

PRESS RELEASE

PCC corrects claims regarding its authority to review transactions

It has come to our attention that certain inaccurate statements have made to the public and the media regarding the proper scope of PCC's authority to review and act on proposed mergers and acquisitions.

We are issuing this statement to correct misimpressions and prevent further confusion.

Transactions are not automatically "deemed approved"

The mere filing of a notification with the PCC does not guarantee a "deemed approved" status for the subject transaction, even under the transitory rules. Parties to a proposed merger and acquisition cannot make the determination of whether a transaction is deemed approved; this is for the PCC to determine.

More specifically, it has been erroneously claimed that transactions entered into and reported to the PCC prior to the publication of the Implementing Rules and Regulations (IRR) of the Philippine Competition Act (PCA) fall outside of PCC's authority to review because these are "deemed approved" under the applicable Memorandum Circulars. This is not accurate.

The PCC reviews all submissions for sufficiency and completeness of information, and decides, after due consideration, if the subject transaction will be deemed approved. If a submission is determined to be insufficient or defective in form and/or substance, for example, the PCC may reject such a submission. Omission of key terms of the transaction and submission of false material information may also be grounds for rejection. Certain submissions may likewise raise serious concerns regarding potential violations of the PCA.

The PCC conducts full and expeditious review of a notification of transaction only after receipt of complete information. Under the law, the purpose of such a review is to prevent anticompetitive mergers and acquisitions. In its review, the PCC exercises all powers granted by the law.

The Philippine Competition Commission



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