



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF OF ALL ISSUED AND OUTSTANDING
SHARES IN M/S. ELENGY TERMINAL PAKISTAN LIMITED BY M/S. VOPAK LNG
HOLDING B.V.

CASE: 990/Merger-CCP/18

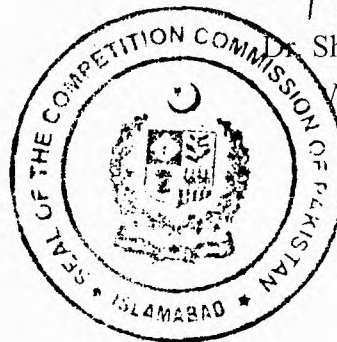
Commission

Ms. Vadiyya Khalil
Chairperson

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Shahzad Ansar
Member



ORDER

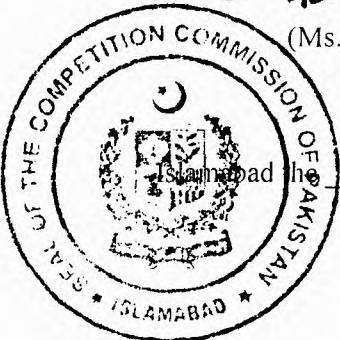
1. The Competition Commission of Pakistan ("**Commission**") is in receipt of a pre-merger application ("**Application**") dated 24th August 2018 (*received by the Commission on 27th August 2018*) sent by M/s. Vopak LNG Holding B.V. ("**Vopak**", "**Acquirer**" or "**Applicant**") notifying the Commission of its acquisition of _____ of all issued and outstanding shares in M/s. Elengy Terminal Pakistan Limited ("**Elengy**" or "**Target**") from M/s. Engro Corporation Limited ("**Engro**" or "**Seller**"), 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: Chemical and LPG terminal at Port Qasim, Pakistan as a JV (*Engro Vopak Terminal Limited*) with M/s. Engro Corporation Limited.
 - b. For the Target: LNG Terminal at Port Qasim, Pakistan.
 - ii. As per the Application, Vopak intends to acquire _____ of all issued and outstanding shares in Elengy. The consideration for this purchase is USD _____ (*approximately PKR billion*), which is the transaction value in this case.
 - iii. The relevant product market in this transaction has been identified as that of handling and re-gasification of LNG, while the relevant geographic market is that of the area served by Sui Southern Gas Company Ltd's transmission system, which extends from Sui, in Balochistan, to Karachi, Sindh. In terms of volume being handled, Elengy's terminal is estimated to be re-gasifying _____ of the LNG being imported into the country. This share will remain the same, post-transaction, as the Acquirer is not active in the relevant product market.
 - 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.

Vadiyya Khalil

(Ms. Vadiyya Khalil)
Chairperson

Dr. Shahzad Ansar

(Dr. Shahzad Ansar)
Member



17th September 2018