



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

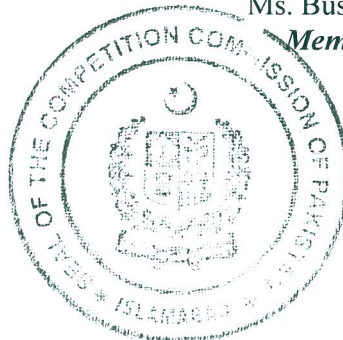
**IN THE MATTER OF ACQUISITION OF __% SHAREHOLDING OF M/S. ROYAL
AIRPORT SERVICES (PRIVATE) LIMITED BY M/S. MENZIES AVIATION PLC
FROM M/S. SPARS (PRIVATE) LIMITED**

CASE: 1138/Merger-CCP/21

Commission

Mr. Mujtaba Ahmad Lodhi
Member

Ms. Bushra Naz
Member



ORDER

1. On January 07, 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. Menzies Aviation PLC ("**Acquirer**") intends to acquire approximately % shareholding in M/s. Royal Airport Services (Private) Limited ("**Applicant**" or "**Target**") from M/s. SPARS (Private) Limited ("**Seller**"), pursuant to their Agreement.
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: A holding company for the majority of the investments of the John Menzies PLC group.
 - b. For the Target: Provides ground handling services consisting passenger handling, cargo handling, ramp handling, baggage handling, equipment, occupational safety and security and ticketing services in major airports of Pakistan.
 - c. For the Seller: Engaged in the business of rendering, consultancy, management, business development, accounting and auditing services.
 - ii. The proposed transaction involves the Acquirer to acquire ordinary shares representing % shareholding in the Target from the Seller. The transaction value is deemed at PKR 1,000,000,000 and the funds will be transferred into the Seller's account from abroad.
 - iii. The relevant product market identified in this case is that of "**Aviation Services – Ground handling, Cargo handling and Passenger handling**" having a geographic market identified as of "**Pakistan**". Based on the data provided in the application, only the Target is active in the relevant product market of Pakistan having a market share of % which will remain unchanged after the transaction.
 - iv. Post transaction, although the market shares will remain unchanged, however, the Acquirer will gain presence in the market through this transaction and obtain control over 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. Bushra Naz)
Member

Islamabad the 26th JANUARY, 2021.

