



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHARES OF M/S. E-PROCESSING
SYSTEMS (PRIVATE) LIMITED BY M/S. INTERNATIONAL FINANCE
CORPORATION

CASE: 1081/Merger-CCP/20

Commission

Ms. Vadiyya S. Khalil
Chairperson

Dr. Shahzad Ansar
Member



ORDER

1. On 26th February 2020 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed acquisition pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") from M/s. E-Processing Systems (Private) Limited ("**ESL**" or "**Target**") whereby M/s. International Finance Corporation ("**IFC**" or "**Acquirer**") intends to acquire % shareholding in the Target, pursuant to the Share Purchase Agreement. All the requisite information/documentation pertaining to the application was completed by the applicant on 9th March 2020.
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 transaction has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. For the Acquirer: Providing financing and financial services primarily to the private sector in developing countries that are members of IFC.
 - b. For the Target: It is engaged in the business of providing mobile airtime top ups to customers at retailer location and related financial services.
 - ii. The proposed transaction involves the Acquirer proposing to buy % of the fully paid and non-assessable common shares of the Target. The transaction consideration is PKR .
 - iii. The Target belongs to the relevant product market of "**Digital Payment Solutions**" having a geographic market identified as of "**Pakistan**". Based on the data supplied by the Applicant, the Target has % market share in the Mobile Air time Distribution Segment and % in Utility Bill Payment Segment.
 - iv. Post-transaction, there will be no impact in the relevant market.
 - v. The transaction is not likely to result in the creation or strengthening of a dominant position in the relevant market. The intended merger does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act 2010 ("**Act**").
3. In conclusion, the proposed transaction is not likely 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.

Vadiyya S. Khalil

(Vadiyya S. Khalil)
Chairperson

Dr. Shahzad Ansar

(Dr. Shahzad Ansar)
Member



Islamabad the MARCH 20, 2020.