibilities effectively and efficiently.
- Develop and establish a risk management function within the organisation.
- Review and update any outdated Standard Operating Procedures (SOPs) and introduce new SOPs as

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We are a full-service commercial law firm with a head office in Kuala Lumpur and a branch office in Penang. Our key areas of practice are as follows:-

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- Personal Data Protection
- Employment & Industrial Relations
- Energy, Infrastructure & Projects
- Construction & Arbitration
- Fintech
- Government & Regulatory Compliance
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- Mergers & Acquisitions
- Real Estate Transactions
- Shipping & Maritime
- Tax, SST & Customs
- Tax Incentives
- Trade Facilitation

necessary to ensure consistency in the application of the law.

- Undertake periodic reviews of the MyCC's SOPs to ensure that they remain current with the market environment.
- Develop an integrated information technology system on operational and knowledge management to ensure seamless work activities for all the divisions of the MyCC taking into consideration remote working and work from home.

Conclusion

The Strategic Plan 2021-2025 aims to deliver positive outcomes for MyCC's core activities, align the application of competition policy and law with the current market environment, and strengthen and expand MyCC's capacity, capabilities and resources. It is also envisaged that MyCC's regulatory powers in the M&A space will be further extended and strengthened, as the proposed merger control regime will empower MyCC to determine whether a proposed merger will significantly reduce competition in the market.

Authored by Senior Associate, Annabel Kok Keng Yen and Pupil, Cuthbert Ephraim Chan Pak Hang from the firm's Corporate & Real Estate Transactions practice.

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