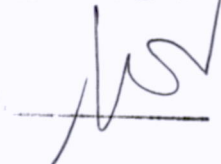


**SEVENTEENTH CONGRESS OF THE }
REPUBLIC OF THE PHILIPPINES }
SECOND REGULAR SESSION }**

'18 FEB 27 P2:19

SENATE

RECEIVED BY 

S.B. No. 1711

Introduced by SENATOR JUAN MIGUEL F. ZUBIRI


**AN ACT AMENDING SECTIONS 7 AND 17 OF REPUBLIC ACT NO. 10667,
OTHERWISE KNOWN AS THE PHILIPPINE COMPETITION ACT,
AND FOR OTHER PURPOSES**

In July 2015, Republic Act No. 10667, otherwise known as the Philippine Competition Act, created the Philippine Competition Commission (PCC) as its implementing authority to ensure that there is level playing field in the market to benefit the consumers. Under Section 17 of said Act, the PCC can look into mergers and acquisitions worth P1 billion and above. Parties to such mergers and acquisition are required to first get a clearance from the PCC before consummating any agreement.

Since the enactment of Republic Act No. 10667 into law, there has been a clamor from the business sector to review and consider the increase of the P1 billion mandatory notification threshold, which they say could result to delays and undue regulatory costs for companies engaged in mergers and acquisitions, and at the same time over-burden the PCC docket with all these cases.

Although the same law authorizes the PCC to adjust and determine the compulsory threshold, no adjustments have been made up to this time. Thus, this bill proposes to increase the threshold to P10 billion from its current level. There is also a need to take into account that there have been changes in the structure of the economy since the law was enacted. The threshold should be updated to consider all these changes.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


JUAN MIGUEL F. ZUBIRI

SEVENTEENTH CONGRESS OF THE }
REPUBLIC OF THE PHILIPPINES }
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**AN ACT AMENDING SECTIONS 7 AND 17 OF REPUBLIC ACT NO. 10667
OTHERWISE KNOWN AS THE PHILIPPINE COMPETITION ACT,
AND FOR OTHER PURPOSES**

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

1 Section 1. Section 7 of Republic Act No. 10667 is hereby amended to read as
2 follows:

3 "Sec. 7. *Term of Office.* – The term of office of the Chairperson and the
4 Commissioners shall be [seven (7) years without reappointment. Of the
5 first set of appointees, the Chairperson shall hold office for seven (7)
6 years and of the first four (4) Commissioners, two (2) shall hold office for
7 a term of seven (7) years and two (2) for a term of five (5) years] CO-
8 TERMINUS WITH THE TENURE OF THE PRESIDENT OF THE PHILIPPINES.
9 In case a vacancy occurs before the expiration of the term of office, the
10 appointment to such vacancy shall only be for the unexpired term of the
11 predecessor.

12 "The Chairperson and the Commissioners shall [enjoy security of tenure
13 and] shall not be suspended or removed from office except for just cause
14 as provided by law."

15 SEC. 2. Section 17 of Republic Act No. 10667 is hereby amended to read as
16 follows:

17 "SEC. 17. *Compulsory Notification.* – Parties to the merger or acquisition
18 agreement referred to in the preceding section wherein the value of the
19 transaction exceeds [one billion pesos (P1,000,000,000.00)] TEN BILLION
20 PESOS (P10,000,000,000.00) are prohibited from consummating their

1 agreement until thirty (30) days after providing notification to the
2 Commission in the form and containing the information specified in the
3 regulations issued by the Commission: Provided, That the Commission
4 shall promulgate other criteria, such as increased market share in the
5 relevant market in excess of minimum thresholds, that may be applied
6 specifically to a sector, or across some or all sectors, in determining
7 whether parties to a merger or acquisition shall notify the Commission
8 under this Chapter.

9 x x x

10 SEC. 3. *Implementing Rules and Regulations.* — Within sixty (60) days from the
11 effectivity of this Act, the Philippine Competition Commission, in consultation with
12 concerned sector regulators, shall promulgate the necessary implementing rules
13 and regulations for the implementation of this Act.

14 SEC. 4. *Separability Clause.* - In the event that any provision of this Act is
15 declared unconstitutional, the validity of the other provisions shall not be
16 affected by such declaration.

17 SEC. 5. *Repealing Clause.* - All laws, decrees, orders, rules and regulations and
18 other issuances or parts thereof which are inconsistent with the provisions of this
19 Act are hereby repealed or modified accordingly.

20 SEC. 6. *Effectivity.* - This Act shall take effect fifteen (15) days following its
21 publication in the Official Gazette or in at least two (2) newspapers of general
22 circulation.

23 Approved,