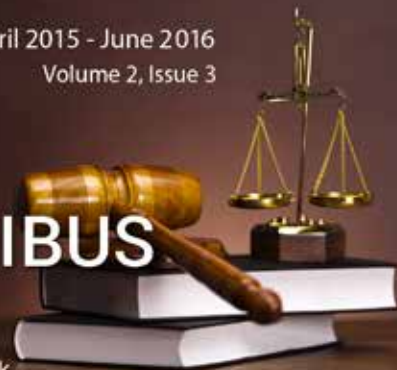


Competition Commission of Pakistan
Creating a level playing field

CC "all other things being equal" ETERIS PARIBUS

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Enforcement and Advocacy: Two Pronged Approach

The Commission's enforcement philosophy is based on a two-pronged approach: to exercise its enforcement powers to correct the anti-competitive conducts; and to advocate the Competition Law to improve voluntary compliance. While enforcement is the hardcore function, advocacy is the softer tool that helps create awareness and eventually leads to a culture of competition.

The Commission is focused on enforcement of the law, organizational

restructuring, capacity building of the employees, and a proactive approach to advocacy. Since January 2015, a cumulative penalty of around PKR 270 Million has been imposed on undertakings for violations of § 3 & 4 of the Competition Act, 2010, regarding abuse of dominance and prohibited agreements respectively; five inquiries have been completed in the sectors having direct and significant impact on consumers; and 21 Show Cause Notices have been issued. The Commission's Office of Fair Trade (OFT), that keeps a watch on deceptive marketing practices, completed eight inquiries against companies involved in violation of the law. A total penalty of PKR 22.25 Million was imposed on the companies for violation of § 10 of the Competition Act. On the advocacy front, the Commission embarked on a National 'Road Show' on Competition Law under the theme, "Competition Caravan". Different teams of officers led by the Chairperson, and Members visited 22 cities and held 40 interactive sessions at the chambers of Commerce and Industries, and trade associations. The initiative was welcomed by the business community and further collaboration has steered the advocacy agenda for 2016-17.

An awareness drive on the Merger regime under the Competition Act was also launched after the Road Show. Seminars were held in Islamabad, Lahore and

Karachi in which the participants, mainly from the legal fraternity, were briefed on the Merger Review process and an online merger application filing system developed by the Commission to facilitate online merger filing.

Institutional capacity building remained yet another area of focus during this period. The aim of the trainings/workshops was to build capacity of CCP's professional staff in the key enforcement areas i.e. investigating cartel agreements, abuse of dominance, merger review, deceptive marketing and to enable them to learn from international best practices. Different trainings were conducted with the collaboration of the World Bank, Commercial Law Development Program (CLDP), Department of Commerce, Washington DC, Organization of Islamic Countries' Statistical, Economic and Social Research & Training Centre (SESERIC), Turkish Competition Authority, and Trade Related Technical Assistance (TRTA) – II Program.

The Commission accords special importance to keep a professional rapport with the sector regulators and other public sector organizations. A Memorandum of Understanding was signed with the Securities and Exchange Commission of Pakistan for information sharing. While MoUs with other regulatory bodies shall also be signed.

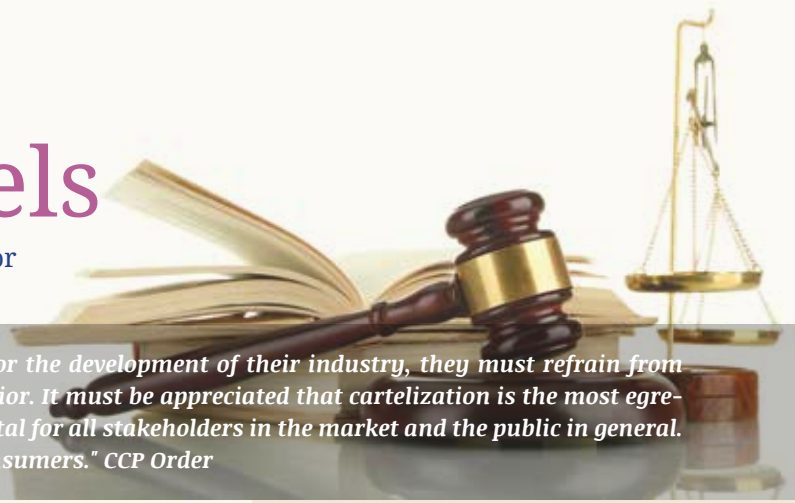
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Tackling Cartels

PKR 270 Million Fine Imposed on Undertakings for Violation of Section 4 of the Competition Act

"While trade associations can play a crucial role for the development of their industry, they must refrain from collusion\cartelization and other anti-competitive behavior. It must be appreciated that cartelization is the most egregious form of anti-competitive behavior, and is detrimental for all stakeholders in the market and the public in general. Cartelization drives up prices and reduces choices for consumers." CCP Order



PKR 30 Million Fine Imposed on Pakistan Engineering Council

26th April, 2016

The Commission imposed a fine of PKR 30 Million on Pakistan Engineering Council (PEC) for restricting competition in the market for insurance coverage of public civil works, in violation of § 4 of the Competition Act.

The Order was passed by a bench comprising Vadiyya Khalil, Chairperson, Dr. Shahzad Ansar, Member Office of Fair Trade & Advocacy, and Ikram UI Haque Qureshi, Member Cartels & Trade Abuses, and Legal.

An inquiry conducted by the Commission found that PEC had included provisions in its standard bidding documents, which implied restrictive trading conditions on insurance companies. Furthermore, the requirement was only applicable to insurance companies and not to banks thus constituted the application of dissimilar trading conditions to equivalent transactions, which is a violation of § 4(1) of the Competition Act.

In view of the two violations, CCP, while imposing a penalty on PEC, further directed it to address the competition concerns by amending the standard bidding documents.

PKR 100 Million Fine Imposed on Pakistan Poultry Association

2nd March, 2016

In yet another instance of cartelization, the Commission imposed a penalty of PKR 100 Million on the Pakistan Poultry Association (PPA) for violation of § 4 of the Competition Act, for fixing the prices of poultry products.

The Order was passed by a bench comprising Vadiyya Khalil, Chairperson, Dr. Shahzad Ansar, Member Office of Fair Trade & Advocacy, and Ikram UI Haque Qureshi, Member Cartels & Trade Abuses, and Legal.

“ PPA can through such advertisements, influence the pricing trend in the overall markets. ”

The Order was passed after the Commission took notice of a series of advertisements published in various daily newspapers by PPA regarding prices of live broiler chicken, broiler chicken meat, and chicken eggs from 6th-12th October, 2015.

The bench found that by notifying the prices of poultry products under the banner of the association, PPA had taken an anti-competitive decision in violation of § 4 of the Competition Act. It further stated that PPA's actions had the potential of influencing pricing trends in the market and manipulating the behavior of market players.

PKR 140 Million Fine Imposed on PAMADA

14th April, 2015

The Commission imposed PKR 140 Million fine on the Pakistan Automobile Manufacturers Authorized Dealers Association (PAMADA) for cartelization in the three relevant markets of body repairs and paint jobs, genuine automobile spare parts, and trained and experienced sales and technical staff.

The Commission's bench that passed the Order comprised of Vadiyya Khalil, the Chairperson, Dr. Shahzad Ansar, Member OFT and Advocacy, Mueen Batlay, Member Mergers & Acquisitions, and Ikram UI Haque Qureshi, Member Cartels & Trade Abuses and Legal.

After an inquiry conducted by the Commission against PAMADA for, prima facie, cartelization, Show Cause Notices were issued to the association and its members for violation of the § 4 of the Competition Act.

The Bench imposed PKR 100 Million on the association for fixing the rates of automobile body repairs and paint jobs, PKR 25 Million for prohibiting a group of its members relating to one automobile manufacturer from giving a discount on spare parts to consumers, and PKR 15 Million for curtailing the movement of experienced and trained staff between automobile dealers.

Ensuring Competition in Public Procurement of Bulldozers

21st January, 2016

The Commission received a complaint from an international supplier of bulldozers, regarding restrictive clauses in a tender floated by the Agricultural Engineering Department Balochistan, for the procurement of bulldozers. Under the technical specifications issued by the department in the bidding documents, only equipments from USA, UK, EU and Japan were eligible for participation. This limitation restricted some other international bidders including Chinese equipment manufacturers that were some of the biggest bulldozer manufacturers in the world, from the bidding process.

These pre-requisites in the tender documents appeared to hinder a level-playing field among various suppliers of bulldozers by ostensibly foreclosing the market to open competition. In light of its mandate, the Commission shared its concerns with the A&E Department and other relevant authorities that the inclusion of such restrictive clauses may have impli-

cations on competition in the market. In response, the A&E Department acknowledged the competition concerns and resolved the matter by amending the bidding document and re-floating the tender with the omission of country of origin.

Compliance by the A&E Department resulted in the provision of a level playing field to all the suppliers of bulldozers in Pakistan. The wider possible competition leads to more choices, higher value for money, and since public funds are involved, savings to the exchequer, encouragement for innovation in technology by eliminating discrimination against newer entrants in favour of the incumbents.

The Commission appreciated the prompt response and diligent efforts by the A&E Department to promote competition in the market for public procurement of bulldozers in Balochistan.



It is estimated that public procurement comprise 15-25% of the Gross Domestic Product in Pakistan. Such a large volume of procurement demands strict measures against anti-competitive practices in order to ensure that public money is used in an efficient, effective and economically advantageous manner. This objective can only be achieved by ensuring free competition, a level playing field and maximum possible participation of bidders. For efficient procurement it is essential that new entry is encouraged, barriers to entry are minimized for local manufacturers/suppliers, and international participation is not restricted by means of impractical pre-requisites for participation. Efficient procurement leads to a healthy economy through best utilization of public funds, growth of local industry and creation of means of employment.

“Call for Information” Order Issued to Transport Companies

21st April, 2015

Under § 36 of the Competition Act, the Commission can pass special Order to any undertaking to furnish information concerning its activities relating to the organization, accounts, business, trade practices, management and connection with any other undertaking. For non-compliance of its Order, the Commission can impose a penalties on the undertakings.

The international oil prices fell sharply during June-December, 2014 and in response, the Government of Pakistan also reduced the prices of petroleum products proportionately. The decline in oil prices should have reflected in the prices of goods and services, but the

federal government showed concerns that the prices were instead rising.

The Commission started an inquiry to determine why the global decrease in petroleum prices did not reflect in the price of transportation of people and goods. The purpose of the inquiry was to investigate the possible anti-competitive activities in the inter-city bus commute service. The Commission sought necessary information from the major transport companies, who failed to provide information.

Exercising its powers under § 36 of the Competition Act, the Commission issued three ‘call for information’ Orders

to Daewoo Pakistan Express Bus Service Limited, Niazi Express, and Kohistan Bus Service.

The companies were ordered to provide information within ten days, regarding pricing trends of all categories of buses, on all major routes, over the last three years. The companies were also informed about the penalty of up to PKR 1 Million in case of non-compliance under § 38 of the Competition Act, and a further penalty of up to PKR 1 Million for every day if the non-compliance continues beyond the prescribed deadline.



Prohibiting Abuse of Dominance

§3 of the Act prohibits the abuse of a dominant position through any practice that prevents, restricts, reduces, or distorts competition in the relevant market. These practices include, but are not limited to; reducing production or sales, unreasonable price increases, charging different prices to different customers without objective justifications; tie-ins that make the sale of goods or services conditional on the purchase of other goods or services, predatory pricing, refusing to deal, and boycotting or excluding any other undertaking from producing, distributing or selling goods, or providing any service.

Show Cause Notice Served on Nestlé for, prima facie, Abuse of Dominant Position 4th June, 2015

The Commission conducted an inquiry against Nestlé Pakistan Limited for, prima facie, unreasonably raising the prices of its infant and baby food products, Lactogen and Cerelac. The inquiry suggested that the practice was a, prima facie, violation of § 3 of the Competition Act, that prohibits dominant undertakings from abusing their positions in the relevant market.

The inquiry report identified two relevant markets; one for domestically produced infant formula & follow-on milk, and the other for domestically-produced packaged cereal-based baby products. Nestlé was a dominant undertaking in both markets with its Lactogen and

Cerelac products. The inquiry report found that Nestlé increased the prices of Lactogen and Cerelac by 38% and 32%, respectively over two years, which neither was in response to any increase in costs nor was based on any justifiable business reasons.

to Nestlé and the company was asked to respond to the Show Cause Notice in writing within fourteen days.



The report concluded that by unreasonably raising the prices of its products, Nestlé, prima facie, abused its dominant position in the market thus violating the Competition Law.

This matter was particularly significant as the products were for infants between the ages of 0-24 months and parents were significantly affected by price fluctuations. A Show Cause Notice was issued



Inquiry into Alleged Exorbitant Increase in Airfares by Private Carriers

22nd February, 2016

The Commission took notice of concerns raised on media and other forums regarding the, prima facie, exorbitant raise in air fares by the private flight operators, Airblue and Shaheen Air, during the suspension of Pakistan International Airlines (PIA) flight operations from October 1-7, 2015 and February 2-9, 2016. The Commission issued a special Order, under § 36 of the Competition Act, seeking information from the CEOs of Private Airlines, and issued a press release asking consumers

of July when demand was at its highest, with the maximum fares charged during the period under review, the Inquiry Committee observed that the fares during the period under investigation were lower than those charged during the peak season.

The analysis of the data concluded that, on the routes examined by the inquiry committee, the increase in airfares was not as exorbitant as was alleged but



to provide evidence of tickets purchased at exorbitantly high rates.

The inquiry committee analyzed airfares on the major domestic routes and the airfares charged during suspension of PIA flight operations were compared with airfares charged under normal market conditions. It was found that on average, a change in the air fares of Airblue when compared with the preceding month ranged from PKR 159 to a maximum of PKR 2,766. The maximum increase of PKR 2,766 could be attributed to the operation of two special flights between Karachi and Islamabad in the period of 2-4 February. Fares on this flight were higher due to special arrangements made (arrangement of aircraft, crew, fuel etc.) and last minute bookings to facilitate customers of PIA. For Shaheen the change in average airfares when compared with the preceding month ranged from a fall of PKR 320 to a maximum increase of PKR 1,933.

While comparing the fares charged during annual peak season, in the month

was merely due to an increase in demand and the normal operation of the Revenue Management System; whereby last minute bookings are charged a higher rate. The inquiry committee did not receive any evidence from consumers to substantiate a three-fold increase, therefore, after a thorough analysis of facts and data, the committee concluded that no prima facie violation of § 3 (Abuse of dominant position) of the Competition Act, was made out. After reviewing the Inquiry Report, the Commission decided to conduct a comprehensive competition assessment study on the aviation sector to analyze entry barriers, regulatory measures and the possible policy level competition issues in pricing of airfares.

“The increase in airfares was not as exorbitant as was alleged but was merely due to an increase in demand”

Country-Wide Probe into Private Schools' Fee Increase

19th August, 2015

The Commission initiated a probe into possible anti-competitive behavior of private schools behind the sharp increase in fees at the start of the academic year of 2015. The probe was initiated after concerns were raised by the general public, particularly the parents, that almost every year, the private schools increased fees exorbitantly without any justification with no corresponding raise in the quality of education.

The probe looked into the matter in light of § 3 and § 4 of the Competition Act. In the first phase of the investigation, crucial information regarding the entities involved in the schooling business was gathered following which information pertaining to fee increases during the last three years was called from various private schools. Through the investigation, the Commission aimed to determine whether there were any anti-competitive activities i.e. cartelization and abuse of dominance, behind the fee raised by private schools all over the country.





Curtailing Deceptive Marketing

PKR 22.25 Million Fines Imposed on Companies for violating § 10 of the Competition Act 2010

PKR 20 Million Fine Imposed on Dawn Foods for Deceptive Marketing Practices

15th February, 2016

The Commission issued an Order imposing a fine of PKR 20 Million on A. Rahim Foods (Private) Limited (Dawn Foods) for violating § 10 of the Competition Act by copying the product packaging and labeling of K&N's Foods (Private) Limited (K&N's) frozen and/or processed meat products.

“

When copycat is deployed for a particular commodity, prices become the main sometimes only criterion which affects a consumer's choice of purchase

”

The Order was passed by a bench comprising Vadiyya Khalil, Chairperson, Dr. Shahzad Ansar, Member Office of Fair Trade & Advocacy, and Ikram Ul Haque Qureshi, Member Cartels & Trade Abuses, and Legal. An inquiry conducted by the Commission on a complaint filed by K&N's revealed that Dawn Foods had resorted to 'parasitic copying' or 'copycat packaging' of K&N's products, which could deceive consumers.

Besides imposing a penalty of PKR 20 Million on Dawn Foods, the Commission gave one month to the company to stop the use of the contentious copycat packaging.

PKR 1.25 Million Fine Imposed on Reckitt Benckiser Pakistan

12th August, 2015

The Commission imposed a fine of PKR 1.25 Million on Reckitt Benckiser Pakistan Limited for running a deceptive television commercial for its household cleaning product, 'Dettol Surface Cleaner' that was misleading consumers and harming the business interests of Reckitt's competitors.

The Commission conducted an inquiry after taking notice of a televised marketing campaign for 'Dettol Surface Cleaner' in which the company made four distinct claims i.e. 'Phenyl is highly ineffective against germs'; 'Only Dettol Surface Cleaner can kill more germs than Phenyl'; 'Dettol Surface Cleaner can kill 99.9% of germs'; and 'Dettol Surface Cleaner can kill germs 10 times more than Phenyl'.

The Order specified that these claims constituted five distinct violations of § 10 of the Competition Act. However, in view of the commitments made by M/s Reckitt Benckiser Pakistan Limited to rectify three of its claims, the Commission took a lenient view and imposed a token penalty of PKR 250,000 for each violation. The company was also directed to pick a suitable alternative to the fourth claim of 'Kills 99.9% of Germs' within thirty days and file a compliance report with the Commission.

PKR 1 Million Penalty Imposed on Tara Crop Sciences Pvt. Ltd

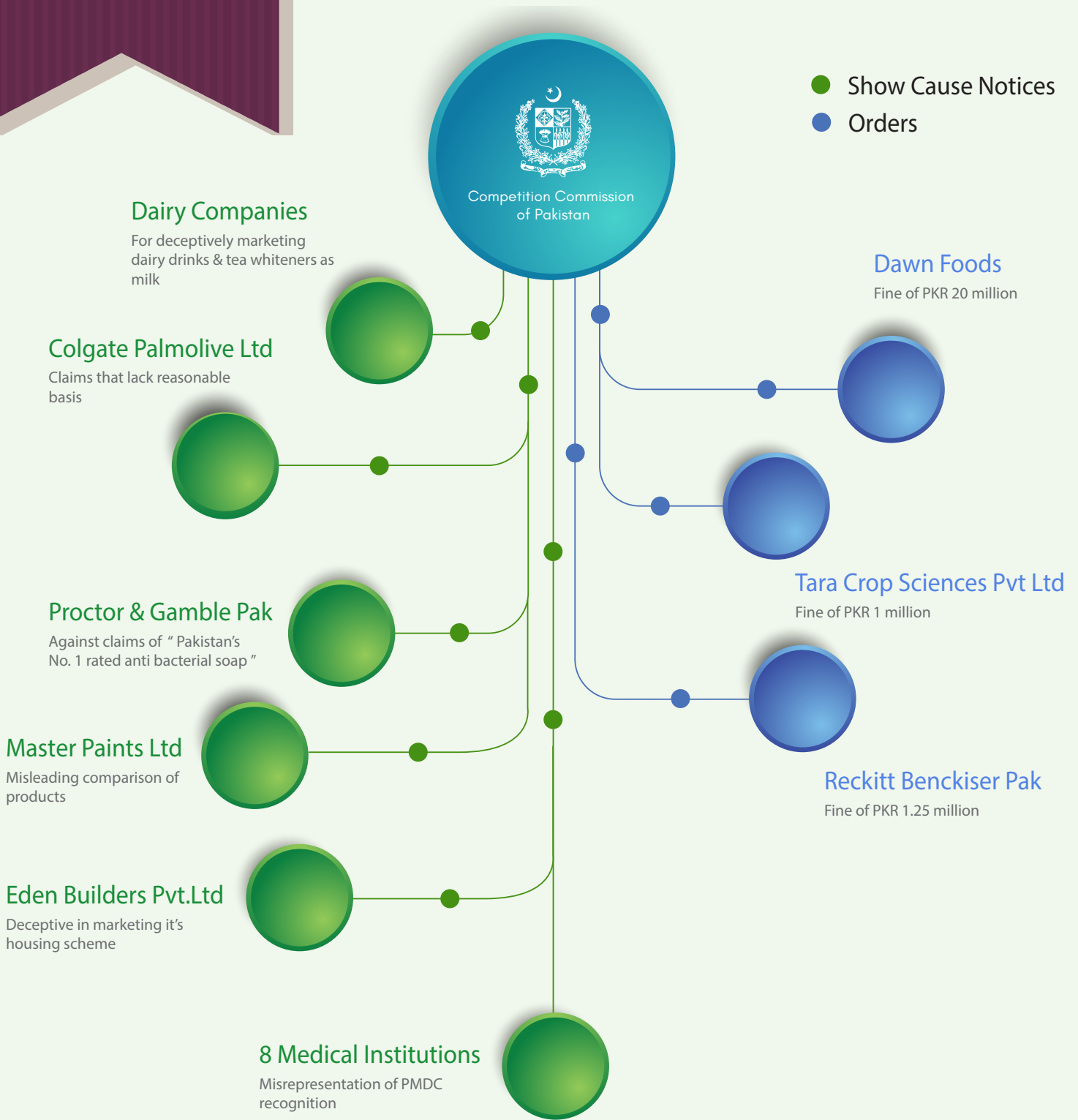
22nd June, 2015

The Commission imposed a penalty of PKR 1 million on Tara Crop Sciences (Private) Limited for deceptive marketing practices in violation of § 10 of the Competition Act. The Order was issued by a bench comprising Vadiyya Khalil, Chairperson, Dr. Shahzad Ansar, Member OFT and Advocacy, and Ikram Ul Haque Qureshi, Member Cartels & Trade Abuses, and Legal.

The Commission received a complaint from Agritech Limited alleging that its brand 'Tara' was being used fraudulently and illegally by Tara Crop Sciences to market its products and business. An inquiry conducted by the Commission found Tara Crop Sciences Private Limited, had violated § 10 of the Competition Act.

Besides imposing the penalty, the Order required Tara Crop Sciences Private Limited to stop using of the term 'Tara' in its franchise network named 'Tara Zarai Markaz'. The company was also directed to rename its franchise network to make it clear that its business had no connection with M/s Agritech Limited's brand or products, and to file a compliance report with the Commission within a period of thirty (30) days from the date of issuance of the Order.

Actions Under § 10





One of the CCP's core enforcement areas is to curb Deceptive Marketing Practices Under § 10 of the Competition Act. The Office of Fair Trade (OFT) of CCP is entrusted with the responsibility of detecting and investigating the cases of deceptive marketing practices by individuals, firms and associations.

Show Cause Notice Issued to Eden Builders Pvt (Ltd.) for Deceptive Marketing Practices

26th May, 2016

The Commission conducted an inquiry and issued a Show Cause Notice to Eden Builders (Pvt) Limited for, prima facie, deceptive marketing practices in marketing its housing scheme, 'Eden Life Islamabad', in violation of § 10 of the Competition Act.

The Commission took suo moto notice of the advertisements in print and electronic media claiming that 'Eden Life Islamabad,' was duly approved by the Capital Development Authority (CDA), and it was located at a drive of 12 minutes from the Serena Hotel Islamabad and 05 minutes from the CDA Enclave and Chak Shehzad. The advertisements also indicated the price of the various sized plots, but there was no clear mention of the development charges to be recovered later.

The inquiry concluded that Eden Builders (Pvt) Limited had no supporting evidence to substantiate the above claims, thus resorting to deceptive marketing practices.

Action Against Companies for Marketing Dairy Drinks & Tea Whiteners as Milk

18th April, 2016

The Commission issued Show Cause Notices to M/s Shakarganj Foods Products Limited, M/s Haleeb Foods Limited, M/s Noon Pakistan Limited and M/s Engro Foods Limited for advertising dairy drinks & tea whiteners as milk, thus deceiving consumers in, prima facie, violation of § 10 of the Competition Act.

The Commission conducted an inquiry into the matter and found the companies to be involved in distributing false and misleading information, which was capable of deceiving the consumers as well as harming the business interest of their competitors.

The inquiry report recommended to issue Show Cause Notice to Shakarganj Foods Products Limited for its product 'Qudrat' (liquid tea whitener), Haleeb Foods Limited for its product 'All Max' (dairy drink) and 'Dairy Queen' (liquid tea whitener), Noon Pakistan Limited for its product 'Dairy Rozana' (dairy drink) and Engro Foods Limited for its product 'Dairy Omung' (dairy drink), for the, prima facie, violation of § 10 of the Competition Act.

Deceptive marketing practices have

a direct impact on the public at large. Competition Law requires the undertakings to disclose correct information regarding their products to the consumers as false and misleading advertisements could induce the consumers to purchase the product thus giving the companies a competitive edge over their competitors.



Show Cause Notice Issued to Colgate- Palmolive Pakistan Ltd

10th March, 2016

The Commission conducted an inquiry and issued a Show Cause Notice to Colgate-Palmolive Pakistan Limited for, prima facie, indulging into deceptive marketing practices in violation of § 10 of the Competition Act.

The Commission had received a complaint from Reckitt Benckiser Pakistan Limited alleging that Colgate-Palmolive Pakistan Limited, while marketing its products 'Max All Purpose Cleaner' (Max APC), used claims of "99.9% Bacteria Free" and "24 Hours Long Lasting Freshness" on the outer packaging of their product, along with claims that the product protects against "Cold and Flu", "Skin Infections" and "Food Poisoning", with a disclaimer reading "Based on laboratory testing with concentrate usage", without any reasonable basis.

The complaint further alleged that Colgate-Palmolive Pakistan Limited also issued a trade letter which stated that Max APC offered for a lesser price a quantity of 50ml more than Reckitt Benckiser Pakistan Limited's product 'Dettol Surface Cleaner' (Dettol). They also suggested that Max APC was a more effective product than Dettol, thereby discrediting the properties and use of Dettol, without any result based testing to substantiate the same.

Show Cause Notice Issued to Eight Medical Institutions for Deceptive Marketing Practices

7th July, 2015

The Commission issued Show Cause Notices to eight medical institutions for alleged violation of § 10 of the Competition Act. The Commission conducted an inquiry after the Pakistan Medical and Dental Council (PMDC) issued a list of twenty-two private medical and dental colleges, which had failed to meet its registration criteria for the year 2013-2014 and were therefore, either not recognized, or had restrictions placed on their intake of admissions.

The inquiry found eight out of the twenty-two institutions named by PMDC to have misrepresented their recognition by PMDC through their websites, and/or omitted to communicate the restriction on their admissions for the year 2013-14. These eight medical institutions included: Pak Red Crescent Medical & Dental College, Lahore, Mohiuddin Islamic Medical College, Mirpur (AJK), Abbottabad International Medical College, Abbottabad, Independent Medical College, Faisalabad, Women Medical College, Abbottabad, Hashmat Medical & Dental College, Gujrat, Bhattai Medical & Dental College, Mirpurkhas Sindh, (BDS), AJ&K Medical College, Muzaffarabad – AJ&K

Show Cause Notice Issued to Master Paints Industries (Pvt.) Ltd

16th June, 2015

The Commission issued a Show Cause Notice to Master Paints Industries (Private) Limited for, prima facie, violation of § 10 of the Competition Act.

An inquiry was conducted by the Commission after receiving complaints from Nippon Paint Pakistan (Private) Limited and Buxly Paints Limited regarding print and television advertisements by Master Paints. The complainants alleged that in the advertisements, Master Paints misleadingly compared the quality of paints made by different manufacturers on the basis of tokens, and implied that paint which contained tokens was harmful to buildings.

The inquiry report found that Master Paints, prima facie, could not substantiate these claims and as such the advertisements constituted dissemination of false and misleading information as well as false and misleading comparison of goods, which amounted to deceptive marketing practices.

Through the Show Cause Notice, Master Paints was asked to respond in writing within fourteen days and to avail an opportunity of being heard before the Commission.

Show Cause Notice Issued to Proctor & Gamble Pakistan for Deceptive Marketing Practices

14th March, 2016

The Commission concluded an inquiry and issued a Show Cause Notice to Proctor & Gamble Pakistan (Pvt.) Limited for indulging in, prima facie, deceptive marketing practices in violation of § 10 of the Competition Act. The Commission received a complaint from Reckitt Benckiser (Pakistan) Limited alleging that Proctor & Gamble had launched a marketing cam-

paign for one of its products, 'Safeguard', claiming without reasonable basis that Safeguard was "Pakistan's No.1 Rated Anti-bacterial Soap." The inquiry concluded that Proctor & Gamble failed to provide substantial justification for its product 'Safeguard' being "Pakistan's No.1 Rated Anti-bacterial Soap."

“Proctor & Gamble failed to substantiate, 'Safeguard', "Pakistan's No.1 anti bacterial soap"”

Reviewing & Approving Mergers



Many mergers benefit competition and consumers by allowing firms to operate more efficiently. But some mergers change market dynamics in ways that can lead to higher prices, fewer or lower quality goods or services or less innovation.

Conditional Approval Granted to Mobilink-Warid Merger

21st March, 2016

The Commission had received a pre-merger application for the proposed merger of two telecom companies, Mobilink and Warid. The bench, which was constituted for hearing the matter, comprised of Vadiyya Khalil, the Chairperson, Dr. Shahzad Ansar, Member Office of Fair Trade & Advocacy, and Ikram Ul Haque Qureshi, Member Cartels & Trade Abuse and Legal. The bench granted conditional approval to the merger.

In its detailed Order, the Commission undertook a comprehensive competitive analysis of the merger to determine if it substantially lessened competition by creating or strengthening a dominant position. The assessment was undertaken on the basis of extensive consultation with the merger parties, competitors and the Pakistan Telecommunication Authority (PTA).

While conducting its assessment, the Commission noted that the merger raised competition concerns, which were alleviated by countervailing factors and efficiencies. The Commission identified some persisting concerns in areas of spectrum concentration, infrastructure sharing, non-compete obligations, and joint control for which conditions were

imposed.

In relation to the spectrum concentration, the Commission made spectrum sharing obligatory upon determination of inefficiently/underutilized capacity by PTA. With respect to infrastructure sharing, the Commission directed the parties to provide guest operators on their cell sites a first option to buy the site, directly or through an auction if there was more than one guest operator. To facilitate entry in the future, the Commission imposed an obligation to provide wholesale access to potential Mobile Virtual Network Operators (MVNOs).

To address the concern regarding the non-compete agreement, the term and scope of the non-compete obligations was restricted. A firewall was created between Mobilink and Abu Dhabi Group's other businesses in the telecom industry. The remedies imposed on Vim-pelCom and Telenor Group by virtue of the Commission's Order dated 17 March 2011 to address the issue of joint control were further strengthened through appointment of a third party reviewer who will report independent assessment of compliance to the Commission.

PSO's Shareholding in PRL Approved

3rd March, 2016

The Commission granted approval to the acquisition of up to 26.67% shares in Pakistan Refinery Limited (PRL) by Pakistan State Oil Company Limited (PSO). The approval was granted by the bench comprising Ms. Vadiyya Khalil, Chairperson, Mr. Ikram Ul Haque Qureshi, Member Cartels & Trade Abuses and Legal and Dr. Shahzad Ansar, Member OFT & Advocacy. While passing the Order, the Commission also disposed off a complaint filed by Hascol Petroleum Limited (Hascol) regarding potential discontinuation of supply of refined petroleum products by PRL to PSO's competitors after the acquisition.

“CCP directed both PSO & PRL not to engage in any form of exclusionary conduct”

The Commission observed that with imports readily available, PSO would have no incentive to foreclose the supply of refined petroleum products from PRL to its competitors such as Hascol. Furthermore, with downstream petroleum industry heavily regulated by Oil and Gas Regulatory Authority, there is no chance of PSO raising prices for competitors or end consumers.

Approving the Integration of Stock Exchanges

30th November, 2015

The Commission issued the detailed Phase II Review Order in the matter of integration of Islamabad, Lahore, and Karachi Stock Exchanges, approving the merger while imposing conditions to remedy certain competition concerns. A bench comprising of Vadiyya Khalil, Chairperson, Mueen Batlay, Member Mergers & Acquisitions, Shahzad Ansar, Member OFT & Advocacy, and Ikram Ul Haque Qureshi, Member Cartels & Trade Abuse, and Legal heard the matter and passed the Order.

In its detailed judgment, the Bench found no legal barriers to entry at this stage, and if at any time in the post-merger scenario, the Commission found the integrated exchange to be engaging in abuse of its dominant position, it had the power to penalize the undertaking

and rectify such a situation under the provisions of § 3 of the Competition Act. With regards to new entry by brokers, the Order emphasized that the Base Minimum Capital (BMC) requirements to be set by SECP must not be onerous in comparison to the existing requirements and should be in line with international best practices. The Commission approved the merger subject to these conditions: PSE will carry out the divestment of 40% of its shares to a strategic investor within one year of the date of integration; the sale of 20% of the shares of PSE to the public will also be carried out within the timelines specified; and, more than fifty-percent of the directors on the board of PSE shall be independent and shall be nominated/ approved by SECP until the divestment is made to the strategic investor. Further-

more, the Commission stipulated that PSE will establish an SME counter within one year to facilitate smaller new companies to list on the exchange.

The Commission also recommended that SECP should facilitate the entry of new exchanges to the market as and when it may be deemed appropriate.

Moreover, that new financial requirements being specified in the Securities Brokers Regulations, 2015 must not be burdensome for existing brokers, and that SECP should ensure that any new exchanges entering the market are provided due access to the clearing and settlement functions, irrespective of the shareholding of PSE in CDC and NCCPL.

MERGER ROADSHOW

18th May, 2016



The Commission initiated an awareness drive for the legal community on the Merger Review Process under the Competition Act. As part of the awareness drive, three training workshops were held in Islamabad, Lahore and Karachi, which were attended by lawyers from leading law firms.

While addressing the inaugural session in Islamabad, the Chairperson Vadiyya Khalil, emphasized the need for improving voluntary compliance of the Competition Law. She hoped that the workshops would be beneficial for the legal community in understanding the merger review process.

The program included presentations on the history of Pakistan's competition regime, the merger review process under § 11 of the Competition Act, and the

Competition (Merger Review Regulations, 2007) as well as the pre-merger application. Presentations were followed by Q&A sessions in which the stakeholders' queries were answered and their valuable feedback was recorded.

Mr. Shahid Raza from. Orr-Dignam, Mr. Hassan Irfan Khan from Irfan & Irfan, and Mr. Mehmood Mandviwalla from Mandviwalla & Zafar, shared their experiences with participants and appreciated the CCP's efforts to reach out to the stakeholder's and expressed their desire for more such awareness programs in the future.

In the second phase of the awareness drive, similar workshops will be held in the other cities of the country.



▲ CCP officials and the participants of the training



▲ Member CCP Ikram Ul Haq Qureshi addressing the session

Policy Notes and Opinions

8th June, 2016

§ 29(b)
Competition Advocacy

Reviewing policy frameworks for fostering competition and making suitable recommendations.



Policy Note Issued to Punjab Revenue Authority and Sindh Revenue Board

Uniform Tax Treatment Recommended for Providers of Inter-City Carriage of Goods Services

The Commission issued a Policy Note to the Punjab Revenue Authority (PRA) and the Sindh Revenue Board (SRB) recommending them to withdraw the exemptions granted to the informal, non-corporate transporters of goods, from sales tax on inter-city carriage of goods by rail or road.

The Commission took notice of the circulars issued by the revenue authorities of Punjab and Sindh granting exemptions to the informal transporters of goods from sales tax. The Commission observed that the exemptions granted to the non-corporate entities had placed the corporate sector at a competitive disadvantage. The preferential tax treatment of different undertakings was seen as a competition concern as it created an arbitrary distinction between services providers, with some entities liable to pay sales tax while other providers of exactly the same services in the same market

“ It is observed that preferential tax treatment is the competition concern ”

being excluded. Such discrimination had the effect of lowering the costs of one group, which was not based on more efficient management or other economic factors, and relies instead on the government-created advantage. Apart from creating the anti-competitive environment, the exemption also had the implicit effect of promoting the undocumented sector at the cost of the documented sector, which needed to remain a separate policy consideration.

The Policy Note recommended that the Punjab Revenue Authority and the Sindh Revenue Board withdraw the exemptions granted through their circulars, in Order to ensure a level playing field for all market players. It further recommended that Item No. 48 of the Punjab Sales Tax on Services Act, 2012 be amended to remove the exemption provided to individual owners of vehicles for carriage of goods.

Policy Note Issued to Federal Board of Revenue

21st June, 2016

The Commission issued a Policy Note to the Federal Board of Revenue (FBR) to eliminate discrimination meted out to some market players of the steel industry by imposing different sales tax rate and has recommended that this discrimination be removed by levying same sales tax rate on all players.

The Commission received a complaint from Madina Enterprises Limited (Madina Steel), which was using alternative energy, and alleged that the mechanism of charging sales tax by the Federal Board of Revenue (FBR) was discriminatory vis-à-vis units operating on electricity supplied by DISCOs. The Commission found that Madina Steel was charged General Sales Tax (GST) at 17% of ad valorem production simply on account of producing its own electricity through the use of renewable energy sources i.e., bagasse & rice husk, while those units acquiring electricity from DISCOs were charged GST at PKR 9 per unit of electricity consumed.

The Commission viewed the practice of implementing a different rate of sales tax on the players of the same industry based on the source of electricity as discriminatory as it distorted a level playing field, discouraged new firms to enter into the market and prevented those who intend to innovate and invest in improving the efficiency of the production process. From doing so it tend to set perverse incentives, led to market stagnation, and prevented any cost savings from being passed on to the end consumer.

The Commission recommended that all units in the steel sector be charged sales tax on the same basis rather than differentiating on the source of power they use for production.

Amendments Recommended in Firm Name Registration Laws

1st December, 2015

The Commission issued a Policy Note to the federal and provincial governments recommending that they suitably amend, within their territorial jurisdictions, the Partnership Act, 1932, the Societies Registration Act, 1860, the Voluntary Social Welfare Agencies (Registration & Control) Ordinance, 1961, the Trusts Act, 1882 and the Co-Operative Societies Act, 1925, to bar registration of potentially deceptive firm names to minimize potential for deceptive marketing practices. The Policy Note further recommended that the relevant name registration authorities at the federal and provincial levels, such as the Registrar of Firms, the Registrar of Joint Stock Companies and the Registrar of Co-Operative

Societies, take steps to create a coordination and cross-verification mechanism amongst themselves so that potentially deceptive firm names could not be registered anywhere in the country.

The registration of deceptively similar names of undertakings was a competition concern as it might lead to the dissemination of misleading information to consumers. Such information could also cause harm to the value of brands in which businesses had invested heavily. Such actions might lead to or amount to deceptive marketing practices in violation of § 10 of the Competition Act.

High Level Meeting Held to Finalize Price Control Mechanism Recommendations

15th October, 2015

The Commission, on the direction of the Honorable Minister for Finance Senator Ishaq Dar, held a meeting to finalize its recommendations on the price control mechanism for essential food commodities in the country.

During the meeting, views and opinions of all the relevant federal and provincial government departments were taken into account. Senior officials of the Ministry of Commerce, Ministry of Planning and Development, Ministry of Inter-provincial Coordination, Federal Board of Revenue, Pakistan Bureau of Statistics, Utilities Stores Corporation, Food and Industries Departments of Punjab, Balochistan, Khyber Pakhtunkhwa and Sindh, and Islamabad Capital Territory Administration attended the meeting. Ikram ul Haque Qureshi, Member Cartels & Trade Abuses, and Legal, briefed the participants about the need for strengthening the existing price control mechanisms to ensure supply of essential food com-

modities at competitive prices to the consumers. The participants greatly appreciated the recommendations given by the Commission and offered their support in implementing the same benefit to the consumers.

A presentation on Commission's short and long term proposals was given by Shaista Bano, Director General (Cartels & Trade Abuses). Proposals put forward by the Commission included: devising and implementing a uniform pricing formula by all provinces at wholesale level; mapping of commodities' supply in the country; establishment of agricultural supermarkets for farmers on public private partnership model; establishing a monitoring commission to decide on timely import and export permissions related to food commodities; fixing supporting price of declining crops, and maintaining a security buffer stock to counter supply shortages.

Policy Note Issued to Federal Government to Rationalize Regulatory Duty on Imported Steel Billets

8th October, 2015

The Commission issued a Policy Note to the Federal Government recommending it to amend the Statutory Regulatory Order (SRO) 18(I)/2015 pertaining to 15% regulatory duty on imported steel billets thus suitably reducing the regulatory duty on the steel billets to create a level playing field in the market for the end steel products, particularly high quality steel bars used in infrastructure development projects.

In the steel industry there were large scale integrated steel manufacturing units that produced their own steel billets and converted them into steel bars, and the non-integrated re-rolling mills that relied on the local and imported steel billets to make the steel bars.

The imposition of the existing regulatory duty on the import of steel billets disturbed the cascading nature of tariff structure previously introduced by the Federal Government, effectually putting non-integrated re-rolling mills at a competitive disadvantage vis-a-vis the integrated steel manufacturing units. The disproportionate duty structure in

the steel industry was creating barriers to expansion for the existing re-rolling mills and barriers to entry for potential aspirants in this growing market.

The Commission noted that the existing regulatory duty structure raised the prices of imported steel billets which impacted only the non-integrated re-rolling mills and forced the latter to purchase billets from the integrated players. Being downstream competitors of the non-integrated re-rolling, integrated manufacturing units were unlikely to provide steel billets at competitive prices to the former, thereby placing them at a competitive disadvantage.

The Federal Government was recommended to amend the subject SRO to suitably reduce the regulatory duty on the steel billets so that the previous cascading nature of tariff structure was maintained in the steel industry and the Government was also advised not to raise the regulatory duty on imported steel billets as it could distort competition in the relevant market.



Competition Commission of Pakistan

COMPETITIVE MARKETS BENEFIT EVERYONE



Policy Note Issued to Govt to Withdraw NICL's Monopoly Over Insurance of Public Property

19th May, 2015

The Commission issued a Policy Note to the Federal Government recommending an amendment to § 166 of the Insurance Ordinance, 2000, to promote competition in the insurance market.

§ 166 (3) says that all insurance business relating to any public property, or to any risk or liability appertaining to any public property, shall be placed with NICL only and shall not be placed with any other insurer. NICL is the only state owned company, under the administrative control of the Ministry of Commerce, involved in non-life insurance business in the country.

The Commission observed that this statutory monopoly of NICL reduced competition in the insurance market. In this case the government was the direct consumer and was denying itself the benefits of competition such as improved quality of service and competitive premiums.

Such preferential treatment for NICL created de facto subsidies and left no incentive for NICL to improve efficiency. Statutory monopoly of NICL limited opportunities for potential competitors because legislative exclusive rights created barriers to entry for the new entrants.

The Policy Note recommended the Federal Government to amend § 166 of the Insurance Ordinance, 2000 in order to open insurance of public property to the private sector, excluding public property that is related to national security, which will create a level playing field for all non-life insurers in the insurance market.

Addressing Competition Concerns in Public Procurement of Electric Power Equipment

16th April, 2015

The Commission issued an Opinion containing its recommendations in the matter of procurement of electrical equipment by the public sector procuring agencies to address recurring anti-competitive concerns regarding certain restrictive, exclusionary and discriminatory terms and conditions in tenders. The conditions, prima facie, denied a level playing field to the prospective bidders thus inhibiting competition from reaching its maximum potential. The Opinion followed an open hearing held on the matter on 17 February 2015.

“The recommendations would serve as a guideline to ensure competition”

The Commission warned that if such measures were ignored and not carried out in earnest, they could lead to sub-optimal utilization of public funds, discourage growth of local industry, hamper foreign investment and consequently lead to an undesirable impact on national economy and public welfare.



Recommendations

The following recommendations were formulated to serve as a guideline for the procurement agencies while designing the tender documents to ensure that no clauses therein restrict or impede competition:

- ▶ With regard to the issue of type-test reports, only generic and internationally known quality control checks should be applied at the bidding stage to allow for maximum participation of bidders. In relation to lumping of goods, arrangement of equipment in lots should be avoided. There should be no discrimination based on country of origin. Reference to a specific brand should be avoided; products should be defined through quality and performance standards.
- ▶ There should be no lag between the announcement of a tender and availability of tender documents as lack of information only favors the existing suppliers.
- ▶ Domestic price preference should be avoided as it rewards inefficiency. Any changes that are brought about in the existing specifications for procurement of equipment must be carried out by technical experts and in a transparent fashion.
- ▶ Fresh entry should be encouraged through educational Order in the yearly procurements for new entrants. In addition, policy level changes may be approached to devise substitutes for prohibitively long educational Orders.

Competition Advocacy



§ 29 of the Competition Act empowers the Commission to promote competition through advocacy which among others shall include creating awareness and imparting training about the competition issues and taking such other actions as may be necessary for the promotion of a competition culture

CCP, SECP ink MOU on sharing of Information

20th May, 2015

The Commission signed a Memorandum of Understanding with the Securities and Exchange Commission of Pakistan (SECP) for sharing of information and coordination in the areas of mutual interest.

The MoU was signed by the Chairperson Vadiyya Khalil and Chairman SECP Zafar Hijazi in a ceremony that was attended by SECP Commissioner Tahir Mahmood, Executive Director SECP Musarat Jabeen, Members CCP Dr. Joseph Wilson, Dr. Shahzad Ansar, Mueen Batlay, Ikram Ul Haque Qureshi and other senior officials.

The SECP Chairman termed the MoU as an important development that will enhance cooperation and coordination between the two institutions. He said that SECP looks forward to working with



▲ Vadiyya Khalil, Chairperson CCP and Zafar Ul Haq Hijazi, Chairmen SECP while signing the MOU

“
A step to enhance cooperation and coordination between the two institutions
”

CCP in various areas of mutual interest. Chairperson Vadiyya Khalil said that the MoU would not only enhance both Commissions' enforcement capabilities but will also aid in their research and advocacy initiatives. The Commission will sign more such MoUs with other regulatory agencies and certain research organizations for strengthening its research and information base.

Advocacy Sessions at Faisalabad Chambers of Commerce

21st May, 2015

As part of its ongoing awareness activities, the Commission held an advocacy session at the Faisalabad Chamber of Commerce and Industry. The session was attended by the President FCCI Rizwan Ashraf and members of the Executive Committee in large number. Dr. Shahzad Ansar, Member OFT and Advocacy, and Ikram Ul Haque Qureshi, Member Cartel & Trade Abuses and Legal, gave presentations explaining the substantive provisions of the Competition Act, mergers filings, and complaint filing system. The participants were also briefed on the performance of the Commission in the areas

of enforcement and advocacy. The role of the business community in voluntary compliance of the law was also emphasized. During the questions and answers session, the participants appreciated the

advocacy initiative of the Commission. The president of the chamber extended full support to the Commission in creating awareness of the law.



▲ Members CCP with the President and members of Faisalabad Chamber of Commerce & Industry

21st Meeting of Competition Consultative Group (CCG)

9th April, 2015

The Competition Consultative Group (CCG), is an informal think tank and a sounding board for the Commission, established in 2008 to solicit feedback and suggestions on competition related matters from public and private sector experts, regulatory authorities, academia, media and the government.

The 21st meeting of CCG was held in Islamabad which was chaired by the Chairperson Vadiyya Khalil and attended by Mr. Saeed Ahmad, Deputy Governor State Bank of Pakistan; Syed Ahmed Iqbal Ashraf, President NBP, Ms. Anjum Ibrahim, Resident Editor, Business Recorder, Dr. Tariq Hasssan, a leading lawyer and representatives from regulatory bodies including OGRA, NEPRA, PTA, PPRA, PEMRA and SECP, resident director of Friedrich Naumann Stiftung, business executives and members of the donor community.

The participants were briefed on the enforcement work done since December 2014, major inquiries including the unreasonable price hike of essential commodities, the price of transportation

of people and goods, and, prima facie, anti-competitive practices in the LPG, cement, and poultry feed sectors.

A global merger between the Glaxo SmithKline and Novartis in the vaccine business was also discussed in the presentations and the participants were informed that the Commission granted conditional approval to the merger to safeguard the interests of the Pakistani consumers.

A presentation was given on the privatisation programme of the Govern-

ment of Pakistan by Moazzam Ali, the Transaction Manager of the Privatisation Commission highlighting the key features of the programme and sharing the fact and figures with the participants.

During the open discussion session, the participants gave valuable feedback on competition related matters and appreciated the work done by the Commission for the promotion of a healthy competitive environment in the country.



▲ From R to L: Ikram ul Haque Qureshi, Dr. Shahzad Ansar, Vadiyya Khalil, Dr. Joseph Wilson, Mueen Batlay and Hayat Jasra in the meeting

Advocacy Sessions at Quetta Chambers of Commerce

28th May, 2015

An advocacy session was held at the Quetta Chamber of Commerce and Industry which was attended by the Chamber's President Moosa Khan Kakar and members of the Chambers Executive Committee. Dr. Shahzad Ansar, Member OFT and Advocacy, and Ikram Ul Haque Qureshi, Member Cartel & Trade Abuses and Legal, explained the concept of competition in the free market economy and the evolution of competition law in Pakistan to the participants. They gave examples of various countries where competition served as a catalyst of progress and innovation.



▲ Member CCP addressing the advocacy session

The participants took keen interest in the presentations and actively took part in the discussion. They also highlighted various competition issues faced by the

business community of Balochistan. They requested the Commission to hold more such advocacy sessions at their Chamber.

CCP Members Attend Adjudicators Training Programme in US

On the invitation of the Commercial Law Development Programme (CLDP) of the United States Department of Commerce, Members of the Commission Mr. Mueen Batlay and Mr. Shahzad Ansar participated in the 62nd Spring Meeting of the ABA Section of Antitrust Law, the largest antitrust and consumer protection conference in the world. The Members attended several roundtables and sessions across a wide range of topics in antitrust and consumer protection law and met with the officials of Federal Trade Commission (FTC) and the Department of Justice (DOJ).

The Members held meetings with senior officials including Bill Kovacic, the former FTC Chairman, Edith Ramirez, Chairwoman, FTC; Tim Hughes, Attorney, Office of International Affairs, Russell Damtoft, Office of International Affairs; Ted Voorhees, Attorney, Covington & Burling, and Maribeth Petrizzi, Chief, Dorothy Fountain, Assistant Chief, Lit II, DOJ Antitrust Division, and other senior officials of FTC and DoJ.

The Members' interactions with the global experts and their participation in the various thought provoking sessions were extremely helpful in discussing new ideas of competition law enforcement besides enhancing collaboration and net-



CCP Members Dr. Shahzad Ansar and Mr. Mueen Batlay with officers of the Federal Trade Commission.

working with the top officials.

In particular, networking with officials of international competition agencies, US officials and US attorneys at the ABA meeting helped to promote the work that CCP has been doing, and lay the foundation of future collaboration. Subsequently, the one-on-one meetings with the FTC and DoJ have created the opportunity to take the collaboration of US and Pakistan governments in the anti-trust area to new heights.

Possible areas of collaboration that emerged from the discussions included holding a compliance conference in Pakistan, holding seminars for trade associations, strengthening economic analysis capacity of CCP, enhancing cooperation on international mergers, further developing an anti-trust curriculum for

Pakistani universities, and facilitating the development of dedicated anti-trust expertise at Pakistan's law firms.

Upon their return to Pakistan, the Members briefed the US officials about their visit and shared details of the training programme, the outcome of their interactions with the experts, and importance of the training for capacity building of the Commission. The meeting was held in July 2015, at the Commission, which was attended by Ms. Kanwal Bukhari, Senior Economic Growth Advisor, USAID Pakistan, Marc Miller, Second Secretary, Economic Officer at the US Embassy in Islamabad, and Mr. Joe Yang, Attorney-Advisor in the Commercial Law Development Program (CLDP) of the US Department of Commerce, Office of the General Counsel.

OECD-KPC\CCS Leaders Seminar on Advocacy in Singapore



Mr. Syed Umair Javed speaking at the advocacy seminar

The OECD - Korea Policy Centre organized a Leaders Seminar on Advocacy from 24-26 April 2015 in Singapore. The seminar was designed for competition agencies from the Asia-Pacific region to get together and share their experience of undertaking competition advocacy in their jurisdictions, and to hear from leading competition experts on best practices in the field. The seminar was moderated by Ruben Maximiano, Senior Competition Law Expert from OECD.

The Commission was represented by its Acting Registrar Mr. Syed Umair Javed who gave a presentation on Pakistan's

experience of competition advocacy. Mr. Javed stated that competitive markets and the protection of consumers from anti-competitive activities remain the priority of the Commission. He explained that as a new competition agency in 2007, the Commission's focus was to educate policy makers, regulators, and businesses about the contemporary competition law in the country through knowledge-based awareness. "The Commission is going beyond this approach and is now shifting its focus to create partnerships and strategic outreach with relevant domestic and international partners," He said.

Pakistan's Experience with Bid Rigging in Public Procurement

Pakistan has not remained immune to the harmful effects of bid rigging in public procurement, said the delegation of the Competition of Pakistan who attended the OECD-Korea Policy Centre's workshop on bid rigging in public procurement in April 2015.

It is estimated that bid rigging causes a loss of anywhere between US\$ 38 billion to US\$ 65 billion of loss to the country's exchequer every year. This translates to 15% to 25% of the country's GDP, but regardless of the figure, such a quantum of procurement necessitates strict measures against anti-competitive practices. It is important that public money is used in an efficient, effective and economically advantageous manner. The manner in which bids are rigged in Pakistan are no different from the ways

bid rigging generally happens. Either a winner is pre-determined beforehand and the other competitors give bids that are deficient in some aspect or another or all bidders give bids that are so similar to each other that any technical evaluation becomes irrelevant.

Pakistan established a Public Procurement Regulatory Authority in 2004, which developed a code of ethics for procurement activities in Pakistan based on international best practices. The Public Procurement Rules, 2004, aim at encouraging transparency in the procurement process. The Competition Commission of Pakistan explored the possibility of Memorandum of Understanding with the Public Procurement Authority. Partnership between the procurement regulator and the competition agency at the pre- and

post-bidding stages would help minimise risks of corruption and collusion in bidding. While the PPRA has access to relevant data, the Competition Commission has to ability to tackle collusive activities under the Competition Act, 2010. Both agencies plan advocacy activities to improve the efficiency of public procurement. These include educating people on the possible harm and cost of fraud and collusion, and educating public procurement officials about what they should look for to detect bid rigging, types of fraud associated with government procurement, and what they can do to protect themselves.

The Competition Commission of Pakistan has tackled a number of cases involving collusive bidding practices. In February 2015, it held an open hearing on procurement issues in the power sector and gave its recommendations to the Government of Pakistan. Details of all these are available on the Commission's website – cc.gov.pk

Pakistan's Participation in UNCTAD 7th Review Conference

The Chairperson of the Commission and the Director of International Affairs Department participated in the United Nations Conference on Trade and Development's (UNCTAD) 7th Review Conference on the 'UN SET of Multilaterally Agreed Equitable Principles and the Rules for the Control of Restrictive Business Practices' held from 6-10 July 2015 in Geneva, Switzerland. The conference provided an occasion for heads of competition authorities and senior officials of developed and developing countries to establish direct contacts and networking among themselves for voluntary cooperation and exchange of best practices, explore avenues of vital technical assistance, and capacity building for member States so that competition law and policy can be better used for economic development.

Pakistan was elected as one of the five vice-presidents of the event along with global economic powers such as China and Malaysia. Chairperson CCP, Ms

Vadiyya Khalil, also moderated a three hour roundtable on 'Ways and Means to Strengthen Competition Law Enforcement and Advocacy'. The session was guided by the keynote address of Professor Ariel Ezrachi of Oxford University, and the participants were representative of Russia, Vietnam, Nicaragua, and the South Africa. The Commission also gave feedback on the peer review of Albania and Fiji, upon their request, for Peer review process done by UNCTAD.

The participation in the conference helped it to develop a new outreach Commission's strategy based on UNCTAD's Competition and Consumer Protection for All (COMPAL) Initiative that would help in the interface with other economic policies and develop partnerships with other Regional competition agencies for mutual benefit. The knowledge imparted during the technical sessions were helpful to learn about international best practices and the areas where global antitrust challenges are emerging.

7th UN Review

The Conference marked the 35th anniversary of when the international community adopted the UN SET and made the collective promise:

"To ensure that restrictive business practices do not impede or negate the realization of benefits that should arise from the liberalization of tariff and non-tariff barriers affecting world trade, particularly those affecting the trade and development of developing countries"

The UN SET is a multilateral agreement on competition policy that:

- Provides a set equitable rules for the control of anti-competitive practices;
- Recognises the development dimension of competition law and policy; and
- Provides a framework for international co-operation and exchange of best practices

Competition law nourishes growth of SMEs: Speakers

ISLAMABAD: The enforcement of Competition Law creates a conducive business environment for small and medium enterprises to grow into big businesses and provides equal playing field to all businesses to compete, speakers said during a seminar on Competition Law held in Islamabad on 29th and 30th December, after which the Caravan will enter Sindh.

The seminar was organized by the Competition Commission of Pakistan (CCP) in collaboration with the National Road Show on Competition Law. The speakers included the President of the National Road Show, Mr. Iqbal Hussain, and the Vice President, Mr. Iqbal Hussain. The seminar was held in the presence of the members of the Competition Commission of Pakistan (CCP) and the members of the National Road Show on Competition Law.

Competition Law Caravan arrives in Punjab

ISLAMABAD: The Competition Commission of Pakistan (CCP) has organized a major advocacy initiative of CCP aimed at raising awareness and understanding of the Competition Law to help create a compliant business culture. During this Road Show, a wide array of stakeholders including multinational corporations, national companies, professional bodies as well as small and medium enterprises are being approached for the purpose of advocacy. The Road Show has elicited massive response of the business community as CCP has received requests from other business

CCP organises seminar

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Over Rs26b to enter competition in...

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Competition Caravan completes awareness drive enters Punjab

PESHAWAR: After its successful launch and completing the awareness drive on competition laws in the Khyber Pakhtunkhwa, the "Competition Caravan," the National Road Show on Competition Law, is being conducted by the (CCP), enters Punjab where the business community will be briefed on the Competition Law to improve compliance. As part of the Road Show, the CCP teams will start its journey in Punjab by holding a seminar in the Gujrat Chamber of Commerce & Industry on

successful launch and completing the Khyber Caravan, the Competition Law has business community competition law on conducted by Pakistan (CCP). CCP teams will

community in large number. The participants of the seminars brought pertinent issues concerning the competition; particularly those faced by the small and medium enterprises, in the notice of CCP and requested the removal of entry barriers in various sectors of the economy to pave the way for smooth business. They highlighted the problems caused by the energy shortage which was creating problems for businesses. The CCP officials encouraged the businessmen to file complaints about the competition related issues with CCP and assured to address their problems in the interest of a and healthy competition.

December "Competition complete it holding s Chamber Industry Chamber Industry December Caravan w The "C a major : CCP aim and un Competi complia During d