
PRESS RELEASE

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National Competition Policy gets Palace nod for public sector rollout

The Philippine Competition Commission (PCC) welcomes the signing of Administrative Order (AO) No. 44 (s. 2021) by the Office of the President directing government agencies to adopt and implement the National Competition Policy (NCP), marking a milestone in mainstreaming competition policy across the public sector.

Under AO 44, all national government agencies, government-owned or -controlled corporations (GOCCs), and local government units (LGUs) are directed to comply with the NCP by 1) adopting pro-competitive policies and interventions, 2) fostering a level playing field between public and private sector businesses, and 3) assisting the PCC in enforcing the competition law.

“Mainstreaming a culture of competition requires a whole-of-government effort. While the importance of competition is mainly felt by businesses and consumers, its success requires appreciation of competition principles by leaders, regulators, policymakers, and the entire bureaucracy,” said PCC Chairperson Arsenio M. Balisacan.

Issued as Joint Memorandum Circular No. 01-2020 by the PCC and the National Economic and Development Authority (NEDA) last year, the NCP is set for nationwide implementation through AO 44 signed on 20 October 2021.

The NCP provides the framework for government agencies in formulating and adopting pro-competitive policies, rules and regulations, and issuances to avoid competition distortions and an uneven playing field for businesses. It complements the Philippine Competition Act and the Philippine Development Plan 2017-2022 in guiding the design of government interventions, especially those relating to the economic recovery of vulnerable sectors like micro, small and medium enterprises (MSMEs).

With regard to enforcement, the NCP mandates agencies to support PCC’s watchdog functions against cartels, abuses of market dominance, and anti-competitive mergers and acquisitions.



“By ensuring that government responses and interventions follow competition principles, we can prevent policies which may exacerbate market failures and distortions. As the country tackles the economic consequences of the pandemic, the NCP is an important policy tool in improving market efficiency and stimulating economic recovery that is not only robust but also inclusive,” Balisacan added.

Under the AO, compliance with the NCP will be included in the good governance conditions criteria for the grant of Performance-Based Bonus (PBB) to government personnel, and in the conferment of the Seal of Good Local Governance (SGLG) on cities and municipalities.

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Links:

- [NEDA-PCC Joint Memorandum Circular No. 01-2020: The National Competition Policy of the Philippines](#)
- [Administrative Order No. 44, s. 2021: Directing the Adopting and Implementation of the National Competition Policy](#)

REFERENCE:

PENELOPE P. ENDOZO

PUBLICAFFAIRS@PHCC.GOV.PH

PUBLIC AFFAIRS DIVISION

PHILIPPINE COMPETITION COMMISSION