



Foundation for Economic Freedom, Inc.

FEF Statement on SMC Sale to PLDT and Globe

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Considering the implications of San Miguel Corporation (SMC)'s sale of its telecommunication assets to Philippine Long Distance Telephone Company (PLDT) and Globe Telecom, Inc. (Globe) on the competitive environment in the telecommunications industry and on consumer choice in general, we, the Foundation for Economic Freedom (FEF), strongly urge that the Philippine Competition Commission (PCC) review the deal immediately and expeditiously, and take appropriate action as the facts warrant. The PCC should take into account that it is mandated by Republic Act No. 10667 or the Philippine Competition Act to implement the national competition policy and prohibit anti-competitive agreements, abuse of dominant position, and merger or acquisition agreements that substantially prevent, restrict or lessen competition in the market.

Meanwhile, in as much as the telecommunications spectrum is a public and scarce resource that is allocated by the National Telecommunications Commission (NTC), we also call on the incoming NTC Commissioner of the Duterte administration to review its spectrum allocation to serve the common good.

Moreover, we ask Congress to conduct an investigation in aid of legislation and exercise its powers to amend, alter, or repeal the franchises of public utility operators when the common good so requires. We also urge Congress to liberalize key sectors in the economy and lift the nationality restrictions on foreign investments by amending the economic provisions of the Constitution, the Public Services Act, and sector-specific laws such as Republic Act No. 7925 or the Public Telecommunications Policy Act of the Philippines to provide consumers the benefits of the efficiency of market competition.

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