

Competition - Pakistan

Commission issues deceptive marketing guidelines for telecoms sector

Contributed by [Vellani & Vellani](#)

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As part of its efforts to protect consumers from anti-competitive behaviour and promote voluntary compliance with the Competition Law, the Competition Commission has, pursuant to Regulation 41 of the Competition Commission (General Enforcement) Regulations 2007, issued deceptive marketing guidelines for undertakings that provide telecommunications products and services in Pakistan (eg, sales, marketing, advertising and communication in all forms and across all media, both online and at the point of sale).

The draft guidelines provide both advice on what may constitute deceptive marketing practices and suggestions on how to avoid activities that may amount to a violation of Section 10 of the Competition Act 2012.

Section 10 of the Competition Act provides as follows:

"10. Deceptive marketing practices.

(1) No undertaking shall enter into deceptive marketing practices.

(2) The deceptive marketing practices shall be deemed to have been resorted to or continued by an Undertaking resorts to:

(a) the distribution of false or misleading information that is capable of harming the business interest of another undertaking;

(b) the distribution of false or misleading information to consumers, including the distribution of information lacking a reasonable basis, related to the price, character, method or place of production, properties, suitability for use or quality of goods;

(c) false or misleading comparison of goods in the process of advertising; or

(d) fraudulent use of another's trademark, firm name or product labelling or packaging."

Companies have been advised to consider the legal implications that may arise out of practices such as:

- distribution of false or misleading information relating to telecommunications products or services;
- deception;
- the effect of fine print, disclaimers and qualifications;
- failure to substantiate claims made in advertising and promotional materials;
- non-disclosure of essential terms and conditions;
- omissions of material information;
- puffery;
- failure to make price disclosures;
- deceptive comparative advertising;
- misleading or deceptive terms in promotional contents; and
- telemarketing.

According to a press release, the draft guidelines have been sent to the Telecommunication Authority and all telecommunications companies for solicitation of feedback and suggestions.

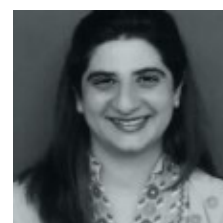
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