

Dar asks CCP to examine post-POL price cut situation

Prices of various items not showing concomitant ebb

SOHAIL SARFRAZ &
TAHIR AMIN

ISLAMABAD: Finance Minister Ishaq Dar has directed Competition Commission of Pakistan (CCP) to adopt an effective mechanism with a view to ascertaining why a reciprocal reduction in prices of a number of other items is not being witnessed when the government has made a steep reduction in the POL prices.

"Being in-charge of Ministry of Finance I direct the commission (CCP) to see what mechanism should be adopted to check such activities where benefit of a major reduction in petroleum prices has not been passed on to consumers of general commodities. The CCP should look into this particular aspect," said Dar while addressing a seminar in connection with World Competition Day. It was organ-

ised by the CCP here on Friday. When petroleum prices increase, prices of all commodities, including transport fares and daily use items along with staple food go up. Contrary to this, when the government has made a substantial decrease in POL prices, the impact has not been passed on to consumers proportionately. Citing the example of staple food, he said the CCP should not limit its enforcement

mandate to the industrial sectors like cement, but also look into the daily commodities being

> P 4 Col 7

Related report and picture
on Page 3

'Free enterprise in
ideas'; Page 22

Perceptible decline
in corruption?
Editorial on Page 22

Prices of various items

> from page 1

used by consumers such as potato and other food items for consumer protection.

Referring to a litigation in courts, he said that all orders of the CCP have been challenged in courts. Therefore, the commission has a great responsibility to work harder to handle the invisible impact. CCP has been working hard but has not reached out to as many sectors as the government wants, e.g., staple food items like potato. Before Ramazan there was cartelization and the commodity prices reached as high as Rs 200 per kg, however government intervened by withdrawing taxes and after that prices came down to Rs 70 per kg. He further said that Pakistan lacks consumer protection societies. Dar said that competition results in lower prices and more choices for consumers; it fosters innovation, promotes entrepreneurship and helps prepare domestic firms for international competition. He added that he was impressed by the progress CCP has made in creating a pro-competition environment.

"Competition also sends a positive signal to foreign investors. When foreign investors observe that the government is serious in implementing the competition regime, i.e., it will not be providing domestic entities with preferential treatment over others they will be confident in investing in Pakistan, the Minister said adding that the CCP had the support of the Government in discharging of its statutory obligations, he said while congratulating the CCP for organising the seminar.

The government has initiated a plan to review all SROs and to phase out gradually in three years period. The government is fully cognizant that certain SROs, whereby preferential and/or concessionary rate of duty on imports and other regulatory duties are slashed for certain parties, which creates an uneven field and distorts competition. The loss to the industry through such preferential treatment is far graver than the benefit to any individual. He further said that the government has already phased out some SROs, in the budget 2014-15; some would be phased out in the budget of 2015-16 while the remaining would be eliminated in the budget 2016-17.

He further said that country's economic indicators are improving as growth rate is up from the average 3 percent to around 4 percent while the government has projected it at 5 percent for the current fiscal year. Further, budget deficit decreased but without any cut in development expenditure and social sector. The government earmarked Rs 425 billion for development spending and released Rs 421 billion for the last fiscal year. He further said that government abolished secret funds of 32 institutions and ministries out of 34 except ISI and IB, keeping the sensitivity of these institutions; however, high-level audits of these institutions were being carried out. He further said that the foreign exchange reserves reached the lowest ebb of dollar 7.7 billion, which have now improved to around 14.5 billion.

He further said the decline in POL prices and political instability affected the OGDCL transactions and the government received less response against 52 percent shares and resolutely the process was postponed. He

further said the threshold of 60 percent in public debt was crossed last year and it touched 64 percent; however, the government is working to bring it to 57 percent in the next three years. He further said that parliamentarians would be asked to formulate a charter of economy to put the country on a path to development.

The government has received an enormous response to the international Islamic bond market with the issuance of US dollar-denominated Sukuk. The government received very high investors' interest who made subscriptions of US\$ 2.3 billion – nearly five times of the target amount. But the government decided to accept offers of US\$1 billion at a profit rate of 6.75 percent.

He said that given Competition law is still new in Pakistan it is very important to create awareness about this law and the benefits of competitive markets to the economy as a whole. In this globalized world, where nation states are interdependent both politically and economically it is not possible to survive and sustain without competition with other nation states. Promulgation and effective enforcement of Competition laws is Pakistan's international obligation under the GATS, the SAFTA, the UNCTAD and a host of other bilateral trade agreements.

In the international context, as national economies become highly integrated through trade the buzz word seems to be competitiveness and there is no doubt that our products cannot be competitive in the international market without free and fair competition domestically, he said.

According to him, competition also sends a positive signal to foreign investors. When foreign investors observe that the government is serious in implementing the competition regime i.e. it will not be providing domestic entities with preferential treatment over others they will be confident in investing in Pakistan, Dar added.

He further said that under the Competition Act, 2010 the Competition Commission of Pakistan, is mandated to ensure free competition in all spheres of commercial and economic activity; enhancing economic efficiency and protecting consumers from anti-competitive behavior. A difficult task indeed, and one that cannot be fulfilled without the support of the government. The government support would mean ensuring independent functioning and autonomy to CCP.

He further said that enhancing consumer welfare and poverty reduction requires a holistic approach. For example, our monetary policy may aim to manage the rate of inflation; however the efficacy of this policy would be impacted by cartelization in certain sectors which would artificially raise prices for consumers. Therefore, it is important that the Competition watchdog be empowered to fulfil its constitutional role, he added.

Dar said that harmonization between government policies and competition law is also important and we must work with CCP to ensure that our policies are pro-competition or at least competitive-neutral. Pro-competitive government policies would in turn encourage foreign investment, the finance minister maintained.

6 Dec 2014

Page# 3



ISLAMABAD: Federal Finance Minister Ishaq Dar speaking at a seminar on the occasion of World Competition Day (WCD) organized by Competition Commission of Pakistan, here on Friday. —Recorder photo

Staple food crops pricing

CCP takes note of suspected cartelisation

RECORDER REPORT

ISLAMABAD: Dr Joseph Wilson, Chairman Competition Commission of Pakistan (CCP) Friday disclosed that the CCP has taken notice of the suspected cartelisation in staple food crops pricing and is sharing data with the relevant ministries.

On the occasion of a seminar organized by the CCP in connection with the

World Competition Day-2014, he said that the commission has taken notice of the staple food items pricing and suspected cartelisation in this area. In this regard, CCP is exchanging data with the relevant ministries.

CCP Member Mueen Batlay asserted that the commission is actively looking into the food sector to check any possibility of cartelization in transaction of such commodities.

On the issue of smuggling, Dr Joseph Wilson informed that the CCP is also looking into the smuggling of tea in the garb of Afghan Transit Trade. The CCP has limited mandate to check

smuggling but it is investigating the issue with the powers available under the law.

In his presentation, CCP Member Mueen Batlay said that the CCP wants to ensure that all restraints, private or public, which hurt competition, were being watched. The CCP has vast powers, and it is up to us how we develop a competition policy and to ensure that the government policy is in line with competition policy.

He said that the section 29 of the Competition Act: Advocacy as a tool to respond to public restraints or regulatory barriers. CCP is empowered to review policy frameworks and to advise the government. He also gave examples of Policy Notes (Construction sector, GIDC and ICH).

He said that the exemptions were given to NLC, NCL and FWO on performance bond and security money in the construction sector. Resultantly an edge was given to these companies in terms of cash flows. Other companies were restricted to provide

guarantees and bonds to the entities they were getting contracts from. This raised the cost by 20-30% for those companies not given exemptions.

About the GIDC Policy note, he said that price differential between pre and post 2001 fertilizer plants was enhanced as a result of GIDC levy. This eroded the level playing field. CCP recommended that GIDC should be levied uniformly. The matter is now sub-judice.

About the ICH Policy Note, he said that under proposed agreement, all incoming international traffic would be routed through PTCL infrastructure. The supposed basis was to curtail or eliminate grey traffic, but ICH was actually reversing development in the telecom sector. This was against the very spirit of competition as there was no incentive to improve sales or services for LDI operators. CCP recommended that ICH should be withdrawn. The ultimate victory was for the consumers. This matter is currently sub-judice, he added.

EU envoy advocates enhanced Pakistan-India trade to reduce tensions

RECORDER REPORT

ISLAMABAD: Lars-Gunnar Wigemark, Ambassador of EU delegation to Pakistan has urged to increase trade between Pakistan and India to reduce tension between the two countries.

Speaking at a seminar organised by the Competition Commission of Pakistan (CCP) on the occasion of World Competition Day-2014 here on Friday, EU Ambassador to Pakistan stated that the increase in trade between Pakistan and India would be instrumental in reducing tension between the two countries.

Wigemark said that regional economic trade had enormous potential particularly Pakistan's trade with neighbouring countries like India, Afghanistan and China. EU supported competition law in Pakistan and adequate resources to be provided to the CCP for a stronger competition agency in the country, he said.

Referring to the SROs, he said Pakistan needed to get rid of the SROs as those were distorting competition, adding fair competition would improve governance through a strong and well performing competition regime in the country.

He stated that the government should continue with the economic reforms.

He said EU companies would invest more in Pakistan provided competitive enforcement was made essential for the benefit of investors.

Lars-Gunnar Wigemark fur-

ther said Pakistan had such a competition agency that it could be proud of, adding that for the competition law to be effectively enforced it required a strong Competition Commission. He was of the view that Pakistan should get rid of discriminatory SROs.

He said that the CCP had an able leadership which was working towards tackling distortions in the market, and added that competition in various spheres of the economy would help grow Pakistan at a faster pace

Dr. Joseph Wilson, Chairman, CCP while addressing the audience stated the purpose of the seminar was to create awareness of competition law and enforcement issues. He stated that the promulgation of competition law in Pakistan, among other reasons, was the fulfillment of UN Resolution 35/63 of the December 5, 1980.

Dr Joseph informed the audience that the current challenging economic conditions ensuring competitive markets and a level playing field for national and international players was extremely important to attract investment. He said Competition Act of Pakistan did envisage that combating private restraint in the market was not sufficient and that it was extremely important to review the effects of government regulations and actions. Therefore, in addition to the substantive enforcement provisions the Competition Law mandates the

Commission to do competition advocacy.

The theme of the first session was "Unfair trade practices and loss to consumer welfare".

Khalid Mirza, former Chairman CCP, while addressing the session stated that competition was the most significant charter, *manga carta* so to speak for the protection of consumers.

Syma Ahmed, Assistant Professor, FC College University in her presentation talked about dark practices whereby companies use tricks to psychologically lead consumers into believing what is not in the best interest of consumers.

Saad Amanullah Khan, former CEO Gillette observed that strong institutions were like regulators, guardians like parents who needed to discipline children. "There should be open competition and a check on anti-competitive practices that lead to a dominant position."

Dr Shahzad Ansar, CCP Member threw light on the new initiative of CCP in the areas dealing with the Office of Fair Trading.

The second session was on the theme of "Public Restraints and its impact on Competition". The debate focused on how regulatory barriers such as tax and duty exemptions were hampering competition.

Dr Syed Ismail Shah, Chairman, Pakistan Telecommunication Authority, gave the example of the telecom sector as a success story. He noted that there was modest

growth in the telecom sector in the pre-deregulation period. He said PTA's approach had always been to promote competition in the telecom sector and competition in the telecom sector had increased after deregulation.

Dr Tariq Hassan, Advocate and former Chairman SECP noted that there were two types of restraints: public sector restraints and private sector restraints. He observed that the Competition Act, 2010 focused only on private sector restraints. Trade barriers, regulatory barriers, state-owned or state-sanctioned monopolies all represent public barriers to trade and commerce.

Dr Manzoor Ahmad, Pakistan's former ambassador to the WTO, said some industries had strong lobby power so they lobbied for higher tariffs which reduced competition.

Mueen Batlay, Member CCP said "CCP wants to ensure the audience that all restraints, private or public, which hurt competition, have our attention. CCP has vast powers, and it is up to it to develop a competition policy and to ensure that the government policy is in line with competition policy."

Senator Ishaq Dar distributed shields to the speakers of the seminar.

The seminar was attended by a large number by the government officials, regulatory organisations, and representatives of business community, trade associations, legal community, academia and media.

Regulatory barriers hamper trade, increase cost of doing business

By our correspondent

ISLAMABAD: Regulatory barriers, state subsidies, exemptions granted to incumbent firms through SROs, etc, hamper trade, increase cost of doing business and breed malpractice, said Dr Joseph Wilson, chairman of the Competition Commission of Pakistan (CCP), while addressing a seminar organised by the commission to mark the World Competition Day.

These barriers should be eliminated to ensure a competitive economic environment and attract foreign investment, he said.

Dr Wilson said in the understanding between Pakistan and the International Monetary Fund (IMF) on the negotiations for the loan programme, it was decided that Pakistan would phase out exemptions and, at the same time, the SROs culture would be eliminated to ensure high revenue generation and to bridge fiscal deficit.

The promulgation of competition law in Pakistan, among other reasons, is in fulfillment of the UN Resolution 35/63 of December 5, 1980, he said, adding,

at the UNCTAD IGE (Intergovernmental Group of Experts), various competition agencies around the world supported the call for observing WCD and so, since 2012, this day is being observed by the competition agencies around the world.

"The CCP celebrated this day by organising seminars for the third consecutive years."

The CCP chairman said Pakistan continues to face challenging economic conditions and in such circumstances, ensuring competitive markets and a level-playing field for national and international players is extremely important to attract investment.

This involves strong advocacy with the government from introducing any measures that distort competition, he said, adding, for the competition culture to embed in Pakistan it necessitates a top-down approach, ie, first creating awareness among the government departments to keep their policies competitive.

Addressing the seminar as the chief guest, Finance Minister Ishaq Dar said competition results in lower prices and more choices for consumers, fosters

innovation, promotes entrepreneurship and helps prepare domestic firms for international competition.

He said he was impressed by the progress the CCP has made in creating a pro-competition environment in the country.

"Competition also sends a positive signal to foreign investors. When foreign investors observe the government is serious in implementing the competition regime, ie, it will not be providing domestic entities with preferential treatment over others, they will be confident in investing in Pakistan, the finance minister said, adding, the CCP had the support of the government in the discharge of its statutory obligations.

Dar congratulated the CCP for organising the seminar.

Earlier addressing the seminar, Lars-Gunnar Wigemark, ambassador of the EU delegation to Pakistan, said Pakistan has a competition agency that it can be proud of. For the competition law to be effectively enforced, it requires a strong competition commission, he said, adding, Pakistan should get rid of the discriminatory SROs.

#

Dar lauds CCP's role in creating competitive environment

Staff Report

ISLAMABAD: Minister for Finance Senator Ishaq Dar on Friday said competition results in lower prices and more choices for consumers, it fosters innovation, promotes entrepreneurship and helps prepare domestic firms for international competition.

The minister expressed these views while addressing a seminar to celebrate the World Competition Day, where he was the Chief Guest. The Competition Commission of Pakistan (CCP) organized a seminar, which was attended in large number by the government officials, regulatory organizations, representatives of business community, trade associations, legal community, academia and media.

Addressing the seminar, Senator Ishaq Dar said that competition results in lower prices and more choices for consumers, it fosters innovation, promotes entrepreneurship and helps prepare domestic firms for international competition. He added that he was impressed by the progress the CCP has made in creating a pro-competition environment in the country.

"Competition also sends a

positive signal to foreign investors. When foreign investors observe that the government is serious in implementing the competition regime i.e. it will not be providing domestic entities with preferential treatment over others they will be confident in investing in Pakistan, the Minister said adding that the CCP had the support of the Government in the discharge of its statutory obligations. He also congratulated the CCP for organizing the seminar.

Earlier, addressing the seminar, Lars-Gunnar Wigemark, Ambassador of EU Delegation to Pakistan, stated that Pakistan has a competition agency that it can be proud of. He said that for the Competition law to be effectively enforced it requires a strong Competition Commission. He was of the view that Pakistan should get rid of discriminatory SROs. He said that under the CCP had an able leadership which was working towards tackling distortions in the market.

Dr. Joseph Wilson, Chairman, CCP while addressing the audience stated the purpose of the seminar was to create awareness of competition law and enforcement issues. He stated that the promul-

gation of competition law in Pakistan, among other reasons, is the fulfilment of UN Resolution 35/63 of the 5th December 1980.

Dr. Joseph informed the audience that the current challenging economic conditions ensuring competitive markets and a level playing field for national and international players is extremely important to attract investment. He said that the Competition Act of Pakistan did envisage that combating private restraint in the market is not sufficient and that it is extremely important to review the effects of government regulations and actions. Therefore, in addition to the substantive enforcement provisions the Competition Law mandates the Commission to do competition advocacy.

The theme of the first session was "Unfair trade practices and loss to consumer welfare". Khalid Mirza, former Chairman CCP, while addressing the session stated that Competition is the most significant charter, magna carta so to speak for the protection of consumers. Ms. Syma Ahmed, Assistant Professor, FC College University in her presentation talked about dark practices where-

by companies use tricks to psychologically lead consumers into believing what is not in the best interest of consumers.

Saad Amanullah Khan, former CEO Gillette observed that Strong institutions are like regulators, guardians like parents who need to discipline children. There should be open competition and a check on anti-competitive practices that lead to a dominant position. Dr. Shahzad Ansar, CCP Member threw light on the new initiative of CCP in the areas dealing with the Office of Fair Trading.

The second session was on the theme of "Public Restraints and its impact on Competition". The debate focused on how regulatory barriers such as tax and duty exemptions were hampering competition. Dr Syed Ismail Shah, Chairman, Pakistan Telecommunication Authority, gave the example of the telecom sector as a success story. He noted that there was modest growth in the telecom sector in the pre-deregulation period. He said that PTA's approach has always been to promote Competition in the telecom sector and competition in the telecom sector has increased after deregulation.



Front Page
6 Dec 2014

CONSUMER RIGHTS
CCP must play its pivotal role: Dar

Finance Minister Ishaq Dar on Friday emphasised the vital role of the Competition Commission of Pakistan that it can play for the protection of the rights of smaller consumers **PAGE 9**

7 Dec 2014

COMPETITION DAY
Dar asks CCP to protect consumer rights

OUR CORRESPONDENT

ISLAMABAD. Finance Minister Ishaq Dar said on Friday that the Competition Commission of Pakistan (CCP), besides major cartels, should also look into the matters pertaining to protection of rights of smaller consumers.

He stated this while speaking at a seminar to celebrate the World Competition Day, organised by the CCP here, which was attended in large numbers by government officials, representatives of regulatory organisations and the business community.

Dar said competition resulted in lower prices and more choices for consumers, it also fostered innovation, promoted entrepreneurship and helped prepare domestic firms for international competition. He added the CCP should also work on the protection of consumers including the implementation of consumer rights.

6 Dec 2014

Page # 8

Competition regime sends positive signals to investors

OUR STAFF REPORTER
ISLAMABAD

The Competition Commission of Pakistan (CCP) organised a seminar to celebrate the World Competition Day, which was attended in large number by the government officials, regulatory organisations and representatives of business community, trade associations, legal community, academia and media.

Federal Minister for Finance, Senator Ishaq Dar was the chief guest at the seminar. Lars-Gunnar Wigemark, Ambassador of EU delegation to Pakistan attended the opening session of the seminar.

Addressing the seminar, Senator Ishaq Dar said that competition results in lower prices and more choices for consumers; it fosters innovation, promotes entrepreneurship and helps prepare domestic firms for

international competition. He added that he was impressed by the progress the CCP has made in creating a pro-competition environment in the country.

"Competition also sends a positive signal to foreign investors. When foreign investors observe that the government is serious in implementing the competition regime i.e. it will not be providing domestic entities with preferential treatment over others they will be confident in investing in Pakistan, the Minister said adding that the CCP had the support of the Government in the discharge of its statutory obligations. He also congratulated the CCP for organising the seminar.

Earlier while addressing the seminar Lars-Gunnar Wigemark, stated that Pakistan has a competitive market and a level playing field for national and international players is extremely important to attract investment. He said that the Competition Act

requires a strong Competition Commission. He was of the view that Pakistan should get rid of discriminatory SROs. He said that under the CCP had an able leadership which was working towards tackling distortions in the market.

Dr. Joseph Wilson, Chairman, CCP while addressing the audience stated the purpose of the seminar was to create awareness of competition law and enforcement issues. He stated that the promulgation of competition law in Pakistan, among other reasons, is the fulfillment of UN Resolutions 35/63 of the 5th December 1980.

Dr. Joseph informed the audience that the current challenging economic conditions ensuring competitive markets and a level playing field for national and international players is extremely important to attract investment. He said that the Competition Act

of Pakistan did envisage that combating private restraint in the market is not sufficient and that it is extremely important to review the effects of government regulations and actions. Therefore, in addition to the substantive enforcement provisions the Competition Law mandates the Commission to do competition advocacy.

The theme of the first session was "Unfair trade practices and loss to consumer welfare". Khalid Mirza, former Chairman CCP, while addressing the session stated that Competition is the most significant charter, magna carta so to speak for the protection of consumers. Ms. Syma Ahmed, Assistant Professor, FC College University in her presentation talked about dark practices whereby companies use tricks to psychologically lead consumers into believing what is not in the best interest of consumers.

Dar applauds CCP's role in creating a pro-competition environment

STAFF REPORTER

ISLAMABAD—The Competition Commission of Pakistan (CCP) organized a seminar to celebrate the World Competition Day here on Sunday, which was attended in large number by the government officials, regulatory organizations, representatives of business community, trade associations, legal community, academia and media.

Federal Minister for Finance, Senator Ishaq Dar was the Chief Guest in the seminar. H.E. Lars-Gunnar Wigemark, Ambassador of EU Delegation to Pakistan attended the opening session of the seminar.

Addressing the seminar, Senator Ishaq Dar said that competition results in lower prices and more choices for consumers, it fosters innovation, promotes entrepreneurship and helps prepare domestic firms for international competition. He added that he was impressed by the progress the CCP has made in creating a pro-competition environment in the country.

"Competition also sends a positive signal to foreign investors. When foreign investors observe that the government is serious in implementing the competition regime i.e. it will not be providing domestic entities with preferential treatment over others they will be con-

fident in investing in Pakistan, the Minister said adding that the CCP had the support of the Government in the discharge of its statutory obligations. He also congratulated the CCP for organizing the seminar.

Earlier while addressing the seminar H.E. Lars-Gunnar Wigemark, Ambassador of EU Delegation to Pakistan stated that Pakistan has a competition agency that it can be proud of. He said that for the Competition law to be effectively enforced it requires a strong Competition Commission. He was of the view that Pakistan should get rid of discriminatory SROs. He said that under the CCP had an able leadership which was working towards tackling distortions in the market.

Dr. Joseph Wilson, Chairman, CCP while addressing the audience stated the purpose of the seminar was to create awareness of competition law and enforcement issues. He stated that the promulgation of competition law in Pakistan, among other reasons, is the fulfillment of UN Resolution 35/63 of the 5th December 1980.

Dr. Joseph informed the audience that the current challenging economic conditions ensuring competitive markets and a level playing field for national and international players is extremely important to attract investment. He said that the Competition Act of Pakistan

did envisage that combating private restraint in the market is not sufficient and that it is extremely important to review the effects of government regulations and actions. Therefore, in addition to the substantive enforcement provisions the Competition Law mandates the Commission to do competition advocacy.

The theme of the first session was "Unfair trade practices and loss to consumer welfare". Khalid Mirza, former Chairman CCP, while addressing the session stated that Competition is the most significant charter, magna carta so to speak for the protection of consumers. Ms. Syma Ahmed, Assistant Professor, FC College University in her presentation talked about dark practices whereby companies use tricks to psychologically lead consumers into believing what is not in the best interest of consumers.

Saad Amanullah Khan, former CEO Gillette observed that Strong institutions are like regulators, guardians like parents who need to discipline children. There should be open competition and a check on anti-competitive practices that lead to a dominant position. Dr. Shahzad Ansar, CCP Member threw light on the new initiative of CCP in the areas dealing with the Office of Fair Trading.

The second session was on the theme of "Public Restraints and its impact on Competition". The debate focused on how regulatory barriers such as tax and duty

exemptions were hampering competition. Dr Syed Ismail Shah, Chairman, Pakistan Telecommunication Authority, gave the example of the telecom sector as a success story. He noted that there was modest growth in the telecom sector in the pre-deregulation period. He said that PTA's approach has always been to promote Competition in the telecom sector and competition in the telecom sector has increased after deregulation.

Dr. Tariq Hassan, Advocate and former Chairman SECP noted that there were two types of restraints: public sector restraints and private sector restraints. He observed that the Competition Act, 2010 focuses only on private sector restraints. Trade barriers, regulatory barriers, state-owned or state-sanctioned monopolies all represent public barriers to trade and commerce.

Dr. Manzoor Ahmad Pakistan's former Ambassador to the WTO said that some industries have strong lobby power so they lobby for higher tariffs which reduces competition.

Mr. Mueen Batlay, Member CCP, said that CCP wants to ensure the audience that all restraints, private or public, which hurt competition have our attention. CCP has vast powers, and it is up to it to develop a competition policy and to ensure that the government policy is in line with competition policy.

جی ایس پی پاکستان کو 2016 میں مشکلات پیش آسکتی ہیں

زیادہ تجارت کم امداد کے اصول پر سہولت فراہم کی، پاکستان کو 27 عالمی کنونشنز پر عملدرآمد، علاقائی روابط کو وسعت دینا ہوگی

جنوبی ایشیا کی راہداریوں سے فائدہ اٹھاتے ہوئے پاکستان اقتصادی اصلاحاتی پروگرام میں مسابقتی پالیسی کو موزوں جگہ دے: خطاب

اسلام آباد (رپورٹ: فیصل رضا خان) یورپی یونین فراہم کی گئی، پاکستان کو دستخط کردہ 27 عالمی کنونشنز پر حتمی عملدرآمد کرنا ہوگا۔ برٹش تجارتی سہولیات برقرار رکھنے کیلئے پاکستان کو بحیثیت کی دیکھنا ہوگی، 2016ء کی پہلی جائزہ

اسلام آباد (رپورٹ: فیصل رضا خان) یورپی یونین کے سفیر لارنس گرو ایک مارک نے کہا ہے پاکستان کو زیادہ تجارت اور کم امداد کے اصول پر جی ایس پی سہولت فراہم کی گئی، پاکستان کو دستخط کردہ 27 عالمی کنونشنز پر حتمی عملدرآمد کرنا ہوگا۔ برٹش تجارتی سہولیات برقرار رکھنے کیلئے انہوں نے زور دیا کہ پاکستان کو علاقائی تجارتی روابط کو مزید وسعت دینا ہوگی، (باقی صفحہ 5 بقیہ نمبر 13)

بقیہ نمبر 13

سفیر یورپی یونین

بھارت، ایران، افغانستان اور چین کیساتھ تجارتی روابط بڑھانا ہوں گے۔ جس کو عالمی یوم مسابقت کی مناسبت سے مسابقتی کمیشن پاکستان (سی سی پی) میں منعقدہ کانفرنس سے خطاب کرتے ہوئے یورپی یونین کے سفیر لارنس گرو ایک مارک نے کہا یورپی یونین کی مسابقتی پالیسی روم معاہدے کا اہم جزو ہے، آزاد تجارتی سرکریوں، صارف کے تحفظ، ریاستی قانون کے اطلاق، تحریک منڈی، سرمایہ کاری میں اضافے، اقتصادی ترقی کیلئے موزوں ماحول پیدا کرنے اور تمام شعبوں کیلئے مساوی مواقع کے فروغ میں مسابقتی قواعد کا اطلاق کلیدی حیثیت رکھتا ہے، اقتصادی ترقی کیلئے مضبوط مسابقتی پالیسی انتہائی ضروری ہے۔ آج کی اقتصادی و معاشی منڈی میں اگر مسابقتی قوانین کمزور ہوں اور ان کا سن و سن اطلاق یقینی نہ بنایا جائے تو منڈی میں صحت مند مقابلے کی فضا معدوم جبکہ اجارہ داری کو تقویت ملتی ہے، جس سے مقامی سرمایہ کاری کی فضا سازگار نہیں رہتی، کاروبار ترقی نہیں کرتے اور ریاستیں حقیقی معاشی آزادی سے دور چلی جاتی ہیں اور نتیجتاً صارفین کے حقوق سلب ہو جاتے ہیں۔ یورپی ممالک تک

ترتیبی تجارتی رسائی کا مقصد پاکستان کی اقتصادی و تجارتی ترقی ہے، پاکستان کو تمام ٹریفک لائنز پر 91 فیصد تک ڈیویڈنڈ میں چھوٹ دی گئی ہے۔ پاکستان کو 27 عالمی کنونشنز بشمول انسانی حقوق، قوانین مشقت، بہتر گورننس اور ماحولیاتی قوانین پر عملدرآمد یقینی بنانا ہوگا ورنہ 2016ء کی پہلی جائزہ رپورٹ کے بعد پاکستان کو نقصان ہو سکتا ہے۔ پاکستان کو جنوبی ایشیا میں علاقائی تجارتی راہداریوں سے فائدہ اٹھانا ہوگا اور اپنے اقتصادی اصلاحاتی پروگرام میں مسابقتی پالیسی کو موزوں جگہ دینی ہوگی۔

CCP Member's findings

Vanaspati ghee samples show high ratio of nickel

RECORDER REPORT

ISLAMABAD: Dr Shazad Ansar, Member Competition Commission of Pakistan (CCP), made an astonishing disclosure publicly that most of the random samples of vanaspati ghee available in the Pakistani markets contain nickel, a deadly catalyst/toxic for human health that may result in kidney failure.

This has been disclosed in a presentation on 'Disclosure & Deceptive Marketing Practices-Office of Fair Trading,' prepared by Dr Shazad Ansar for the CCP and shared with the experts on the occasion of the World Competition Day-2014.

According to the CCP Member's observations and analysis, 24 random samples of vanaspati ghee were obtained from the market to check the standard specifications and other contents of the commodity competing in the market. The samples were collected without pinpointing any specific brand name. Out of total 24 samples, only five fulfilled the laid down specification while others have dangerous ratio of nickel. Nickel is the usual catalyst employed in the hydrogenation of vegetable oil. The presence of nickel in vanaspati ghee slowly results in

failure of kidneys. It is very dangerous to have such a high ratio of nickel in the vanaspati ghee, CCP Member added.

When contacted, an expert was of the view that the major sickness associated with excessive nickel intake may include cardiovascular diseases, nervous disorders, jaundice, miscarriages, respiratory tract neoplasia, carcinogenic effects, etc.

According to the CCP presentation, in case of vanaspati ghee presence of arsenic, nickel 0.2 mg/kg, max is Pakistan standard specification. A French study on energy drink showed that between 2009 and 2011 there were 257 adverse events related to such liquid intakes. Most of these were of cardio-vascular origin where 8 cases lead to death.

Dr. Ansar said that the section 10 of the Competition Act prohibits the distribution of false or misleading information to the consumers, which is capable of damaging the business interests of some other undertaking.

The aims and objectives of Office of Fair Trading (OFT) revealed that it encourage and ensure disclosure of sufficient information; disclosure helps consumer in decision making; provide solutions and guidelines

to undertakings to modify their overall marketing campaign and provide a platform to placate individual/group class grievance on account of deceptive marketing practices.

The full disclosure campaign is a new initiative by (Office of the Fair Trade) CCP. It covers guidelines formulation; distribution through letters/e-mails; regular guidelines through News Letter and guidance sessions.

Under the full disclosure campaign, it would be necessary to display disclosures prominently so that they consumers are well aware of it. The size, colour, and graphics of the disclosure affect its prominence. The disclosures that are at least as large as the claim to which they relate are more likely to be effective. A disclosure in a colour that contrasts with the background emphasizes the text of the disclosure and makes it more noticeable. Information in a colour that blends it with the background of the ad is likely to be missed. Using graphics to display a disclosure is not required, as they make the disclosure more prominent. The placement of the disclosure in the advertisement and its proximity to the claim unveil the fact.

The presentation revealed that a disclosure is more effective if it is placed near the claim it qualifies or other relevant information. Proximity increases the likelihood that consumers will see the disclosure and relate it to the relevant claim or product. For print ads, an advertiser might measure proximity in terms of whether the disclosure is placed adjacent to the claim, or whether it is separated from the claim by text or graphics.

Due to different resolution, screen types & technical differences, every device has its own limitations. In evaluating placement, advertisers should also take into consideration empirical research about what consumers do and do not look on a screen. Often, disclosures consist of a word or phrase that may be easily incorporated into the text along with the claim. Doing so increases the likelihood that consumers will see the disclosure and relate it to the relevant claim.

The sensitive items for disclosures included food items, medicaments, herbal medicines, tools and fittings, perishable items and household items, presentation of the CCP member added.

7 Dec 2014

Page # 8

مضر صحت اور زنگ آلود ناپستی گھی کی فروخت کا انکشاف

بینائی اور گردوں کیلئے خطرناک ہے، سابق کیمشن کی پریڈنیشن میں انکشاف

اسلام آباد (ارشاد انصاری) ملک میں بڑے پیمانے کا انکشاف ہوا ہے جو آنکھوں کی بینائی اور گردوں کیلئے پرانتہائی مضر صحت اور زنگ آلود ناپستی گھی کی فروخت | انتہائی خطرناک ہے۔ یہ انکشاف (باقی صفحہ 5 نمبر 34)

34 گھی انکشاف

سابق کیمشن آف پاکستان کے ڈاکٹر شہزاد کی جانب سے دی گئی پریڈنیشن کی ”ایکسپریس“ کو دستیاب دستاویز میں کیا گیا ہے۔ ڈاکٹر شہزاد نے بتایا کہ سی پی نے دنا پستی گھی سے متعلق جامع سروے اور تحقیقات کرائی ہیں جس میں مارکیٹ میں فروخت مختلف اقسام و برانڈز کے دنا پستی گھی مضر صحت پائے گئے ہیں جن کے استعمال سے آنکھوں کی بینائی ختم اور گردے نفل ہونے کے خطرات موجود ہیں۔ انہوں نے بتایا کہ سی پی نے مارکیٹ سے مختلف اقسام کے دنا پستی گھی کے 24 نمونہ جات لئے جن کا لیبارٹری ٹیسٹ کروایا گیا تو ان میں سے صرف 5 نمونے تسلی بخش نکلے جبکہ باقی 19 نمونوں میں انتہائی خطرناک زنگ پایا گیا۔ ماہرین کے مطابق زیادہ تر بناریاں زنگ آلود ناپستی گھی کے استعمال سے پیدا ہوتی ہیں ایسا مضر صحت گھی دل، اعصاب، برقان، اسقاط حمل، سانس کی نالی اور کینسر سمیت دیگر امراض کا باعث بنتا ہے۔

8 Dec 2014

Page# 18

LETTERS**Post-POL price
cut situation**

Finance Minister Ishaq Dar has raised a very legitimate question: Why the prices of various items are not falling even after a highly significant reduction in the prices of POL products? Speaking at a seminar organised by Competition Commission of Pakistan (CCP),

Dar reportedly asked the CCP chief to carry out a study into the post-POL price cut situation with a view to ascertaining the reasons behind rising prices of various items that are not showing a concomitant decrease. According to a *Business Recorder* news item, the minister argued that when petroleum prices increase, prices of all commodities, including transport fares and daily use items

along with staple food, soar. Contrary to this, when the government has effected a substantial decrease in POL prices, the impact has not been passed on to consumers proportionately. Citing the example of staple food, the minister reportedly said the CCP should not limit its enforcement mandate to the industrial sectors like cement, but also look into the daily commodities being used by con-

sumers such as potato and other food items for consumer protection.

The foregoing, however, clearly shows the helplessness of a government in relation to unscrupulous traders and others. The government must stop acting like a silent spectator. It must take corrective steps without any further loss of time.

Lahore

Arshad Warsi