

MyCC to reach final decision on RM213.45m fine on insurers next year

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KUALA LUMPUR(Aug 6): The Malaysia Competition Commission (MyCC) is likely to reach its decision on the proposed RM213.45 million fine on the General Insurance Association of Malaysia (PIAM) and 22 of its members next year.

MyCC chief executive officer Iskandar Ismail said that oral representations for the case have been made.

"The first stage was the proposed decision, and second stage the oral representation session, and these two stages have been completed. The next step is the decision on whether there was an infringement or not, that will likely take place next year," he told theedgemarkets.com on the sidelines of the launch of MyCC's Market Review on Food Sector report today.

To recap, on Feb 22, 2017, MyCC announced it had issued a proposed decision against PIAM and the 22 members, over the agreement with the Federation of Automobile Workshop Owners' Association of Malaysia (Fawoam) on trade discount rates for parts of certain vehicle makes and labour hourly rates for workshops under the PIAM Approved Repairers Scheme (PARS).

The case had attracted attention at the time given the huge financial penalty imposed of RM213.45 million, which is the understood to be the biggest to date imposed by MyCC.

On whether the case has been dragging on for too long, given that it has been more than two years since the proposed decision was announced, Iskandar said the length of time on cases depends on their magnitude.

"The length of time taken for MyCC cases [varies], smaller cases take about three to six months but the bigger ones can take a year or so.

"We (MyCC) have to take time as it is not an easy process, this is administrative law. We are the ones who investigate, [make] the decision and enforce it. We don't go to the court, we are the court. Therefore we need to be really, really careful in our decision," said Iskandar.

According to the MyCC's website, the oral representations were made on Feb 19 to Feb 21 this year.

