
PRESS RELEASE

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PCC asks SC to lift CA injunction blocking review of P69.1-B telco deal

The Philippine Competition Commission (PCC) filed a petition before the Supreme Court on Tuesday to annul the writ of preliminary injunction issued by the Court of Appeals 12th Division restraining PCC's review of Philippine Long Distance Telephone Co. and Globe Telecom, Inc.'s P69.1-billion joint acquisition of San Miguel Corporation's telco assets in May last year.

The CA issued the injunction order in August 2016 and denied PCC's motion for reconsideration in February 2017.

PCC lamented the CA's disregard of the public interest involved in the review of the competition concerns arising from the telco deal.

In its petition, PCC said "[a]ny court, acting by its best lights, would have easily determined from the outset that the public interest promoted by PCC's review of the Acquisition should never be subordinated to any supposed urgency and necessity to grant injunctive relief against speculative business losses and transient commercial inconveniences." Yet, the petition said, "[the CA], against all logic, cast its lot with the Goliaths of the telecommunications sector."

"How [the CA] ended up according paramount importance to protecting dominant industry players from these alleged losses and inconveniences over the State's duty of ensuring the consumer welfare of millions of Filipinos remains a mystery," the petition added.

PLDT and Globe have adamantly resisted scrutiny of the telco deal and refused to disclose the terms of the co-use of the 700 MHz subject of the transaction.

On the other hand, there has been widespread clamor from various stakeholders for the agency to exercise its mandate to review the transaction. Consumer interest groups and business organizations such as the Joint Foreign Chambers Association of the Philippines and the Philippine Chamber of Commerce and Industry have expressed their concerns over the potentially pernicious effects of the deal.

The petition exemplifies PCC's firm commitment to foster fair competition and advance consumer welfare.



“This petition also sends a message to consumers and businesses. The country’s first-ever competition authority will not back down or be intimidated by companies who have grown accustomed to unregulated business practices that hamper competition and ultimately hurt the consumers,” said PCC Chairman Arsenio M. Balisacan.

“We hope that the Supreme Court will grant our petition and finally allow us to fulfill our mandate to review the deal in the interest of promoting competition in the telco market,” he added.

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REFERENCE:

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