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**DIRECTORATE FOR FINANCIAL AND ENTERPRISE AFFAIRS  
COMPETITION COMMITTEE**

**Information Sharing in Competition Policy – Note by the Philippines**

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## *Philippines*

1. Exchange of information between or among firms regarding costs, prices, or sales is widely regarded as anticompetitive.<sup>1</sup> Such exchanges allow market players to closely monitor each other, thereby facilitating cartels.<sup>2</sup>

2. In Philippine context, information sharing is not explicitly penalized under the Philippine Competition Act (PCA). It falls under the law's broader prohibitions against anti-competitive agreements and conduct. Section 14(a) and (b) of the PCA prohibits horizontal anti-competitive agreements such as when information is exchanged, between or among competitors, for the purpose of price-fixing,<sup>3</sup> bid rigging,<sup>4</sup> output limitation,<sup>5</sup> or market sharing.<sup>6</sup> Information sharing is deemed subsumed in these violations and is recognized as a form of anti-competitive agreement prohibited under Section 14(c) of the PCA.<sup>7</sup>

3. If the aim of the exchange of information is to fix prices, including *future* prices, discounts, volume, or other trade terms, it would be treated as a cartel activity punishable under Section 14(a)(1) of the PCA, regardless of whether such information exchange has an actual effect on the market. If the exchange pertains to *historical* prices, it may be considered a violation of Section 14(c).

4. Technically, information sharing does not constitute a stand-alone infringement<sup>8</sup> under the PCA. Exchanges of information are not automatically considered anti-competitive. It will only be penalized if linked to an anticompetitive *agreement*.

5. The PCA does not preclude the creation and operation of trade associations. The law recognizes the valuable role of trade associations in promoting productivity and

<sup>1</sup> Awaya, Y. and V. Krishna, Information exchange in cartels, *The RAND Journal of Economics*, Vol. 51/2, pp. 421-446, 26 May 2020, available at: <https://doi.org/10.1111/1756-2171.12320>.

<sup>2</sup> Id. See Harrington, J., The Anticompetitiveness of a Private Information Exchange of Prices, *International Journal of Industrial Organization*, Vol. 85, p. 102793, December 2022, available at: <https://doi.org/10.1016/j.ijindorg.2021.102793>.

<sup>3</sup> Sec. 14(a)(1), Philippine Competition Act.

<sup>4</sup> Id. at Sec. 14(a)(2).

<sup>5</sup> Id. at Sec. 14(b)(1).

<sup>6</sup> Id. at Sec. 14(b)(2).

<sup>7</sup> Sec. 14. Anti-Competitive Agreements. – xxx

(c) Agreements other than those specified in (a) and (b) of this section which have the object or effect of substantially preventing, restricting or lessening competition shall also be prohibited: Provided, Those which contribute to improving the production or distribution of goods and services or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefits, may not necessarily be deemed a violation of this Act.

<sup>8</sup> Information sharing as a “stand-alone” infringement means the information exchange is not linked to other anti-competitive behavior like price-fixing or market-sharing. See also Christopher Hutton, Karman Gordon, and Maya Paniara, Standalone information exchange is a serious competition law infringement, says the European Court, Hogan Lovells, 20 August 2024, available at: <https://www.hoganlovells.com/en/publications/standalone-information-exchange-is-a-serious-competition-law-infringement-says-the-european-court>.

efficiency,<sup>9</sup> however, it emphasizes that trade associations must not be used as conduits for anti-competitive objectives or practices.<sup>10</sup> Section 48 thereof states:

*“Nothing contained in this Act shall be construed to prohibit the existence and operation of **trade associations** organized to promote quality standards and safety issues: Provided, That, these associations shall not in any way be used to justify any violation of this Act: Provided, however, That it shall not be illegal to use the association as a forum to discuss or promote quality standards, efficiency, safety, security, productivity, competitiveness and other matters of common interest involving the industry: Provided, further, That such is done without any anticompetitive intent or effect.”<sup>11</sup>*

### Enforcement cases involving information sharing and trade associations

6. In the case of Competition Enforcement Office (CEO) vs. Boracay Business Administration of Scuba Shops, et. al. (BBASS) (PCC Case No. E-2021-001),<sup>12</sup> the CEO alleged that BBASS and its member-dive shops agreed to set floor prices for various scuba diving services in Boracay Island. BBASS is a duly registered non-stock corporation in the Philippines established to regulate and protect the diving industry in Boracay as a means of livelihood for diving professionals and to represent the diving industry before local government bodies or entities in all matters related to the industry, among others.

7. The Enforcement Office submitted written price agreements, e-mail communications between and among the respondents, incident reports received by BBASS, and minutes of the meetings to substantiate its case.

8. Based on interviews and documentary evidence, the Commission found that BBASS and its members regularly conducted meetings to discuss concerns in the diving industry, including the “price war” among its members. The Commission ruled that the 2016 BBASS Rules and Regulations were not a unilateral directive, but rather the result of coordinated meetings among its members. By implementing these rules and ensuring compliance among member-dive shops, BBASS acted as a facilitator to the anticompetitive agreement.<sup>13</sup> BBASS actively spearheaded these price-fixing discussions by masking them as standard-setting initiatives,<sup>14</sup> even going as far as monitoring and collecting information on violations committed by its non-compliant members.<sup>15</sup>

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<sup>9</sup> See also Secs. 6.19 and 6.20, 2017 Rules of Procedure of the Philippine Competition Commission, on the fines imposed on trade associations and professional organizations.

<sup>10</sup> Competition Enforcement Office vs. Boracay Business Administration of Scuba Shops, PCC Case No. E-2021-001, 11 September 2025, at p. 15.

<sup>11</sup> Sec. 48, Philippine Competition Act.

<sup>12</sup> Commission Decision dated 11 September 2025.

<sup>13</sup> Id. at p. 15-16.

<sup>14</sup> Id. at p. 22-23. Meetings were also held to address “price dropping practices,” among others.

<sup>15</sup> Id. Evidence showed the BBASS receives Price Dropping Incident Reports and e-mail notifications regarding non-compliance with the 2016 BBASS Rules and Regulations (e., issuance of diving certifications for free, in contravention of the agreement). The Commission held that through BBASS, a status quo was established, where member-dive shops were expected to strictly comply with the price-fixing agreement.

9. Consequently, BBASS was imposed a fine significantly higher than its members, considering that BBASS acted as facilitator of the price-fixing scheme. It is akin to an instigator which could be appreciated as an aggravating circumstance under Section 6.4(a)(1)<sup>16</sup> of the 2017 Rules of Procedure of the PCC (Rules of Procedure). In contrast, the fine imposed on the member-dive shops is significantly lower since the Commission observed that they all belonged to the Micro, Small, and Medium Enterprises sector. The Commission also recognized as a mitigating circumstance the fact that the issuance of the license to operate a dive shop is hinged at accepting the terms of the Price Agreements.

10. The computation of fines is primarily based on relevant turnover which represents sales within the Philippine market affected by the violation during the applicable financial year.<sup>17</sup> In case of trade associations or professional organizations, the relevant turnover is determined by summing the individual relevant turnovers of each constituent member.<sup>18</sup>

11. In the matter of the **alleged anti-competitive conduct involving price fixing agreements among driving schools in the Province of Cebu (CEO-21-0096-FAI)**,<sup>19</sup> the CEO found during its full administrative investigation (FAI) that several driving schools implemented uniform pricing through two distinct price-fixing agreements.<sup>20</sup> The FAI revealed that these driving schools shared pricing information and coordinated its implementation via onsite meetings, Zoom calls, and a Viber group chat named the “Cebu Driving School Association.”<sup>21</sup> There have been exchanges of sensitive commercial information among competitors despite the absence of a formal trade association.

12. Pursuant to Sections 3.14 and 3.16 of the Rules of Procedure, the investigation was terminated following the recommendation of the CEO and upon the Commission’s approval of the written settlement proposal. The driving schools admitted to the subject anti-competitive conduct, committed to assisting the PCC in its enforcement activities, and

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<sup>16</sup> Section 6.4. Factors affecting the Final Fine. — (a) Aggravating factors. — The Commission may consider the following as aggravating factors, among others:

(1) That the Respondent is the leader or instigator of the violation;

<sup>17</sup> Sec. 6.2, 2017 Rules of Procedure of the Philippine Competition Commission.

<sup>18</sup> Id. To wit: “Section 6.2. Relevant turnover. x x x

Where the Respondent involved is a trade association or professional organization, its Relevant Turnover shall be based on the sum of the Relevant Turnover of each member in the Relevant Market/s. Nevertheless, the Relevant Turnover of the trade association or professional organization may be determined on the basis of any other information which the Commission regards as relevant and appropriate if computing the sum of the Relevant Turnover of each member is impracticable or will require excessive resources.”

<sup>19</sup> Philippine Competition Commission, Closure of investigation on alleged anti-competitive conduct involving price fixing agreements among driving schools in the Province of Cebu, 09 October 2025, available at: [https://www.phcc.gov.ph/storage/pdf-resources/1768282419\\_CEO-FAI-Closure-21-0096.pdf](https://www.phcc.gov.ph/storage/pdf-resources/1768282419_CEO-FAI-Closure-21-0096.pdf).

<sup>20</sup> Id. The 2021 and 2022 Agreements, which were entered into in September 2021 and July 2022, respectively.

<sup>21</sup> The Commission also considered other documentary evidence such as e-mail exchanges, postings on social media, and public announcements.

offered settlement payments.<sup>22</sup> This was without prejudice to any other investigation with respect to the same or other possible violations of the PCA.<sup>23</sup>

## Moving forward

13. While information exchange among competitors – through trade associations or even via third parties – is arguably a common industry practice, it remains a focal point of regulatory scrutiny.<sup>24</sup> Competition authorities, including the Philippines, continue to face the challenge of drawing the line between routine data sharing and anticompetitive information exchange.

14. To bridge this gap, the PCC is pivoting towards a multi-faceted regulatory framework centered on clear, data-driven guidelines and proactive surveillance. The PCC aims to integrate technical tools and strategic leniency programs with active inter-agency cooperation.

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<sup>22</sup> Settlement amount was dependent on various factors considered by the Commission including, but not limited to, financial capacity. It ranged from PhP15,000 (~\$240 USD) to PhP380,000 (~\$6,200 USD).

<sup>23</sup> Id.

<sup>24</sup> See Anandarajah, K., Exchanges of Information between Competitors – Can Competitors Ever Talk to One Another?, 2012, available at: <https://v1.lawgazette.com.sg/2012-12/625.htm>.