



PHILIPPINE
COMPETITION
COMMISSION

Ensuring businesses compete and consumers benefit

RISE

**Realizing an Inclusive, Sustainable
Economy through Competition**

Realizing an Inclusive, Sustainable
Economy through Competition



RISE



PHILIPPINE
COMMISSION
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Philippine Competition Commission (PCC) is a government agency created by the Philippine Competition Act (PCA) of 2015.

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Sustainable Economy
through Competition

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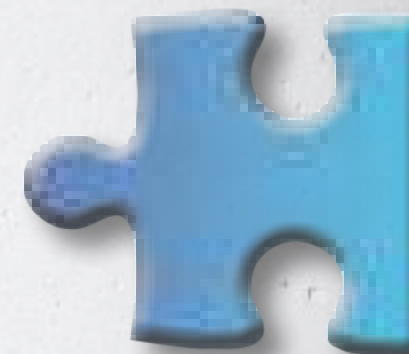
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Vision statement

The Philippine Competition Commission (PCC) aims to be a world-class authority in promoting fair market competition to help achieve a vibrant and inclusive economy and to advance consumer welfare.

PCC shall prohibit anti-competitive agreements, abuses of dominant position, and anti-competitive mergers and acquisitions. Sound market regulation will help foster business innovation, increase global competitiveness, and expand consumer choice to improve public welfare.

The PCC has original and primary jurisdiction over the enforcement and implementation of the Philippine Competition Act (PCA) and its Implementing Rules and Regulations. Its mandate includes:

- Review of mergers and acquisitions
- Investigation and adjudication of antitrust cases
- Imposition of sanctions and penalties
- Conduct of economic and legal research on competition-related matters
- Issuance of advisory opinions
- Advocating pro-competition culture in government and businesses



TIMELINE

The Philippines' first comprehensive antitrust law





Foreword

The Philippine Competition Commission (PCC) was formed on January 27, 2016 by virtue of Republic Act No. 10667, or the Philippine Competition Act (PCA). The passage of this landmark legislation highlights the government's recognition of the value of competition and of maintaining a fair and healthy marketplace as a means to spur economic development and provide a better tomorrow for all Filipinos.

This coffee table book documents the history of competition law in the Philippines leading to the passage of the PCA, the creation of the PCC, the early steps taken by the PCC in seeking to foster a culture of competition, and the efforts exerted by the PCC in the furtherance of its mandate and in weaving competition into the consciousness and behavior of businesses, regulators, and consumers, all to achieve the goal of maintaining a fair market.

This book recognizes the efforts of the first set of leaders at the helm of the PCC and also the countless unnamed men and women who have helped lay down the foundations of the PCC.

Read through and learn more about the state of play for competition in the Philippines, including the issuance of the National Competition Policy (NCP) as part of the whole-of-government approach to ensuring pro-competition policies, issuances, and practices. As you go along, may you deepen your appreciation of the pivotal role of competition in nation-building.

May this book prove useful in our national aspiration to achieve a level playing field where businesses compete and consumers benefit, and prosperity is achieved through the realization of an inclusive sustainable economy.

Michael Aguinaldo
Chairperson
Philippine Competition Commission



Court Room

Messages



In 2015, Philippine legislators took the historic step of passing the Philippine Competition Act, replacing a legal framework that dated back to 1930 and included over 60 different pieces of legislation overseen by many different regulators. Equally important was the legislators' decision to entrust enforcement of the Act to a new, independent body, the PCC.

In February 2016, the Australian Competition and Consumer Commission (ACCC) warmly welcomed the PCC as a new regional counterpart with declared ambition to be a world-class competition authority. Since then, the PCC has

established an impressive track record of advocacy, merger review, and enforcement activities, and is well regarded by competition agencies around the world. It has looked closely at markets for essential goods and major infrastructure projects, including telecommunications, and undertaken an extensive program of outreach and engagement with business and the public on the benefits of competition law. Its leniency program is an example of the sophistication with which PCC has equipped itself to prosecute its agenda.

From the outset, PCC leaders adopted a strategic plan for developing the agency and committed to prosecuting an active enforcement agenda and invested in their staff to deliver on that purpose. The ACCC, through our regional Competition Law Implementation Program (CLIP) and Consumer Affairs Program (CAP), has welcomed the opportunity to partner with the Philippines to build enforcement capability, including through staff exchanges, study visits, bilateral and multilateral workshops hosted by

the PCC, remote mentoring, and business compliance seminars. The ACCC values the strong relationships and understanding that have developed between our agencies, and is committed to extending support and building enforcement capability in the PCC. The ACCC also applauds the PCC's efforts to support the development of younger competition agencies in the region.

Preserving and promoting competition will be critical as countries emerge from the COVID-19 crisis. The ACCC and PCC share the understanding that competition regulators need to be effective not only individually, but also collectively, if we are to achieve the best outcomes for our jurisdictions. We work bilaterally with the PCC but also together with ASEAN partners and in other fora such as the International Competition Network. We look forward to our continued cooperation and partnership to drive competition and fairer outcomes for consumers and small businesses in Australia, the Philippines, and our broader region.

Marcus Bezzi

*Executive General Manager, Specialist Advice and Services
Australian Competition and Consumer Commission*

Messages



Despite being a young agency, the PCC has made tremendous progress in enforcing competition law. Since its establishment, the PCC has reviewed over 200 mergers and acquisitions in a short span of time. This included cases such as Grab's acquisition of Uber's Southeast Asian business which saw the Competition and Consumer Commission of Singapore (CCCS) and PCC working closely with each other, as well as with other competition authorities in the ASEAN. The PCC has also launched numerous investigations across various sectors and acted swiftly against business entities that were found to have engaged in anti-competitive behaviour, such as the abuse of dominance by property developers in relation to the provision

of Internet services to condominiums, as well as anti-competitive agreements by insurance companies for the provision of insurance services.

In addition, the PCC has been an active member of the competition community at both regional and global platforms. The PCC has been appointed as a co-chair of the Advocacy Working Group at the International Competition Network. The PCC also keenly participates in various initiatives as part of the ASEAN Experts Group on Competition, and it has assisted its counterparts in the ASEAN by candidly sharing its experiences on enforcing competition law. CCCS is honoured to have entered into a memorandum of understanding on competition enforcement with the PCC which will facilitate information exchange and enforcement coordination between both competition authorities.

While the task of enforcing competition law is an enduring task, I am confident that the approach adopted by the PCC, thus far, places it in good stead to overcome any challenges it may face in its journey, and I look forward to the PCC's continued contributions to the regional and global competition community.

Aik Kor Sia

Chief Executive

Competition and Consumer Commission of Singapore

Messages



Congratulations to the PCC for this beautiful coffee table book.

Under the inspiring leadership of its inaugural chair, Arsenio “Arsi” Balisacan, and with the Commission’s dedicated 200+ staff, the PCC has quickly grown into a world-class competition agency. Its work has helped build a stronger foundation for robust growth in the Philippine economy by promoting and adjudicating healthy and fair competition in the domestic market. The benefits to small- and medium-sized enterprises and consumers are now being felt in several sectors today. The

Commission’s mandate to address anti-competitive behavior in the Philippines will be critically important in supporting the country as it recovers from the devastating impact of the COVID-19 pandemic. PCC’s work, combined with recent legislative reforms aimed at improving the country’s investment climate such as the Public Services Act of 2022 and the Retail Sector Liberalization Act of 2021, will boost the country’s long-term competitiveness and help restore jobs.

The Asian Development Bank’s (ADB) engagement with the PCC began back in 2016 when the Commission was established. We first provided a successful technical assistance grant, followed by the Capacity Building to Foster Competition Project loan of \$23.3 million to further strengthen the Commission’s capacity and match global standards in competition enforcement and adjudication. ADB is proud to be a long term partner of the PCC, and we remain committed to support your goal of developing a culture of healthy and fair competition in the country.

Kelly Bird

*Country Director for the Philippines
Asian Development Bank
Manila, Philippines*



We are pleased to congratulate the PCC for the publication of its book entitled, RISE: Realizing an Inclusive, Sustainable Economy through Competition. An effective competition policy is key to increasing productivity and growth; to fostering innovation and better jobs; and to lowering prices for the benefit of consumers. This is especially true for low-income households, who typically benefit the most from strong competition enforcement. To this end, the World Bank Group works in more than 60 countries to support pro-competition reforms and improve market contestability. Since its creation

in 2016, the World Bank Group has been a proud development partner of the PCC. We have seen the PCC grow from a Commission of five members to a fully operational institution with close to 200 employees. It has become an institution that champions competition policy not just in the Philippines, but also in the ASEAN region.

The recent issuance of the National Competition Policy reinforces the need to promote inter-institutional cooperation and embed competition principles across all Philippine markets. The challenge for policy makers is how to convert this new appreciation for competition into a reform roadmap, with specific targets and deadlines for implementation. We welcome the willingness of the PCC to take on this challenge and we stand ready to support these efforts in the context of the program of the World Bank Group in the Philippines.

Maraming salamat po!

Ndiamé Diop

World Bank Country Director for Brunei, Malaysia, Philippines, and Thailand

Messages



The PCA and the PCC that it created were a long time in the making. While several other ASEAN nations raced ahead adopting competition laws, the Philippines labored through many years and different Congresses almost passing a competition law several times until finally doing so in 2015. Both the substantive provisions of the law and the implementing institution that it created have proven to be worth the wait. The PCA's substantive provisions set forth an appropriate and workable balance between the interests of consumers and producers, development goals and protecting

the vulnerable, legal presumptions, and economic analysis. Institutionally, the PCA entrusted implementation to a Commission whose members have fixed terms of office that straddle different Presidential terms of office in order to insure independence from political interference. And, finally, in keeping with a genuine commitment to the balanced interests and goals of the PCA, President Aquino appointed a highly capable Chairman and Commissioners who hired a first-rate staff. New Commissioner appointments and staff hiring have followed in this same vein.

The task of building the PCC from scratch was daunting. We witnessed how hiring staff, drafting implementing regulations and guidelines, creating processes and procedures for investigating and decision making, and entering into memoranda of understanding with other ministries, while at the same time actually conducting investigations and bringing cases, tested the stamina of the Commissioners and the young staff new to the field of competition law and policy. They rose to the occasion. At regional and international fora, it was not uncommon to hear U.S. and European experts comment admiringly on the depth of human capital available in the Philippines, and how the energy of well-trained lawyers and economists quickly put the Commission on a level of sophistication equal to other regional competition authorities that had more than a ten-year head start.

While building the Commission's capacity to implement the PCA has gone well, the economic environment in which the Commission finds itself has presented additional special challenges. Competition does not come easily to an economy historically dominated by oligarchies and their conglomerates. Investigations are made more difficult because of the tangled familial and corporate relationships among enterprises—horizontally across common sectors and vertically up and down the supply and distribution chain. Staying the course through long, difficult investigations and receiving the necessary resources and support from the government will be a challenge.

Another big challenge will be nurturing supporting institutions, especially universities, the judiciary, and regulatory bodies. Competition law enforcement alone cannot bring about open and fair markets. The PCC has always recognized this fact, and shortly after it came into existence began seeking the support of these institutions. Bringing about greater competition in the way business is done in the Philippines will be a challenge requiring continued respect and cooperation among these institutions.

In its short history, the PCC has demonstrated that it is up to the challenges ahead. It has been a pleasure and professionally rewarding experience for me personally and for my many Federal Trade Commission colleagues to have worked with so many outstanding Filipinos committed to the best interests of the Philippine people.

Timothy Thomas Hughes
Counsel for International Technical Assistance
Office of International Affairs
United States Federal Trade Commission

The views expressed here are those of Timothy Thomas Hughes, and not necessarily those of the United States Federal Trade Commission or any individual Commissioner.

Messages



On behalf of the United Nations Conference on Trade and Development (UNCTAD) Competition and Consumer Policies Branch, I would like to sincerely congratulate the Philippines Competition Commission (PCC) for its first years of existence and, above all, for its significant achievements in law enforcement, competition advocacy, and on international and regional cooperation.

UNCTAD has been closely working with the Philippines since the 2014 Voluntary Peer Review on Competition Law and Policy whose recommendations influenced the adoption of a new competition law and the establishment of the PCC, operational as of January 2016. The PCC has, since then, been an extremely active and valuable partner of UNCTAD, intervening on different expert meetings and technical cooperation activities and sharing its views and practice on important topics such as competition authorities' response to the COVID-19 and post-COVID 19 pandemic, competitive neutrality, international cooperation, and digital economy-related competition issues, which we are very grateful for.

During this period, UNCTAD has seen how the PCC has played a pivotal role in addressing market failures, market concentration, and inequality in the Philippines, particularly regarding the initial merger control cases. Due to its commitment to effectively use competition law and policy as a tool for economic growth and inclusive sustainable development of the country and to its sound economic and legal analysis, the PCC was increasingly recognized internally and externally, having asserted its place in the international competition community.

UNCTAD stands ready to continue to work with the PCC in view of the challenges brought up or enhanced by the pandemic, namely ensuring that micro, small, and medium sized companies are welcomed back to the markets within the economy recovery process; improving international cooperation between competition authorities; and further addressing challenges raised by cross-border cartels, which are crucial issues especially for developing countries' Competition Authorities, on which UNCTAD has developed guidance instruments and continues to work on to support its wide membership.

Teresa Moreira

Head, Competition and Consumer Policies Branch

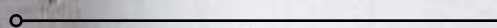
United Nations Conference on Trade and Development (UNCTAD)



Long Quest for a Law



Legislative History and
Economic Landscape



**A pro-poor, pro-people, and pro-business
competition law**

By: Paolo Benigno Aquino IV

**Competition law and the
economic agenda**

By: Arsenio Balisacan, PhD



The Philippine Competition Act (PCA,

Republic Act 10667) is a landmark legislation signed into law by President Benigno Simeon Aquino III in July 2015. It marked a new chapter in the country's push for economic reforms, placing the Philippines in the same league as a growing number of countries that wield antitrust policy to ensure businesses and consumers get a fair deal in the marketplace.

The path to having the PCA did not come easy, however. What is now the government's clear and strong stance

against anti-competitive business behavior was the culmination of decades of arduous discussions, studies, analyses, and advocacy work.

The first semblance of a competition bill came about during the post-Marcos period of nation rebuilding, after the ratification of the 1987 Constitution, recalled Dr. Arsenio Balisacan, the first Chairperson of the Philippine Competition Commission (PCC). However, those initial efforts gained very little traction. "There was little understanding of how competition law and policy could play a role in the economic development of the nation," he said.





Era of trade liberalization

Monopolies, duopolies, and oligopolies continued to dominate the market in the 1990s. It was a business environment wherein bigger, strongly entrenched companies meant stronger economic

activity. The key government strategy back then was to open the economy to attain, at the very least, contestability of markets, explained Dr. Cielito Habito, Director-General of the National Economic and Development Authority (NEDA) and concurrent Socioeconomic Planning Secretary during the term of President Fidel Ramos.

“We were often blamed and even demonized for having opened our economy then. Contestability is what was being promoted through a more liberal trade and investment regime. It was deliberate and the root of it all was competition—that we needed to have more competition to force ourselves to shape up, to be more productive, and therefore competitive with foreign counterparts,” Habito said.

Selling the concept of competition law and policy to the business community and other stakeholders at the time proved to be a difficult task. Former PCC Commissioner Johannes Bernabe explained why.



“Bigness was seen as anathema to competition, and stakeholders, particularly the business community which spends a lot of time trying to gain more market share, were not very receptive to these kinds of approaches.” This mindset rendered both legislative and business environments indifferent to competition law.

Bernabe, then a fresh law graduate and working at the House of Representatives’ Committee on Trade and Industry, was tasked to craft a competition law for the Philippines, perhaps one of the earliest attempts to come up with a comprehensive competition law. However, given the prevailing sentiments and factors, Bernabe recalled how the committee “thought a competition law at that time may be sending a contrary signal to what the Ramos administration was proclaiming—that there has to be growth, that businesses have to expand. Competition law as it were at that time would seem to imply that there should be limits to growth because we would be foreclosing the ability to gain dominance. So that was the gist of the committee report that I prepared.” He said the committee members concurred and signed off on the report, “and that

was the last I heard of competition law again, until in 1999.” The turn of the new millennium precipitated a different set of circumstances toward understanding and appreciating competition law and policy.

Competition law became part of international lawmaking in the World Trade Organization. According to Bernabe, “Domestically in the late 1990s and early part of 2000s, and during the time of Mar Roxas in the Senate, there were various moves to enact legislation on competition law.” Roxas was one of the legislators who had an economic agenda as part of their vision for the country. Other veteran senators such as Juan Ponce Enrile, Sergio Osmeña III, and Miriam Defensor-Santiago were also pushing their own versions of a comprehensive competition law.



MSMEs and a level playing field

Momentum gathered toward the passage of a competition law in Congress beginning 2013 due to a number of factors, according to Bernabe.

One of these was the strong emergence of micro, small, and medium enterprises (MSME), thanks to the economic policies of successive administrations under

Presidents Fidel Ramos, Joseph Estrada, and Gloria Macapagal-Arroyo.

The MSME sector increasingly recognized that there were barriers to their growth and expansion, or even entry, in certain markets because of perceived anti-competitive practices of larger players. According to the 2012 Senate Economic Planning Office report, MSMEs at the time represented 99.6 percent of businesses while large enterprises composed 0.4 percent only. And yet, the latter controlled as much as 70 percent of the economy.



The Philippine domestic shipping industry plays a key role in linking producers to consumers and ferrying passengers. In 2016, 95.3 million metric tons of cargo were shipped domestically, and a total of 68.8 million passenger traffic was recorded (PCC Policy Note No. 1, s. 2020).

“Conglomeration” of the economy is another factor. According to Bernabe, this is a situation where production inputs for a particular product or service, as well as the distribution of such goods and services, are vertically integrated in the hands of a few, large, diversified companies. The increasing and widespread occurrence of this phenomenon alerted certain legislators, and they wanted to address the matter with a greater degree of urgency. Paolo Benigno Aquino IV, a novice senator, was among the most active in pushing for legislation on market competition.



On the international front, a greater ASEAN integration was taking place in the region. In 2007, member-states adopted the ASEAN Economic Community (AEC) Blueprint, which included the ASEAN members' commitment to introduce competition policy by 2015.

Bernabe noted that from this

standpoint, “the Philippines was already left behind by other ASEAN countries.” During this time, seven member-states had already adopted comprehensive competition laws, which was creating an increasingly incongruent impression of the Philippines vis-a-vis the government’s projection of the country as an emerging or a “tiger” economy.

Both local and foreign players in the Philippines were beginning to clamor for a competition policy, a leveling of the playing field for all. In 2011, the Joint Foreign Chambers of the Philippines issued a statement supporting government efforts toward effective competition legislation and implementation of a competition policy.

Just as foreign investors wanted to enter a market with a fair chance against incumbents or dominant players, Filipino corporations that were starting to venture into other jurisdictions, primarily by way of exports, were beginning to appreciate the protection and recourse that competition laws provided.



Inaugural PCC Chairperson Arsenio Balisacan was at the forefront of pushing for a comprehensive competition law. He emphasized the need for competition to sustain the gains of economic growth over the past years.

Competition champions

With the confluence of events and developments in the economy, competition law and policy is recognized as a crucial element of the economic development agenda and an integral part of the

whole architecture for national development. During the 16th Congress under President Aquino's term, the Philippine Competition Bill, which had been filed and refiled since the 8th Congress but never passed into law, was finally approved, with the vital involvement of key competition champions.

Foremost of the champions was President Aquino himself. According to Balisacan, then Director-General of NEDA and concurrent Socioeconomic Planning Secretary, the President made use of his political capital to push for the enactment of the law. “I know that for sure because I was part of the whole process of getting Congress to enact the law. I held several meetings with parties key to the Act and with the President, explaining to him why it was a very crucial reform for the economy to maintain its growth momentum and, more importantly, to make that growth more inclusive.”



The Philippine Competition Act of 2015 (RA No. 10667) was passed into law during the 16th Congress and signed into law by then President Benigno Aquino III on July 21, 2015.



At the House of Representatives, Bernabe, by then serving as a congressional advisor on the development of the competition bill, recounted how Tarlac Representative Enrique Cojuangco was pivotal in swinging favor toward the legislation. He did not oppose key provisions such as on merger review, even though he was a scion of a family that owned one of the country’s largest conglomerates.

Cojuangco, who chaired the House Economic Affairs Committee, co-authored the bill with House Speaker Feliciano Belmonte Jr., and eventually sponsored it. Instead of resisting competition, he recognized that the economy was globalizing, hence, companies would have to contend with global mergers. “In fact, he was the one who pegged at one billion pesos the initial transaction value that would merit compulsory review under competition law,” said Bernabe.

S. No. 2262
H. No. 5266

Republic of the Philippines
Congress of the Philippines

Alto Muzil

Sixteenth Congress

Second Regular Session

Begin and Held in Metro Manila, on Monday, the twenty-eighth day
of July, two thousand fourteen.

— 12 —

[REPUBLIC ACT NO. 10667]

AN ACT PROVIDING FOR A NATIONAL COMPETITION
POLICY PROHIBITING ANTI-COMPETITIVE
AGREEMENTS, ABUSE OF DOMINANT POSITION
AND ANTI-COMPETITIVE MERGERS AND
ACQUISITIONS, ESTABLISHING THE PHILIPPINE
COMPETITION COMMISSION AND APPROPRIATING
FUNDS THEREFOR

*Be it enacted by the Senate and House of Representatives of the
Philippines in Congress assembled:*

CHAPTER I
GENERAL PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as the
“Philippine Competition Act”.

SEC. 2. *Declaration of Policy.* – The efficiency of market
competition as a mechanism for allocating goods and services is a



The late Rep. Enrique Cojuangco,
1st District of Tarlac during 15th
congress



Speaker Feliciano Belmonte, Jr.
towards end of the 15th congress
(2016)

No less dramatic were Cojuangco’s final efforts to ensure that the House of Representatives will approve the bill. According to Bernabe, the congressman became increasingly aware that the bill could get derailed because of hot-button issues at the time, such as the Bangsamoro Law and the upcoming 2016 national elections. On May 11, 2015, Cojuangco pleaded with Belmonte to include the competition bill in the House agenda the following day, as if trying to beat a looming deadline.

There was, indeed, an unexpected deadline. Cojuangco suffered an aneurysm and passed away the following morning. Out of respect for and as a form of tribute to the congressman’s steadfast commitment to the competition bill, Belmonte led the session in passing the competition bill on second reading within hours of Cojuangco’s death. That set in motion a new chapter in the annals of Philippine economic legislation. With the passage into law of the Philippine Competition Act (PCA) and the creation of the PCC, a new regulatory discipline that marries the fields of law and economics came into being in the country. ■

Philippine Competition Act

Republic Act 10667 or the Philippine Competition Act (PCA) is the primary competition policy of the Philippines for promoting a competitive market and protecting the well-being of consumers. The PCA was passed in 2015 after languishing in Congress for 24 years. It is a game-changing legislation that is expected to improve consumer protection and help accelerate investment and job creation in the country, consistent with the national government's goal of creating more inclusive economic growth. The enforcement of the PCA helps ensure that markets are open and free, challenging anti-competitive business practices while maintaining an environment where competition is driven by business acumen.

A competitive market is a market with multiple buyers and multiple sellers, driving market prices lower and offering consumers more choices. A truly competitive market encourages efficiency and innovation, and forces businesses to excel. The PCA reflects the belief that competition:

**Promotes
Entrepreneurial
Spirit**

**Encourages
Private
Investments**

**Facilitates
Technology
Development
and Transfer**

**Enhances
Resource
Productivity**

...

A pro-poor, pro-people, and pro-business competition law

By: Paolo Benigno Aquino IV

Not many people may know that it took more than two decades for the country to have a competition law. As co-author and principal sponsor of the Philippine Competition Act (PCA) in the Senate, this is more than just a landmark bill but a genuine milestone in Philippine legislation.

The Philippine competition law had been in the legislative mill for decades, until the 16th Congress when we chaired the Committee on Trade, Commerce and Entrepreneurship. There are a lot of existing antitrust provisions in our laws, but not a consolidated framework to ensure a level playing field in the market.

In the early 1990s, the government liberalized our market in order to bolster economic activity and growth. However, an open market without a comprehensive national competition law had resulted in years of concentration of wealth and lack of inclusive growth. Through the PCA, we are finally able to drive



investments at all levels of the market as well as encourage entrepreneurship, and ultimately, protect consumers from the disadvantages and dangers of not having viable choices in the market.

In drafting and deliberating on the PCA, a number of key issues were resolved. One is capturing anti-competitive behaviors, which was probably the topic that generated the most protracted discussion.

In the end, it was settled that price fixing and bid-rigging are *per se* prohibited actions, and other actions that have the object and effect of preventing, restricting and limiting competition in the market are to be adjudicated by the Commission.



Another is the insight that size of market share is not automatically anti-competitive. Since the PCA is coming in quite late in the competition law arena, the law recognizes that there are entities that have acquired their dominance through legitimate means. What we explain to businesses is that acquiring a sizable share in the market is not punishable by law, but rather it is the behavior in the market that matters.

We have also resolved that notification requirements in mergers and acquisitions are not a violation. The law requires entities merging or acquiring another entity to notify the Commission if they breach a certain transaction limit. This notification requirement does not mean that the entities involved are in violation of the law; rather, the PCC should be able to know the changes and what would be the potential effect of the said merger or acquisition in the market, and make decisions from there.

As with any other law, providing commensurate penalties to prohibited acts was also discussed. The concession during the discussions is that the penalties should be punitive, but at the same time, should not be detrimental to the businesses of the entities in the market.

When I authored this bill, we envisioned it simply to be “pro-poor, pro-people and pro-business.” With the law, the PCC was created and immediately hit the ground running in doing so by implementing the PCA. There have been decisions on particular sectors, but more than that, business entities in the Philippine market are now more cognizant of competition policies that they must follow. In light of making sure that they are following the competition law.

Ultimately, as you can see, the PCA complements other economic laws and provides an overall framework on how the entities in the market are engaging with each other. It makes sure that entities will not use their dominant position to abuse and put smaller entities out of business. Existing laws on business, regulations and the like, complement the PCA for a freer market. ■



Aquino served as a senator during the 16th and 17th Congress of the Philippines, where he was the chairperson of the Committee on Trade, Commerce and Entrepreneurship. He was the principal author of Senate Bill 2282, which eventually was enacted as Republic Act No. 10667.



Competition law and the economic agenda

By: Arsenio Balisacan, PhD

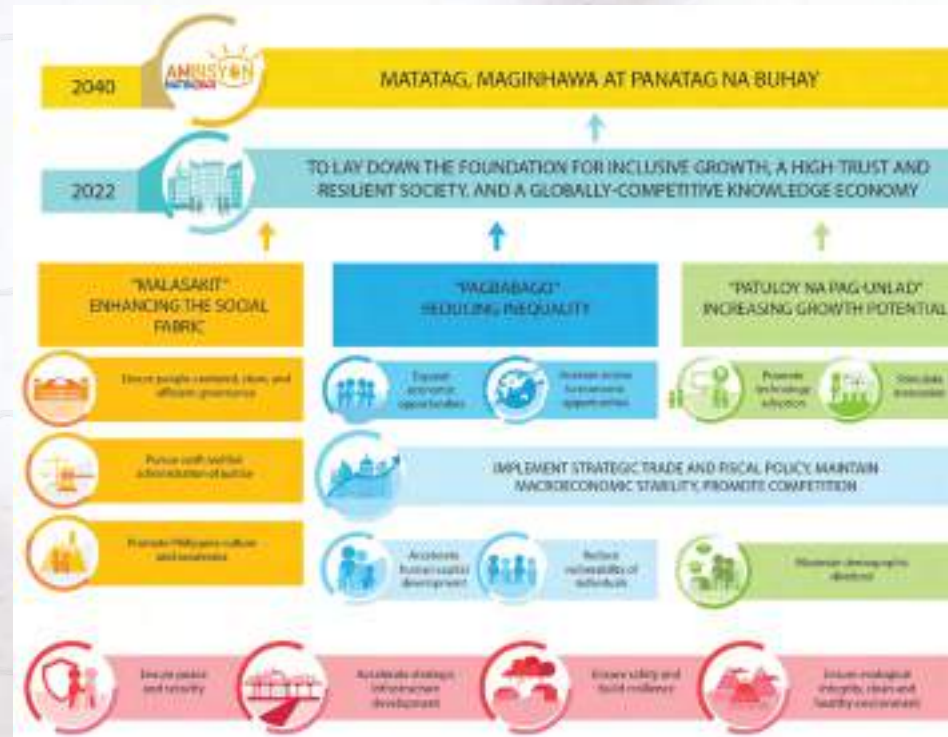
We had the pleasure of serving as the country's chief development planner and economist during the administration of the late President Benigno Aquino III. The biggest question to us at that time was what was holding back the economy—although as an academic

I was not that puzzled. At that point, the economy was clearly doing very well and the reforms introduced during the Ramos and Macapagal-Arroyo administrations were also beginning to bear fruit, albeit we needed to deepen them and expand the reform process. However, while growth was very impressive, even by global standards at that time, the rate of poverty reduction was slower than expected.

The situation was puzzling because looking at the experiences of our neighbors—particularly Indonesia, Thailand, Vietnam, and, of course, China—I realized that if our level of growth was to be experienced in these countries, it would have delivered a strong poverty reduction response. We were not seeing that in the Philippines, so there was a major disconnect. And the reason for that must be that the growth was quite exclusive—it was not generating the kind of jobs that would lead the poor out of poverty.

For example, our industries were heavily shielded by policies, regulations, and business practices restricting, lessening, or preventing market competition. The agricultural sector was anemic. Services such as telecommunications and transportation were subpar. Excessive industry concentration and abuses of market power were evident in the high prices and poor quality of consumer goods and services. Innovation and entrepreneurship that were driving sustained productivity growth in our Asian neighbors were noticeably absent in our shores.

Clearly, the markets had to be turned into a more competitive playing field. And it was not enough that we just bring in more investors; it was important that the investors we bring in would not be protected also by these barriers to competition. For this reason, we pushed for the enactment of the competition law.



"Competition policy cannot be treated in isolation. It has to be part and parcel of the entire development policy agenda.

This means that competition policy would have to be harmonized with the government's development policy architecture..."

The Congress then was facing opposition from various interest groups, but we had champions among the representatives and senators. Fortunately, the President recognized that competition law was a crucial piece of the reform that had to be undertaken. Hence, with his strong support, the bill passed both Houses of Congress.

As 2015 was coming to a close, I began to look forward to going back to the University of the Philippines to resume teaching and research as soon as I finished my term at the National Economic and Development Authority (NEDA). Thus, it came as a big surprise when I was asked to lead the competition agency. With discernment, I accepted the new responsibility, seeing a valuable opportunity to ensure the proper implementation of the competition law and policy so that it contributes to achieving inclusive economic prosperity.

The Philippine Competition Commission (PCC) was organized in February 2016, right at the time when the government was preparing the Philippine Development Plan (PDP) for 2017 to 2022. Some discussions were already underway on what the plan would generally be. However, as the timing would have it, 2016 was an election year and the incoming administration had to be greatly taken into consideration as it would also have to adapt, frame, and craft its own development plan anyway.

We, at the PCC, were already on board at that time, and the prevailing view, both as an organization and personally as an economist, was that the competition policy cannot be treated in isolation. It has to be part and parcel of the entire development policy agenda. This means that competition policy would have to be harmonized with the government's development policy architecture as reflected in its PDP.

Thankfully, the new administration of President Rodrigo Duterte recognized this direction, and the government was aligned in its purpose of implementing competition law and policy to advance inclusive economic development. From there, we worked closely with other government agencies, particularly NEDA, to ensure that competition policy would be a key pillar of the development agenda.

The economic team of the government also appreciated and accepted that strategy. All attendant agencies such as the Department of Trade and Industry (DTI), Department of Finance (DOF), and Department of Budget and Management (DBM) recognized the value of the competition law and adopted it. And so we succeeded in getting competition policy into the PDP and mainstreaming it in the government's national development program.

Eventually, the President adopted the AmBisyon Natin 2040 campaign. Though crafted initially during the previous administration, this long-term vision for the country incorporated the national competition law and policy as an important element, given the mission to attain a more competitive economy by leveling the playing field for market players.

Another significant milestone in our competition regime was reached when President Duterte signed in October 2021 the Administrative Order that directs agencies in the executive branch to adopt and implement the National Competition Policy.

This issuance essentially instructs agencies to consider competition principles when they formulate regulations and policies. It also enhances competition enforcement through cooperation among government bodies. We thank NEDA for partnering with us in this endeavor.

Another boost to the PCC came in late 2019. With assistance from the Department of Finance and NEDA, we secured funding from the Asian Development Bank (ADB) for a six-year capacity-building project. This project supports the training of competition lawyers and economic analysts, the scholarship grants to government staff to pursue advanced studies in competition and related fields, and the establishment of an academic center of excellence in competition law and policy. Its outputs are expected to benefit the PCC and the country in the long term.

As a new administration takes over in July 2022, we will continue to work with the new leader to ensure that our plans enjoy continuity. We are grateful that in so far as competition policy is concerned, President Duterte brought it in even as it was started by the previous administration. Similarly, we must ensure that the policies be implemented, measured, and further mainstreamed in the next PDP, and that the new administration would be on board and continue to work with us as we deepen the enforcement of the competition law and policy in the country. ■



Balisacan was the first Chairperson of the PCC. Prior to this appointment, he was the Socioeconomic Planning Secretary and concurrent Director-General of the National Economic and Development Authority from 2012 to 2016.



Keeping Unfair Competition in Check

The Inaugural Commission

Catalytic efforts in its formative years

By: Atty. El Cid Butuyan

**Partnering towards fair market
competition in banking and finance**

By Benjamin Diokno, PhD

**Enforcing the law and battling
antitrust crime**

By: Atty. Macario de Claro, Jr.

**Competition advocacy: Power in
information**

By: Atty. Amabelle Asuncion



■ ■ ■

The enactment of the PCA in 2015 and the creation of the PCC less than a year later were immediately met by challenges few agencies at their infancy would envy. With the country's economy growing at full speed, the PCC hit the ground running. Recalled then PCC Chairperson Balisacan, "We started from scratch. In most cases, there is already an existing agency that can be transformed."

The first order of the day was to work with the Department of Budget and Management (DBM) to draw up the PCC's organization that would serve as basis for personnel recruitment. Fortunately, the PCC had partners who guided us into bringing in experts to help frame the organization.

To be an effective agency, the PCC has to be independent of any department, especially those headed by a political appointee, and even the Office of the President. It was then PCC Commissioner Bernabe who described the predicament facing an antitrust agency that is not independent.



The PCC Commission members learned international best practices of ACCC in competition law and policy on March 21-22, 2016.



Despite the vacancy in one Commissioner post, the PCC highlighted its year one accomplishments during its first press conference on September 27, 2016

Partnerships and Linkages



Memorandum of Agreement

(SEC, BSP, PSA, DOJ, OSG, COA, Office of the Ombudsman, DA, DTI, DOE, ERC, PPP Center, IC, BCDA, IBP, UP Law, PAEF, RESPOND-USAID, PCCI, DICT, DOH)

International Memorandum of Understanding

Competition authorities of China, Hong Kong, and Singapore



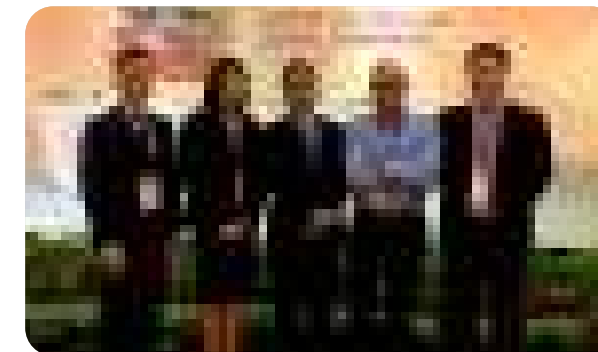
Technical Working Group

PCC-BSP-SEC-PDIC-CDA (Banks)
PCC-DICT-NTC-DILG-ARTA (Telco)
PCC, LTRFB, DOTr (Moto-Taxis)



Task Force

PCC ISP Task Force - Internal
PCC-COA-Office of the Ombudsman (Bid-rigging)
PCC-DOE-ERC (Energy)
PCC-DA (Agriculture)



Chairperson Arsenio Balisacan (center), with Commissioners Johannes Bernabe, Stella Quimbo, El Cid Butuyan, and Menardo Guevarra (from left to right), at the annual international competition network conference on April 25-29, 2016 in Singapore.

“If the competition authority will go after acts or behavior of dominant players, and oftentimes these dominant players are large companies that donate or help fund the campaign of the politically elected officials, then there will be a certain degree of possible influence being wielded by the political masters on competition officials to not go after those companies.”

Institutional Highlights

2016

- Philippine Competition Commission (PCC) created with pioneer officials
- PCA IRR issued and implemented

2017

- Two-year transitory period for businesses under PCA ended
- Rules of Merger Procedure issued
- Rules of Enforcement Procedure issued

2018

- 1st Competition Chapter included in Philippine Development Plan 2016-2022
- ISO 9001-2015 certified

2019

- ADB Capacity Building to Foster Competition Project commenced
- Rule on Administrative Search and Inspection issued by the Supreme Court
- Leniency program launched

2020

- PCC-NEDA issued Joint Memo Circular on National Competition Policy for all government instrumentalities

2021

- Administrative Order No. 44 directing the adoption and implementation of the National Competition Policy issued

2022

- Revised rules on consent order approved and published

Big business tests antitrust agency's mettle

To enforce the new law, the PCA drafted Implementing Rules and Regulations (IRR) at a record pace. It was approved on May 31, 2016, less than a year after the law was enacted. According to Balisacan,

“It was the first thing we had to do. In the first six months of the creation of the PCC, we had to prioritize crafting the IRR because, without that, we could not implement the law; we needed to develop the parameters and processes.”

To achieve this, the Commission tapped the assistance and expertise of its development partners, colleagues from the academe, and various stakeholders. It also held consultations so that the IRR

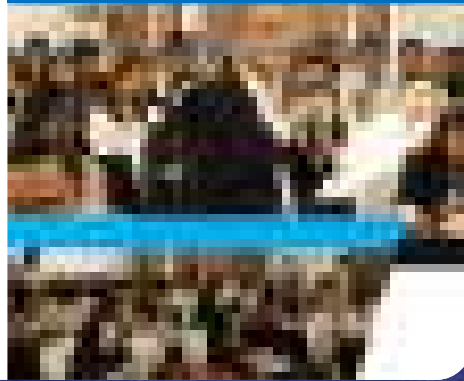
would be effective, implementable, operational, and developmental within the context of Philippine business and legal processes.

Of the pace at which the IRR was crafted, Balisacan considers it as “one of the things that we are quite proud of.” Having served the government for many years, he was aware that it normally takes more than a year to produce an IRR.

The PCA provision for a two-year transitory period afforded businesses time to prepare for compliance with the competition law. It also enabled the Commission to develop its Rules of Procedures.



■ ■ ■



In just four months after its establishment in February 2016, the PCC issued the Implementing Rules and Regulations (IRR) for the PCA on June 3, 2016. It held a series of public consultations across the country to seek inputs and comments from various stakeholders.



Photo courtesy of ANI

2016 Major Accomplishments

Merger Review

- Approved: **67**
- With Competition Issues : **1**

Enforcement Cases

- Queries/Complaints: **6**
- Preliminary Inquiries: **3**
- Full Administrative Investigation: **1**

Advocacy

- Activities: **24**

EVENT

Milestones



Competition Workshop on Information Exchange- "Efficiency Enhancing or Cartel in Disguise-" in Seoul, South Korea on December 6-8, 2016.



Yet before the newly crafted IRR was published, the PCC made headlines when it intervened in the sale and purchase deal involving three telecommunication companies (telcos). Belonging to some of the country's largest conglomerates, the telcos brought the matter before the courts.

Balisacan recalled how the agency “did not have yet the rules and regulations published; we were guided by simple guidelines, and we ran after that merger. The parties challenged our process and they went to the court to restrain the PCC from further reviewing the transaction.”

That early period of the antitrust agency already had its fair share of cases involving global businesses in the digital space. One was the merger transaction between Ant Financial (formerly Alipay) and GCash. Chinese tycoon Jack Ma's Ant Financial bought into Globe Telecom's GCash, a digital mobile wallet app. On the other hand, Alibaba, another Ma-owned business, was aiming to take over Lazada, a popular e-commerce platform. Bernabe explained how it was a situation where “an electronic payment system is in the hands of company A and an e-commerce platform, number one in the

Philippines, is owned by company AI, a sister company of company A.”

That case typifies the transactions happening as the world moves toward the digitalization of the economy. Bernabe explained that the Philippines “was, in a sense, thrust into a boiling cauldron, because the PCC had to contend with issues that other jurisdictions probably didn't have to contend with at that time. Now it's a pretty common topic in international antitrust conferences. But we had our experience with that years before it became a trend.”

...

Another early case that the PCC handled was the acquisition by Singapore-based Grab of Uber's Southeast Asian operations. At that time, both were the only ride-hailing service providers in the Philippines. Grab was a smaller company than Uber. With the acquisition, however, Grab was poised to become a monopoly in the local market. Since the relatively small size of the transaction exempted it from the PCC's mandatory notification rules, the antitrust agency undertook a *motu proprio* review, something it could do if public interest required scrutiny of a merger.



Dr. Stella Luz Quimbo, PCC Commissioner at the time of the Grab-Uber merger, gave her assessment. “Now here’s the bigger problem—the way the business works is that the assets of Uber and Grab are very small, meaning the owner of the assets are the drivers. So, they don’t have assets; they only have computers, everything in the cloud. Not a lot of assets, in which case they did not breach the threshold for compulsory notification. They were not required prior approval.”



The PCC eventually cleared the Grab-Uber merger but imposed certain conditions. The merger became the Commission’s first successful voluntary commitment undertaking. Bernabe explained how Grab, as the remaining entity, was required to have its commitments monitored. A third-party independent monitor assessed whether Grab fares before the merger with Uber had increased beyond a certain margin after the latter’s exit. Grab also agreed to the monitoring of its service quality by the PCC.





The transport industry is one of the priority sectors of the PCC.

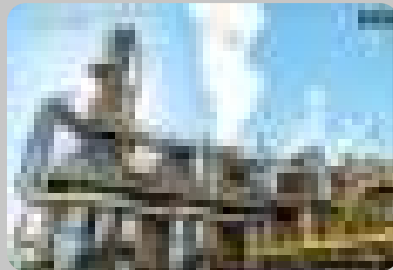
First merger prohibition under the Philippine Competition Act

In the annals of Philippine competition law, the proposed acquisition by consumer goods manufacturer Universal Robina Corporation (URC) of the sugar mills of Central Azucarera Don Pedro (CAPDI) and Roxas Holdings Incorporated (RHI) in Batangas is the country's first merger prohibition.

Based on papers submitted to the PCC, URC had planned to expand its sugar milling and refining operations to enhance its capability in producing and storing high-quality refined sugar, primarily as a raw material for its food production. URC also said that the move would complement its existing sugar network, maximizing synergies and economies of scale after the merger.

The issue before the Commission was whether or not the transaction would substantially prevent, restrict or lessen competition in the relevant market.

The Mergers and Acquisitions Office of the PCC found that the transaction would likely result in a substantial lessening of competition in the market for sugar cane services in the provinces of Batangas, Laguna, Cavite, and



Quezon because it would effectively eliminate the sole competitor of URC in these areas. Dubbed a merger-to-monopoly, the transaction would create unprecedented market power for URC.

URC, as the sole owner of the mills in the geographic market, would gain monopoly status that it can use for its benefit in the absence of competitive constraints. The company, for instance, may find it profitable to increase the miller's share and conversely decrease the planters' share. It could decide to entirely turn down the supply of sugar cane from planters who reject a sharing agreement favorable to its mills.

Considering that there were no other sugar mills in the relevant market, the planters would not be free to accept or reject contracts

with URC. Potential substitutes outside of the relevant market such as other sugar mills outside Batangas or other revenue-generating activities, were not sufficient to constrain URC from exerting its market power, given that barriers to entry were high and the possibility of a new entrant seemed remote. In such a situation, the planters would have no leverage or bargaining power to protect their interests.

In this important decision, the PCC set a clear precedent for careful consideration of mergers that prevent monopoly in identified markets. This particular case of URC and the Batangas sugar mills also illustrates that a fair market not only benefits consumers but more importantly, small industry players such as farmers and workers who are part of the grassroots economies, and whose interests are often neglected or overlooked in the grand vision of progress often appreciated only by way of expanding big businesses or large corporations. ■

Another PCC milestone was the review of Universal Robina Group's acquisition of Roxas Holdings' sugar milling facilities. The Commission did not clear the transaction as it would result in a monopoly of sugar milling in Southern Luzon. A monopoly would not offer the sugarcane farmers an alternative milling facility to get a better price for their produce. Even before the proposed merger, the farmers had limited choices where to sell their raw sugar and had to contend with the prices being driven down. In the end, the parties in this case accepted the decision of the Commission "without giving thought to appeal our

decision to the Court of Appeals or the Supreme Court, which they could have if they wanted to exercise their full legal rights," recalled Bernabe.

As it gained strength in doing merger reviews, the Commission went on a nationwide consultation and information drive to explain to the public the implementation of the review through the IRR. These consultations were fairly comprehensive, covering all the PCA provisions. The stakeholders did not mince words as they bombarded the PCC with so many questions related to the merger review, and PCC sought to respond clearly and as best as it could.



On November 5, 2016, the PCC led development partners, sector regulators and partner government agencies through a ceremonial signing of pledges of commitment and declarations of support for competition in Ortigas Center, Pasig City.



“This continued even after the implementation of those rules and regulations by coming up with clear-cut procedures on how parties should submit notifications, what should be contained therein, what is the action that they can expect from the Commission and the Mergers and Acquisitions Office of the Commission,” said Bernabe.

The initial backlash that the PCC suffered when it started implementing the merger review was partly due to the business sector not being used to submitting so many documents and information to a government agency. The information is necessary so that

the Commission can properly assess the impact of the transactions on the markets involved.

Over time, however, the business sector learned to trust the Commission, particularly the Mergers and Acquisitions Office. Bernabe pointed out that businesses realized that “we do not want to only treat the information and data they disclose, but that we guard them with adequate security measures in place and we don’t share them with anyone else, much less the public and the competitors of the merging entities. I think they have also gotten used to the documentary requirements.”





October 25, 2016

Courtesy Call of Joint Foreign Chambers

November 21, 2016

PCC meets with Japan International Cooperation Agency

November 23-24, 2016

PCC seminar on the 2016 Revised IRR of the Republic Act No. 9184

EVENT

Milestones

■ ■ ■



December 5, 2016

National Competition Day



Antitrust enforcement

In 2019, the PCC decided on its first abuse of dominance case, a landmark for antitrust enforcement in the country.

That same year, it put in place new enforcement tools to expand its capacity to detect, investigate, and prosecute cartels and abuses of dominance. The Commission

launched a Leniency Program—a whistleblower-type feature of many competition jurisdictions. This program offers immunity from suit or reduction of fines to former or current cartel participants in exchange for voluntary disclosure of information regarding the cartel. It aims to discourage the creation of cartels and to assist in the investigation and prosecution of existing ones.

Later that year, the Supreme Court issued the Rule on Administrative Search and Inspection (RASl), reinforcing the PCC's authority to carry out dawn raids on entities suspected of violating the country's antitrust law.

As of December 2021, the PCC had addressed 869 enforcement inquiries and complaints. These include informal complaints on possible cartels and abuses of dominance, as well as clarifications of the law and the PCC's jurisdiction over certain cases. These queries and complaints resulted in the PCC's conduct of

40 preliminary cases, 25 cases of which warranted full administrative investigations.

The rise in the number of queries and complaints from consumers since 2016 indicates that the PCC's advocacy campaign is gaining momentum, especially as regards promoting competition and sound market regulation. Consumers are becoming more aware of the PCC's existence as a government institution that plays a significant role in advancing consumer welfare.





January 11-13, 2017

Training Course on Promotion
of Cross-border Enforcement
in ASEAN (Tokyo, Japan)

January 30, 2017

Briefing with Malacañang
Press Corps



January 18, 2017

PCC welcomes Executive
Director Gwen De Vera
and Commissioner
Amabelle Asuncion

EVENT

Milestones





2017 Major Accomplishments

Merger Review

- Approved: **46**
- With Competition Issues : **5**

Enforcement Cases

- Queries/ Complaints: **56**
- Preliminary Inquiries: **4**
- Full Administrative Investigation: **1**

Advocacy

- Activities: **35**
- Market Studies: **26**

EVENT

Milestones



RISE: Realizing an Inclusive, Sustainable Economy through Competition



March 8-9, 2017

7th ASEAN Competition Conference

Keeping Unfair Competition in Check





Policy research

The PCC is also mandated to conduct economic and legal research on competition-related matters. In this regard, it has conducted over 70 market studies and provided over 50 inputs to policies and bills over the years.

In terms of competition policy reforms, the PCC has made important contributions to improving and easing restrictive laws that impact competition. For instance, PCC's advisory opinion as *amicus curiae* was a primary citation

in the Supreme Court's landmark case which voided the Philippine Contractors Accreditation Board's (PCAB) nationality-based restrictions among contractors.

The Commission also provided significant inputs to the following: (1) Republic Act (RA) No. 11534, known as the CREATE (Corporate Recovery and Tax Incentives for Enterprises) Law; (2) the terms of reference for the entry of a third telco player in the Philippines, breaking a previous duopoly; and (3) the maximum drug retail prices of the Cheaper Medicines Act.





The PCC Knowledge Resource Center caters to the informational needs of internal policy researchers and competition enforcers. It houses references with topics spanning competition law and economics to legal annotations, as well as specific sectors such as digital markets.

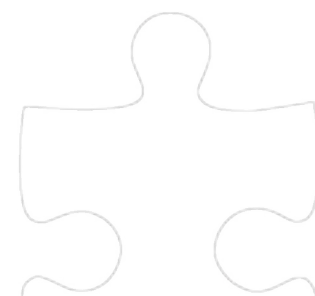


April 20-21, 2017
High Level Seminar on
Adjudication



February 21-23, 2017
Workshop on Promoting
Effectiveness in Anti-Cartel
Enforcement







April 3-7, 2017
19th AEGC Meeting



July 5-7, 2017
Intergovernmental
Group of Experts (IGE)
on Competition Law
and Policy



August 28-30, 2017
Brainstorming Session
on ASEAN Regional
Cooperation Framework
(RCF) and Informal Meeting
with ASEAN-Australia-New
Zealand Free Trade Area
(AANZFTA)



EVENT

Milestones



RISE: Realizing an Inclusive, Sustainable Economy through Competition

Keeping Unfair Competition in Check

2018 Major Accomplishments

Merger Review

- Approved: 40
- With Competition Issues : 4

Enforcement Cases

- Queries/Complaints: 152
- Preliminary Inquiries: 11
- Full Administrative Investigation: 3

Advocacy

- Activities: **35**
- Market Studies: **26**
- Inputs to Policies, Bills: **12**

EVENT

Milestones



June 8, 2018

PCC inks MOA with Department of Justice, Ombudsman in fight versus cartels, bid-rigging



July 16, 2018

Oathtaking of Executive Director Kenneth Tanate

‘Dawn raid’ rules strengthen competition enforcement



The fight against anti-competitive business conduct received a boost in November 2019 when Administrative Matter (AM) No. 19-08-06-SC or the Rules on Administrative Search and Inspection (RASI) under the Philippine Competition Act (PCA) took effect. Issued by the Supreme Court in September of the same year, the RASI governs the application, issuance, and enforcement of inspection orders (IO) for administrative investigations on alleged

violations of the PCA, its implementing rules and regulations, and other competition laws.

The RASI is the culmination of the work of a special committee that was chaired by then Associate Justice Diosdado Peralta (who went on to become the Philippines' 26th Chief Justice) and had, as members from the Supreme Court, then Associate Justice Alexander Gesmundo (who later became the country's 27th Chief Justice, replacing Peralta), as well as Associate Justice Ramon Paul Hernandez and Associate Justice Jose Midas Marquez. The PCC, meanwhile, was represented by former Commissioners Amabelle Asuncion, Johannes Bernabe and Macario de Claro, Jr., as well as lawyers Genevieve Jusi and Gifany Tongohan.

Similar to other competition jurisdictions worldwide, the Supreme Court's RASI paved the way for the PCC to conduct "dawn raids" as a means of conducting the inspection. The IO "may be enforced at any time during the day as may be

determined for compelling reasons stated in the application." Also called a surprise inspection, a dawn raid is an unannounced onsite inspection that is a crucial strategy in uncovering anti-competitive activities or practices, as well as in collating valuable evidence and information.

The RASI allows the PCC or its deputized agents to apply for an IO to search and inspect business premises and other offices, including properties such as land and vehicles, for information to be examined or copied, thereby preventing the concealment, tampering or destruction of vital information in the pursuit of anti-competitive cases.

Beyond financial books and tax records, the search also covers documents, papers, accounts, letters, photographs, objects or tangible material, databases, as well as the actual means of accessing

the information contained in these databases, and other electronically stored information.

The application for IO must be acted upon within 24 hours from filing. The issuing court determines the duration of effectivity of the IO, which must not exceed 14 days from its issuance.

Not all courts in the country are authorized to issue IOs. Only Special Commercial Courts in the cities of Makati, Manila, Pasig, and Quezon in Luzon; the cities of Cebu and Iloilo in the Visayas; and the cities of Cagayan de Oro and Davao in Mindanao have the authority to act on applications for the issuance of IOs, which however can be enforced nationwide.

With the issuance of the RASI, the PCC has attained more leverage in implementing the PCA, as global best

practice shows that the conduct of dawn raids is one of the most effective means of deterring cartels, making it difficult for anti-competitive behavior to flourish.

"Cartels operate on clandestine arrangements or so-called 'gentleman's agreements' that ultimately affect prices and hurt consumer welfare. With the rules on dawn raids now in place, this will intensify PCC's case-building, uncover anti-competitive behavior, and pin down such white-collar crimes covered by the Philippine Competition Act," then PCC Chairperson Arsenio Balisacan said. ■





Senate proceedings on the Public Service Act in December 2016.

The PCC also led in pushing for the easing of restrictions and redefining public utilities in the Public Service Act and for the support of MSMEs without resorting to restrictive policies in the Retail Trade Liberalization Act and Foreign Investment Act. It likewise played an important role in the telco sector reforms, which include the Mobile Number Portability Law and Common Tower Policy.

To strengthen its collaborations, the PCC has entered into more than 20 memoranda of agreement or understanding with various government agencies, industry and academic organizations, and other multi-sectoral groups to advance

cooperation, information sharing, and capacity building. It also formalized its partnerships with the competition authorities of China, Singapore, and Hongkong to further the exchange of information and best practices in competition law and antitrust enforcement.



August 13, 2019
Department of Justice visit
to the PCC

2019 Major Accomplishments

Mergers Review

- Approved: 31
- With Competition Issues : 2

Enforcement Cases

- Queries/Complaints: 135
- Preliminary Inquiries: 4
- Full Administrative Investigation: 3

Advocacy

- Activities: **38**
- Market Studies: **14**
- Inputs to Policies, Bills: **13**

EVENT

Milestones



December 13, 2019
Asian Development Bank -
Department of Finance loan
agreement



July 19, 2019
UPLB College of Economics
and Management centennial
celebration awarding
ceremony, grand alumni
homecoming



December 6, 2019
OECD conference in Paris



May 17, 2019
TEDxPCC



December 6, 2019
Press briefing on Leniency
Program

...

Leveling the playing field in the construction industry

In 2020, the Supreme Court (SC) declared unconstitutional some provisions of the rules implementing the Contractors' License Law. This was the first time that the SC recognized the Philippine Competition Commission's (PCC) expertise on competition matters. More importantly, the High Court's decision highlighted the important advisory role that the country's antitrust agency can contribute to the SC's exercise of judicial review.

The ruling stemmed from a dispute between state-run Philippine Contractors Accreditation Board (PCAB) and Manila Water Company, Inc. (Manila Water), where the PCC intervened as *amicus curiae* (friend of the court), given its mandate to issue advisory opinions on competition matters and advocate pro-competitive government policies.

Manila Water claimed that the PCAB exceeded its jurisdiction by setting licensing rules with a nationality requirement, as the power to impose such in areas of investments is exclusively vested in Congress. There is also nothing

in the Constitution or any law that imposes nationality or Filipino equity requirements concerning the construction industry.

The SC, referring to the *amicus curiae* brief of the PCC, said that the nationality-based restriction by PCAB is a barrier to entry to foreign contractors, and such barriers violate the constitutional state policy against unfair competition.

Prior to the ruling, regular licenses for multiple projects per year were reserved only for local firms, while foreign contractors were only granted a special license per project. Based on PCC's study, a foreign contractor would have to spend 12 times more for license applications than a local firm in order to engage in the same level of activity.

With the regulatory barrier struck down, competition among contractors should fall squarely on merit and not on undue advantage based on nationality alone. This is expected to encourage competition among local and foreign contractors, and the market will

have alternative options depending on the needs of each construction project. This will also open opportunities for development and innovation that foreign players may introduce to the local construction industry, thereby making it more competitive.

While the long-held principle of disallowing foreign entities and nationalities to own assets and perform business in the country seemed logical insofar as protecting the interests of the Filipino people is concerned, insights from the PCC similar to what was contained in the PCAB-Manila Water *amicus curiae* brief help renew discussions and a consideration of the dilemma from a competition lens. In consideration of the overall goal of creating a level playing field amid a backdrop of increasing globalization, the entry and participation of foreign players in the private sector is not a threat *per se*. Rather, it is an opportunity for all to benefit from the emergence of innovative technologies, products, and services that will lead to more choices for the Filipino consumer. ■



2020 Major Accomplishments

Mergers Review

- Approved: 21
- With Competition Issues : 1

Enforcement Cases

- Queries/Complaints: 162
- Preliminary Inquiries: 8
- Full Administrative Cases: 5

Advocacy

- Activities: 32
- Market Studies: 21
- Inputs to Policies, Bills: 15

EVENT

Milestones



RISE: Realizing an Inclusive, Sustainable Economy through Competition



February 1, 2020

Manila Forum on Competition for Developing Countries (FCDC)

Keeping Unfair Competition in Check



Awards, recognitions, and notable citations

- ➔ ISO 9001-2015 certified since 2018
[among youngest agencies to receive certification on core operations]
- ➔ PCC considered one of the exemplary Young Competition Agencies in Asia-Pacific in 2018, 2019
- ➔ Top 5 Antitrust Enforcement Leader in Asia in 2019
[2019 “Global Trends Monitor” by the Policy and Regulatory Report (PaRR)]
- ➔ PCA considered as benchmark for amendments in Malaysia, Thailand, and Vietnam competition laws
- ➔ F. Naumann Foundation’s Freedom Flame Awardee 2019
[for promoting free markets and pro-consumer policies in the country]
- ➔ PCC as the leading authority in providing competition analysis in cases (e.g., *Amicus Curiae* to the Supreme Court)

A rewarding and promising future

The PCC has been the recipient of various awards, a testament to its indefatigable spirit in promoting competition and sound market regulation. In 2018 and 2019, it was recognized as one of the outstanding Young Competition Agencies in Asia and the Pacific.

It was cited as one of the Top 5 Antitrust Enforcement Leaders in Asia in 2019, and the PCA was recognized as the benchmark for competition law amendments by Malaysia, Thailand, and Vietnam. In the same year, the Friedrich Naumann Foundation bestowed its Freedom Flame award on the PCC for promoting free markets and pro-consumer policies in the country.

In line with its quest for excellence and efficiency in operations, the PCC has been certified for ISO 9001-2015 standards since 2018.

Amid all these achievements, challenges remain. Not least of these are persistent efforts to water down the PCC’s authority to review mergers, including legislation meant to increase the threshold for compulsory notification of



mergers and acquisitions. At the height of the COVID-19 pandemic in 2020, Congress passed a law that temporarily raised the threshold to 50 billion pesos for two years and barred the Commission from undertaking *motu proprio* reviews for a year.

Another issue besetting the PCC is the sectoral jurisdiction among government regulators. PCC Executive Director Kenneth Tanate noted that “the PCC may not be as effective on its own, given that there are other regulatory agencies established ahead of us. These are sector-specific regulators with competition mandate, while the PCC covers all these sectors.” By law, however, the PCA identifies the PCC as the primary agency responsible for dealing with issues concerning competition.



November 11, 2021

Building Back Better:
Harnessing Digitalization
Towards a Transformed
Philippines

Hence, for the PCC to be effective, Tanate said, “the government has to streamline and identify which relevant agency to capacitate on competition law and policy, not just the PCC.”

Indeed, the PCC has made significant strides in the first chapter of its life, consisting of almost seven years and coinciding with the full term of its first chairperson and commissioners. The agency still has a long way to go vis-à-vis its vision and mission. But, thus far, the PCC has shown its courage, wisdom, and tenacity in being the country’s bastion of fair competition, upholding competitive markets and advancing consumer welfare. ■



December 1, 2021
9th ASEAN Competition Conference

2021 Major Accomplishments

Mergers Review

- Approved: 4

Enforcement Cases

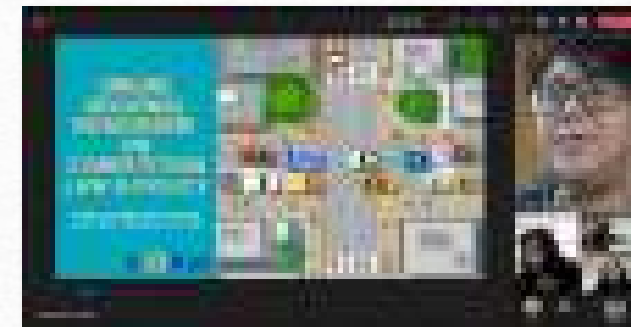
- Queries/Complaints: 281
- Preliminary Inquiries: 10
- Full Administrative Investigation: 6

Advocacy

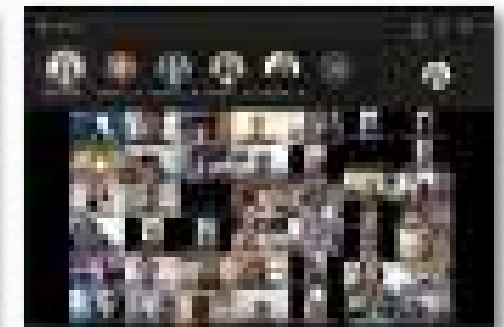
- Activities: 22
- Market Studies: 5
- Inputs to Policies, Bills: 14

EVENT

Milestones



July 22, 2021
Central Luzon regional roadshow on competition law and policy



October 23, 2021
Virtual campus tour on competition law and policy



Catalytic efforts in its formative years

By: Atty. El Cid Butuyan

How does one operationalize an agency created to combat the interests that have lorded over the Philippine economy and polity for generations? There's no instruction manual for that. Back then, we barely even knew how to define "relevant markets," let alone tame oligopolies. But with a roster of inaugural Commissioners with backgrounds from development economics, anti-corruption, international trade, and complex litigation, we understood the urgency by

which the newborn Philippine Competition Commission (PCC) had to skip past its baby steps and exercise its powers effectively, yet prudently.

First, when we set up the PCC, our team wanted to center the project around the idea that antitrust or competition work is profoundly a democratic project. It would have to be a catalytic exercise in modern nation-building. We understood that, if we are to enjoy the fruits of a true representative democracy, we had to promote and sustain equality in economic opportunities. The history of our country shows how concentrated economic power can lead to monopolies in political power, and how the economically wealthy enjoy an inordinate amount of political influence, distorting and co-opting key representative institutions.

Second, we wanted to recruit and nurture a community of talented technical professionals—primarily lawyers, economists, policy and communication experts—who take pride in their work as part of a new breed of civil servants, and who thrive in cutting edge and innovative approaches to policy reform and advocacy.

Third, we envisioned a muscular agency that is serious, persistent, independent, and aggressive in asserting its enforcement mandate. We wanted to play the long game, mindful that short term setbacks and pushbacks were part of the equation. But as long as we sustain the momentum, building durable anchors and markers for future reform along the way, the legacy of a robust competition culture will endure. We sought to identify quick wins and low-hanging fruits, but nevertheless highly impactful and deeply consequential interventions, which required minimal effort and resources given the infancy of our structures.

We believed that an entire ecosystem and an army of competition champions across sectors will be necessary to sustain the project in the long run.



Fourth, we wanted to usher in a new vocabulary which views consumers and customers as citizens, treats the marketplace as a space for contestation of important societal values, and approaches courts, agencies and legislative bodies as situs for pragmatic reform conversations.

- Lastly, we wanted to ignite excitement among the academic community and the media, pull in law firms and practitioners to embrace competition practice, create incentives for scholars to pursue research and graduate studies in leading universities, and carve out a place for the Philippines in the ongoing global conversations. Our dialogues and partnerships with the private sector, trade associations, and citizen groups also emphasized the value proposition for more competition and how pursuing this shared mandate would help lift all boats—for market players and consumers alike. We believed that an entire ecosystem and an army of competition champions across sectors will be necessary to sustain the project in the long run.

We grasped the difficulties of advancing a powerful but unfamiliar mandate as against the powers that be, and the risks of jurisdictional clashes between our cross-industry mission as opposed to more sector-specific regulators. Hence, we identified quick interventions which could lay the groundwork for more expansive regulation.

One such fruit was our intervention as *amicus curiae* in Philippine Contractors Accreditation Board vs. Manila Water Co., Inc. Having learned of an ongoing controversy over a contractors' licensing scheme that posed free trade and competition issues, we saw this case as a unique and catalytic opportunity to quickly embed modern competition principles in case law, which consequently could be leveraged to strengthen the PCC's enforcement muscle in future proceedings. Just four years into the PCC's constitution, we managed to cement (no pun intended) Supreme Court doctrine that affirms the PCC's stature in constructing (still, no pun intended) the competitive norms that should guide government regulation.

That this case underscored the importance of foreign competition to domestic industry was apt. The Philippine Competition Act was enacted precisely in compliance with the Philippines' ASEAN Free Trade commitments. Subsequent legislative amendments, e.g., liberalizing public services and foreign investments, capitalized on this key Supreme Court decision.

Of course, as our disruptive mandate reverberated across industries, pushbacks were inevitable. As the saying goes, “if you’re not pissing someone off, you probably aren’t doing anything important.”

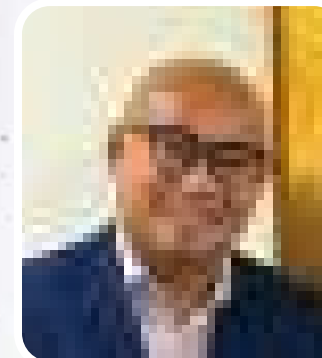
In one instance, the PCC was the recipient of a court-sanctioned gag order, secured by no less than a major market player, apparently intimidated by the damage our “undergoing maintenance” government website could do. We find that sometimes, we do not choose a case, but the case chooses us.

Notably, what the PCC had going for it was its energetic young staff who—although had no direct background in competition law—possessed not only the skills necessary to implement a dynamic new field, but more so the dedication to put the agency’s powers to good use. With his law firm-tested litigation chops and transactional skills, PCC’s first general counsel Gian Camacho guided the PCC through its housekeeping and early legal battles. Graciela Base—bar topnotcher, public interest litigator, and international disputes lawyer—was hired as our chief-of-staff, but also provided invaluable guidance to the entire PCC especially in navigating uncharted jurisdictional territory. Then a law student but also a summa cum laude economics graduate, Taking Marella melded law and

economics for a holistic approach to agency action. Anna Paras later joined us to provide administrative support.

These young civil servants quickly grew into the shoes that initially were several sizes bigger than they were used to. As a testament to their stellar training in the PCC, two of them went on to pursue further studies at Yale Law School, one became a Chevening Scholar in the United Kingdom, and another now serves as communications consultant with UNICEF-Philippines.

We wish for the PCC to continue the legacy of excellence and independence. We owe no less to these remarkable pioneers in the field of competition law and young architects of democracy. ■



Butuyan served as a Commissioner of the PCC from February 2016 to July 2017. Prior to PCC, he was an impeachment prosecutor in the historic first impeachment against a sitting Philippine President. He was a founding member of the Harvard Law School and the University of Hawaii and served multiple terms as co-chair of the American Bar Association (ABA) International Criminal Justice Committee.

Partnering toward fair market competition in banking and finance

By: Benjamin Diokno, PhD

The Bangko Sentral ng Pilipinas (BSP) supports mergers and consolidations in the banking industry, in line with our greater goal to create an increasingly sound, stable, and globally competitive financial system. It would be heartening to see Philippine banks competing abroad, such as in the ASEAN region, if not on a wider playing field.

Bank mergers and consolidations are aligned with this larger objective when the unifying banks efficiently harness their collective experience, expertise, resources, and technological know-how, resulting in stronger and more competitive entities. Accordingly, measures are in place to ensure that such mergers or consolidations comply with the Philippine Competition Act (PCA). For example, to safeguard these types of transactions from competition concerns, they are subject to the review of the Philippine Competition Commission (PCC). The BSP coordinates with PCC on these matters.

In fact, the Monetary Board has approved a memorandum of agreement on procedures for applications for mergers, consolidations, and acquisitions (MCAs) for banks. Through this agreement, the BSP, PCC, Philippine Deposit Insurance Corporation (PDIC), Securities and Exchange Commission (SEC), and Cooperative Development Authority (CDA) have taken significant steps to harmonize and simplify requirements on MCAs.

Thus, the core objectives of the PCA are clearly aligned with the BSP's promotion of healthy competition in the financial system. Over the years, the BSP has formulated and implemented policies that have liberalized the financial sector and improved the competitiveness of financial institutions.

For instance, the BSP strongly supported the passage of Republic Act No. 10641, which has fully liberalized the entry of foreign banks in the Philippines. This law amended the 20-year-old Republic Act No. 7721, which had opened the banking system to foreign banks starting 1994.



Both laws have facilitated the establishment of 25 foreign banks in the Philippines. The Philippines also provides fertile ground to non-bank market players that offer diverse digital financial products and services, fitting for today's online revolution.

Our regulatory approach allows innovations to thrive while ensuring that risks are effectively managed, and consumers are well-protected. We seek the expansion of digital financial service providers, fostering healthy competition in this space. There are currently more than 220 fintech companies in the Philippines, majority of which are in the business of payments and lending while others are engaged in e-wallets, remittances, blockchain or cryptocurrencies, e-commerce, insurance, and even regulatory technology services. Fintech companies that are electronic money issuers, virtual asset service providers, operators of payment systems, and remittance and transfer companies fall under the regulatory purview of the BSP.

Finally, the BSP issued a digital banking framework in December 2020 to support the expansion of digital financial services in the country. Digital banks are seen to help advance the financial inclusion agenda through the delivery of innovative financial services appropriate to the needs of Filipinos. To date, the BSP has approved six digital banks. Four of these digital banks, which are new players, have yet to start their operations.

Moving forward, the BSP will assess how the performance of these digital banks will impact the Philippine banking system and contribute to greater financial inclusion.

The PCC's mandates of protecting the welfare of financial consumers and promoting efficient competition in the marketplace are consistent with the BSP's thrust to support competition among BSP-supervised financial institutions (BSFI). Competition serves as the motivation for BSFIs to first, innovate and improve their financial products and services; second, tap into a wider client base; third, enhance their operational efficiency; and lastly, diversify revenue sources and secure new growth opportunities.

These initiatives and improvements will benefit financial consumers through increased access to better, safer, more convenient, and affordable financial products. When banks and other market players thrive in a healthy, competitive environment, the stability of the banking industry and the broader financial system is strengthened, systemic risks are minimized, and economic growth is made more inclusive. ■



Diokno is the incumbent Secretary of the Department of Finance (DOF). As of the writing of this thought piece, he was the Governor of the Bangko Sentral ng Pilipinas from 2019 to 2022. He also served as Department of Budget and Management Secretary in 2016–2019.

Enforcing the law and battling antitrust crime

By: Atty. Macario de Claro, Jr.

When we first joined the Philippine Competition Commission (PCC) sometime in September 2018, the agency had just approved and adopted its enforcement strategy and prioritization guidelines, which outlined the steps for the Competition Enforcement Office (CEO) on how to initiate and conduct investigations.

As a matter of procedure, the PCC during the early stages of an investigation, first determines whether it has jurisdiction over an alleged anti-competitive conduct or agreement. Specifically, the Commission will look into whether or not the conduct would constitute a violation under Section 14 of the Philippine Competition Act (PCA), which involves anti-competitive agreements, or under Section 15 involving abuse of dominant position.

Consequently, the PCC considers the following factors, namely: public interest, amount of resources the investigation will require, likelihood of a successful outcome, and other reasonable grounds, which will serve as bases for enforcement action. Along with this, the PCC identifies priority industries or sectors of

the market, where it can focus for monitoring, regulation or even assessment for initiating a preliminary inquiry. In 2018, these industries included manufacturing, rice, poultry, livestock, pharmaceuticals, and telecommunications. The following year, focus was shifted to logistics supply chain, sugar, and refined petroleum manufacturing and trading.

Subsequently, these priority sectors, given the PCC's limited resources, provided the CEO areas where it would focus to initiate the opening of a *motu proprio* investigation. Presently, the CEO, following the agency's Internal Rules and Regulations (IRR), utilizes various tools in conducting investigations, among which include issuances of requests for information (RFI) and subpoena—either *ad testificandum* or *subpoena duces tecum*, or both.

As a relatively new agency, the performance of the PCC in terms of its enforcement capacity strategy is adequate, but still has a lot of ground to cover in accomplishing the agency's desired objectives. The lawyers and investigators from the CEO require a thorough familiarization with the existing antitrust law and competition enforcement for continuous development, even after capacity-building activities that took place when the PCC launched its enforcement strategy and prioritization guidelines. Moreover, they need to develop the proper investigative skills and mindset needed to be effective in the performance of their duties.

There is also a general lack of awareness among the public regarding the PCC itself as an agency and the PCA, which led to only a handful of complaints received from the public and other private or government institutions for review and investigation. To illustrate our point, in 2018, only 1% of households surveyed were aware of the PCC and 7.4% for firms. This awareness, sad to state, did not substantially

increase in the succeeding years. In other words, collective efforts need to be exerted more to significantly improve the general public's awareness of both the PCA and the PCC.

The PCA was signed into law back in 2015 after languishing in Congress for about 24 years. Prior to its enactment, competition law in the Philippines consisted only of fragments of provisions in several laws, such as the Revised Penal Code, the Civil Code and other various sector-specific legislation. While the 1987 Constitution recognized the role of competition in the private sector as a state policy, the provisions were not self-executory and did not prohibit monopolies or other anti-competitive acts *per se*.

Now, this is by no means an excuse and should not exonerate the Commission from enforcing its mandate since the Commission's CEO is empowered to conduct *motu proprio* investigations – meaning on its own accord. But again, this path is plagued with its own share of difficulties.

Allow us to preface that by saying investigation is no easy task. Naturally, the first problem an investigator will have to face is to figure out where to start looking—where should I look? Who should I talk to? And with so many industries, markets, and players to investigate, and so many possible conducts of violation to consider, one can already see that determining where to start a *motu proprio* investigation is a hefty endeavor on its own.

Even after a specific relevant market is identified and an investigation commenced, one must proceed in asking—What do I need to prove? What information will I need? The slope only increases from here.



Understandably, antitrust and competition law are relatively new fields in the Philippines.

In fact, the Commission already has several contempt cases for parties failing to comply with requests for information, and some even questioning the Commission's jurisdiction and its authority to issue subpoenas.

This, then, transforms the challenge into a complex balancing act involving strategy, creativity, and tenacity. Thus, there is a need for lawyers and investigators from the CEO not only to have a thorough knowledge about the existing antitrust law and the PCC's rules of procedure but also to be properly trained in conducting investigations.

There is no guarantee that parties or respondents will cooperate in providing the investigator with vital information and possible leads.

The way forward then becomes clear. The Commission must remain steadfast in spreading awareness of the PCA and its significance to consumers, businesses, and stakeholders.

It must strengthen its enforcement activities in the coming years by

continuing to streamline the processes; establishing clear guidelines—to prevent non-compliant entities from challenging the investigations conducted by the CEO; developing more creative and effective approaches; and finally, establishing cooperation with other government agencies that can help with these investigations.

Notwithstanding, the PCC continues to strive for complete, expeditious, and successful investigations.

One of the most notable accomplishments by the PCC thus far in relation to enforcement was the filing of a Statement of Objections, similar to a complaint, against a certain condo developer that prevented entry of other competing internet service providers, which limited the choices of its residents regarding fixed-line internet service.

This case led to a settlement wherein the condo developer paid a substantial fine.

Over the years, however, we have come to realize that success in enforcement should not only be measured by the number of statements of objections filed against entities but should also be measured by how the enforcement office can remedy anti-competitive behavior with non-adversarial means. As the number of investigations increases, it is obvious that not all of these will necessarily result in the filing of statements of objections. But it is possible that these investigations might still be resolved through voluntary commitments and undertakings by the involved entities—guaranteeing nonetheless the prevention, if not elimination of anti-competitive practices in the market. ■



De Claro was a former Commissioner of the PCC. A CPA lawyer, prior to his appointment to the Commission, he gained a breadth of experience working in the private sector in the fields of manufacturing, mining, telecommunications, real estate, and banking and finance.



PCC employees disseminating advocacy materials and knowledge products during the National Economic and Development Authority's AmBisyon Natin Expo.



Competition advocacy: Power in information

By: Atty. Amabelle Asuncion

Competition law and policy (CLP) is a relatively new field of knowledge and expertise in the Philippines. Thus, when the Philippine Competition Commission (PCC) was created, it counted competition advocacy as one of its most important tasks. The primary strategy toward this was raising awareness that a competition law—the Philippine Competition Act (PCA)—now exists, as well as raising awareness on the concept of competition itself.

To do this, the first step was identifying our target audiences. Instinctively, these were the business community and the consumers. Naturally, the business sector is expected to comply with the new competition law and to adjust their behavior toward creating a more fair marketplace. The Commission thus undertook a massive campaign and conducted a multitude of advocacy activities leading up to the end of a two-year transition period, or grace

period if you will, for companies to correct any anti-competitive behavior.

Simultaneously, we also wanted consumers to be aware of this new law, which after all, is for their ultimate benefit. Informing them is empowering them to report any activities or behavior that might be anti-competitive.

After the first two years, we realized that we needed competition champions—that we cannot do the task of advocacy just by ourselves. We started reaching out to the academe and the judiciary. The academe is a fertile ground for generating interest in competition law and breeding the first generation of competition lawyers and advocates of pro-competitive practices and policies.

Needless to say, the judiciary is a crucial partner in promoting and protecting competition law. From a practical perspective, decisions of the PCC are appealable to the Court of Appeals while criminal cases arising from competition violations are filed with the regional trial courts. Knowledge or even an initial familiarity with competition law by the members of the bench was therefore imperative. While antitrust law is not entirely new, competition law as embodied in the Philippine Competition Act is certainly new and complex, with economics and economic evidence being an integral aspect of the interpretation and implementation of the law.

Changing the business atmosphere

Understandably, the local business community initially met the new competition law with surprise as well as fear because some of the existing practices of many companies were inconsistent with the law; maybe some were even anti-competitive. For them to now hear or discover that an old practice is no longer allowed, was bothersome, if not frustrating. Having a mandatory merger regime was also not viewed positively at the onset, because to business owners, it meant going through another regulatory and bureaucratic requirement that was previously non-existent for undertaking mergers and acquisitions.

However, as we continued to do advocacy work, and with the decisions that the Commission was making especially in mergers, the business community eventually began to understand what this was all about—that we are not against business but that we are, in fact, also protecting them by leveling the playing field for all. Companies started to include compliance—or have started to be conscious of potential violations of competition law.

Consumers, for the most part, were excited with the prospect of a government agency where they can seek redress. Although there was some misconception in the beginning about the PCC's role vis-a-vis the Department of Trade and Industry (DTI), consumers became visibly more vigilant. This was both inspiring and challenging but it strengthened our resolve to perform our mandate and ensure that consumers can benefit from this new law.

Enforcement as advocacy

Ultimately, we firmly believe that enforcement is the best form of advocacy. If we are able to enforce the law effectively, that in itself is already a form of advocacy. The results will show the people that competition law is effective, and that it plays a vital role in their lives.

On the other hand, for us to be able to likewise succeed in enforcement, our advocacy initiatives should have established our authority and reputation as a no-nonsense agency. Raising awareness instilled fear of the law and incentivized compliance.

Enforcement and advocacy feed on each other. Thus, effective and efficient enforcement of the law remains critical in our advocacy efforts. With the unforeseen phenomenon of the COVID-19 pandemic, we have been challenged to evolve and respond innovatively in our advocacy efforts. Of course, the restrictions on physical mobility have precipitated a pivot to digital and online communications. We initially perceived that virtual platforms would make advocacy more difficult but we soon realized the advantages of being able to reach more people everywhere, with even less cost.

As our organization is relatively young, the PCC will be relentless in its advocacy mission and will keep stakeholder communication and engagement as a top priority. Information is power, and we shall continue empowering our stakeholders so we can deliver on our vision of creating and sustaining a culture of competition in our country. ■



Asuncion was a Commissioner in the PCC. She was advocacy adviser for the European Chamber of Commerce of the Philippines. In the public sector, she served as Executive Director for the Senate Oversight Committee on Climate Change, Senate legislative officer, and adjudication chief of the National Water Resources Board.



The Road Ahead



The Future of Competition in the Philippines



Thought Piece

Partnerships towards a culture of competition in business

By: Benedicto Yujuico

Bringing PCC into the future

By: Kenneth Tanate, PhD





The PCC's vision of becoming a world-class competition authority is ambitious when viewed in the context of an upstart antitrust agency operating in a developing country. But the Commission is undaunted despite lingering competition challenges compounded in recent years by the COVID-19 pandemic-induced economic crisis.

“We are preparing, we are deepening the practice and culture of the Philippine Competition Commission. We are continuing to evolve. We are still expanding our operations,” said then PCC Chairperson Balisacan.

At the start of 2022, the Commission set its sights on a wider range of priority sectors, moving from e-commerce, health and pharmaceuticals, insurance, energy, and real estate to the lucrative and highly competitive industries of telecommunications, construction, food and agriculture, and utilities such as water.



Carrying out the PCC's mandate is a gargantuan task, indeed, especially since competition law is relatively new in the Philippines. It requires the PCC to allot resources and provide opportunities for enabling its human capital while performing its mandate amid a rapidly evolving competition landscape.

For this purpose, the Commission has secured funds from the Asian Development Bank (ADB) for its long-term human capital development program. This ensures continuous training for its staff, making them

globally competent in the field of competition law. Specialized courses and master's degrees in law and economics, both local and foreign, are eligible for financing under the said program.

The capacity-building program includes the secondment of PCC staff to other jurisdictions, where they receive exposure to international best practices in dealing with actual cases, fieldwork, and investigations. The Commission also hires experts to assess the effectiveness of its existing processes and systems.





Congratulations

Competition Law and Policy Scholars!

Government Staff Development Program for Competition Law and Policy

Philippine Competition Commission

Kristal Lyn T. Uy-Sie
Master of Laws in Innovation, Technology and the Law
University of Edinburgh

Olle S. Hualde
Executive Master of Law with Honors
Hertie School of Law
Certificate in Business
Institute for Enterprise University

Philippine Competition Commission

Edgardo Manuel M. Jayme
Master of Science in Data Analytics with Honors
Imperial College University of London

Joseph Giancarlo C. Aguirre
Master of Public Policy
London School of Economics

Department of Justice

Marina C. Aguirre
Master of Laws in International Commercial and Competition Law with Honors
University of San Diego

National Economic Development Authority

Marlene Gonzalez S. Reyes
Master of Arts in Development Studies with Honors
International Institute of Social Studies
Erasmus University Rotterdam

Graciela Lask A. Montajo
Master of Science in Development Economics
University of Sussex

Through the Asian Development Bank's funding, the PCC institutionalized the Government Staff Development Program for Competition Law and Policy (GSDPC) and produced seven pioneer competition law and policy scholars who completed their graduate degree on law, data analytics, and social studies, economics, and public policy for school year 2020-2021.

The ADB-funded capacity-building program also covers other government agencies such as the National Economic and Development Authority (NEDA), Department of Justice (DOJ), and the Office of the Solicitor General (OSG). This is necessary to help achieve the aim of mainstreaming competition law and policy.

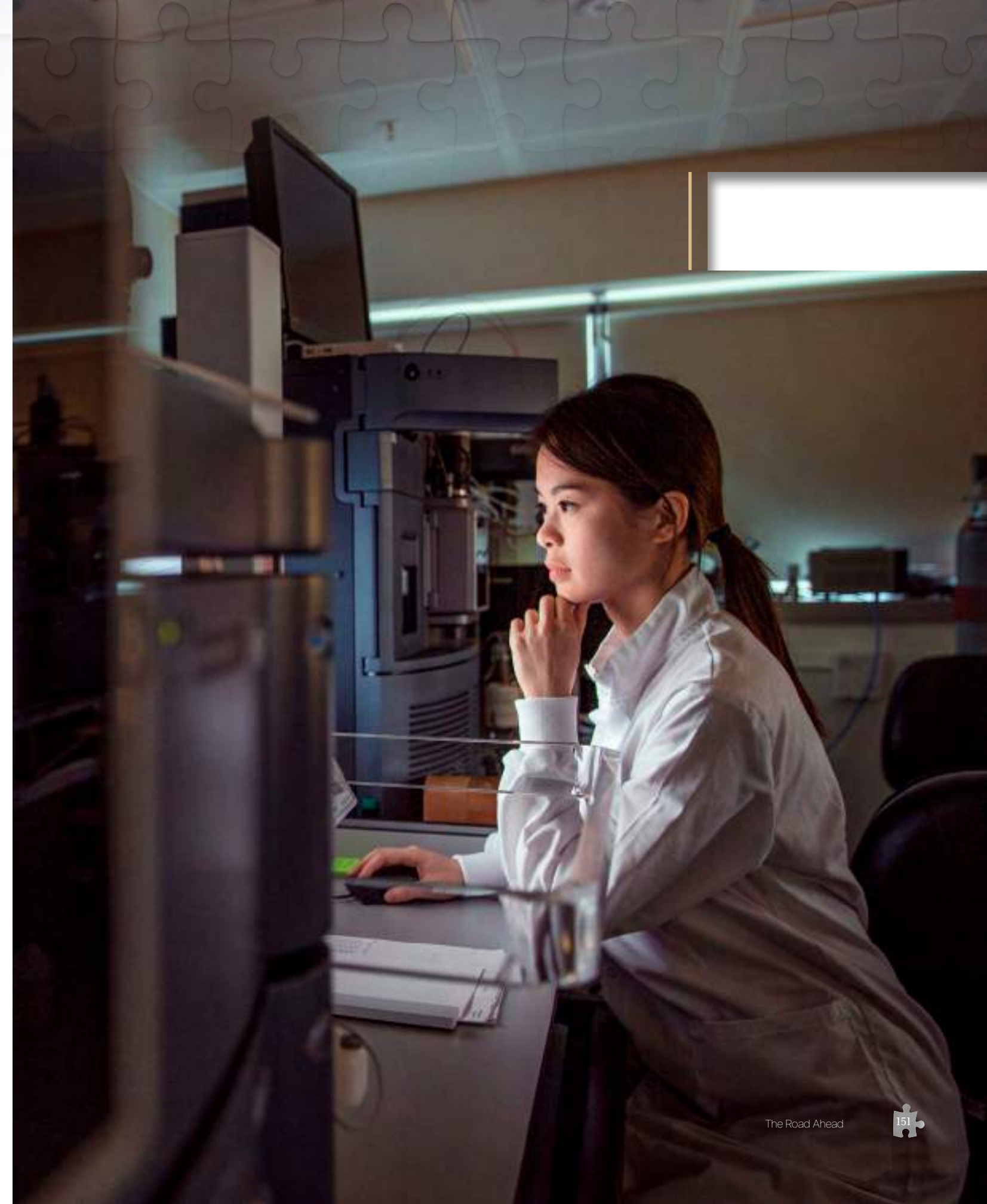
“The PCC and other government agencies that have enforcement mandates under the PCA must have the same skills, competencies, and expertise in competition law, allowing them to complement each other,” Balisacan explained.

Under the PCA, the NEDA is tasked with crafting the National Competition Policy, while the DOJ Office for Competition (OFC) has

“the power to conduct preliminary investigation and undertake prosecution of all criminal offenses arising from the PCA and other competition-related laws.”

The OSG handles the cases of the PCC that are challenged and elevated to the Court of Appeals or even the Supreme Court. Because of this, Balisacan sees the need for the OSG to have lawyers “who have good background and expertise in competition law and policy.”

Aside from capacity building, the PCC also needs to improve and establish critical facilities like a digital forensics laboratory and bid-rigging screening tool to crank up its ability to obtain evidence and analyze available data. In the future, this project will include the integration of big data, artificial intelligence, and digital forensics, among others. Such technologies would help the PCC in running after bid-riggers, ultimately benefitting the Filipino taxpaying public.



National Competition Policy: A whole-of-government approach

To foster a culture of competition in the Philippines, there is a need for regulatory reform that is guided by a comprehensive framework steering these regulations and administrative procedures toward promoting free and fair market competition. The Joint Memorandum Circular of the Philippine Competition Commission (PCC) and the National Economic Development Authority (NEDA) that institutionalized the National Competition Policy (NCP) of the country was a seminal move in this direction.

“Mainstreaming a culture of competition requires a whole-of-government effort. While the importance of competition is mainly felt by businesses and consumers, its success requires appreciation of competition principles by leaders, regulators, policymakers, and the entire bureaucracy,” said then PCC Chairperson Arsenio Balisacan.


The NCP has three fundamental principles: pro-competitive policies and government interventions; competitive neutrality; and enforcement of competition-related laws and issuances.

The first principle directs all government agencies to ensure that policies, regulations, and other interventions promote market efficiency and enhance consumer welfare. As such, agencies are barred from creating barriers to entry and promoting collusive market outcomes, except when

these restrictions are proven consistent with the promotion of consumer welfare, when benefits to the community outweigh the costs, and when the objectives of the policies and government interventions can only be achieved by restricting competition.

Under the second principle of competitive neutrality, government-owned or -controlled corporations (GOCCs) should not enjoy net competitive advantages or otherwise be subjected to disadvantages vis-à-vis the private sector by dint of their public sector ownership, unless it can be demonstrated that the greater public interest will be served and private-sector operations are not viable.

The third principle of the NCP enjoins government agencies to uphold the original and primary jurisdiction of the PCC over the enforcement and implementation of the Philippine Competition Act (PCA).



With the adoption and implementation of the NCP as embodied in Administrative Order No. 44, which President Rodrigo Duterte issued in October 2021, all government policies, rules and regulations, and interventions are now mandated to support the objectives of the NCP toward fostering a culture of competition.

Moreover, with the NCP closely aligned with the strategic outcomes envisioned under the government's medium-term development plan, the country is finally seen to achieve an enabling and supportive economic environment with a strong and credible competition policy that will level the playing field for businesses and thus encourage more investments into the country.

In his speech at the World Bank report launch on the country's competition study in 2019, Arsenio Balisacan highlighted the importance of the NCP, thus, "This endeavor is expected to further deepen market reforms through the internalization of the competition principles within the government policy architecture, auguring well for the competition landscape across all industries and sectors." ■

As Balisacan succinctly put it, "A broad sweep of reforms within the government policy architecture is key to improving the competition landscape and making economic growth truly inclusive."

Improving the policy environment

Beyond putting in place the competencies and institutional arrangements required of a world-class competition authority, a robust competition regime also needs a nurturing policy environment. Karl Kendrick Chua, Socioeconomic Planning Secretary and Director-General of the NEDA during the Duterte administration, has identified a number of areas requiring improvement to ensure fairer competition in the marketplace, especially as a new five-year Philippine Development Plan (PDP) is in the offing.

First, the government needs to strengthen its capacity so that in all its transactions, especially when awarding projects or contracts, its actions foster competition.

Chua explained how this can be done. "All procurement should be competitive as much as possible, projects should be solicited and bid out, not unsolicited and negotiated, and that every government official knows and understands the value, because that is the only time you will get lower prices, better quality and more innovative products."

Apart from the executive branch of government, more work needs to be done on the legislative front. Chua pointed to the importance of legislation that will pave the way for the opening of the market and the improvement of much-needed services, such as amendments to the Foreign Investments Act of 1991, the Public Service Act, the Retail Trade Liberalization Act, the Consumer Act, and the Magna Carta for MSMEs.

Expected to address the above-mentioned concerns is the National Competition Policy (NCP) that President Rodrigo Duterte issued as Administrative Order (AO) No. 44

in 2021. Chua said the government needs to implement the NCP, which outlines the whole-of-government approach to keeping unfair competition in check. The NCP creates a supportive policy environment for the enforcement of the PCA, allowing competition law to contribute to the goals of the government's medium-term development plan. He added that the issuance of AO No. 44 gives the NCP "more teeth and support and will have both the government and private sector moving more toward full alignment with the NCP."



Policy Highlights Ease of doing business



Chua also pointed to the need to sustain knowledge sharing on competition-related research and development initiatives. “There are many more areas that we would have to be updated on,” he said, citing, in particular, the markets impacted by the COVID-19 pandemic.

Another key task is to increase public understanding of market competition. According to Chua, “Everyone would like to buy goods or services with the lowest price and the highest quality and the most innovative product. But perhaps, they are not very aware of the instruments, the policies, and the institutions that are helping to achieve that. Imagine if more people are aware, they can market and discuss these in their social circles or even the social media—that would create momentum.”

Clarissa David, former Director of the Communications and Knowledge Management Office of the PCC, agreed: “First, media provides the platform and venue for our Commissioners to explain to the public what the PCC and PCA are and what they do. If there’s a major merger that was approved or if there’s a major application for acquisition of a large firm, these are in the news. Those are opportunities to let more people understand what the PCC is.”

The PCC’s biggest struggle so far is the lackluster culture of competition in the country. To deepen the culture of competition, the PCC’s advocacy has to be made more effective. And for this to materialize, it has to be bolstered by equally strong enforcement initiatives.

Competition policy reforms

Primary citation in SC landmark case voiding PCAB's nationality-based restrictions among contractors	Telco Sector Reforms	Mobile Number Portability	Common Tower Policy
Open access in data transmission	Spectrum Management	Push for easing of restrictions and redefining public utilities in Public Service Act	Push for support of MSMEs without resorting to restrictive policies in Retail Trade Liberalization Act and Foreign Investments Act
Inputs in Fiscal Incentives Review Board (CREATE law)	Inputs in Maximum Drug Retail Prices (MDRP) and Cheaper Medicines Act	Push for competition safeguards and competitive neutrality in various economic stimulus/ recovery bills	

E-Governance



Competition law in legal education



“There is very little understanding, even in the legal education community, of competition law. It’s a fairly new and developing area of law in the Philippines—so many practitioners are not aware of it.”

This was how then Commissioner Emerson Aquende of the Philippine Competition Commission (PCC) and former chairman of the Legal Education Board (LEB), described the state of competition law in legal education.

“Awareness of competition law is something that the Commission

is addressing now with its advocacy campaign to get the business community familiarized with competition law. For law practitioners, the inclusion of competition law in the education curriculum will create a pool of young lawyers who will have a working knowledge of competition law,” Aquende said.

In response to this challenging situation, the PCC embarked on a campaign to include competition law in the curriculum of the Juris Doctor (JD) program.

In June 2021, the LEB issued Memorandum Order 24, Series of 2021, revising the model curriculum of the basic law program in the

country. One of the major subjects in law, Commercial Laws II, has since incorporated the study of the Philippine Competition Act (PCA). Before the inclusion of the PCA, Commercial Laws II was a survey of emerging and relevant commercial laws dealing with public interest, including Transportation Law, Insurance Law, Intellectual Property Code, and the Data Privacy Act.

Also a result of the PCC’s advocacy work, the Clinical Legal Education Program (CLEP) at the University of the Philippines-College of Law has partnered with the antitrust agency in offering competition law as one of the disciplines where law students can gain direct and practical experience in legal issues and matters concerning the said law. The 120-hour work includes both support to the Commission’s adjudicatory function, and as a legislative liaison specifically in reviewing competition-related laws, and lobbying with Congress.

Atty. Gwen Grecia De Vera, a former PCC executive director who now serves as the program director of the CLEP at the UP Diliman Law Center, underscores the need for a strong legal talent pool to propel the work of the PCC.

“We have to be sure that the programs for establishing competency even before they practice in competition is there. Number two, we have to be able to identify where that supply is, so that any work that the PCC can do to support the creation of that talent can be directed to those sources of talent. And last, whether they join the PCC or other government agencies whose work has to do with competition, there should be training opportunities to advance their knowledge and skills,” De Vera said.

One of the pioneer law schools that included competition law and policies on its JD program is the Ateneo de Manila University’s School

The Commission also needs to leverage the competition law as part of the continuing legal education of current lawyers.

of Law. Even before the issuance of the LEB memorandum order, Ateneo had been offering courses on competition law, such as its Intellectual Property Law, Licensing, and Competition Policy. This subject explores how intellectual property (IP) laws and policies complement and conflict with competition policies, in light of the PCA.

International Competition Laws is another course that provides an overview of the basics of competition law from an international perspective through a comparison of main jurisdictions. Meanwhile, law students are introduced to misappropriations of market intangibles and remedies under the law in Trademark Law, Unfair Competition, and Trade Secrets.

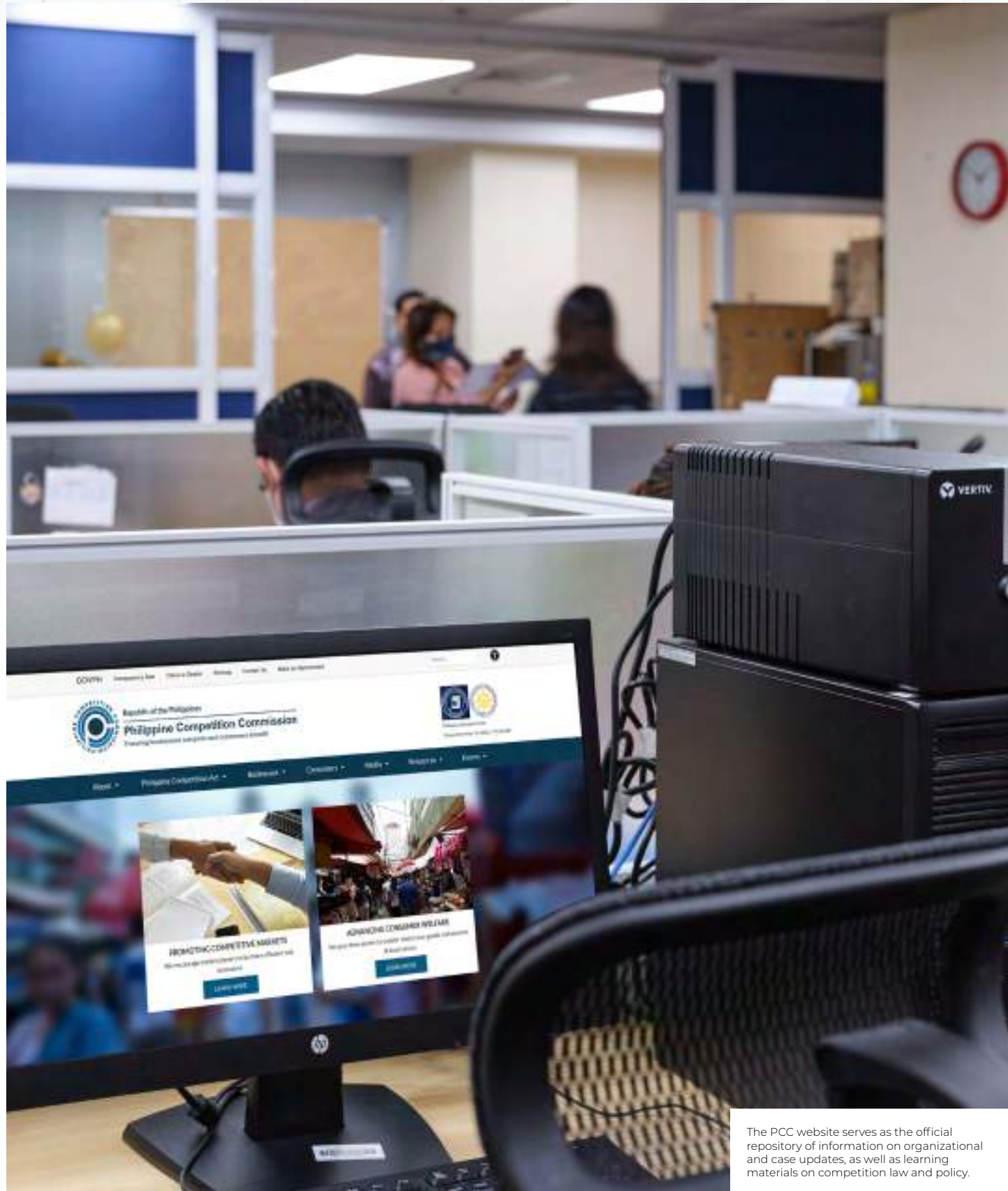
Introducing competition law in the learning curriculum of law students is a defining achievement of the PCC. With the new curriculum, future lawyers will now be compelled to study competition law. For De Vera, it is important for all Filipino lawyers to gain knowledge in competition law.

“The field is cross-cutting. Unlike other laws which regulate only

specific sectors, competition law attempts to create, establish, and protect the elements that would assure that in various industries and sectors, there will be competition, or that the benefits of competition can still be derived, either from the structure of the industry or from the behavior of the industry’s players. When we think of competition in that way, it really becomes of interest not just to corporate lawyers but to lawyers in general,” she said.

Aquende said the Commission “should develop competition law as a subject for graduate school, because then, competition law will have to be studied more in-depth and in a more analytical manner,” adding, “The Commission also needs to leverage the competition law as part of the continuing legal education of current lawyers.”

With these aspirations, the work of the PCC is far from done. It continues to require resources and dedication not only to create awareness but to continuously hone knowledge and expertise, being that, as Aquende said, “education is the foundation of compliance with the law.” ■



The PCC website serves as the official repository of information on organizational and case updates, as well as learning materials on competition law and policy.



Competition law will succeed not only through the efforts of the PCC, but also through the participation of all stakeholders, including the consumers, who will ultimately benefit from effective competition policy enforcement. The same is true for businesses. When enforcement initiatives succeed, the environment becomes more conducive to growing and expanding the market.

Sadly, not everybody is in sync yet with the PCC. Some entities continue to benefit from a system that is shielded from competition. And pending crucial legislation and other regulatory reforms, the incentives are likely to continue to support this type of protectionism.

But not if the PCC can help it. The Commission has learned many lessons and gained wisdom and mettle in the first seven years of its life. It is prepared for the long road ahead. ■





Partnership toward a culture of competition in business

By: Benedicto Yujuico

Signed in November 2020, the memorandum of understanding (MOU) between the Philippine Competition Commission (PCC) and the Philippine Chamber of Commerce and Industry (PCCI) is an ideal institutional collaboration that helps foster a culture of competition in the business sector in the country. This MOU promotes competition law and policy by engaging in joint seminars, symposia, and capacity-building workshops and conferences.

The PCCI, as the largest business organization in the Philippines, is recognized as the sole official representative and voice of the entire private business community in the country. It serves as the liaison and channel of communication on matters and issues that interest both the government and businesses.

PCCI's main responsibility is to provide focused advocacy for business growth and sustainable development by providing business services for the advancement of entrepreneurship, business innovation and excellence, and operating efficiency.

The PCC's mandate, on the other hand, is to promote free and fair competition in the business community and engage in competition advocacy undertakings, including advocating pro-competitive policies of the government. With these intersecting goals and visions, we are glad that the PCC partnered with the PCCI in pushing for its shared goal of advocating market competition. The logical result of encouraging competition is to accelerate innovation and competition among companies in the country. In return, this will result in better quality and even cheaper products. Looking at the ripple effect, this, in turn, will yield a larger production output, which translates to the generation of more jobs and income. Ultimately, all these impact our valued consumers and customers.

As a young organization, there is definitely more work in store for PCC, such as mitigating abuse of dominant position that substantially prevents, restricts or lessens competition in the market. One of the best ways to fast-track the country's economic growth is through innovation and entrepreneurship, together with a strict implementation of competition policy. However, we



recognize that no matter how prevalent innovation and entrepreneurship become, there will be no lasting and inclusive progress if the abuses of large companies go unfettered. PCC's job goes beyond policing and implementing the competition law; the Commission must also encourage entrepreneurship at the same time.

For this collaboration to succeed, it takes effort from both sides to make things work. For our part, the PCC can be rest assured of the availability of PCCI's resources and assistance for whatever they need because the nationwide network of the PCCI gives them access to information that might be useful for them. It is also our hope that the Commission continues to establish partnerships and make strong linkages with the private sector and work with other government agencies in achieving this goal.

In terms of information dissemination and fostering the culture of competition in the country, this MOU is now, more than ever, relevant. PCC can partner with the PCCI in reaching far-flung areas to raise awareness of local business owners. Seminars are being conducted and pitched on the ground level because the PCCI has an extensive national network with regional governors and local chapter presidents, which are very much active locally. This collaboration can be maximized because PCCI's membership has the widest reach not only in the NCR but also in North Luzon, South Luzon, Visayas, and Mindanao.

The PCC ensures that both big businesses and micro, small, and medium enterprises (MSME) have equal opportunity in the market by leveling the playing field for everyone. Similarly, the PCCI encourages and recognizes MSMEs and entrepreneurs, and helps foster competition. One of PCCI's projects, the PCCI Innovation Center, is a place where MSME owners can learn technology and improve their business. Improving business means

learning how to compete in the market with new ideas, and how to maximize the use of available online platforms and technology. In partnership with a multinational technology corporation, the PCCI provides opportunities for entrepreneurs to learn about in-demand skills in fields like artificial intelligence, robotics, coding, big data analytics, the internet of things, and blockchain, as these apply to their business.

We look to the PCC in helping level the playing field and establish a competitive and free market, notwithstanding the accomplishments of big conglomerates, and support competition where it is needed.

The Philippines can be driven to economic growth—inclusive and sustainable—if we are properly supported by both the government and private sector institutions in finance, technology, skilled workforce, affordable production cost and better competitive regulations, among others. In terms of competitive regulations, the PCC is at the forefront in realizing this, and we are by their side in this journey toward more inclusive progress in our country. ■



Yujiro served as president of the Philippine Chamber of Commerce and Industry from 2019 to 2021. Previously, he served as a special envoy of the President, with the rank of Ambassador for Trade Relations for Eastern Europe, then North America and Latin America.



Bringing PCC into the future

By: Kenneth Tanate, PhD

As the Philippine Competition Commission (PCC) has reached its seventh anniversary, much is yet to be attained in terms of building our organization to our aspired stature of being the premier competition agency not only in the Philippines but regionally—and even globally.

As early as 2016, we already set our sights on becoming one of the leading experts on competition in the ASEAN. True enough, in the first five years of our operations, the PCC is already widely known in the region due to our numerous accomplishments specifically in terms of mergers and acquisitions, as well as market studies on competition law and economics, and collaboration with the ASEAN Expert Group on Competition.

We take particular pride in gaining considerable expertise and accomplishments in the area of mergers and acquisitions. For instance, PCC has been tapped by the Malaysian Competition Commission to conduct training for their personnel on mergers and acquisitions review towards developing their own mergers and acquisitions notification regime. Likewise, the PCC also conducted a two-day sharing session on merger control for consumer protection to key officials and employees of the

Competition and Fraud Repression Directorate-General (CCF) of the Ministry of Commerce of Cambodia.

By many indications, we are also on track with our aspiration to be a world-class competition authority. In October 2021, PCC was appointed by the International Competition Network (ICN) to be the co-chair of the Advocacy Working Group for three years or until October 2024. In the next several years, we look forward to taking on a higher leadership role and expanding our involvement in the ICN either in the Steering Group or in other ICN working groups.

Along our goal for the Philippines to be the regional center of excellence on competition law and policy, we embarked on a project to establish the Center of Excellence on Competition Law and Policy in partnership with the University of the Philippines. We also hope to further increase the level of participation in the annual conduct of PCC's Forum on Competition in Developing Countries (FCDC), which is a flagship advocacy initiative to enhance awareness and knowledge on competition policy and strengthen linkages with key stakeholders, international development partners, and other competition agencies. PCC must also sustain its participation in the conduct of various competition-related research in partnership with international entities to gain wider understanding of market competition issues in various industries as well as cross-border cases.

We already set our sights on becoming one of the leading experts on competition in the ASEAN.

Given all these, building our individual and institutional capacities remain on top of our priorities as we continue to seek knowledge, expertise and information that will arm us with the best practices of antitrust management.

It is critical to continuously improve the overall institutional capacity of PCC, and as such, we are sustaining the institutionalization of our Quality Management System, maintaining the certification of the International Organization for Standardization (ISO) and strictly implementing the Performance Management System towards improving the competencies of individual personnel and the PCC as a whole.

In improving the individual capacities of PCC personnel, we have been implementing a scholarship degree and non-degree programs to address competency gaps and deficiencies in carrying out our core mandate. In the near future, a more comprehensive, sustained and institutionalized learning system shall be implemented that would create a reliable pool of resources and talents for our organization and relevant agencies.

Toward this, PCC has been undergoing relevant trainings and the utilization of modern technology, such as forensic software and equipment, big data analysis, and investigation tools and systems. These technologies are vital in helping PCC keep up with the ever-evolving industry trends especially in the complex digital commerce market.

Improving our facilities and physical resources such as equipment and forensic laboratory are ongoing. The launch of the Bid-Rigging Intelligence Gathering and Detection for Enforcement (BRIGADE)

Another focus area in undertaking our mandate is to further ramp up our enforcement capabilities to effectively detect, investigate, prosecute and penalize anti-competitive conducts in the market.

and the Case Management System in partnership with the Korean government is merely the start of our efforts to leverage modern technology in enhancing our work. These initiatives are important because it is our obligation to assess public procurement against bid rigging in government projects. We are expecting that PCC's efforts on this aspect would greatly contribute to informed decision-making on critical and big-ticket projects, and would optimize the use of the limited budget of the government.

Finally, to help bring physical stability to our organization as well as solidify our credibility as an office, it is our aspiration to have our very own adequate physical headquarters, which will provide ample space for daily operations, specialized tasks, storage and safekeeping of evidence and materials, as well as a convenient area for receiving informants, clients and guests. In addition, we hope to effectively bring PCC's services closer to our stakeholders through our project of establishing regional offices and investigation hubs throughout the country, particularly in regions with metropolitan areas and key cities.

With all our dreams and aspirations, the PCC remains a work in progress. However, we are truly proud that despite its relatively young age for a government institution, the PCC is making great strides in creating a truly encouraging and inspiring culture of healthy competition among stakeholders, particularly in our local business environment. ■



Tanate is the Executive Director of the PCC. Before joining the PCC in 2016, he served as Assistant Director-General at the National Economic and Development Authority (NEDA).



With the end of the term of the inaugural Commission, the PCC welcomes the new set of Commissioners: Chairperson Michael Aguinaldo (center) and Commissioners Ferdinand Negre, Marah Victoria Querol, Lolibeth Ramit-Medrano, and Michael Peloton (from left to right).

Acknowledgments

Resource Persons

Atty. Emerson Aquende; *former PCC Commissioner*

Paolo Benigno Aquino IV; *former Senator and PCA author*

Atty. Amabelle Asuncion; *former PCC Commissioner*

Arsenio Balisacan, PhD; *National Economic and Development Authority (NEDA) Secretary and inaugural PCC Chairperson*

Atty. Johann Carlos Barcena; *Governance Commission for GOCCs director*

Atty. Johannes Benjamin Bernabe; *former PCC Commissioner*

Karl Kendrick Chua; *former NEDA Secretary*

Clarissa David, PhD ; *University of the Philippines professor and former PCC director*

Atty. Macario de Claro, Jr; *former PCC Commissioner*

Atty. Gwen De Vera; *UP Law senior lecturer and former PCC executive director*

Benjamin Diokno, PhD; *Finance Secretary and former Bangko Sentral ng Pilipinas Governor*

Hon. Sherwin Gatchalian; *Senator*

Cielito Habito, PhD; *Ateneo de Manila University professor and former NEDA Secretary*

Atty. Antonio Gabriel La Viña; *Ateneo School of Government former dean*

Hon. Stella Luz Quimbo; *House Representative and former PCC commissioner*

Hon. Joey Sarte Salceda; *House Representative*

Henry Schumacher; *former European Chamber of Commerce of the Philippines vice president*

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