



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S.
BORUSAN TEDARIK ZINCIRI COZUMLERI VE TEKNOLOJI ANONIM SIRKETI
BY M/S. CMA CGM S.A FROM M/S. BORUSAN HOLDING ANONIM SIRKETI AND
M/S. BORUSAN YATIRIM VE PAZARLAMA ANONIM SIRKETI

CASE: 1540/Merger-CCP/2025



Dr. Kabir Ahmed Sidhu
Chairman

ORDER

1. On 19th May 2025, the Competition Commission of Pakistan (the “Commission”) received a pre-merger application (the “Application”) from M/s. CMA CGM S.A. (the “Notifying Party” or the “Acquirer”), seeking approval for the acquisition of % shareholding of M/s. Borusan Tedarik Zinciri Cozumleri ve Teknoloji Anonim Sirketi (the “Target”) from M/s. Borusan Holding Anonim Sirketi (the “Seller 1”) and M/s. Borusan Yatirim Ve Pazarlama Anonim Sirketi (the “Seller 2”) (collectively referred to as “Sellers”), pursuant to the terms of a Share Purchase Agreement dated 26th April 2025 (the “Agreement”).
2. The Application was filed under Section 11 of the Competition Act, 2010 (the “Act”) read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (the “Merger Regulations”).

Merger Parties

Acquirer

3. CMA CGM S.A. is a limited liability company, organized and existing under the laws of France, registered on 12th July 1977. The Acquirer is active at global level in container liner shipping and port terminal services. In Pakistan, it operates through its wholly owned subsidiary CEVA Logistics S.A., which holds (i) CEVA Logistics Pakistan (Private) Limited and (ii) CEVA Air and Ocean Pakistan (Private) Limited.

Target

4. Borusan Tedarik Zinciri Cozumleri ve Teknoloji Anonim Sirketi is a joint stock company, incorporated under the laws of Republic of Turkiye and is registered under Istanbul Chamber of Commerce on 4th May 2018. The Target provides third party logistics services through contract logistics and freight forwarding. It operates primarily in Turkiye. In Pakistan, the Target has extremely minimal activities in air and sea freight forwarding services, indirectly through a local agent.

Sellers

5. Borusan Holding Anonim Sirketi is a public limited company incorporated under the laws of Republic of Turkiye. It holds % shareholding of the Target.



6. Borusan Yatirim Ve Pazarlama Anonim Sirketi is a public limited company incorporated under the laws of Republic of Turkiye. It holds % shareholding of the Target.

Transaction

7. According to the Application and the Agreement¹, the Acquirer will purchase shares representing % shareholding of the Target from the Sellers. Total consideration for the acquisition is USD (PKR /- as of 16th July 2025) which is deemed to be the transaction value (the "Transaction").

Phase-I Competition Assessment

Procedural Review

8. Based on the Application, the Commission conducted a Phase-I competition assessment with Section 11 of the Act and the Merger Regulations to determine whether the proposed Transaction may result in a substantial lessening of competition or the creation or strengthening of a dominant position in the relevant market.

Relevant Market

9. The relevant product market for the purposes of this assessment comprises "Freight Forwarding Services – Air and Sea", which includes the organization and coordination of cargo transportation by air and sea on behalf of shippers. These services typically cover booking freight space, managing logistics, handling documentation, customs clearance, and delivery arrangements. The geographic market is identified as "Pakistan", given that these services are procured locally, and subject to national regulations, port infrastructure, and customs controls. While the service providers may operate internationally, competitive conditions for customers within Pakistan remain the same.

Market Share

10. According to the Application, the total estimated size of the relevant market for air freight forwarding is approximately EUR and for sea freight forwarding is EUR. The Target has a market share of less than % in air and sea freight forwarding services, while the Acquirer's market share is % in air and % in sea freight forwarding services. The Acquirer's market share in the relevant market will increase marginally by less than %.

Pursuant to clause 17.2 of the Agreement, the Acquirer has the right to substitute another group entity for the subject transaction. Given that the acquirer has nominated M/S. Ceva Lojistik Limited Şirketi, a %-owned entity of the acquirer to acquire the Target.

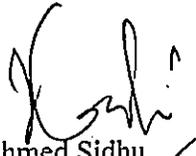


Competition Analysis

11. The proposed transaction constitutes a horizontal merger, as both the Acquirer and the Target operate within the same relevant market. However, the Target holds a negligible market share of less than % and has nominal sales (under USD) in the relevant market. Accordingly, the transaction is not expected to materially affect the structure or dynamics of competition.
12. Additionally, the transaction also gives rise to a technical vertical relationship between the Acquirer's container liner shipping services (upstream market) and its sea freight forwarding services (downstream market). However, the Target's involvement in sea freight forwarding services in Pakistan is extremely limited, and therefore, the vertical aspect of the transaction is not expected to give rise to any competition concerns.
13. Therefore, the transaction is not likely to substantially lessen competition, by creating or strengthening a dominant position. Moreover, it does not create entry barriers or significantly enhance the market power of the Acquirer, post-transaction.

Determination

14. The Commission concludes that the Proposed Transaction does not create or strengthen a dominant position in the relevant market, as defined under Section 2(1)(e) read with Section 11 of the Act and the Merger Regulations. The Proposed Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
15. Notwithstanding the, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.
16. It is so ordered.


Dr. Kabir Ahmed Sidhu
Chairman



ISLAMABAD, July 18th, 2025.