Round Table on Competition Policy and Poverty Reduction

Presentation

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How Can Competition Policy And Law And The Application Of Competition Law Principles Uplift Populations From Poverty?

1. Fairness and Efficiency
   - Consumer enjoy better prices
   - Better quality of goods and services
   - Product innovation

2. Monitoring Mechanism
   - Poverty is a symptom of imbalance market power.
   - Market power may arise through monopolisation or cartelisation.
   - Allows for direct intervention by government to address market failures.
Benefits Of Policy Coordination Between Competition Policy And Related Government Sectors

- **Prices are artificially increased** through bid rigging.
- **Inferior products and services** offered by bidders.
- Coordination between both laws help to **prevent leakages** in public procurements due to bid rigging.

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**Public Procurements Laws**

- Coordination with sectorial regulators.
- **Increase competitiveness** of firms.
- **Broadens the options** for goods and services to consumers.
- **Dismantling existing exclusive service arrangements**.
- **Imposition of new standards** for future property development in Malaysia.
Experiences of Malaysia In Indirectly Alleviating Poverty Through Competition Law Enforcement Efforts

1. A retail pricing ceiling was imposed during Covid-19 because there was a supply shortage.

2. Coordination between five (5) poultry feedmills.

3. Coordinated rate of price increase during the infringement period.

4. Led to increase in the cost of production for poultry.

5. Malaysian government allocated significant funds to ensure cost of production and poultry prices are low.

6. Law enforcement resulted in price divergence.

7. Malaysian government able to reallocate funds to focus on more direct poverty alleviation initiatives.
Thank You