



**BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN**

**FIRST PHASE REVIEW**

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING BY M/S. BBE D  
PTE. LIMITED OF M/S. EURO GAS (PRIVATE) LIMITED FROM SELLERS.**

**CASE NO. 1553/Merger-CCP/2025**



**Dr. Kabir Ahmed Sidhu  
Chairman**

## ORDER

1. On 21 July 2025, the Competition Commission of Pakistan (the “**Commission**”) received a pre-merger application (the “**Application**”) from M/s. BBE D Pte. Limited (the “**Notifying Party**” or the “**Acquirer**”). The Application sought approval for the acquisition of % of the issued and paid-up capital of M/s. Euro Gas (Private) Limited (the “**Target**”) by the Acquirer. The transaction is being executed in accordance with the terms and conditions set out in the Share Purchase and Share Subscription Agreement, dated 30 November 2024 (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. M/s. BBE D Pte. Limited is incorporated in Singapore on 20 March 2019, an investment holding company.

a privately held, globally integrated energy trading company, principally engaged in the trading of crude oil, refined petroleum products, liquefied petroleum gas, Liquefied Natural Gas (“**LNG**”), base oil, and other energy commodities. In Pakistan, it is active through its associated company, Euro Oil (Private) Limited, an oil marketing company, incorporated in Pakistan on 07 March 2016.

#### **Target**

4. M/s. Euro Gas (Private) Limited is incorporated in Pakistan on 13 July 2022, for the purposes of undertaking prospecting, development, import, storage, marketing, and distribution of hydrocarbons and petroleum products. However, it has not yet commenced commercial operations and in near future, intends to apply for the requisite licenses to focus on the LNG business in Pakistan.

#### **Sellers**

5. The Sellers are Mr. Adnan Nasir, Mr. Umer Mujib Shami, Mr. Sohail Ahmad and Mr. Nadeem Ahmad, who own the shares proposed to be transferred to the Acquirer under the Agreement.

### Transaction

6. The transaction involves the acquisition by the Acquirer of \_\_\_\_\_ shares out of a total of \_\_\_\_\_ shares, representing \_\_\_\_\_ % of the issued and paid-up capital of the Target (the “**Transaction**”). The total estimated value of the Transaction is PKR \_\_\_\_\_.
7. Pursuant to the terms and conditions set out in the Agreement, the Acquirer may subscribe to additional shares, however, the shareholding pattern of the Target shall remain such that the Sellers will retain \_\_\_\_\_ % of the issued shares and the Acquirer shall hold \_\_\_\_\_ % of the issued share capital.

### Phase-I Competition Assessment

#### **Procedural Review**

8. Based on the Application and the supplementary information, the Commission undertook a Phase-I review to assess the competitive implications of the Transaction. The evaluation included an examination of the documentation to determine compliance with the provisions of the Act and the Merger Regulations, with a particular focus on potential competitive concerns, including the likelihood of the creation or strengthening of a dominant position in the relevant market, post-Transaction.

#### **Relevant Market**

9. The relevant product market is identified as “**Import and Distribution of LNG**”. The geographic market is defined as “**Pakistan**”.
10. According to the Applicant, the Target intends to import LNG from the Acquirer and may also source from M/s. Pakistan LNG Company (“**PLL**”), provided that its tenders are open to third parties.

Furthermore, the Target intends to deliver LNG to end users through the transmission and distribution networks of M/s. Sui Southern Gas Company Limited and M/s. Sui Northern Gas Pipelines Limited, utilizing either existing or future government infrastructure, or via



road transport, utilizing storage and loading facilities at existing or future Floating Storage and Regasification Units, including the truck-loading jetty at Port Qasim.

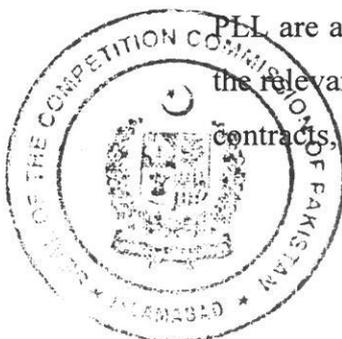
12. In Pakistan, the virtual pipeline supply of LNG is emerging as an alternative to traditional gas pipelines, particularly in areas lacking access to the national gas grid. This system involves transporting LNG via cryogenic tankers by road to end-users, offering a flexible and scalable solution for meeting energy demand in remote or off-grid regions. As the country faces growing gas shortages and infrastructure limitations, virtual pipelines provide a quicker and less capital-intensive option compared to laying new physical pipelines. While challenges such as higher logistics costs and safety concerns remain, this model is increasingly being adopted to ensure energy access, especially for industries and commercial consumers in underserved areas.

### **Market Share**

13. The potential competitors will be existing LNG license holders such as M/s. Energas Terminal (Private) Limited (“**Energas**”) and M/s. Universal Gas Distribution Company (“**UGDC**”). However, these undertakings have yet to commence operations in Pakistan. At present, M/s. Pakistan State Oil Limited (“**PSO**”) and PLL together account for % of LNG import in Pakistan, with PSO holding approximately % and PPL %. Private license holders may also commence LNG imports in the future. However, no verifiable data or market share allocation concerning private entities is available.

### **Competition Analysis**

14. Based on the current market structure, the Transaction does not raise horizontal concerns. However, the Transaction represents a possible vertical relationship between and among the Acquirer, the global LNG suppliers, the Target and the local distributors for the reasons explained below.
15. As outlined in the Application, the Target intends to enter the LNG market in Pakistan by importing LNG from the Acquirer and/or from PLL. The LNG import is currently highly concentrated and dominated by State-Owned Entities (“**SOEs**”). Only PSO and PLL are actively engaged in the import and supply of LNG, holding the entire share in the relevant market. The regasification market in Pakistan is characterized by long-term contracts, such as those held by M/s. Engro Elengy Terminal Limited and PGP

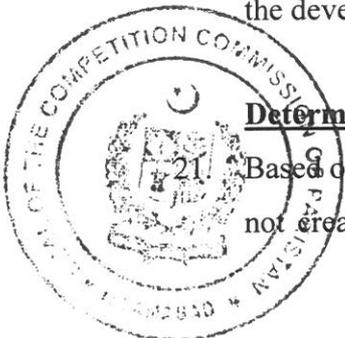


Consortium Limited. Although OGRA has issued LNG import licenses to private entities, none have commenced commercial operations to date.

16. Moreover, Long-term LNG supply contracts, mainly with Qatar, ensure supply stability but limit pricing flexibility and competition. In addition, regulatory barriers, set by the Ministry of Energy and OGRA, continue to favor the SOEs and deter private investment through complex licensing, tariffs, and restricted access to infrastructure.
17. Additionally, the LNG sector faces high entry barriers due to significant capital requirements for infrastructure such as liquefaction plants, specialized LNG carriers, regasification terminals, and extensive pipeline networks. Supply security is critical, as LNG plays a key role in power generation and industrial use, requiring timely and reliable delivery. While LNG experiences some seasonal demand fluctuations, its broad global demand base helps moderate extreme price volatility. Additionally, the need for regasification before end use adds complexity to the value chain, requiring advanced technical capabilities and long-term planning.
18. The proposed Transaction integration may lead to more efficient sourcing and supply of LNG, particularly in serving industrial or off-grid users. Given the current market conditions, where private sector participation remains in a preparatory or licensing phase. The Target's entry is, therefore, unlikely to displace any existing market participants.
19. Additionally, the entry of the Target could enhance future competition by introducing a private sector alternative to the SOEs-dominated supply of LNG. It may contribute to supply diversity, improved service delivery, and increased efficiency in the LNG value chain.
20. Accordingly, the Transaction is not expected to have any adverse impact on the competitive dynamics of the LNG market in Pakistan at this stage. It is likely to support the development of a more competitive and diversified energy sector over the long-term.

#### **Determination**

Based on the information provided, the Commission concludes that the 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. Accordingly, the proposed Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.

22. Notwithstanding the above, matters which may fall outside the scope of the Commission's jurisdiction, remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.

23. It is so ordered.



Dr. Kabir Ahmed Sidhu  
(Chairman)



ISLAMABAD, Sept 26<sup>th</sup>, 2025.