



COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

EXEMPTION ORDER

IN THE MATTER OF APPLICATION FILED BY M/S. COCA COLA BEVERAGES
PAKISTAN LIMITED FOR EXTENSION IN EXEMPTION OF ITS AGREEMENT FOR
SELLING PRODUCTS TO CUSTOMERS

CASE: 2(195)/AGR/EXM/CCP/2025

Commission

Mr. Saeed Ahmad Nawaz
Member (Exemptions)



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1. M/s. Coca Cola Beverages Pakistan Limited, (hereinafter referred to as the Undertaking) applied on June 11th 2025 for the grant of template exemption to its restrictive clauses 4.3.1, 6.1, 6.2, 6.3, 6.4 & 7.1 of its Agreement for Selling Products to Customers (hereinafter referred to as the Agreement), on the authority of the Board Resolution dated June 20th 2018 addressed to the Competition Commission of Pakistan (hereinafter the Commission).
2. M/s. Coca-Cola Beverages Pakistan Limited (CCBPL) is a public limited company, and is inter alia, engaged in the production, marketing and distribution of beverages. The net revenue of CCBPL for the last business year (2024) was Rs. 116 billion. CCBPL signed the draft template agreement with its 'Customers' for the products covered under the Agreement.
3. The Application was made pursuant to Section 5 read with Section 9 (1) (a) & (c) of the Competition Act, 2010 (the Act) in conjunction with Competition (Exemption) Regulations, 2020 on the following grounds:
 - i. Efficiency in distribution of products through effective utilization of resources;
 - ii. Customer satisfaction through timely delivery of products; and
 - iii. Improved standards and quality of service & products.
4. The agreement is essentially an arrangement for not to deal with non-parties and may, therefore, violate Section 4 (2) (a) of the Act and institutionalize charging of economic rent, reducing consumer surplus and social welfare. Relevant particulars of the Agreement are as follows:

First Party:	M/s. Coca-Cola Beverages Pakistan Limited ("CCBPL") having its registered office at 26 F.C.C., Syed Maratab Ali Road, Gulberg-IV, Lahore.
Second Party:	Individual Customers, parties to the Agreement
Type of Agreement:	Agreement for Selling Products to Customers (Annex-A)
Date of Agreement:	Different dates with different Customers
Validity period of the Agreement:	Pursuant to clause - 1 of the Agreement, it shall commence from the effective date and continue until the achievement of physical cases. Further renewable subject to the written consent of the parties.
Product(s)/Services covered under the Agreement:	As per preamble 'B' of the Agreement, beverages, bottled water and any other products of CCBPL.

5. Based on the information provided by the Undertaking, the Commission, in exercise of the powers conferred under Section 5 read with Section 9(1) (a) & (c) of the Act is pleased to grant exemption subject to the conditions specified in para 6 below, regarding the following clauses of the Agreement:



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Exemption granted: On Clause 4.3.1 - Not to use the equipment(s) and machinery provided by CCBPL for the products of competitors

Granted period: From 1st July, 2025 to 30th June, 2026

6. In view of the above, the Exemption granted shall be subject to the conditions that the Undertaking shall ensure the following:

- i. It does not engage in any anticompetitive behavior and/or practices as outlined in Chapter II of the Act, including but not limited to:
 - a. Abuse of dominant position u/s 3;
 - b. Prohibited agreements u/s 4;
 - c. Deceptive marketing practices u/s 10;
 - d. Any mergers or acquisition in violation of Section 11; and
 - e. Charging of economic rent to the detriment of consumer surplus and social welfare.
- ii. Revise Clause 6.1 & 6.2 as a non-binding/non-exclusive provision and provide the amended copy of the Agreement to the Commission within thirty (30) days of issuance of this Order;
- iii. The exemption shall not be used as a permission for transfer pricing or to evade regulatory restrictions, if any against transfer pricing;
- iv. The Template Agreement submitted to the Commission shall be executed with all Customers *mutatis mutandis*;
- v. Notify the Commission of any amendment(s) to the Agreement within fifteen (15) days of such change, and also provide a copy of the amended Agreement;
- vi. In case of having an ongoing Agreement, submit an application for grant of extension in exemption at least three (3) months prior to expiry of this Exemption Order;
- vii. It recognizes that the Commission reserves the right to verify the following against the baseline benchmarks (to be provided by the undertaking within thirty (30) days of issuance of this Order):
 - a. Detail of customer satisfaction scores (third party survey);
 - b. Evidence of no stock-outs or delayed delivery;
 - c. Particulars of new quality standards adopted; and
 - d. Details of tangible and verifiable benefits passed on to the consumers.
- viii. Submit a verifiable compliance report on December 31st 2025 against the commitments made for the grant of this exemption; and
- ix. No breach of terms of this exemption takes place as it shall have an immediate effect of cancellation of this exemption.



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7. The Commission may review and revise the terms and conditions of this Exemption, as deemed necessary. Furthermore, without prejudice to the generality of Section 6 of the Act, the grantee of the exemption shall inform the Commission forthwith and seek clearance for continuation of the exemption if there is any material change, inter alia, in:
- (i) The terms of the Agreement;
 - (ii) The market share of products and/or services covered under the Agreement; or
 - (iii) The regulatory or policy framework in the relevant market in which the parties are operating.
8. In the Agreement, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws.
9. It is so ordered.

Saeed Ahmad Nawaz
Member (Exemptions)

Islamabad the 26th September, 2025.