

GREATER COMPETITION PUSH

MyCC STEPS UP PROBE INTO GRAB

Investigation follows complaints accusing ride-hailing startup of monopolistic practices, says watchdog

KUALA LUMPUR

MALAYSIA is advancing an anti-monopoly investigation into Singapore-based Grab Holdings Inc, ramping up a broader government push to bring greater competition to its economy.

Malaysia Competition Commission (MyCC) chief executive officer Iskandar Ismail said last Thursday the anti-monopoly watchdog was stepping up the probe into the ride-hailing startup, which was first announced last year by the transport ministry.

The investigation follows multiple complaints starting from last year accusing Grab of monopolistic practices after it bought Uber Technologies Inc's Southeast Asian operations.

Grab's rival Gojek was planning to enter the market with motorcycles, and its top management met with Prime Minister Tun Dr Mahathir Mohamad, here, last month.

Dr Mahathir is keen to lower the cost of living for Malaysians, a key pledge that led to his return to power last year.

The government is trying to expose state-linked companies to competition and introduce open tenders, ordering Telekom Malaysia Bhd to share its high-speed broadband cable network with other operators.

It's also considering to allow consumers choose power suppliers other than state-

owned Tenaga Nasional Bhd.

Greater competition could enhance Malaysia's standing as a business destination.

"It sends a signal to foreign investors wanting to enter Malaysia that it's going to be a fair playing field without unfair advantages to favoured companies because of political connections or other reasons," said Capital Economics Asia economist Alex Holmes.

As part of a government effort to stamp out wastage in public spending, Iskandar said the commission was looking into a few companies pitching for state contracts for possible bid-rigging practices.

In March, it said eight companies formed cartels to manipulate bids on tenders involving information technology services for a state-linked institution. That was its first bid-rigging case in state procurement since the body's establishment in 2011.

Iskandar said his commission was fielding more requests from state agencies and private companies wanted to learn how to detect bid-rigging and other anti-competitive practices, and was receiving broad government support.

"Our minister gives us a lot of room," he said, referring to Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution. "He just says, 'Go do your job and we will support you all the way'."

Bloomberg



Iskandar Ismail