

Wong withdraws MyCC report after KPA ends stevedoring services monopoly

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Wong explains the matter to the reporters.

KUCHING: Padungan assemblyman Wong King Wei has withdrawn his report to Malaysian Competition Commission (MyCC) against Kuching Port Authority (KPA) after the port authority has agreed to end the monopoly of stevedoring services at the port by KPA Port Sdn Bhd.

Wong, who is also DAP Sarawak vice-chairman, said the decision was made following a meeting on Friday with the top management of KPA, led by its general manager Robert Lau, the affected consignees and KPA Port Sdn Bhd managing director Nobel Pang.

Prior to the meeting, Wong raised the issue about KPA Port Sdn Bhd being given the sole right to provide stevedoring services at the port.

He lodged a report to MyCC, an agency under Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) in charge of anti-monopolisation, against KPA last week.

"I am pleased to inform the public that KPA has agreed to maintain status quo – meaning, it will still be open market for whoever interested, capable, having the financial ability and knowledge in stevedoring services. Others will be allowed to provide the service to consignee at Kuching Port.

"With that, I thank KPA for that willingness to see the thing in the whole picture and to accept my views in this matter.

"And with that I can conservatively estimate the goods in Kuching market will be less burdensome with the cost of logistics to be lower by at least few tens of millions in ringgit per year," he told reporters at the Harapan House yesterday.

Wong said previously, there were at least six providers of the stevedoring services at the port.

However in 2016, KPA issued a letter stating that KPA Port Sdn Bhd would be the only company providing the services.

Wong said the issue of monopolisation cropped up after some consignees expressed their displeasure when KPA Port Sdn Bhd demanded all the customers or consignees to sign an agreement for three years in order for them to provide the services.

He also said the service agreement prepared by KPA Port Sdn Bhd stated that while the cost of receiving, sorting and delivery (RSND) was RM2 per tonne this year, the rate would be increased to RM3 next year, RM4 the following year, RM5.10 in year 2022 and RM6.25 in year 2023.

"I disagreed with the prices, which are very burdensome to the consignees, and at the end of the day, the burden will be transferred to the end-consumers," he said, adding that the affected goods in this case mostly involved ingredients for food products and agriculture materials.

Although he has decided to withdraw the MyCC report against KPA, Wong said he would continue to monitor the situation in line with Pakatan Harapan-led federal government's effort to break monopolisation.

