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## PCC strengthens enforcement vs internet exclusivity concerns

The Philippine Competition Commission (PCC) has taken several property developers to task for their exclusive dealings with internet operators through the issuance of Enforcement Advisory Letters (EALs), marking the agency's proactive stance in addressing the persistent concern among properties.

The PCC has issued EALs to several developers whose condominiums or subdivisions were the subject of complaints by their residents or tenants for having exclusive arrangements with a sole internet service provider (ISP) or for preventing other operators to be installed in their areas.

To date, eight (8) developers have voluntarily complied with the PCC EALs and opened their properties to other ISPs:

DMCI Homes Inc.	Urban Deca Homes
Vista Residences Inc.	Victoria Towers by New San Jose Builders Inc.
Amaia Land Corp.	CHMI Land Inc.
Avida Land Corp.	Kirkwood Development Corporation

"As remote work, distance learning, and e-commerce have become part of the new normal, PCC understands the value of consumer choice for fast, stable, and affordable internet connection. The lack of competition in this space forced by exclusivity dealings by property developers is an issue that we are determined to solve. We encourage the public to continue reporting to us similar cases and for developers to open their doors to different ISPs," PCC Chairperson Arsenio M. Balisacan said.

Following the 2019 case of PCC against Urban Deca Condominiums for its ISP exclusivity deal, the agency has received several similar complaints from homeowners in various developments. To recall, Urban Deca paid a fine of P27.11 million as the first abuse of dominance case in violation of the Philippine Competition Act.

PCC also formed an ISP Task Force in March 2021 to handle the growing issue. Since then, PCC received 104 ISP-related complaints, most of which have resulted in further investigation, cases, or issuance of EALs.

PCC utilizes EAL as a tool to advise companies to correct competition concerns immediately. Through the enforcement advisory, firms are given the chance to correct their actions and avoid the long process of prosecution.

"The lessons of previous abuse of dominance cases filed by PCC should already inform property developers of putting exclusive ISP deals to a stop. Through the Enforcement



Advisory Letters, voluntary compliance will add to the firms' badge of good corporate governance while giving residents the benefit of consumer choice," added Balisacan.

As a long-term measure, the PCC is also working to issue this year a joint circular with various relevant housing and ICT regulators for all property developers to prohibit exclusivity arrangements in internet, telecommunications, and cable TV services.

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**REFERENCE:** 

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