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CCP Exclusive News

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Alleged anti-competitive practices: CCP launches crackdown on poultry sector

The Competition Commission of Pakistan (CCP) has launched a major crackdown on alleged anti-competitive practices by the poultry sector across the country.

Sources told Business Recorder that amid a relentless surge in egg prices and a near-doubling of chicken costs across markets nationwide, consumers are grappling with the harsh realities of soaring food inflation.

In a bold move to curb price manipulation, the CCP has directed hatcheries to steer clear of any collusive behaviour. This action follows mounting complaints that the cost of Day-Old Chicks (DOC) skyrocketed from the usual Rs50–60 per chick to a staggering Rs220. The Commission's instructions include providing detailed records of recent daily prices and ensuring that the final cost to consumers aligns with genuine market dynamics rather than hidden agreements.

For many Pakistanis, especially those in low-income households, the spiking costs of eggs and chicken are more than just numbers; they symbolize a serious struggle over daily nutrition. Families that once depended on these budget-friendly protein sources now find themselves compromising on essential meals. Under the Competition Act, 2010, the CCP is mandated to safeguard fair competition — an undertaking that has taken on fresh urgency given the current economic climate.

The CCP's pursuit of fair play in the poultry industry is not new. Back in 2010, the Commission carried out an unprecedented inquiry into the Pakistan Poultry Association (PPA), exposing coordinated price-setting for broiler chickens and DOCs. The organization was subsequently fined Rs50 million, and Show Cause Notices were issued to 25 of its members for violating Section 4 of the Competition Act.

In 2016, the CCP once again sanctioned the Pakistan Poultry Association (PPA), this time imposing a Rs100 million fine for publishing advertisements deemed to be coordinating prices for broiler chickens, meat, and eggs. The message was clear: trade associations can foster industry growth but must not exchange or discuss any commercially sensitive information, including pricing.

Fast-forward to 2021, and two fresh enquiries laid bare more alleged collusion, one investigation targeted poultry feed mills for collective price-fixing, resulting in Show Cause Notices to 19 companies. Another exposed discussion among hatcheries and poultry firms that set DOC prices blatantly violating Section 4 of the Act. These probes picked up steam

after decade-long stay orders were lifted by the Islamabad High Court, and the Lahore High Court followed suit in 2024, allowing the CCP to resume its enquiries unhindered.

Justice Jawad Hassan of the Lahore High Court recently upheld the CCP's Show Cause Notices against poultry entities accused of price-fixing. This ruling affirmed the Commission's authority to intervene in cases of anti-competitive behaviour, reinforcing its mandate to champion market transparency.

As egg and chicken prices continue to climb, the CCP's recent directives offer a glimmer of relief for households struggling to make ends meet. By enforcing strict oversight and challenging entrenched collusion, the Commission aims to restore equilibrium in the poultry market, ensuring that basic commodities remain accessible to all segments of society.

While the CCP's crusade against price manipulation is far from over, its unwavering resolve and renewed legal support signals a decisive stand against exploitative practices. For Pakistan's consumers, this is more than just a regulatory success story; it's a critical step toward reclaiming the affordability of everyday essentials, easing the burden on families, and upholding the promise of a fair and competitive economy, they added.

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