



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF _____ SHARES IN M/S. THE FIRST
MICROFINANCE BANK LIMITED BY M/S. AGA KHAN AGENCY FOR
MICROFINANCE**

CASE: 1041/Merger-CCP/19

Commission

Ms. Vadiyya Khalil

Chairperson



M. Jalil

Muhammad Saleem

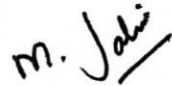
Member

ORDER

1. The Competition Commission of Pakistan ("**Commission**") is in receipt of a pre-merger application ("**Application**") sent by M/s. Aga Khan Agency for Microfinance ("**AKAM**" or "**Acquirer**") notifying the Commission of its acquisition of _____ shares in M/s. The First Microfinance Bank Limited ("**FMFB**" or "**Target**"), pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**").
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and its observations on the basis of independent research/investigation in the relevant market. The Phase I competition assessment of the intended acquisition has resulted in the following findings:
 - i. The business activities of the concerned parties are:
 - a. For the Acquirer: Agency working for fostering the establishment (in developing countries) of microfinance institutions.
 - b. For the Target: Microfinance Bank.
 - ii. As per the Application, AKAM intends to acquire _____ shares in FMFB. The consideration for this acquisition is US\$ _____ (*approximately PKR _____*) which is the transaction value in this case.
 - iii. The relevant product market in this case is that of the business of "Microfinance Banking", while the relevant geographic market is Pakistan. FMFB has a market share of approximately _____ in terms of gross loan portfolio, which will remain unchanged post-transaction.
 - iv. The transaction is not likely to result in the creation or strengthening of dominant position in the relevant market. The intended acquisition does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Act.
3. In conclusion, the proposed transaction is unlikely to substantially lessen competition through the creation or strengthening of a dominant position in the relevant market. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.



(Ms. Vadiyya Khalil)
Chairperson



(Dr. Muhammad Saleem)
Member



Islamabad the 31st JULY 2019