

Govt urged to appoint members of CCP and CAT

RECORDER REPORT

ISLAMABAD: The government needs to immediately appoint Members of Competition Commission of Pakistan (CCP) as well as Competition Appellate Tribunal (CAT) for effective implementation of the competition law and disposal of pending cases with the tribunal.

Experts told Business Recorder on Monday that an effective law also needs a strong agency to implement it. Although CCP has remained quite active in enforcing the law, it currently faces shortage of members. Under the law, the number of members is seven, however, currently there are only three members serving the Commission. The members included Dr Joseph Wilson, who is also the Acting Chairman, Mueen Batlay and Dr Shehzad Ansar.

Competition Appellate Tribunal (CAT), a forum for appeal against CCP decisions, is dysfunctional. Justice Faqir Muhammad Khokhar, Former Judge Supreme Court was appointed Chairperson of Competition Appellate Tribunal vide Ministry of Law, Justice and Parliamentary Affairs Notification on July 27, 2011 for a period of three years or till attaining the age of sixty eight (68) years whichever is earlier. Khalid A. Mirza, former Chairman Competition Commission of Pakistan and Muhammad Arshad Tabrez, for-

mer Judge of Islamabad High Court and former Deputy Attorney General of Pakistan were appointed as Technical Members on May 29, 2012. Raja Imran Aziz, Advocate Supreme Court was appointed Technical Member of the Competition Appellate Tribunal on 30 November 2012.

The Tribunal was functional for about 5 months and decided one appeal. It became dysfunctional when Khalid Mirza resigned before his retirement in April 2013 and Justice Faqir Muhammad Khokhar's term also expired in April 2013 after attaining age of sixty eight years.

Experts urged the government to immediately appoint members of CCP and CAT to help transmit the benefits of Competition Law to the consumers and industry.

Another expert opined that Pakistan is among the group of states that have a modern Competition Law. Several other countries of the world are gradually converting their old Competition Laws into new ones to deal with the challenges of free market economy.

The history of competition law in Pakistan dates back to the 1970s when Pakistan promulgated the Monopolies and Restrictive Trade Practices (Control and Prevention) Ordinance, 1970. The Monopoly Control Authority was established to enforce this law.

However, considering the changed economic conditions and various limitations of the legislation, the Government of Pakistan completely overhauled its competition regime in 2007 by enacting a new legislation, namely the Competition Ordinance of 2007. The Competition Ordinance was a modern competition law essentially based on the European Legal principles. The Competition Commission of Pakistan was established to implement the new competition law. The Ordinance was enacted as an Act of Parliament in October, 2010.

Mainly, the Competition Law of Pakistan prohibits actions that tend to lessen competition such as abuse of dominant position, prohibited agreements, and deceptive marketing practices. The law sets out procedures relating to review of mergers and acquisitions, enquiries, imposition of penalties, grant of leniency, and other essential aspects of law enforcement.

Legal and industry experts term the competition law of Pakistan to be a modern law in line with the laws of developed economies. They cite the work done by CCP and its impact on the economy as a barometer of the effectiveness of the law. Several interventions by CCP resulted in eradicating market distortions thus serving consumers as well as the industry.