

## MyCC's Inquiry on P-Hailing Service Issues

On 26 July 2021, the Malaysia Competition Commission (“MyCC”) issued a statement (“the Press Release”) that it is looking into the pricing practices of food delivery platform companies including but not limited to the “*imposition of exorbitant commission fees*” by the said companies (“the Inquiry”). The Press Release is accessible [here](#).

According to the Press Release, MyCC had a “*series of meetings*” to engage with relevant stakeholders in the food and beverages (“F&B”) and retail industry as part of the Inquiry. Through these meetings, MyCC have identified “*several concerns and challenges in the industry, in relation to not only competition, but also consumerism*”.

In view of this, MyCC have indicated that they will “*actively engage with the food delivery platform providers*” and are considering “*invoking the enforcement powers under the Competition Act 2010*”. This could mean MyCC may be thinking of commencing an investigation into certain areas in the industry.

MyCC have very considerable investigation powers, which may be brought to bear against any enterprise in regard to which MyCC may believe a credible complaint lies. MyCC appear to have identified some potentially significant and far-reaching concerns and issues in the Inquiry thus far, which may be of interest to relevant stakeholders.

If MyCC makes a finding of infringement against any enterprise, MyCC may impose a financial penalty against such enterprise.

The ceiling for fines in Malaysia is very high, that is, an enterprise can be fined up to 10% of the worldwide turnover of that enterprise (group of companies) for the duration of the infringement.

If any enterprise has any concerns in regard to the foregoing, it may wish to consider the relevant provisions of law and obtaining appropriate professional advice.

# Legal Update

JULY 2021

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