

Food price control

CCP asks DCOs to provide details of cos and persons

SOHAIL SARFRAZ

ISLAMABAD: The Competition Commission of Pakistan (CCP) has directed all District Coordination Officers (DCOs) to provide complete details of associations, companies and persons who consult the DCOs for price control and supply of food items such as chicken, vegetables, fruits, meat, milk, flour and sugar on Friday.

Sources told Business Recorder that the CCP has issued instructions to all the DCOs across the Country regarding provision of information under Competition Act, 2010. It is a comprehensive exercise being carried out by the CCP on national level despite limited workforce available with the commission. The collection of data at district level and its compilation on national level is a cumbersome exercise. The commission has taken the exercise as a challenge to compile data base on the commodities with evidence on possible anti-competitive behaviour behind rising prices of essential food commodities

in the informal sector. Once data has been collected from provinces and district administrations, the CCP would be in a position to take strict action as per the Competition Act, 2010.

According to the CCP instructions to the DCOs, the CCP is mandated by the Competition Act, 2010 (Act) to enforce the prohibition against anti-competitive practices in all spheres of commercial and economic activity. The Commission has taken cognizance of concerns that some undertakings in the informal food markets are manipulating supply, prices of products against the law and public interest. The Commission is therefore, conducting a fact-finding exercise to gather crucial information that will help in determining whether any provision of the Act is being violated.

Therefore, the CCP has initiated a country-wide inquiry into the possible anti-competitive behaviour behind rising prices of essential food commodities in the informal sector.

In this regard, DCOs are requested to provide complete

details and collect information of all stakeholders (associations, companies, and persons) with whom DCOs offices consults for price control and supply of the following food items such as chicken, vegetables, fruits, meat, milk, flour and sugar in their district.

In addition, the CCP has further asked the DCOs to provide the minutes of meeting and list of participants of any price control or supply meetings held by the District administration in the past two years.

The information may be provided on or before March 5, 2015 in the strictest confidence to the Commission, the CCP added.

Through this investigation, CCP will determine whether the price hike in the food commodities market is a result of anti-competitive practice such as cartelization, abuse of dominance. Once the process has completed, the CCP may impose substantial penalties on the undertakings involved in accordance with provisions of the Competition Act to protect consumers.

CCP seeks details of fare reduction from transporters

Buckles up to examine inflation in districts in the wake of decline in fuel prices

Mehtab Haider

ISLAMABAD: In the wake of over 30 percent decline in petrol prices in the country, the Competition Commission of Pakistan (CCP) has asked giant transport companies to share details of reduction in their fares on their routes for intra-city and intercity transportation.

The CCP is going to determine whether anti-competitive practices such as cartelisation or abuse of dominance are being used to deprive customers of major benefits. If it is proved, transport companies will have to face major penalty in weeks ahead.

The CCP wrote letters to District Coordination Officers (DCOs) of major cities seeking

information on this account under Competition Act 2010.

The CCP had initiated a country-wide inquiry into the possible anti-competitive behaviour behind rising prices of essential food commodities in the informal sector.

Federal Minister for Finance Ishaq Dar wants to see reduction in commodity prices but it will be quite difficult for the CCP to establish any cartel in the informal sector. The price control is not the mandate of the CCP so it will have to establish any cartel or abuse of dominance to penalise those who are fleecing consumers in commodity market at retail level which is mainly run by individuals without establishing any association basically located in

their towns and cities.

However, the CCP wrote letters to DCOs of Lahore, Karachi (Administrator), Islamabad, Nowshera, Mardan, Peshawar, Abbottabad, Rawalpindi, Faisalabad, Multan, Sukkur, Okara, Jhelum, Sahiwal, Bahawalpur and Swat and directed them that the Commission took cognizance of concern that some undertaking in informal sector were manipulating supply and prices of products against the law and public interest.

The letter written to DCOs, a copy of which is available with The News, states that the CCP is therefore conducting countrywide fact finding exercise to gather crucial information that will help in determining

whether any provision of the law is being violated.

In this regard, all DCOs were asked to provide complete details and contact information of all stakeholders including associations, companies and "persons with whom your office consults for price control" of chicken, vegetable, fruits, meat, milk, flour and sugar.

The CCP also directed the DCOs to provide minutes of meetings and list of participants of any price control meetings held by the district administration in the past two years.

"This information may kindly be provided to CCP on and before March 5, 2015 in the strictest confidence of the Commission," the letter mentioned.