



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

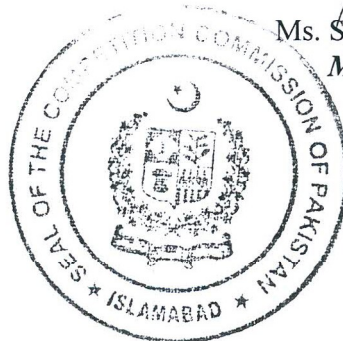
**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING IN M/S. HASCOL
TERMINAL LIMITED BY M/S. VITOL DUBAI LIMITED FROM M/S. FOSSIL
ENERGY PRIVATE LIMITED**

CASE: 1116/Merger-CCP/20

Commission


Mr. Mujtaba Ahmad Lodhi
Member


Ms. Shaista Bano
Member

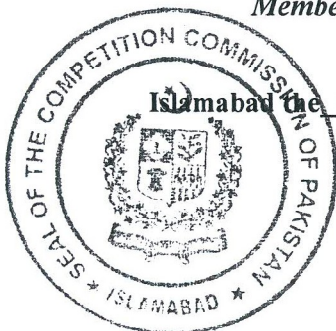


ORDER

1. On 29th September, 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. Vitol Dubai Limited ("**Applicant**" or "**Acquirer**") regarding the intended acquisition of 2.5% shareholding in M/s. Hascol Terminal Limited ("**Target**") from M/s. Fossil Energy Private Limited ("**Seller**") pursuant to the Share Purchase Agreement ("**SPA**"). All requisite information/documentation pertaining to the application was completed on November 23, 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: It is engaged in the trading of crude oil and petroleum products.
 - b. For the Target: It provides storage facilities for imported and locally produced petroleum and related products.
 - c. For the Seller: It is involved in marketing and selling of imported and locally produced petroleum products.
 - ii. The proposed transaction involves the Acquirer intending to acquire 1,000,000 shares (estimated 2.5% shareholding) of the Target from the Seller. As per the SPA, transaction value for the acquisition is PKR 1,000,000,000/-, of which an equivalent amount of US\$ will be remitted from United Arab Emirates.
 - iii. In this transaction, the relevant product market is identified as "**Midstream Oil Market – Bulk Oil Storage**" having a geographic market of "**Pakistan**". Based on the data supplied by the Applicant, market share of the Target is estimated at 2.5%.
 - iv. Post-transaction, although the market conditions will remain unchanged, the Acquirer will be having a greater stake in the relevant market through its presence in the Target.
3. In conclusion, the intended transaction, does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Act. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.

(Mr. Mujtaba Ahmad Lodhi)
Member

(Ms. Shaista Bano)
Member



Islamabad the November 30, 2020.