

**COMMISSION RESOLUTION NO. 13 - 2019**

**RATIFICATION AND ADOPTION  
OF THE INTERNAL GUIDELINES ON THE DETERMINATION OF AMOUNT OF  
PENALTIES FOR FAILURE TO COMPLY WITH AN ORDER, RULING OR  
DECISION OF THE COMMISSION**

**WHEREAS**, the Commission has the power to conduct administrative proceedings, impose sanctions, fines or penalties for any non-compliance with or breach of Republic Act No. 10667, otherwise known as the Philippine Competition Act ("PCA");

**WHEREAS**, Section 29 (b) of the PCA provides that an entity which fails or refuses to comply with a ruling, order or decision issued or rendered by the Commission shall pay a penalty of not less than Fifty Thousand Pesos (P50,000.00) up to Two Million Pesos (P2,000,000.00) for each violation and a similar amount of penalty for each day thereafter until the said entity fully complies, *provided* that these fines shall only accrue daily beginning forty-five (45) days from the time that the said decision, order or ruling was received;

**WHEREAS**, Section 6.10 of the 2017 Rules of Procedure of the Philippine Competition Commission ("Rules of Procedure"), pursuant to Section 29 (b) of the PCA, provides that an entity which fails or refuses to comply with a ruling, order or decision issued by the Commission within the period provided therein shall, after due notice and hearing, pay a penalty of not less than Fifty Thousand Pesos (P50,000.00) up to Two Million Pesos (P2,000,000.00) for each violation, and in addition, a similar amount of penalty for each day of non-compliance beginning forty-five (45) days from the time that the said decision, order or ruling was served until the entity fully complies;

**WHEREAS**, since September 2018, the Commission has been applying the Internal Guidelines on the Determination of Amount of Penalties for Failure to Comply with an Order, Ruling or Decision of the Commission (attached as Annex "A") in determining the amount of imposable fine;

**NOW, THEREFORE**, the Commission has **RESOLVED**, as it hereby **RESOLVES**, to CONFIRM AND RATIFY the Internal Guidelines on the Determination of Amount of Penalties for Failure to Comply with an Order, Ruling or Decision of the Commission, attached herewith as Annex "A" which shall form an integral part of this Resolution.

This Resolution shall remain in force and effect until further amended, revised or repealed by a subsequent issuance or resolution of the Commission.

DONE this 30<sup>th</sup> day of September 2019, in Quezon City.



Management  
System  
ISO 9001:2015  
www.tuv.com  
ID: 9103952443



  
**ARSENIO M. BALISACAN**  
Chairman

  
**JOHANNES BENJAMIN R. BERNABE**  
Commissioner

  
**AMABELLE C. ASUNCION**  
Commissioner

  
**MACARIO R. DE CLARO, JR.**  
Commissioner

## ANNEX "A"

### INTERNAL GUIDELINES ON THE DETERMINATION OF AMOUNT OF PENALTIES FOR FAILURE TO COMPLY WITH AN ORDER, RULING OR DECISION OF THE COMMISSION

**Section 1. Coverage.** These Guidelines shall cover only the determination of fines for failure or refusal of an entity/ies to comply with any ruling, order or decision issued or rendered by the Commission as provided under Section 29 (b) of the PCA. Such ruling, order or decision includes but is not limited to cease and desist orders, orders to submit documents and information, and orders to perform specific actions.

**Section 2. Determination of Non-compliance.** Where the Commission finds, after due notice and hearing, that an entity has failed or refused to comply with an order, ruling, or decision, the entity shall pay a penalty as provided under Section 29 (b) of the PCA.

**Section 3. Imposition of Penalties.** The basic amount of the penalty for each failure or refusal to comply with the ruling, order or decision shall be from Fifty Thousand Pesos (PhP50,000) up to Two Million Pesos (PhP2,000,000) ("Statutory Limits"), classified as follows:

Range	Amount
Minimum	at least PhP 50,000 up to PhP 700,000
Medium	more than PhP 700,000 up to PhP1,350,000
Maximum	more than PhP 1,350,000 up to PhP2,000,000

**Section 4. Determination of range of impossible fine.** The gravity of the non-compliance shall be assessed on a case-by-case basis, taking into account the relevant circumstances and any of the following: the nature of violation, the effect of such violation, the extent of damage, the market shares of the offenders, and the size of the geographic markets affected by the violation.

**Section 5. Aggravating and Mitigating Factors.** The Commission may consider any attendant aggravating and mitigating factors as it may deem appropriate. Said aggravating and mitigating factors may include but shall not be limited to:

a. Aggravating Factors

1. That the entity involved is a repeat offender; and
2. That the failure or refusal to comply was committed through or with misrepresentation, fraud or falsification documents.

b. Mitigating Factors

1. That the entity involved demonstrated cooperation with the Commission beyond what is required under the PCA and its rules; and



Management  
System  
ISO 9001:2015  
www.tuv.com  
ID: 910652446



2. That it was the non-compliant entity itself which notified the Commission of the failure to comply with the order, ruling or decision before the Commission had knowledge of the same.

**Section 6. Actual Fine.** Upon determining the range of the fine and assessment of any aggravating and/or mitigating factors, the Commission shall then set the actual fine to be imposed on the non-compliant entity.

**Section 7. Additional penalty.** A similar amount to the actual fine shall be imposed for each day of non-compliance with the order, ruling or decision of the Commission, beginning forty-five (45) days from the time that the ruling, order or decision was served, until the said entity fully complies.

**Section 8. Definition of Terms.** Terms and phrases used but not defined under these Guidelines shall have meaning assigned to them under the Rules of Procedure.

**Section 9. Modifications.** These Guidelines may be modified, amended, supplemented, or repealed as may be deemed necessary and proper by the Commission.

**Section 10. Effectivity.** These Guidelines shall take effect immediately.

