



**Competition  
Commission of Pakistan**

Creating a level playing field

Volume 8, Issue 2

# CC<sup>"all other things being equal"</sup>ETERIS PARIBUS

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## CCP Pushes for Reforms in Power Sector to End State Monopoly

A Research Report by CCP



CCP recommends Competitive Trading Bilateral Contract Market (CTBCM) model, which would allow power generators to supply electricity directly to large-scale consumers through bilateral agreements. The shift will cultivate a competitive market environment, enabling consumers to select from both DISCOs and other competitive suppliers.

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## Chairman's Message

Dear Readers,

It is with great pride and enthusiasm that I present the latest edition of the Competition Commission of Pakistan's Newsletter.

This publication is a testament to the Commission's unwavering dedication to promoting fair competition, policing cartels, protecting consumers and in the process, reallocation of economic resources. Some of the key highlights are as follows:

- 1. Establishment of Market Intelligence Unit** – Proactive detection of cartelization and identification of 136 cases so far.
- 2. Record Recovery of Penalties** – Highest-ever recovery of penalties in the sum of Rs. 100 million.
- 3. Unprecedented Legal Success** – Secured 82 favorable decisions from the Competition Appellate Tribunal, and High Courts.
- 4. Establishment of Centre of Excellence** – Completed research studies highlighting competition concerns in power, insurance, LNG, construction, and fertilizer sectors.
- 5. Construction of CCP Head Office** – Groundbreaking initiated; project aims to save Rs. 110 million annually in rent, making CCP financial sustainable in the long term.
- 6. Early Hearing Applications Filed** – Filed early hearing applications in all pending cases across High Courts to expedite resolution.
- 7. Reduced Hearing Time** - CCP now conducts continuous internal hearings until the case is concluded.
- 8. Whistleblowing & Advocacy Campaign** – Launched a comprehensive campaign to raise awareness of the Competition Act among consumers, investors, and policymakers.
- 9. Facilitating FDI through Mergers** – Granted over 90 Phase-1 merger approvals in key sectors including insurance, energy, IT, logistics, and textiles.

The aforementioned milestones demonstrate CCP's determination to enforce the competition law, support economic growth, and promote a level playing field across markets in Pakistan.

We remain committed to developing excellence in policing cartels and becoming a regional leader in competition regulation.

Warm regards,

**Dr. Kabir Ahmed Sidhu**

Chairman

Competition Commission of Pakistan



# Finance Minister Orders Swift Action Against Cartels, backs CCP with Resources

567 cases worth PKR 74 billion stuck in courts; CCP urged to adopt tech for faster resolution

December, 2024

The Federal Minister for Finance, Senator Muhammad Aurangzeb visited the Commission head office where Chairman, Dr. Kabir Ahmed Sidhu, gave him a detailed briefing on ongoing inquiries, highlighted significant cases pending across various courts and shared recent initiatives to reinforce the Commission's efficiency. Commission members, including Mr. Saeed Nawaz, Mr. Salman Amin and Mr. Abdul Rashid Sheikh, were also present.

Federal Minister for Finance and Revenue, Senator Muhammad Aurangzeb, instructed the Competition Commission of Pakistan (CCP) to accelerate its investigations into cartelization and anti-competitive practices, pledging full government support to enhance the Commission's operational capabilities.

The Chairman highlighted a backlog of 567 cases, with potential penalties amounting to PKR 74 billion. Despite these hurdles, the CCP has resolved 73 cases in the past year and recovered PKR 100 million in fines, the Chairman said.

Dr. Sidhu also informed the Minister that delays persist in key judicial forums, with 200 cases pending in the Supreme Court, 179 in the Competition Appellate Tribunal, and 146 in various high courts. The Chairman emphasized the critical need for additional resources and government intervention to expedite these cases.

Senator Aurangzeb assured the Commission of his support in seeking assistance from the Chief Justice of Pakistan to prioritise competition-related cases. He also committed to working with the Law Ministry for the prompt appointment of tribunal members to address the backlog.

A key development discussed during the meeting was the establishment of the Market Intelligence Unit (MIU), which has already identified over 150 instances of anti-competitive behavior using advanced data analytics. The Minister commended the CCP's use of technology and stressed the importance of digital transformation to improve efficiency.

The Minister further advised the CCP to engage top-tier legal experts and explore service-level agreements with agencies like the Federal Investigation Agency (FIA) for forensic examination of evidence collected during investigations. He reaffirmed the government's commitment to providing budgetary support for the Commission's modernization efforts.

"The CCP's performance has been commendable, but there is always room for



▲ Dr. Kabir Sidhu, Chairman CCP, presents a shield to Senator Muhammad Aurangzeb, Federal Minister for Finance and Revenue, during his visit to the head office of the Competition Commission of Pakistan, Islamabad on December 3, 2024. Commission members, Mr. Saeed Nawaz and Mr. Salman Amin are also present.

*"The government is determined to discipline markets and eliminate illegal practices. We expect the Commission to expedite ongoing inquiries, but due process must be followed to avoid any perception of harassment," Senator Aurangzeb stated.*

improvement. Strengthening the Commission is essential for fostering fair competition and protecting consumer rights," the Finance Minister concluded.

## CCP levies Rs275m Penalties in 2024

In a significant crackdown on anti-competitive practices, the Competition Commission of Pakistan (CCP) has levied penalties totalling Rs. 275 million in 2024.

These fines were imposed on companies found guilty of cartelization and deceptive marketing in various sectors, including paint manufacturing, pharmaceuticals, dairy products, and Fast-Moving Consumer Goods (FMCG). This action underscores the CCP's ongoing efforts to ensure fair competition in Pakistan's markets.

As part of its policing efforts, the CCP issued 32 show-cause notices to companies across sectors such as fertilizer, real estate, education, public procurement in power distribution companies, pharmaceuticals, and FMCG. These notices were in response to potential violations of the Competition Act related to cartel activities and deceptive practices.

# CCP PUSHES FOR REFORMS IN POWER SECTOR TO END STATE MONOPOLY

A RESEARCH REPORT BY CCP

**T**he energy sector plays a vital role in the socio-economic development of a nation. An uninterrupted power supply is a key to remarkable industrial and agricultural growth, new job opportunities, better healthcare and educational services, environmental sustainability, and most importantly poverty alleviation. But, simply having access to electricity does not guarantee its effective utilization for the socio-economic uplift; it must also be affordable and accessible to diverse segments of the population.

Keeping in view the rising population and energy demands, many developed countries are striving hard for affordable, reliable and modern energy; and their energy outlook also shows a significant progress. However, Pakistan remains off track in this sprint owing to numerous serious challenges including low productivity, high transmission losses, monopolistic tendencies, regulatory bottlenecks, anti-competitive practices, elevated costs and inefficiency.

The Competition Commission of Pakistan (CCP) has recently published a well-researched report, 'State of Competition in the Key Markets in Pakistan with Significant Presence of State-Owned Enterprises — Power Sector', encompassing the role of State-Owned Enterprises (SOEs) and the state of competition within Pakistan's power sector. The report also presents a comprehensive historical perspective of Pakistan's power sector, with primary focus on its restructuring that yielded various power generation and supply companies.

Commenting on the release of the report, Chairman CCP, Dr. Kabir Ahmed Sidhu said, 'This study represents our unwavering commitment to fostering a competitive and transparent power sector'. He added that by addressing systemic inefficiencies and advocating for meaningful reforms, we can create a substantial energy landscape that benefits both businesses and consumers.

The research design follows a blend of qualitative and doctrinal research. For qualitative research several techniques were used, including interviews, focus group discussions, and observations. Interviews were based on unstructured, open-ended customized questions for various

stakeholders. For doctrinal legal research methodology, the study focused on the relevant laws and regulations. Using these methodologies, this research has attempted to compose a descriptive and detailed analysis of the regulatory framework and market structure, for an assessment of the competitive environment.

To conduct this analysis, the CCP examined Pakistan's current regulatory framework to identify any competition concerns, barriers, or business practices that may affect market competition. The study offers recommendations for legislative changes and regulatory reforms for a more open and competitive power market. The recommendations also aimed at streamlining the market entry, mitigating monopolistic tendencies, and harmonizing Pakistan's power sector with the global best practices.

## KEY FINDINGS

The Commission's analysis reveals several structural, regulatory, and strategic obstacles that have constrained competition in Pakistan's power sector and sustained inefficiencies. The major issues include:

### i. FINANCIAL CHALLENGES FOR NEW ENTRANTS

Establishing the necessary infrastructure for generation, transmission, and distribution requires significant upfront investments in power plants, transmission lines, and distribution systems. This financial burden deters prospective new entrants, which leads to a monopolistic or oligopolistic market structure. Once infrastructure is in place, the sunk capital cannot be easily recovered. Moreover, raising capital for power projects in Pakistan is challenging due to high country risk and ongoing circular debt issues.

### ii. REGULATORY BARRIERS

Pakistan's power sector faces regulatory constraints related to policy and planning that impacts efficiency, reliability and competition in the power sector. CCP report suggests these barriers usually emerge due to massive circular debt; delays and inconsistencies in adjusting electricity tariffs; and lack of transparency on capacity payments to GENCOs. Another major issue is load shedding management. DISCOs inefficiency

in conducting load-shedding based on AT&C losses negatively affects even those consumers, who pay their bills in time. There are reports of discriminatory treatment in load shedding management. Consequently, certain regions or sectors receive uninterrupted electricity at the expense of others. This undermines policy credibility and equity.

### iii. MONOPOLISTIC APPROACH

The overlapping responsibilities between NEPRA, the Ministry of Energy (Power Division), CPPA-G and NTDC often lead to conflicts, delays in decision-making, and regulatory inefficiencies. Both the Ministry of Energy and NEPRA are involved in the regulatory oversight, which can lead to conflicts in policy implementation and regulatory enforcement.

Moreover, DISCOs hinder competition in the power sector through their monopolistic control over designated service areas, inefficiencies, and high technical and commercial losses due to outdated infrastructure, theft, and poor management. The delayed payments and circular debt issues strain the financial system, deterring investment and exacerbating liquidity problems.

### iv. STRATEGIC BARRIERS

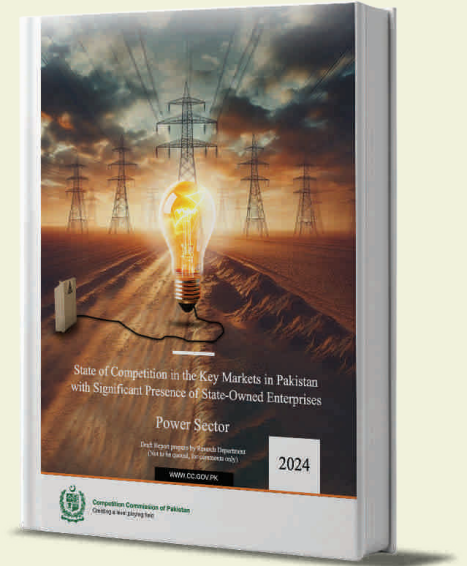
Anticompetitive conduct of market players results into strategic barriers to competition. High levels of electricity theft and the failure of consumers to pay their bills significantly worsen the financial challenges faced by distribution companies. Consumers' behavior is crucial in influencing market competition; however, in the context of Pakistan's power sector, these behaviors have a detrimental effect on competitive dynamics. The mismanagement and inefficiencies observed in certain state-owned utility companies can be attributed to inadequate governance, insufficient accountability, and prevalent corruption. This decline in service quality frequently engenders customer dissatisfaction, which may escalate to protests and assaults on grid infrastructure. Such negative circumstances ultimately deter both domestic and international investment, thereby constraining competition in the sector.

# RECOMMENDATIONS

The Competition Commission of Pakistan, in its report, provided significant recommendations designed to address the challenges facing the power sector. According to the report, overcoming obstacles to competition is vital for fostering a more competitive power sector.

## TIMELY OPERATIONALIZATION OF CTBCM MODEL

Competitive Trading Bilateral Contract Market (CTBCM) model was approved in 2020 and envisioned in the National Electricity Policy 2021 and National Electricity Plan 2023-27, is a step towards a competitive wholesale electricity market. Under the CTBCM, power generators are granted with the opportunity to directly supply electricity to bulk power consumers through bilateral contracts. The shift will introduce a competitive landscape, allowing consumers to choose between DISCOs and the alternate competitive suppliers. The timely implementation of CTBCM framework will improve the competition, efficiency, and consumer choice within the power sector.



### DECOMMISSIONING OF INEFFICIENT PLANTS

The report suggests that there is a need to decommissioning of the outdated and inefficient state-owned generation companies to reduce the financial burden of capacity payments. This will not only improve the overall system performance and cost-effectiveness in electricity generation but will also enhance market competition. CCP also recommended encouraging off-grid generation solution and private sector's involvement through small projects under the supervision of provincial or local governments for remote areas. These projects can transmit electricity to the national grid or can sell directly to the domestic consumers in remote areas. The approach will address electricity issues at the grassroots level and reduce the burden on the Federal Government.



### LOW-COST GENERATION PROJECTS

To lower the total expenses associated with power generation, low-cost generation must be initiated. A highly effective method to accomplish this is through the implementation of competitive bidding, which promotes cost-effectiveness, efficiency, and transparency in the industry. By fostering a competitive environment, competitive bidding encourages a greater number of participants to present their most advantageous pricing, ultimately leading to reduced electricity tariffs for consumers. Meanwhile, enhancement of transmission capacity by private sector's participation and Provincial Grid Companies (PGCs) can also create a difference. Functioning PGCs will enable the provinces to ensure energy transmission and promote a competitive market environment in transmission segment, thereby support the implementation of CTBCM model.



### PRIVATIZATION OF DISCOS

DISCOs have been a significant concern for successive governments, facing issues such as high distribution losses, revenue leakages, low bill recovery rates, widespread electricity theft, and supply constraints. To address these challenges, privatization of existing DISCOs or exploring public-private partnerships (PPPs) is recommended. Breaking up the current DISCOs into smaller units and dividing their territories into more manageable regions would increase the number of players in the distribution sector, localized management, improvements and competition.



### TARIFF REFORMS

It is essential to reform the existing tariff differential subsidy provided to the Distribution Companies (DISCOs). In order to foster a more competitive market environment, a revision of the uniform tariff is necessary, taking into account all existing inefficiencies. If the government intends to provide subsidies to specific regions or consumer groups, it should pursue alternative methods rather than incorporating these subsidies into the universal tariff structure. Furthermore, there is a pressing need to incrementally lower the barriers to retail market competition, which will ultimately grant end-consumers the autonomy to choose their preferred suppliers.



### INFRASTRUCTURE UPGRADATION

CCP also suggested an upgradation of transmission and distribution infrastructure. Introduction of smart grid technologies to enhance the efficiency and reliability of the power system seems inevitable. Preferably, these tasks may be performed through encouraging private investment and public-private partnerships.

Moreover, the development of electricity 'spot markets' would provide a mechanism for price discovery based on the principles of demand and supply. The mechanism would allow consumers to purchase electricity from sellers offering competitive rates.



### GOOD GOVERNANCE TO RESOLVE CIRCULAR DEBT ISSUE

CCP also considers it imperative to enhance governance in order to address the circular debt problem and strengthen the financial standing of entities within the power sector. Essential measures involve the financial restructuring of these entities through the formulation and execution of a thorough strategy, which may encompass such mechanisms that would ensure timely payment of dues and financial settlements throughout the supply chain. The Commission's report on the state of competition in Pakistan's power sector is not just an analytical document, it is also a roadmap for change. By identifying key challenges and proposing actionable solutions, the commission has presented key steps towards a competitive, efficient and consumer-centric power sector.



# News Bulletin

## PKR 170 Million Penalty on Frozen Dessert Deception

The Commission acted against the deceptive marketing practices of two frozen dessert manufacturers for misleading consumers by falsely advertising their products as 'ice cream'. This decision follows a complaint from M/s Pakistan Fruit Juice Company (Private) Limited, the makers of 'Hico' ice cream, who alleged that M/s Unilever Pakistan and M/s Friesland Campina Engro had misrepresented their frozen desserts as ice cream in their advertisements aired on television and circulated through social media.

In response to these allegations, the Commission initiated a formal enquiry to investigate the matter. The Commission reviewed the advertisements and conducted hearings with both companies. During the investigation, the Commission referred to the Pakistan Standards and Quality Control Authority (PSQCA) PS 969-2010 and the Punjab Pure Food Regulations 2018, which clearly distinguish between 'ice cream' and 'frozen desserts'. According to these standards, ice cream must be made from milk, cream, or other dairy products, while frozen desserts are prepared with a pasteurized mix that includes a combination of milk, milk products and edible vegetable oils.

The Commission's enquiry found the two companies guilty of falsely advertising their frozen desserts as ice cream. Consequently, the Commission imposed a penalty of PKR. 75 million each on Unilever Pakistan and Friesland Campina Engro for this violation. Additionally, Commission imposed an extra penalty of PKR 20 million on Unilever Pakistan for making false comparisons in their advertisements, claiming their products were healthier than dairy ice cream, which violated Section 10(2)(c) of the Competition Act.

## PKR 11 Million Penalty on 3N-Lifemed Pharmaceuticals

The Commission investigated complaint filed by Renacon Pharma Ltd against 3N-Lifemed for engaging in deceptive practices while competing in the market for hemodialysis concentrate solutions. Although the 3N-Lifemed had obtained a license from the Drug Regulatory Authority of Pakistan (DRAP) to manufacture these products, it acquired fraudulent Conformité Européenne (CE) Mark and Quality Management System (QMS) certifications from American Global Standards Pakistan (AGS Pakistan), a non-accredited entity based in Islamabad.

The CE Mark lacked the required designated number of a notified body, such as CE-102 or CE-1639, while the issuing entity, System Machinery Inspection Services (operating under AGS Pakistan), lacked credibility and an

official website. In its defense, the 3N-Lifemed argued that DRAP is the relevant authority for pharmaceutical regulation, citing Section 7 of the DRAP Act 2012, which governs advertising oversight, including bans on false advertising.

Following its enquiry, the Commission found that the 3N-Lifemed had engaged in deceptive practices from May 10, 2019, for a period of 22 months, creating a false impression in the market and causing harm to Renacon's business interests. Therefore, the Commission imposed a penalty of PKR 11 million, comprising PKR 10 million for the violation of Section 10(2) (a) and PKR 1 million for the violation of Section 10(2) (b).

## PKR 60 Million Penalty on Unilever for Unsubstantiated and False Claims

The Commission initiated an enquiry into Unilever Pakistan Limited following a complaint filed by Reckitt Benckiser regarding its products, Lifebuoy (Care and Protect) Soap and Lifebuoy Hand Wash. The enquiry scrutinized Unilever's absolute claims in advertisements, such as '100% guaranteed protection from germs', 'World's No. 1 germ protection soap' and '99.9% germ protection in 10 seconds'. These claims were accompanied by disclaimers printed in fonts so small they were virtually imperceptible to consumers.

The Commission's investigation found that Unilever's advertisements misled consumers and disadvantaged competitors by making unsubstantiated and false claims. The Commission's Order identified violations of Section 10 of the Act, which prohibits deceptive marketing practices. It was revealed that claims related to health and safety lacked

credible scientific validation.

Despite being issued a Show Cause Notice, Unilever continued to engage in deceptive practices. The Order further highlighted regional discrepancies in the company's advertising strategies, noting that the wording for similar products varied across countries such as Saudi Arabia, the UK and Bangladesh. However, the most misleading advertisements were observed in Pakistan, a practice the Commission deemed unacceptable.

In light of these findings, the Commission imposed a penalty of PKR 60 million on Unilever Pakistan for its deceptive marketing practices. The Commission also directed Unilever to submit a compliance report to the Commission Registrar within 30 days of the Order's issuance.

## PKR 5 Million Penalty on Diamond Paint for Non-Disclosure

M/s. Nippon Paint Pakistan (Pvt) Ltd filed a complaint against M/s. Diamond Paints regarding marketing campaign for its product 'Durasilk' run on various television channels. The Commission's enquiry revealed that Diamond Paint, despite including disclaimers on its packaging and shade cards, did not disclose the presence and value of redeemable tokens in its paint buckets in its television commercials, thereby exploiting consumer rights by making partial disclosures on its packaging.

Transparency in advertising is crucial for

informed consumer decisions, as TVCs often serve as the first point of contact between consumers and a product. The Commission's Paint Order 2012 had explicitly mandated that inclusion of a token without proper disclosure would be deemed to have lacking a reasonable basis with regards to prices, and thus falling under Section 10(2)(b) of the Act. Moreover, the Commission had conducted study in the entire paint industry to ascertain compliance with its 2012 order.

Therefore in the particular instant, the Commission took decisive action against

Diamond Paint Industries and imposed a penalty of PKR 5 million for violating Section 10 of the Act.

The Commission's bench, comprised of Chairman Dr. Kabir Ahmed Sidhu and Member Mr. Salman Amin, emphasized that proper disclosure of tokens is critical for customers. The order ruled that Diamond Paint failed to give consumers all of the information they needed to make informed purchasing decisions thus violated the earlier directives on the use of redeemable tokens and violated Section 10 of the Act.

## Dairy Associations Penalized for Collusion and Milk Price Manipulation

The Commission initiated action against three dairy associations in Karachi following media reports and complaints about a sharp hike in fresh milk prices. The alleged violation involved collusion to influence milk prices, contravening Section 4(1) and 4(2)(a) of the Competition Act, 2010.

The Commission's enquiry revealed that three associations—M/s Dairy and Cattle Farmers Association (DCFA), M/s Dairy Farmer Association Karachi (DFAK) and M/s Karachi Dairy Farmers Association (KDFA)—had colluded to manipulate milk prices. These entities operated at different levels of the supply chain and coordinated efforts to enforce price hikes in Karachi and its adjoining areas.

The Commission gathered evidence, including video recordings, showing that the associations actively announced price increases and ensured their implementation across the supply chain. Coercive tactics, such as threats to suspend milk supply, were used to compel wholesalers and retailers to

comply with their pricing structures.

The investigation uncovered that the associations controlled key pricing elements, including bandhi rates, mandi rates, wholesale rates and retail prices, causing significant distortions in the milk market. Additionally, they created artificial shortages by hoarding milk in ice factories, later selling it in interior Sindh at inflated prices.

After establishing violations, the Commission imposed penalties of PKR 1 million on M/s Dairy and Cattle Farmers Association (DCFA) and PKR 500,000 each on M/s Dairy Farmer Association Karachi (DFAK) and M/s Karachi Dairy Farmers Association (KDFA).

The Commission's Order concluded that the actions of these associations not only disrupted the milk supply chain but also placed an undue financial burden on consumers. The Commission's enforcement reinforces its commitment to safeguarding consumer welfare and ensuring fair market practices.

## Show-Cause Notices to GM Cables and Newage Cables against Resale Price Maintenance

The Commission initiated an enquiry after taking suo motu notice of circulars issued by both companies, which restricted their dealers across various regions from offering discounts beyond a certain percentage on credit and cash sales. These circulars required dealers to stick to the specified rate limits, prohibiting them from selling below the designated discounts.

Resale price maintenance (RPM) is a contract between a manufacturer and its distributors, where the distributors must sell the product at specific prices, and if not maintained, the manufacturer may terminate the contract. This practice hinders competition by restricting dealers' ability to offer lower prices, ultimately disadvantaging consumers. GM Cables and Newage Cables, which operate nationwide through an extensive

dealer network and online platforms, were found to have established a resale price maintenance system through their respective circulars. GM Cables issued a 'Notice for Rate Control' in August 2021, while Newage Cables introduced a 'Retail Discount Policy', both of which enforced strict pricing rules on their dealers. These rules were accompanied by penalties, including fines and termination of dealerships for non-compliance, further reinforcing the companies' control over market pricing.

The Commission's enquiry also established that this anti-competitive behavior has wide-ranging implications, as cable products are produced and sold nationwide, with sales volumes differing across regions. As a result, these restrictive practices create a spill-over effect throughout the entire market.

## Show-Cause Notices to Ten Steel Suppliers for Collusive Bidding

The Commission took suo motu notice and initiated an enquiry under Section 37(1) of the Act against ten steel structure suppliers involved in procurement tenders floated by various Distribution Companies (DISCOs) for the alleged collusive bidding.

The ten undertakings included M/s. AM Associates (Pvt) Ltd, M/s. Ajmer Engineering Electric Works (Pvt) Ltd, M/s. Khalifa Sons (Pvt) Ltd, M/s. Siddique Sons Engineering (Pvt) Ltd, M/s. Vision Engineering (Pvt) Ltd, M/s. AW Engineering (Pvt) Ltd, M/s. FN Power (Pvt) Ltd, M/s. Gujranwala Cable (Pvt) Ltd, M/s. AH Associates (Pvt) Ltd, and M/s. Process Dynamics (Pvt) Ltd.

During the enquiry, search and inspections were also conducted at the premises of three Lahore-based companies, where critical documents and records were impounded for further examination. During the enquiry, bidding data from 2015 to 2022, obtained from all DISCOs, particularly regarding the procurement of transmission towers, was analyzed. Economic evidence revealed a consistent pattern of bidding where these companies appeared to have submitted identical or near-identical rates, with differences as small as 0.001% to 1%. Out of 357 tenders evaluated, 135 showed signs of collusion, including identical rates, division of quantities, sole participation, and bid rotation.

Based on the examination of the impounded material, the undertakings were found to have engaged in collective decision-making regarding the rates and quantities quoted, with the apparent aim of manipulating tender outcomes for mutual benefit. The enquiry report found that this collusive behavior included mutual agreements on the number of firms participating in tenders, predetermined price-fixing, and strategic non-participation to ensure that the preselected firm would win. Such practices constitute a, prima facie, violation of Section 4(2)(a)(b)(c)(e) of the Competition Act, 2010. Thus, Show Cause Notices were issued to respective suppliers.

## Show-Cause Notices to Goods Transport Associations over Freight Rate Fixing

Transportation is a cornerstone of Pakistan's economy, supporting critical industries such as automobile, textiles, oil and ghee, chemicals, beverages, paint, flour, cement, steel, and food. Recognizing the sector's strategic importance, the Commission initiated a suo motu enquiry into concerns of collusion and price fixing within this vital industry.

The Commission's investigation uncovered evidence that TGA and LGTA increased transportation rates in 2018, 2021 and 2022

through price circulars. These circulars imposed binding freight rates on member companies, with non-compliance leading to punitive measures. This behavior reflects a prohibited agreement under Sections 4(1) and 4(2)(a) of the Act.

To substantiate these allegations, the Commission conducted search-and-inspection operations, seizing relevant records and documents. The collected evidence indicated systemic efforts to coordinate price increases and enforce compliance among

members.

The enquiry also highlighted the broader economic impact of these anti-competitive practices. Cargo arriving at Karachi Port Trust and Port Qasim, destined for Karachi, Hyderabad, Ghara, and Balochistan, is significantly affected by these fixed freight rates. These changes not only disrupt local goods distribution but also increase production costs for manufacturers, potentially triggering inflationary pressures across the economy.

## Reckitt Benckiser Complies with Tribunal Order, Deposits PKR 15 Million Penalty

In compliance with the Commission's order for unsubstantiated claims in advertisements violating Section 10 of the Competition Act, Reckitt Benckiser (RB) Pakistan deposited a PKR 15 million penalty into the national exchequer.

The issue was initially brought to attention through a formal complaint filed by Unilever Pakistan, accusing Reckitt Benckiser of misleading advertising. RB's campaign claimed that Dettol Soap could eliminate 99.9% of germs and offer 24-hour protection against germs, cold, and flu.

The Commission, following a thorough enquiry, found Reckitt Benckiser's claims about Dettol Soap to be unsubstantiated and in violation of Section 10 of the Competition Act, 2010. Consequently, a penalty of PKR 30 million was imposed.

RB appealed the Commission's findings to the Competition Appellate Tribunal (CAT). On July 11, 2024, the Tribunal upheld the Commission's decision but reduced the penalty from PKR 30 million to PKR 15 million, allowing RB 60 days to deposit the amount.

After the 60-day deadline for depositing the penalty, as specified in the Tribunal's verdict, the Commission issued a recovery notice to RB on September 26, 2024. In compliance, RB promptly deposited the PKR 15 million penalty, fully adhering to the Tribunal's order.

## Options International Deposits PKR 6 Million Penalty into National Treasury

Following the dismissal of its appeal by the Supreme Court of Pakistan, M/s Options International deposited a penalty of PKR 6 million into the national treasury under Section 40(8) of the Competition Act, 2010. This ruling marks the conclusion of a legal battle initiated by a formal complaint from Starbucks Corporation, culminating in an investigation and enforcement action by the Commission.

Starbucks Corporation alleged that Options International was using its brand name, logo and branding to mislead consumers, thereby violating intellectual property rights. The Commission conducted an enquiry and imposed a penalty of PKR 6 million on Options International.

## PKR 27 Million in Penalties Recovered

The Commission recovered PKR 27 million in penalties from Reliance Paints and Pakistan Steel Mills (PSM) by exercising its authority under Section 40(2)(a) of the Competition Act, 2010, through the attachment of their bank accounts.

The enquiry was initiated following a formal complaint by Akzo Nobel Pakistan Ltd., alleging that the company was fixing minimum resale prices and penalizing dealers and retailers for not complying with its pricing directives. The Commission's enquiry confirmed that Reliance Paints' practices were restricting competition not only among its dealers but also between Reliance and its competitors, as rigid retail prices prevented discounts to consumers. As a result, the Commission imposed a PKR 5 million fine, which was later reduced to PKR 2.5 million by the Competition Appellate Tribunal (CAT), although the Tribunal upheld the Commission's findings.

In another instance, the Commission imposed a fine of PKR 25 million on Pakistan Steel Mills (PSM) for abusing its dominant position in the low-carbon steel market. The enquiry conducted by the Commission from November 2008 to February 2009 revealed that PSM had been engaged in anti-competitive practices by unfairly restricting access to specific grades of steel billets, namely SAE 1008 and SAE 1010. PSM was found to have denied supply to Frontier Foundry (FFPL) and other buyers while preferentially supplying a single company. This selective distribution distorted competition in the downstream market, where PSM holds a monopoly.

## PKR 5 Million Penalty Recovered from Wateen Telecom

In another instance, The Commission recovered a penalty of PKR 5 million from Wateen Telecom (Pvt.) Ltd. This recovery was carried out under Section 40(2)(a) of the Competition Act, 2010, which empowers the Commission to recover penalties by attaching the bank accounts of non-compliant entities.

The penalty was originally imposed by the Commission following an enquiry triggered by numerous complaints from residents of the Defence Housing Authority (DHA) Lahore. The residents had voiced concerns about the lack of alternative service providers and the substandard quality of services provided by Wateen Telecom. The Commission's investigation revealed that DHA Lahore and Wateen Telecom had entered into an exclusive agreement, granting Wateen Telecom sole rights to provide telecommunication and media services in specific phases of DHA Lahore. This arrangement was found to violate Section 4 of the Competition Act, 2010, which prohibits agreements that limit consumer choice. On March 22, 2011, the Commission issued an order imposing fines of PKR 10 million on DHA Lahore and PKR 5 million on Wateen Telecom. DHA Lahore had already submitted its portion of the fine.

Later, both undertakings challenged the Commission's decision by filing an appeal before the Competition Appellate Tribunal (CAT). In July 2024, the CAT dismissed the appeals, thereby upholding the penalties initially imposed by the Commission.

## Action Against Misleading Discount Practices

The Commission issued notices to 20 prominent retail brands for allegedly employing misleading discount practices during their 'End of Season Sales'. The notices seek clarification on the advertisement of discounts described as 'up to a percentage', which may constitute deceptive marketing under the Act. These ambiguous discount offers are akin to the prohibited practice of 'Bait and Switch advertising', whereby a seller promotes an enticing but deceptive offer that is not genuinely available. Instead, buyers are presented with less favorable alternatives, a violation of Section 10 of the Act.

The Commission's Market Intelligence Unit and Office of Fair Trade conducted a random survey across the twin cities to examine these practices. The survey revealed that many brands advertised maximum discounts that were only applicable to a limited selection of less desirable items. Conversely, the most popular and frequently purchased products

were either not discounted or carried minimal reductions.

This discrepancy between advertised and actual discounts led to customer confusion, forcing buyers to repeatedly inquire about the true nature of the offers. However, some brands were observed to provide flat or tiered discounts with clear disclosures and disclaimers, detailing the scope of the sale and the specific stock on offer. The Commission commended these practices for ensuring transparency.

The Commission urges all consumer brands to eliminate misleading promotional tactics and ensure their discount advertisements include clear and accurate disclosures regarding the actual and discounted prices, along with the applicable stock details. Non-compliance may result in enforcement action under the Act.



## Commission Discourages the Term of 'Big Four' in Agreements

The Commission issued directives discouraging the inclusion of the term 'Big Four' in commercial agreements for the appointment of assurance or financial service providers. The term refers to the four prominent global firms offering assurance, consultancy, financial advisory, risk management and tax services.

This observation emerged during the Commission's review of applications from MNT Halan Pak B.V. and Advans S.A. SICAR, both of which sought exemptions for certain restrictive clauses in their agreements. These agreements specified the engagement of financial services exclusively from the 'Big Four'. The Commission clarified that limiting service selection to this group undermines fair competition, distorts the market, and contravenes the principles of the Competition Act, 2010.

The Commission emphasized that selection processes for financial and assurance services should not be confined to specific entities. Any clause that inherently restricts competition in the market is inadmissible under the law. In both cases,

the Commission directed the applicants to revise their agreements to foster open and fair competition.

Pakistan has a robust pool of audit and assurance service providers. The Institute of Chartered Accountants of Pakistan (ICAP) maintains a list of 130 firms with satisfactory Quality Control Review (QCR) ratings. The State Bank of Pakistan (SBP) categorizes 46 auditors into A, B, and C panels under Section 35(1) of the Banking Companies Ordinance, 1962. Similarly, the Securities and Exchange Commission of Pakistan (SECP) maintains an approved list of auditors for insurance and takaful entities under Section 48 of the Insurance Ordinance. None of these regulatory frameworks endorse or limit the appointment of auditors to the 'Big Four'.

Under the Competition Act, limiting service provisions to a specific group undermines the spirit of open and fair competition. The Commission's directives in these cases reinforce its commitment to fostering an equitable competitive landscape across all sectors.

## IHC Dismisses Petition against Commission's Enquiry on Junior Hockey League

M/s Strawberry Sports Management (Private) Limited lodged a complaint with the Commission, alleging that the Pakistan Hockey Federation (PHF) had refused to issue a No Objection Certificate (NOC) for organizing a junior hockey league tournament.

The Commission conducted an enquiry and determined that there was currently no established market for a junior hockey league in Pakistan and no statutory obligation requiring PHF to grant NOCs to third parties. Consequently, the Commission concluded that PHF's actions did not constitute an abuse of dominance under the Act. Dissatisfied with these findings, Strawberry Sports Management challenged the Commission's enquiry report in the Islamabad High Court.

Justice Babar Sattar, in his ruling, affirmed the Commission's decision, stating that the Commission had appropriately exercised its regulatory discretion in concluding the matter. The judgment clarified that the findings of the Commission's enquiry did not qualify as an

Order under Section 41 of the Competition Act, 2010, and were therefore not subject to appeal.

The Court highlighted that the Commission adhered to principles of fairness and procedural propriety throughout the enquiry thus ensured due process. Furthermore, the judgment established the legal principle that the Commission is not obligated to issue a Show Cause Notice for every complaint received and may reject a complaint after concluding an enquiry if no violation of the Act is found.

This ruling underscores the Commission's authority to independently assess complaints while maintaining its regulatory discretion.



## Court Backs Commission's Role in Regulating Competition, Dismisses Challenge

The Lahore High Court, presided over by Justice Jawad Hassan, upheld the validity of Show Cause Notices issued by the Commission in the poultry sector's price-fixing case concerning day-old chicks.

Justice Hassan emphasized that Show Cause Notices issued based on an enquiry report cannot be prematurely challenged in the High Court. Applying the legal doctrine of 'ripeness', he clarified that cases must be proceeded through the Commission's adjudication process, with appeals permissible only after the Commission delivers its final decision. This judgment reinforced the Commission's jurisdiction, affirming its autonomy to enforce Competition Law without external interference.

The Court noted that hindering the Commission's operations could impair its mandate to prevent anti-competitive practices and promote a fair business environment. Justice Hassan further highlighted the judiciary's responsibility to support regulatory authorities across industries.

The petitioner's counsel argued that procedural flaws in the enquiry report invalidated the Show Cause Notices. However, the Commission's legal team, comprising Barrister Asad Ullah Chatha, Barrister Ambreen Abbasi, Hafiz Muhammad Naeem and Hassan Raza, successfully challenged the maintainability of the petition, a stance the Court upheld.

The Commission's investigation revealed evidence of suspected collusion and price-fixing by eight hatcheries for day-old broiler chicks from 2019 to June 2021. Forensic analysis uncovered coordinated pricing through SMS and WhatsApp, allegedly facilitated by an official of a member firm. Additionally, the Pakistan Poultry Association (PPA) was implicated in potential violations of Section 4 of the Act for engaging in pricing discussions.

Despite the findings, poultry companies M/s Sadiq Poultry and M/s Islamabad Feeds had secured a stay order, temporarily halting the Commission's proceedings. This comprehensive 21-page judgment, however, sets a significant precedent, reinforcing the Commission's authority to enforce anti-trust laws and foster fair competition within Pakistan's economic framework.

# World Competition Day

5th December, 2024



## Enforcing a Robust Competition Regime to Strengthen Market Integrity

The Competition Commission of Pakistan (CCP) hosted a Media Workshop, bringing together senior journalists from both print and electronic media to celebrate World Competition Day, observed annually on December 5th.

Dr. Kabir Sidhu, Chairman of CCP, emphasized the importance of fostering competition and creating a level playing field across various sectors of the economy. He highlighted the need to curb market abuse and manipulation, noting that healthy competition leads to more equitable wealth distribution. Dr. Sidhu explained that cartels exploit the market, concentrating wealth in the hands of a few.

He stressed that the CCP plays a crucial role in guiding government policies to steer the economy in the right direction. "The only sources of revenue are exports, taxes, and remittances. If businesses can't compete domestically, how can they compete internationally?" he said. He also noted that competition drives innovation and efficiency, leading to better services, products, and more exportable goods. CCP is focusing on reviewing the legal and regulatory frameworks in the energy and services sectors to remove entry barriers and protectionist policies.

Dr. Sidhu also referred to global examples from the UK and the US, where market developments took considerable time to unfold. "Similarly, Pakistan is at a developmental stage, and it will take time and effort to fully implement effective competition policies," Dr. Sidhu remarked, adding that the Constitutional Bench could expedite the legal process.



*Fair competition fuels innovation, consumer choice, and economic growth. The CCP has actively cracked down on cartels, deceptive marketing, and anti-competitive mergers to ensure a level playing field. On World Competition Day, we reaffirm our commitment to safeguarding market integrity and promoting a competitive economy for Pakistan. - Dr. Kabir Sidhu*

He emphasized the need for collaboration between the media, government, and public in fulfilling the CCP's mandate against anti-competitive conduct. While acknowledging that Pakistan's competition landscape is

evolving, he stressed that continued support from all stakeholders is crucial in fostering a healthy competition regime.

The CCP officials provided a detailed briefing on ongoing inquiries and shared sample case studies from the sugar, automobile and cement sectors. They also highlighted encouraging updates on Foreign Direct Investment (FDI) attracted through merger clearances and acknowledged the significant support extended by the Ministry of Law, Ministry of Finance, the Supreme and High Courts. Journalists raised pertinent questions regarding the CCP's challenges in enforcing Competition Law, particularly the persistent backlog of cases in higher courts. CCP officials provided comprehensive responses to the queries raised by the media representatives.

Mr. Shahzad Hussain (Director General), Mr. Noman Laiq (Director General), Mr. Ahmed Qadir (Director General), Dr. Ikram ul Haq (Director General), Ms. Ambreen Abassi (Senior Legal Advisor) and Hafiz Naeem (Senior Legal Advisor) along with other CCP officials attended the workshop.



## Deputy Prime Minister Commends CCP's vigor to Resolve Backlog of Cases

November, 2024

Deputy Prime Minister and Federal Minister for Foreign Affairs, Ishaq Dar, highlighted the critical role of a robust competition framework in driving economic growth, fostering innovation and attracting domestic and foreign investment.

In a meeting with Chairman, Dr. Kabir Ahmed Sidhu, the Deputy Prime Minister was briefed on the Commission's initiatives to enhance the enforcement of Competition Law. These efforts focus on tackling cartels, market abuse and the misuse of dominant positions in the market.

Mr. Dar commended Commission's proactive measures to resolve long-pending court cases and urged the Commission to intensify its efforts against cartels and price manipulation, which harm consumers and disrupt market fairness. He assured Commission of the government's unwavering support in promoting transparency and fairness across sectors.

Looking ahead, the Commission is working to establish a Centre of Excellence to enhance research, foster collaboration with domestic and international academics and support evidence-based policymaking to strengthen the competition regime further.



▲ Dr. Kabir Sidhu, Chairman CCP, presents a shield to Senator Ishaq Dar, Deputy Prime Minister and Foreign Minister, after a meeting in Parliament House, Islamabad on November 22, 2024.

## State Minister Encourages CCP, Finance Ministry Coordination

October, 2024

The State Minister for Finance and Revenue, Mr. Ali Pervaiz Malik, visited the Commission to emphasize its critical role in preventing market failures and safeguarding consumers against anti-competitive practices.

During the visit, Mr. Malik reiterated the Ministry's commitment to enhancing Commission's capacity through legislative reforms, efficient court case management and capacity-building initiatives. Addressing Commission officials, he stressed the importance of revisiting the Competition Act to ensure it remains effective, modern and aligned with the challenges faced by the Commission.

'Competitiveness in markets is essential for protecting consumer interests. It also fosters entrepreneurship and attracts investments', said Mr. Malik.

Chairman, Dr. Kabir Ahmed Sidhu, briefed the Minister on the Commission's functions, performance and ongoing enquiries in key economic sectors. He also highlighted the legal and operational hurdles impeding Commission's efficiency.



▲ State Minister for Finance and Revenue, Mr. Ali Pervaiz Malik, receives a shield from Dr. Kabir Ahmed Sidhu, Chairman CCP, during his visit to the head office of the Competition Commission of Pakistan, Islamabad on October 30, 2024.

Mr. Malik pledged full support in addressing these challenges and requested a detailed report on pending court cases and stay orders. He assured Commission of his support for collaboration with the Attorney General and the Law Ministry to expedite resolutions. The Minister also encouraged closer coordination between the Commission

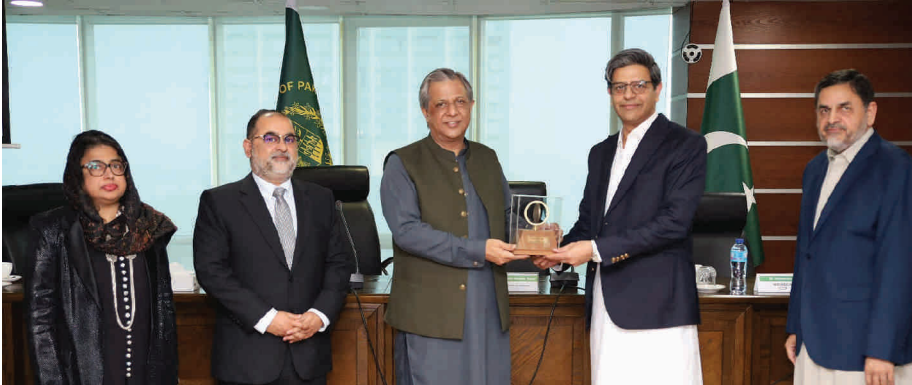
and the Finance Ministry to ensure robust consumer protection mechanisms.

The meeting was attended by Commission Members Mr. Saeed Ahmed, Mr. Salman Amin, Mr. Abdul Rashid Sheikh, Ms. Bushra Naz, and senior officials.



## Law Minister Promises All-Out Efforts to Restore Competition Appellate Tribunal

November, 2024



▲ Federal Minister for Law and Justice, Mr. Azam Nazir Tarar, receives a shield from Dr. Kabir Ahmed Sidhu, Chairman CCP, during his visit to the head office of the Competition Commission of Pakistan, Islamabad on November 15, 2024. Commission members, Mr. Salman Amin, Mr. Saeed Nawaz and Ms. Bushra Naz are also present.

Federal Minister for Law and Justice, Mr. Azam Nazir Tarar, visited the Commission's head office and met with Chairman Dr. Kabir Ahmed Sidhu and Members Mr. Salman Amin, Mr. Abdul Rashid Sheikh, Mr. Saeed Ahmad Nawaz and Ms. Bushra Naz Malik.

During the visit, Mr. Tarar was briefed on

the Commission's operational challenges, including legal hurdles impacting its efficiency. He assured his commitment to expedite the appointment of the Chairman and members of the Competition Appellate Tribunal (CAT), which has been non-functional due to the Chairman's elevation to the Supreme Court, causing delays in key competition-related

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*The Competition Commission of Pakistan plays a vital role in ensuring a level playing field, fostering fair competition, and safeguarding consumer interests. Its commitment to market integrity strengthens economic growth and innovation.*  
 - Azam Nazir Tarar

cases. The Commission highlighted its recent progress on resolving cases and recovering penalties in the past year. However, the backlog remains significant, with 211 cases pending in the Supreme Court, 43 in the Lahore High Court, 44 in the Sindh High Court and several more in the Islamabad, Peshawar, and other High Courts.

Minister Tarar's visit underscores the government's commitment to augmenting Commission's capacity to ensure fair competition, reduce market entry barriers and promote a transparent and equitable business environment for the benefit of consumers and industries alike.

## CCP, PBS join hands to Enhance Collaboration, Data Analysis

October, 2024

The Commission and the Pakistan Bureau of Statistics (PBS) signed a Memorandum of Understanding (MoU) to strengthen collaboration and improve the use of data for informed decision-making.

The agreement was formalized during the inaugural National Data Fest-2024, held at the Pak-China Friendship Center in Islamabad.

Dr. Ahsan Iqbal, Federal Minister for Planning, Development & Special Initiatives, was the Chief Guest at the event. Other notable attendees included Lt-Gen Munir Afsar, Chairman NADRA; Mr. Awais Manzoor Sumra, Secretary Planning; Dr. Naeem Uz Zafar, Chief Statistician and representatives from various Federal and Provincial Ministries.

In his address, Dr. Ahsan Iqbal emphasized that 2024 marks a pivotal year for Pakistan in shaping its future. He highlighted the critical role of reliable and quality data in driving informed policymaking and technological advancement. Dr. Iqbal also underscored the importance of policy stability and continuity to ensure sustainable economic development and maintain global competitiveness.

The MoU was signed by Chairman, Dr. Kabir Ahmed Sidhu, and Muhammad Sarwar Gondal, Member PBS. This collaboration aims



▲ Chairman CCP Dr. Kabir Ahmad Sidhu and Member Pakistan Bureau of Statistic Muhammad Sarwar Gondal sign an agreement to promote efficient data sharing and in-depth analysis, supporting evidence-based decision-making, during the inaugural National Data Fest-2024, held at the Pak-China Friendship Center, Islamabad on October 10, 2024.

to facilitate efficient data sharing and analysis, enhancing evidence-based decision-making.

Market data is a crucial tool for the Commission in identifying collusion, price manipulation and cartel formation. The MoU will strengthen Commission's capacity to monitor and analyze sectoral data thus improving its ability to detect and address anti-competitive practices.

Traditionally, the Commission relied on

methods such as dawn raids and market inquiries to gather evidence. With the establishment of the Market Intelligence Unit (MIU), the Commission has transitioned to using advanced detection techniques. The MIU leverages market data to proactively monitor abuse of dominant position, cartelization, deceptive marketing, and mergers, ensuring enhanced surveillance of the economy's various sectors.

# Market Intelligence Unit (MIU)

*A proactive leap in regulating cartels and ensuring fair competition*

Detection Activities	Description	No. of Cases
Deceptive Marketing	Distribution of misleading information in violation of Section 10 of the Act	21
Mergers	Transactions attracting Section 11 of the Act	09
Exemptions		02
	<b>Total</b>	<b>32</b>

Out of **32** leads identified, feedback was received on **31** cases which were deemed actionable. Additionally, 15 markets are on the watch list due to initial red flags indicating potential cartel activities.

*This proactive approach underscores the Commission's commitment to safeguarding competition and protecting consumer's interest in Pakistan.*

## Mergers & Acquisitions

Between August and December 2024, the Commission approved 27 merger transactions, contributing to a cumulative Foreign Direct Investment (FDI) of around PKR 648 Million. These figures indicate the critical role of the Commission's merger regime in fostering economic growth, ensuring competitive markets and attracting investment. By providing a transparent and well-regulated framework for mergers and acquisitions, the Commission not only facilitates business consolidation and market expansion but also safeguards consumer interests by preventing anti-competitive practices.

### Total Merger Orders

Aug 2024 - Dec 2024

**27**

### Cumulative FDI PKR

**648,383,018**

## Major Transactions

- Aramco Asia's acquisition of a 40 percent stake in GO Petroleum
- Dutch-Egyptian financial market group MNT-Halan Pak B.V acquires M/s Advans Pakistan Microfinance Bank Limited
- Italian agribusiness leader M/s Euricom S.P.A acquires 50% shareholding in M/s. Fatima Euricom Rice Mills (Pvt) Ltd
- Swiss Gunvor Group's Aquashore SA acquires 50% shares of Total Parco Pakistan Ltd (TPPL)
- Wafi Energy Holding Limited acquires 77.42% shareholding and control of Shell Pakistan Limited
- UAE-based subsidiary of Saudi Asyad Holding acquired 77.42% shareholding in Shell Pakistan







# Advocating The Law

## Competition Law Module Identifying Anti-Competitive Practices

September, 2024

At the request of the Pakistan Institute of Corporate Governance (PICG), Mr. Shahzad Hussain, Director General, (Advocacy)/ Registrar delivered a comprehensive module on Competition Law in Pakistan as part of the Directors Training Program (DTP) held online. This specialized session was designed to educate corporate directors, CEOs, board members, and other senior managers in the corporate sector about the fundamental principles and implications of Competition Law within the corporate governance framework.

The primary objective of the Competition Law module was to provide participants with broad knowledge and understanding of Competition Law, emphasizing its significance in promoting fair competition and good corporate governance. The module was designed to equip corporate leaders with the necessary skills to identify and avoid anti-competitive practices, ensuring their organizations operate within the legal framework set by the Commission.

The module covered several crucial aspects including core components of Competition Law, prohibited anti-competitive practices, role & functions of the Commission, and implications for corporate governance.

During the interactive Q&A session, the participants were engaged with the senior Commission officials and discuss specific concerns and queries related to Competition Law.

## Introductory Meeting of Pakistan Advertisers Society

### Self-Regulation: A Key to End Deceptive Marketing

August, 2024

The Commission and the Pakistan Advertisers Society (PAS) expand their collaboration promoting self-regulation in order to deter deceptive marketing practices in Pakistan and ensure due compliance with the Competition Law.

During the recent visit of PAS's Executive Council to Commission, discussions were held for enhancing collaboration to promote self-regulation and ensure compliance with competition law, particularly in the area of deceptive marketing. During the meeting, the PAS delegation provided an overview of the role it has been playing in arbitration among its member organizations. These member organizations represent a diverse range of leading enterprises spanning sectors such as beverages, telecommunications, insurance, automotive, and pharmaceuticals.

Commending PAS's efforts, Mr. Salman Amin, Member Commission, encouraged PAS to expand its membership to benefit all sectors of the economy, particularly through the self-

regulatory Code that has been developed in compliance with the Competition Law. He stated that the recent collaboration between the Commission and PAS has added value for the other undertakings also to become the member of the PAS. These recent collaborations include trainings and joint advocacy sessions held for member organisations of PAS. It was also discussed that, if needed, sector-specific sessions will also be conducted by Commission, with sector specialists and resource persons provided by Commission as well as PAS.

The Commission delegation was represented by the Member Commission along with Mr. Shahzad Hussain, Director General, and Maryam Zafar, Director. Whereas, PAS was represented by Vice Chair Ms. Asima Haq (Unilever), Mr. Qamar Abbas (PAS), Mr. Arif Aziz (Jazz), Mr. Shahzain Munir (English Biscuit Manufacturers), Syed Usman Kaiser (Jubilee Life Insurance), and Ms. Afsheen Rizavi (PAS).



▲ Mr. Salman Amin, Member CCP and Mr. Shahzad Hussain, Director General in a group photo with PAS Executive Council members.



## Session with Karachi-based UK Alumni in Pakistan

# Competitive Environment & Investment Opportunities

September, 2024

The Commission in collaboration with the British Council, conducted an interactive session on Competition Law for UK Alumni based in Karachi.

The session was part of the day-long activities arranged by British Council. The session on Competition Law attracted a diverse group of participants, representing various sectors including healthcare, pharmaceuticals, IT consulting, logistics, energy, agriculture, legal services, real estate, banking, academia, non-profit organizations, and public sector.

The session included brief videos on the core components of the Competition Law, a comprehensive presentation on the law and two actual case studies on actions taken against cartels and deceptive marketing practices respectively.

Mr. Salman Amin, Member Commission, in his remarks emphasized the significance of Competition Law, noting that now competition index is increasingly a crucial factor in attracting investment.

He highlighted the importance of the Commission's role in maintaining a fair and competitive economy, which is vital for improving Pakistan's investment climate and economic competitiveness for undertakings willing to conduct businesses locally or internationally.

During the presentation, Mr. Ahmed Qadir, Director General Commission, presented an overview of the core provisions of the Competition Law and the Commission's commitment to promote a competitive environment that benefits both consumers and businesses alike.

The session was very interactive, with participants engaging in thoughtful Q&A discussions on various aspects and impacts of Competition Law in different sectors of the economy.

Emphasizing Commission's role in promoting adherence to best practices across industries, Mr. Usman Khalid (Senior Manager) and Ms. Maryyam Qadir (Manager) from the British Council conveyed that the recent sessions on Competition Law, held in Islamabad and Karachi, have received an overwhelming response.

They noted that UK Alumni, in Islamabad and Karachi, have greatly benefited from the collaboration between Commission and the British Council.

It was also agreed to include a similar session for UK Alumni in Lahore in their upcoming event which will further extend the outreach and impact of this valuable partnership between the Commission and British Council.



Mr. Salman Amin, Member CCP and Mr. Ahmed Qadir, Director General addressing a session on Competition Law for UK Alumni based in Karachi.

## Session with Lahore-based UK Alumni in Pakistan

# Core Components of Competition Law

November, 2024

The Commission, in collaboration with the British Council, conducted an interactive session on Competition Law for UK alumni based in Lahore. This session provided participants with the opportunity to engage directly with the Commission and gain insights into the essential components of Competition Law.

The session attracted a diverse group of participants from various sectors, including IT consulting, financial services, telecommunications, energy, legal services, banking, academia, non-profit organizations, and the public sector.

The session featured brief videos outlining the core components of Competition Law, along with a comprehensive presentation on the subject. It emphasized the significance of Competition Law and highlighted the Commission's crucial role in maintaining a fair and competitive economy. Discussions during the session covered the historical background of Competition Law and provided an overview of its key aspects, including prohibited agreements, abuse of dominance, deceptive marketing practices, and mergers and acquisitions. Presentations were delivered by Mr. Shahzad Hussain, Director General (Advocacy)/Registrar, and Mr. Syed Umair Javed, Director General (Office of International Affairs).

The session was highly interactive, with participants engaging in thoughtful Q&A discussions on various aspects and implications of Competition Law across different sectors of the economy. In his vote of thanks, Mr. Usman Khalid, Senior Manager at the British Council, acknowledged the Commission's role in promoting fair practices across industries.



Mr. Shahzad Hussain, Director General Registrar Office and Mr. Syed Umair Javed, Director General International Affairs, in a group photo with the participants of a session on Competition Law for UK alumni based in Lahore.

## ACCA Corporate Conference 2024, Peshawar

# Strategies to Drive Positive Change

September, 2024

On invitation from ACCA Pakistan, the Commission participated in the sixth edition of the Corporate Conference 2024. This year's theme was "Being Bold: Seizing Opportunities for the Future."

ACCA Pakistan organized conferences at three different locations: Faisalabad, Peshawar, and Multan. The conference aimed at fostering insightful discussions and thought-provoking conversations by bringing together think tanks, thought leaders, innovators, and policymakers from various sectors. The goal was to explore bold ideas and strategies that can drive positive change, paving the way for a more sustainable and resilient future.

Mr. Shahzad Hussain, Director General (Advocacy)/Registrar, Commission, delivered the keynote address on Competition Law at the Conference held in Peshawar. He provided participants with insights into key aspects of Competition Law, including the abuse of dominant positions, prohibited agreements, deceptive marketing practices, and mergers and acquisitions. During his keynote address,



▲ Mr. Shahzad Hussain, DG CCP, delivers a keynote at the ACCA Corporate Conference 2024 in Peshawar, discussing AI, sustainability & talent.

Mr. Hussain emphasized the role of the Commission in ensuring competition and providing a level playing field across all sectors of the economy.

The conference also featured insightful panel discussions, showcasing thought leaders from corporate, public, and private sectors as they explored the forces shaping our economic

future. The overarching objective was to inspire actionable insights, collaborative solutions, and a renewed commitment to address the complex challenges presented by our ever-changing world, navigating uncertainty with courage and innovation toward sustainable recovery and progress.

## ACCA Corporate Conference 2024, Faisalabad

# Embracing Sustainability and AI for Growth



▲ Mr. Noman Laiq, DG CCP, & Ms. Shazia Ashraf, Director CCP, delivers a keynote address at the ACCA Corporate Conference 2024 in Faisalabad on sustainability and AI growth.

Mr. Noman Laiq, Director General (Exemptions and Internal Audit), delivered a keynote address at the Faisalabad edition, which focused on the theme "Transforming the Textile Sector: Embracing Sustainability and AI for Growth." His address provided a detailed overview of Competition Law, covering critical topics such as abuse of dominant position, prohibited agreements, deceptive marketing practices, and mergers and acquisitions. Mr. Laiq emphasized the role of Competition Law in driving Pakistan's economic growth through an open and competitive framework, while also highlighting its historical significance.

Additionally, Mr. Noman Laiq underscored the Commission's commitment to ensuring fair competition and fostering a level playing field across all sectors of the economy.

The conference also featured dynamic panel discussions with industry experts, corporate leaders, and policymakers, exploring how sustainability and artificial intelligence are revolutionizing the textile sector and promoting growth. These discussions aimed to inspire actionable insights, encourage innovation, and strengthen resilience for sustainable recovery.

## ACCA Corporate Conference 2024, Multan

# Fostering a Level Playing Field

At the Multan conference, themed "Leading the AI Era: Empowering Talent for Sustainable Growth and Innovation," Mr. Syed Umair Javed, Director General (International Affairs), CCP, delivered a keynote address on Competition Law.

His presentation elaborated various aspects of Competition Law including abuse of dominant position, prohibited agreements, deceptive marketing practices, and mergers and acquisitions. Mr. Javed emphasized the historical significance and critical role of Competition Law in driving Pakistan's economic progress within a competitive framework.

In his remarks, Mr. Umair Javed highlighted the CCP's commitment to ensure fair competition and fostering a level playing field across all sectors of the economy.

The conference also featured engaging panel discussions with experts from corporate, public, and private sectors. These sessions explored how artificial intelligence and talent development are shaping innovation and driving sustainable growth in an ever-evolving global landscape.



## Session with Chainstore Association of Pakistan

# Strengthening Compliance within the Retail Sector

October, 2024

The Commission hosted a session with the Chainstore Association of Pakistan (CAP) to promote self-regulation and ensure compliance with Competition Law, particularly in curbing deceptive marketing practices.

The session was led by the Member Ms. Bushra Naz Malik, alongside senior officials Mr. Shahzad Hussain and Mr. Qasim Khan. CAP representatives included Patron-in-Chief Mr. Tariq Mehboob, Chairman Mr. Asfandiyar Farrukh and Senior Vice Chairman Mr. Ahsen Mahmood.

Ms. Malik announced the forthcoming release of sector-specific guidelines to strengthen compliance within the retail sector. She also emphasized the importance of raising awareness and building capacity among stakeholders to promote adherence to Competition Law.

Both parties agreed to continue collaboration to ensure a competitive and compliant retail landscape, benefiting the economy and consumers.



▲ CCP hosts interactive session with the Chainstore Association of Pakistan (CAP) to promote self-regulation and compliance with Competition Law, focusing on curbing deceptive marketing practices. The session was led by Member Ms. Bushra Naz Malik and other senior officials of CCP.



▲ Mr. Shahzad Hussain, DG (Advocacy)/ Registrar CCP, leads an awareness webinar on Competition Law for senior management of the Chainstore Association of Pakistan (CAP).

## Improving the Corporate Governance Framework

November, 2024

At the request of the Pakistan Institute of Corporate Governance (PICG), Mr. Ahmed

Qadir, the Director General, delivered a module on Pakistan's Competition Law as part of PICG's ESG (Environmental, Social, and Governance) Executive Tracks Program.

The ESG Executive Tracks Program is designed for mid-career corporate executives, providing them with certification in practical skills related to ESG topics.

This specialized module on Pakistan's

## Webinar with CAP

# CCP's Role in Ensuring Fair Competition

September, 2024

On the request of Chainstore Association of Pakistan (CAP) a webinar titled "Awareness Webinar on Competition Law" was held for the senior management and executive committee members of the CAP. The awareness webinar aimed at providing an introductory understanding of the Commission mandate, role, and functions. The agenda included an overview of core components of Competition Law, prohibited anti-competitive practices, and the Commission's role in ensuring fair competition.

The webinar was attended by approximately 50 CAP members, including senior executives like Mr. Tariq Mehboob, outgoing Chairman, CAP, and Mr. Asfandiyar Farrukh, the newly elected Chairman.

Several executive committee members also attended the session. Whereas, Commission represented by Mr. Shahzad Hussain, Director General, Ms. Sara Israr, Deputy Director/ Economist, Mr. Raja Taimur Hassan, Deputy Director, and Mr. Amin Akbar, Assistant Director.

In his opening remarks, Mr. Shahzad Hussain highlighted the significance of voluntary compliance with Competition Laws to make sure that businesses avoid anticompetitive practices and behaviors. He emphasized the important role of CAP member companies and retail sector in general in driving the economy by generating tax revenue, driving consumer spending, and creating employment.

Towards the end, the Q&A session saw active participation from CAP members, who inquired about deceptive marketing practices and sought Commission's guidance on improving their advertising strategies. CAP leadership expressed interest in future sessions and committed to formally leading a delegation to visit Commission for further collaboration on regulatory compliance.

Competition Law was created to educate mid-career executives in the corporate sector about Competition Law and consumer protection within the corporate governance framework.

Key aspects of the module included the core components of Competition Law, prohibited anti-competitive practices, the roles and functions of the Commission, and the implications for corporate governance.



## Women in Law

# Gender Equality & Legal Awareness

September, 2024



▲ Mr. Salman Amin, Member and Ms. Kishwar Khan, Director General, along with other senior officials of CCP at an advocacy and awareness session "Competition Law and Practice" held for women in legal profession at Islamabad High Court Bar Association (IHCBA).

The Commission, in partnership with the Islamabad High Court Bar Association (IHCBA) and the Women in Law Initiative Pakistan (WIL), held a session titled Competition Law & Practice to promote gender equality and legal awareness.

Mr. Salman Amin, Member, highlighted the Commission's commitment to fostering fair competition and emphasized the importance of a compliance regime with minimal regulatory intervention. Ms. Kishwar Khan, Director General, outlined key elements of Competition Law, including provisions on mergers, exemptions, prohibited agreements

and abuse of dominance.

Founder of WIL, Ms. Nadia Usman Chaudhary, reiterated her organization's mission to advocate for gender equality in the legal profession. The session also featured a panel discussion moderated by Ms. Maryam Zafar, with contributions from esteemed lawyers and Commission officials.

IHCBA President Mr. Riasat Ali Azad commended the initiative, noting its role in enhancing the legal fraternity's understanding of competition law and its significance for a fair economy.

## Session with Members of PPDA

# CCP Committed for Open Markets, Competitive Economy

October, 2024

An awareness session on Pakistan's Competition Law was conducted with the members of the Pakistan Petroleum Dealers Association (PPDA) at the Commission's headquarters.

The event was chaired by Mr. Salman Amin, Member, alongside other senior officials, including Mr. Ahmed Qadir, Director General, Mr. Shahzad Hussain, Director General, Ms. Ayesha Nayyab, Deputy Director, and

Mr. Raja Taimur Hassan, Deputy Director. The PPDA delegation, led by Mr. Khawaja Atif Ahmed, Secretary Information, PPDA, comprised Executive Committee members representing all four provinces and Gilgit-Baltistan. The session began with screening of a brief video outlining the core components of the Competition Law, followed by a detailed presentation on the Competition Act, 2010, emphasizing the role, functions, and significance of the Commission in

# Navigating Trends, Innovations and Market Dynamics

September, 2024

Mr. Ahmed Qadir, Director General CCP, presented an informative session on Consumer Protection and Competition Law at ACCA's Pakistan FMCG Summit 2024. This session was part of the thematic discussion on the "Regulatory Environment and Compliance." In his presentation, Mr. Ahmed also covered key aspects of Competition Law, including Abuse of Dominance, Prohibited Agreements, criteria for Exemptions, and the procedures for Merger and Acquisition.

Mr. Kaukab Iqbal, Chairman of the Consumer Association of Pakistan, was the chief guest at the summit. In his remarks, he acknowledged the vital role of the Commission in protecting consumers from anti-competitive practices. Towards the end of the session, participants posed relevant questions and engaged in discussions about the roles and functions of the Commission, as well as its regulatory responsibilities in ensuring free and fair competition in the economy.

The summit, themed "Navigating Trends, Innovations, and Market Dynamics," aimed at uniting leading figures from the Fast-Moving Consumer Goods (FMCG) sector in Pakistan. This event serves as an essential platform for stakeholders to engage in meaningful discussions, share insights, and explore new opportunities within the industry. The FMCG Summit is set to address critical issues crucial to the FMCG sector in Pakistan, providing a comprehensive space for stakeholders to engage in dialogue, exchange ideas, and explore opportunities for collaboration and growth.

fostering a fair and competitive economy. Presentations were given by Mr. Ahmed Qadir and Ms. Ayesha Nayab which offered detailed understanding of Competition Law. In his address, Mr. Salman Amin emphasized Commission's commitment to maintain free and fair competition in all sectors, including the vital oil and lubricant market. He stated that the Commission considers PPDA an important stakeholder and is committed in ensuring open markets and a competitive economy.

The session concluded with a dynamic question-and-answer segment, where PPDA members raised pertinent queries regarding regulations in the lubricant and oil markets. The Commission officials addressed these questions comprehensively.

## Session with QAU Law Students

# Market Fairness: Prerequisite for Economic Growth

November, 2024

The Commission, in collaboration with the Directorate of Legal Education (DLE), organized an interactive session at the School of Law, Quaid-e-Azam University. The main focus of the session was to enhance understanding of Competition Law among students and legal professionals.

Ms. Bushra Naz Malik, Member Commission,

emphasized the Commission's principles of transparency, integrity and independence. She urged students to incorporate these values into their careers. She highlighted the critical role of Competition Law in fostering economic growth, stating that fair market practices significantly contribute to Pakistan's GDP and overall economic health. Director DLE, Mr. Usama Malik, praised the session as

a valuable learning opportunity, stressing the importance of Competition Law in ensuring balanced and equitable economic practices. Additionally, Mr. Hasan Raza Pasha, Member Executive of the Pakistan Bar Council, discussed the detrimental impact of market manipulation by cartels and intermediaries on consumers and underscored Commission's role in curbing such practices.

Dr. Hafiz Aziz ur Rehman, Director of the School of Law, expressed appreciation for the initiative and recommended future sessions tailored to deepen students' understanding of market dynamics. Senior Commission officials, Mr. Ahmed Qadir and Ms. Ayesha Nayab shared real-life case studies and insights into the enforcement mechanisms of competition law.



▲ CCP Member Ms. Bushra Naz Malik delivers a keynote address at an interactive session at the School of Law, Quaid-e-Azam University, Islamabad.

## Session with Students and Faculty Members of NBS

# Recognizing the Importance of Competition Law

November, 2024

An awareness session on Pakistan's Competition Law for the students and faculty members of NUST Business School (NBS) was held at Islamabad. The session was organized to educate participants on the core components of Competition Law and the crucial role of Competition Law in ensuring fair competition within Pakistan's economy.

The Commission delegation comprising Ms. Bushra Naz Malik, Member, Mr. Ahmed Qadir, DG, Mr. Shahzad Hussain, DG, and Mr. Raja Taimur Hassan, DD was welcomed by the NBS faculty.

In her opening remarks, Ms. Bushra Naz Malik said that engagement with academia is integral to advocacy outreach of Commission, as we recognize the importance of imparting knowledge about Competition Law and its implications among all stakeholders including academia. She said that such awareness sessions are crucial in equipping future business leaders and professionals with understanding of Pakistan's Competition Law.

"Understanding and adhering to the core



▲ CCP Member Ms. Bushra Naz Malik and other senior officials at an awareness session held for students and faculty members of NUST Business School, Islamabad.

aspects of Competition Law are crucial for fostering a marketplace that thrives on fair competition, innovation, and consumer welfare," she said while emphasizing the vital role of Competition Law in ensuring a level playing field in the economy.

Mr. Ahmed Qadir, DG, delivered an insightful presentation on the core aspects of competition law, including its historical context and role in advancing Pakistan's economy. Participants actively engaged

during the Q&A session, posing questions on Commission's enforcement actions, particularly in the context of cartelization in the economy.

Towards the end, Dr. Naukhez Sarwar, Principal, NBS, Ms. Fizza Khan, Program Head (BS Accounting & Finance), and other faculty members thanked Commission's delegation for a memorable and learning session.



## Seminar with Members of ICMA Pakistan

# Cost Audits & Pricing Frameworks

December, 2024

The Institute of Cost and Management Accountants of Pakistan (ICMA Pakistan), in collaboration with the Commission, organized a seminar titled "Competitive Landscape in Pakistan" on Friday, December 6, 2024, at the ICMA Pakistan Campus in Islamabad.

The event was attended by corporate finance leaders, costing and cost audit experts, CFOs, legal practitioners, representatives from regulatory bodies, and members of the general public.

The seminar aimed at raising awareness about competition law in Pakistan. Commission Chairman Dr. Kabir Ahmed Sidhu, along with his team comprising Ahmed Qadir, Dr. Ikram-ul-Haq, Barrister Ambreen Abbassi, Maryum Pervaiz, Hafiz Naeem, Salman Zafar, Faiz-ur-Rehman, and Noman Ahmed, provided insights into the Commission's role in curbing abusive trade practices, prohibited agreements, deceptive marketing, mergers and acquisitions, cartelization, and promoting competition advocacy.

Chairman of ICMA Pakistan's Islamabad Branch Council (IBC), Mr. Muhammad Imran, FCMA, highlighted ICMA Pakistan's efforts in fostering a competitive market environment

that benefits both consumers and businesses. He emphasized the significance of cost audits and pricing frameworks developed in collaboration with the Commission.

Speakers from ICMA Pakistan, including Rizwan Arshad, Haider Abbass, and Muhammad Rizwan, also shared their perspectives on the importance of competition in enhancing economic efficiency.

ICMA Pakistan President Shehzad Ahmed Malik presented shields to the speakers and panelists as a token of appreciation.

The audience showed keen interest in the presentations, and the event concluded with a dynamic Q&A session.



*The cost audits and pricing frameworks developed in collaboration with the Commission proved to be a major step towards fostering a competitive market environment that benefits both consumers and businesses.*

## Session with Students of School of Business, LUMS

# Fostering a Competitive Business Environment

December, 2024

On the request of School of Business, LUMS, an online guest lecture on Competition Law was delivered by Mr. Ahmed Qadir, Director General, to MS students of marketing class. The session was aimed at enlightening future business leaders and marketing professional about the fundamental principles of Competition Law and its significance in fostering a competitive business environment.

The session covered essential aspects of Competition Law, including but not limited to Abuse of Dominance, Prohibited Agreements, Exemption Criteria, Deceptive Marketing Practices, and Mergers & Acquisitions approval process.

By providing insights into these critical areas, the session's objective was to equip students with the knowledge and understanding necessary to navigate the complexities of Competition Law and contribute to promote fair competition in Pakistan's business landscape.



Chairman CCP Dr. Kabir Ahmed Sidhu addresses a seminar titled "Competitive Landscape in Pakistan" organized by ICMA International Islamabad Campus.



## CCP Assessment Study on Power Sector

# Key Findings and Implementation of CTBCM Model

December, 2024

The dissemination session was organized at the Commission's head office to present key findings and actionable recommendations from its recently published Competition Assessment Study on the Power Sector. The session, led by Commission Members Mr. Saeed Ahmad Nawaz, Mr. Salman Amin and Ms. Bushra Naz Malik, focused on the study's insights and discussed the next steps for improving competition within the sector.

The session was specifically designed to elaborate on the regulatory framework, market structure and barriers to competition while offering strategic recommendations to promote a more competitive environment in the power sector. Among the key recommendations discussed was the implementation of the Competitive Trading Bilateral Contract Market (CTBCM) model. This model enables power generation and distribution companies to establish direct contracts for electricity sales, marking a significant step toward introducing retail competition in Pakistan's electricity market.

Senior officials from the Ministry of Energy (Power Division), National Electric Power Regulatory Authority (NEPRA), Privatization Commission, Pakistan Nuclear Regulatory Authority (PNRA), Pakhtunkhwa Energy Development Organization (PEDO), Peshawar Electric Supply Company (PESCO),

Lahore Electric Supply Company (LESCO), Islamabad Electric Supply Company (IESCO), Faisalabad Electric Supply Company (FESCO), Gujranwala Electric Power Company Limited (GEPCO), Punjab Power Development Board, and the Energy & Power Department KPK attended the session. Mr. Saeed Ahmad Nawaz, Member Commission, highlighted the inefficiencies of state monopolies, a global issue that often leads to a lack of transparency and accountability. He emphasized the need for corporate governance to address these inefficiencies. Drawing comparisons with the telecommunications and banking sectors, he noted how competition has provided consumers with more choices and reduced government control. He stressed that decentralization is a key to fostering efficiency and attracting foreign investment.

Ms. Kishwar Khan (Director General) and Mr. Samiullah Jan Afridi (Assistant Director) delivered an in-depth presentation on the Competition Assessment Study, outlining its methodology, key findings and actionable recommendations.

The session saw active participation from stakeholders, with numerous questions and valuable comments, all of which were addressed by Commission officials.



Senior CCP officials along with the participants of a dissemination session organized at the Commission's head office to present key findings and actionable recommendations from its recently published Competition Assessment Study on the Power Sector.

## CCP, PPRA Team Up to Monitor Rigging in Public Procurements via e-PADS

December, 2024

The Commission and the Public Procurement Regulatory Authority (PPRA) have signed an addendum to their existing Memorandum of Understanding (MoU) to enhance cooperation in sharing and exchanging information, specifically related to the E-Pak Acquisition & Disposal System (e-PADS).

This collaboration will enable both regulators to monitor and prevent collusive practices and rigging in public procurements via the e-PADS platform. e-PADS, the government of Pakistan's e-procurement system, is administered by PPRA for procurements across all federal government departments and institutions.

The MoU was signed by Dr. Kabir Ahmed Sidhu, Chairman of Commission, and Mr. Hasnat Ahmed Qureshi, Managing Director of PPRA, during a ceremony held at the Commission Head Office.

The event was attended by Mr. Salman Amin, Member of Commission, Mr. Shahzad Hussain, DG, Mr. Sheikh Afzaal Raza, Project Director (e-PADS), and other senior officers from both PPRA and Commission.

PPRA introduced e-PADS mainly to address inefficiencies and ensuring transparency in public procurements. It is now mandatory for all federal public sector organizations

to process their procurements through this system.

Under Section 4(e) of the Competition Act, 2010, the Commission is mandated to take action against collusive tendering or bidding in the procurement of goods or services.

Through this collaboration, PPRA will share e-PADS data with Commission to detect and prevent suspicious collusive practices, helping to combat anti-competitive practices and ensure fairness in public procurement.

Dr. Kabir Ahmed Sidhu, Chairman, emphasized that this collaboration is a significant step towards ensuring transparency and fairness in public procurements. The data-sharing initiative will allow for the swift detection and prevention of collusive practices, ensuring that public resources are used effectively.

Mr. Hasnat Ahmed Qureshi, Managing Director of PPRA, stated that by successfully implementing e-PADS, PPRA is enhancing efficiency and accountability in the procurement process.

## STC Officers Visit CCP to Fathom Market Dynamics

December, 2024

A delegation of thirteen officers from the 2nd Specialized Training Course (STC) of the Pakistan Administrative Services (PAS) visited the Commission to understand its administrative and structural role, operations and functions in relation to the markets and broader economy.

The visit, which forms a pivotal component of the STC curriculum, underscores the importance of understanding the administrative and economic dynamics across various regions of the country. The session was designed to provide participants with a comprehensive understanding of the administrative structure and working paradigms of the Commission. Ms. Kishwar Khan, Director General, and Mr. Shahzad Hussain, Registrar, also attended the session. Mr. Fahd Gauhar, Joint Director, gave a detailed presentations covering the statutory mandate and main pillars of the Act.

Muhammad Bilal Akram, Additional Director, Civil Service Academy, expressed his gratitude for the valuable opportunity to engage with the Commission's senior officials and gain insights from their experience.

The event concluded with a Q&A session, offering participants a clearer understanding of the law.



▲ Probationary officers of 52nd Common Training Program from Civil Service Academy attends an interactive session on the CCP's role, functions, and important aspects of Competition Act, 2010 at Commission's Head Office.

▲ Dr. Kabir Ahmed Sidhu, Chairman CCP and Mr. Hasnat Ahmed Qureshi, Managing Director of PPRA sign an MoU during a ceremony held at the Commission's Head Office.



## Conference of the Parties (COP29)

# Green Competition in Pakistan

Kishwar Khan

The UN's COPs face the following challenges to address the climate change issues:

- **Influence of Major Emitters:** Highest emitters of greenhouse gases dominate COP29 negotiations with economic and political pressures that hinder stronger climate action.
- **Gaps in Commitments vs. pledges:** Developing countries lack sufficient financial support to address climate adaptations and mitigation.
- **Market-based Solutions:** COP29's focus on market-driven solutions like carbon trading allows polluters to 'buy' their way out of real climate action.
- **Slow Progress:** Despite the pressing threat of rising sea levels and climate disasters, COP's slow pace fails to reflect the urgency of the situation.

Therefore, the badly hit countries like Pakistan have to find alternate ways to address climate change e.g. "green competition". Accordingly, the companies focus on eco-friendly production to reduce pollution, and tap into green markets. Also, the competition agencies are incorporating sustainable development into competition law. For Pakistan, it is crucial to examine the relationship between competition and the environment at national, industrial-region, and industry levels. The article aims to explore as to how the Commission can promote greener practices within the country's competitive landscape.

**1. At the National Level:** Pakistan contributes only 0.8% of the global greenhouse gas emissions (2021), much lower compared to emitters like China, US and India. Still as per the Global Climate Risk Index, Pakistan is a major victim of global climate change, floods and heatwaves.

**2. At the Industrial-region Level:** The analysis conducted here for long-term linkage between environment and industrial activity covers four industrial cities - Lahore, Multan, Faisalabad and Sialkot, which form a single atmospheric region. The impact on climate, caused by atmospheric pollutants has been explored using NASA's earth data. Here Sulfur Dioxide (SO<sub>2</sub>) and Surface Mass Concentration (SMC) (kg/m<sup>3</sup>) has been analyzed from 1980 to 2020. The analysis include inter-annual trends on a monthly and seasonal basis, time series analysis, and histogram frequency distribution. These parameters were correlated with average 2-meter air temperature, surface soil wetness, and total surface precipitation using linear regression at 95% confidence level.

The graphical results provide understanding about the environmental quality. The SO<sub>2</sub> analysis shows an inverse relationship between SO<sub>2</sub>, SMC and rainfall. According to the results, SO<sub>2</sub> concentration was less in the decade of 1980-1990. It increased in 1991-2000 and attained a peak in 2001-2010. It started decreasing during 2011-2020, though remained higher than 1980-90. It may be as the industrial growth also increased in 2001-2010 in Pakistan, adding more SO<sub>2</sub> concentration into the atmosphere. The industrialization decreased during 2011-2020, and so did the SO<sub>2</sub> concentration. The annual time series of SO<sub>2</sub> SMC validates these results. The frequency distribution shows the continuous prevalence of SO<sub>2</sub> concentration. The histogram has right-skewed distribution showing the prevalence of SO<sub>2</sub> in the range of 0.1-0.4 for SO<sub>2</sub> kg/m<sup>3</sup>. Its frequency limit shows it in the range of reducing the environmental quality.



**COP29**  
Baku  
Azerbaijan

UN CLIMATE CHANGE CONFERENCE

**3. At the Industry Level:** The vulnerabilities from most polluting industries in the region are:

**Textiles Industry:** The boilers, thermopacs and diesel generators release air pollutants e.g. suspended particulate matter, sulphur dioxide, oxide of nitrogen gas, metal sulphate, and exhaust gases from poly-condensation, melt spinning process and fluff generation during spinning and weaving. During steam generation process carbon, carbon dioxide, carbon-monoxide and sulphur are produced, causing air pollution. The daily usage of water in the textile industry is in millions of gallons. The inadequately treated water contains polybrominated diphenyl ethers, phthalates, organochlorines, lead and other chemicals. The discharge of untreated industrial effluents is alleged to be a reason for river Ravi's pollution.

**Leather Tanning Industry:** Majority of tanneries are situated in our studied region, in the cities of Kasur, Sialkot, Lahore and Faisalabad. The tannery pollutants include sodium, magnesium, chlorine, sulphates, chromium, azodyes, cadmium, cobalt, copper, antimony, barium, lead, selenium, mercury, zinc, arsenic, polychlorinated biphenyls,

nickel, formaldehydes and resins, which are discharged into the environment. The waste discharged from tanneries pollutes air, soil and water, causing serious sanitary and phytosanitary threats.

#### 4. Key Strategies for Commission to Green the Competition Agenda may include:

- Learning from the leaders: The EU, UK and Austria have taken lead in covering environment in competition frameworks.
- 'Exemptions' to collaborative efforts focusing green production e.g. R&D partnerships, technology sharing and joint ventures.
- Assessing mergers and acquisitions for competition and also for clean technologies.
- Preventing Greenwashing i.e., false or misleading environmental claims in marketing.
- Collaboration between stakeholders e.g. M/o Climate Change, Environmental Protection Agency, businesses and NGOs for integrated competition and climate strategies.

#### 5. Conclusion:

- International level playing field based on 'green competition' considering climatic impact beyond borders, carbon taxes and duties on non-environment-friendly goods.
- Green competition encourages businesses to adopt eco-friendly practices while competing by reducing carbon footprint and minimize waste.
- Greening competition in Pakistan by Commission involves integrating environmental sustainability into the competition law framework.

*The writer is Director General (Research) at Competition Commission of Pakistan.*

CARTELS ROB YOU OF FAIR PRICES

# Raise Your Voice

## Cartelization is a Serious Violation of Competition Law

When businesses secretly collude instead of competing fairly—by controlling supply, fixing prices, rigging bids, or dividing markets—they exploit consumers and harm the national economy.

With such practices, Pakistani products will never improve in quality to compete in international markets.

**If you know any such activity in your own organization or elsewhere, report it to the Competition Commission of Pakistan.**

- **Confidential Reporting:** Your identity will be kept strictly confidential.
- **Cash Rewards:** If your information is material, correct and verifiable, you may be eligible for a reward ranging from PKR 200,000 to PKR 2,000,000 (in terms of Competition (Reward Payment to Informants) Regulations, 2014). For details visit our website [www.cc.gov.pk](http://www.cc.gov.pk).
- **National Responsibility:** By exposing cartelization, you help protect consumers from price manipulation and lower quality products, and support a fair & competitive marketplace.

Inform us on  
WhatsApp No:

**0304-0875255**

and you may earn a potential reward for your efforts.

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برابری، سب کے لیے



**Competition Commission of Pakistan**

Creating a level playing field