
PRESS RELEASE

12 May 2017

PCC cautions Globe-PLDT on final payment: Don't pre-empt court rulings

The Philippine Competition Commission (PCC) said today that Globe and PLDT's payment to San Miguel Corp. of the final installment on the telco deal is unwise, considering pending cases before the Supreme Court and Court of Appeals.

PCC said that the Globe and PLDT should give due respect to the Supreme Court and wait for it to decide on PCC's petition that would allow the competition watchdog to review the telco firms' joint acquisition of SMC's telco assets.

"As things stand, the courts have yet to decide whether Globe and PLDT are legally entitled to proceed with their transaction. The PCC upholds the principle that all parties should respect and afford the courts the necessary latitude to decide on this issue. The telco firms should not pre-empt the judiciary's decision by taking actions which would make it more difficult to implement forthcoming rulings," PCC said.

"The telco firms, by choosing to proceed with the final payment for the acquisition of SMC's assets, and announcing this publicly in advance, appears to challenge this principle," it added.

Globe and PLDT are set to pay the third and last tranche of payment worth P13 billion to SMC on May 30.

The antitrust agency stressed that the P70-billion deal is one imbued with substantial public interest, given the public's clamor for faster, better internet services at affordable prices.

"This deal is not a simple business transaction that private parties can decide on their own. As we have emphasized in our court submissions, the review and possible imposition of conditions on the telco deal are intended to safeguard the interest of consumers in the long term," PCC said.

The PCC said that since the courts have not yet decided on the petitions involving the deal, then it would be best for Globe, PLDT and SMC to wait until a final verdict is issued on the matter.

Last month, PCC filed a petition at the Supreme Court to allow it to review the acquisition of SMC's telco assets.

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