

## Competition - Pakistan

### New Competition Ordinance Awaits Ratification

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The Competition Ordinance 2007 was promulgated on October 2 2007. The Constitution provides that ordinances lapse unless they are ratified by both houses of Parliament within four months of promulgation. However, following the declaration of emergency on November 3 2007, the Constitution was amended to include a new Article 270AAA, which provides that all laws which were in force on that date remain in force without further ratification by both houses.

On July 31 2009 the Supreme Court declared Article 270AAA invalid. It stated that all ordinances affected by the provisions of the article would remain in force for 120 days from July 31 2009 and would lapse thereafter unless duly ratified.

The ordinance was submitted to a committee of the National Assembly, which took account of amendments proposed by certain political parties. However, the ordinance was due to expire on November 28 2009, even though the review was still ongoing and the committee had been unable to resolve the issues raised. Therefore, on November 26 2009 the Competition Ordinance 2009 was promulgated. The new ordinance came into force with effect from October 2 2007 (ie, the date on which the 2007 Ordinance came into force), and is on substantially the same lines as the old ordinance. However, the scope of application has been widened to apply to all undertakings and all actions or factors - whether occurring within or outside Pakistan - which prevent, restrict, reduce or distort competition within Pakistan.

The new ordinance will lapse four months after promulgation unless ratified by both houses.

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