

Deep solar pumping system

CCP sees no violation of Competition Act in tender

ISLAMABAD: The Competition Commission of Pakistan (CCP) has passed an order disposing of the matter against Khyber Pakhtunkhwa Directorate of Agriculture Engineering for alleged violation of Section 3 & 4 of the Competition Act, 2010; whereby the restrictive trading conditions are imposed in its tender for procurement and installation of 'Deep Solar Pumping Systems on Agriculture Tube-wells/open-wells.'

Catkin Engineering sent a formal complaint to the CCP alleging that KP Directorate of Agriculture Engineering had included certain unfair trading conditions in the tender for procurement and installation of Deep Solar Pumping Systems on Agriculture Tube-wells/open-wells, thus making the tender anti-competitive and in violation of Section 4 of the Competition Act.

As per the complainant, the Directorate in its tender required the firms to have registration with Khyber Pakhtunkhwa Revenue Authority (KPRIA); must have PKR 200 million average turnover for the last three years in solar pumping systems; should have experience of projects of similar and complex nature worth PKR 10 million completed in last five years; and should have test bed for verification/testing of solar pumps along with all accessories as per ISO 9906 in company premises (firm must have third party certification regarding test bed arrangements).

The CCP's enquiry examined all the clauses separately to see whether there was any

violation of the Competition Act or not. In its order, the CCP's bench stated that the complainant had failed to establish any violation of the Competition Act in the tender.

Regarding the first condition, the order stated that registration with KPRIA is the same as obtaining a National Tax Number (NTN) from the Federal Board of Revenue (FBR) i.e. a person/entity does not have to be actually paying any taxes to obtain an NTN. It also observed that registration with KPRIA can be done online through its website. Therefore, it appears that this clause does not adversely impact competition.

Regarding the second condition of Rs200 Million average turnover requirement, the order stated that the PEC recommendation is for the firm to maintain an average turnover over a five-year period; however, the bidding document requires turnover to be maintained over a three-year period which appears to be less stringent since it would be easier for a firm to maintain a certain level of sales over 3 years rather than five years. Therefore, this clause does not appear to impede competition.

The order noted, that the burden of proof rests with the Complainant who has failed to substantiate as to how the impugned clause is restrictive of competition and the condition about Rs 10 million worth of projects in last five year does not appear to be anti-competitive as the value of the project is much bigger.—PR

CCP disposes of complaint against K-P directorate

OUR CORRESPONDENT

ISLAMABAD The Competition Commission of Pakistan (CCP) has passed an order, disposing of a complaint against Khyber-Pakhtunkhwa Directorate of Agriculture Engineering for alleged violation of Sections 3 and 4 of the Competition Act 2010.

Earlier, Catkin Engineering filed a complaint with the CCP, alleging that the directorate had restrictive trading conditions in its tender for the procurement and installation of deep solar pumping systems on agriculture tube wells/ open wells, which made it anti-competitive and violated Section 4 of the Competition Act.

According to the complainant, the tender from the directorate required the participating firms to be registered with Khyber-Pakhtunkhwa Revenue Authority (KPRA) and have an average turnover of Rs200 million in the last three years in solar pumping systems.

In addition to that, the tender demanded that the firms should have experience of projects of similar and complex nature worth Rs10 million, which were completed in the last five years, in addition to having a test bed for verification and testing of solar pumps.

The CCP inquiry examined all the clauses separately to see whether there was any violation of the Competition Act or not. In its order, a CCP bench stated that the complainant had failed to establish any violation of the Competition Act in the tender. The order stated that registration with KPRA was the same as obtaining the National Tax Number (NTN) from FBR ie a person/entity does not have to be actually paying any taxes to obtain an NTN.

CCP grants clean chit in tender procurement

Our correspondent

ISLAMABAD: The Competition Commission of Pakistan (CCP) has granted clean chit in tender for procurement of deep solar pumping system by KP Directorate of Agriculture Engineering. The CCP found no violation of Competition Act so they granted clean chit.

According to the announcement of CCP, the Commission has passed an order disposing of the matter against Khyber Pakhtunkhwa (KP) Directorate of Agriculture Engineering for alleged violation of sections 3 & 4 of the Competition Act, 2010; whereby, the restrictive trading conditions are imposed in its tender for procurement and installation of 'Deep Solar Pumping Systems on Agriculture Tube-wells/open-wells.'

Catkin Engineering sent a formal complaint to the CCP alleging that KP Directorate of Agriculture Engineering had included certain unfair trading conditions in the tender for procurement and in-

stallation of Deep Solar Pumping Systems on Agriculture Tube-wells/open-wells, thus making the tender anti-competitive and in violation of Section 4 of the Competition Act.

As per the complainant, the Directorate in its tender required the firms to have registration with Khyber Pakhtunkhwa Revenue Authority (KPRA); must have Rs200 million average turnover for the last three years in solar pumping systems; should have experience of projects of similar and complex nature worth PKR10 million completed in last five years and should have test bed for verification/testing of solar pumps along with all accessories as per ISO 9906 in company premises (firm must have third party certification regarding test bed arrangements).

The CCP's enquiry examined all the clauses separately to see whether there was any violation of the Competition Act or not. In its order, the CCP's bench stated that the complainant had failed to es-

tablish any violation of the Competition Act in the tender.

Regarding the first condition, the order stated that registration with KPRA is the same as obtaining a National Tax Number (NTN) from the Federal Board of Revenue (FBR) i.e. a person/entity does not have to be actually paying any taxes to obtain an NTN. It also observed that registration with KPRA can be done online through its website. Therefore, it appears that this clause does not adversely impact competition.

Regarding the second condition of Rs200 million average turnover requirement, the order stated that the PEC recommendation is for the firm to maintain an average turnover over a five-year period; however, the bidding document requires turnover to be maintained over a three-year period which appears to be less stringent since it would be easier for a firm to maintain a certain level of sales over three years rather than five years. Therefore, this clause does not appear to impede competition.

The order noted, that the burden of proof rests with the complainant who has failed to substantiate as to how the impugned clause is restrictive of competition and the condition about PKR 10 million worth of projects in last five years does not appear to be anti-competitive as the value of the project is much bigger.

Moreover, the condition of having the test bed facility on the company premises appears to be unnecessary and the Khyber Pakhtunkhwa Directorate of Agriculture Engineering has failed to provide a satisfactory answer as to why 13 marks were assigned for this requirement.

The CCP's bench disposed of the case and established that no violation of Sections 3 or 4 of the Competition Act is made out in the tender's clauses.

The CCP is mandated under the Competition Act to ensure free competition in all spheres of commercial and economic activity, to enhance economic efficiency and to protect consumers from anti-competitive practices.

ڈیپ سولر پمپنگ سسٹم ٹینڈر کیس، سی سی پی نے حکم جاری کر دیا

کیٹکن انجینئرنگ کمپنیشن ایکٹ کی خلاف ورزی ثابت کرنے میں ناکام رہا

کر دیا۔ یہ کیس خیبر پختونخواہ ڈائریکٹوریٹ آف ایگریکلچر انجینئرنگ کے ڈیپ سولر پمپنگ سسٹم برائے ایگریکلچر ٹیوب ویل / اوپن ویل کی پروکیورمنٹ اور تنصیب کے ٹینڈر میں مبینہ (باقی صفحہ 6 بقیہ نمبر 15)

اسلام آباد (اوصاف نیوز) کمپنیشن کیسٹن آف پاکستان نے خیبر پختونخواہ ڈائریکٹوریٹ آف ایگریکلچر انجینئرنگ کے خلاف کمپنیشن ایکٹ کے سیکشن 3 اور 4 کی خلاف ورزی کا کیس ثابت نہ ہونے پر آرڈر جاری

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حکم جاری

اوصاف

طور پر محدود کر دینے والی تجارتی شرائط سے متعلق تھا۔ لیکن انجینئرنگ نے سی سی پی کو شکایت کی تھی کہ خیبر پختونخواہ ڈائریکٹوریٹ آف ایگریکلچر انجینئرنگ نے ڈیپ سولر پمپنگ سسٹم برائے ایگریکلچر ٹیوب ویل / اوپن ویل کی پروکیورمنٹ اور تنصیب کے ٹینڈر میں غیر منصفانہ تجارتی شرائط عائد کی ہیں جو کہ کمپنیشن ایکٹ کے سیکشن 4 کی خلاف ورزی ہے۔ شکایت میں الزام لگایا گیا تھا کہ ڈائریکٹوریٹ نے ٹینڈر میں کمپنیوں کی خیبر پختونخواہ ریونیو اتھارٹی سے رجسٹریشن؛ سولر پمپنگ سسٹم میں پچھلے 3 سال میں 20 کروڑ کے واسطے ٹرن اوور؛ پچھلے 5 سالوں میں ایسے ہی منصوبوں کا سابقہ تجربہ جن کی مالیت 1 کروڑ سے کم نہ ہو