



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF JOINT VENTURE BETWEEN M/S. ROBERT BOSCH GMBH
AND M/S. BASF SE**

CASE: 1149/Merger-CCP/21

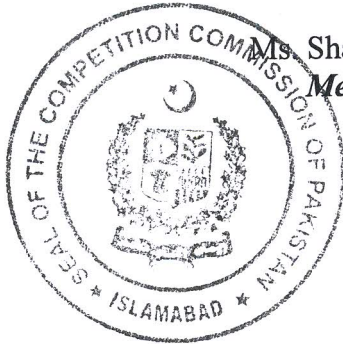
Commission

ML

Mr. Mujtaba Ahmad Lodhi
Member

MS

Ms. Shaista Bano
Member



ORDER

1. On February 11, 2021 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**") whereby M/s. Robert Bosch GmbH ("**JV Party 1**") and M/s. BASF SE ("**JV Party 2**"), collectively as ("**Applicants**") intend to form a Joint Venture pursuant to a Joint Venture Agreement.
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and has made its observations on the basis of an 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 JV Party 1: Multinational engineering and technology company.
 - b. For JV Party 2: Multinational chemical company.
 - ii. The proposed transaction involves JV Party 1 and JV Party 2 to form a Joint Venture by the name of M/s. Bosch BASF Smart Farming GmbH, pursuant to a Joint Venture Agreement on a 50:50 ratio basis. This is a foreign-to-foreign transaction and the transaction value is deemed at Euro 6,025,000 (equivalent to PKR 1,157,523,000 as at February 26, 2021).
 - iii. The relevant product market identified in this case is that of "**Smart field sprayer solutions**" while the relevant geographic market has been identified as "**Pakistan**". The Applicants have stated that the relevant product market is an emerging service and still in its infancy. Currently, there are no overlaps between the merger parties. Furthermore, no reliable market share data is available and potential revenue estimates cannot be determined because the monetization models are not yet fully developed or tested.
3. Ancillary restriction has been reported with this transaction, which may require exemption under Section 5 of the Act, read with Regulation 4 of the Competition Commission (Exemption) Regulations, 2020.
4. 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.
5. It is so ordered.

(Mr. Mujtaba Ahmad Lodhi)
Member

(Ms. Shaista Bano)
Member

Islamabad the 10th MARCH, 2021.

