



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING IN
M/S. CLARIANT AG BY M/S. SABIC INTERNATIONAL HOLDINGS B.V.

CASE: 966/Merger-CCP/18

Commission

Ms. Vadiyya S. Khalil
Chairperson

M. Muhammad Saleem
Member



ORDER

1. On 15th May 2018 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**") through which M/s SABIC International Holdings B.V. ("**Acquirer**" or "**Applicant**") intends to acquire % shareholding in M/s Clariant AG ("**Target**") by way of share purchase. All the requisite information/documents pertaining to the application was completed by the applicant on May 23, 2018.
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 undertakings concerned are:
 - a. For the Acquirer: Holding company
 - b. For the Target: Care Chemicals, Catalysis, Natural Resources, and Plastics and Coatings
 - ii. The proposed transaction is an acquisition of % shareholding in the Target by the Acquirer. The relevant product markets have been identified as of "**Non-Ionic Surfactants**" and "**Polyalkylene Glycols**" having a geographic market of "**Pakistan**".
 - iii. In the relevant product market of Non-ionic Surfactants, Target has a share of approximately % while the Acquirer holds approximately % of the market. With respect to Polyalkylene Glycols, Target has approximately % market share and the Acquirer approximately %. Post-transaction, the market share of the Parties will remain unchanged as the Acquirer will not be obtaining control over the Target.
 - iv. 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

Islamabad the

31st May, 2018.

M. Jaleel

(Dr. Muhammad Saleem)

Member

