

## PCC adjusts thresholds for mandatory notification of M&A transactions

### In brief

In a press release dated 2 March 2026, the Philippine Competition Commission (PCC) increased the thresholds for mandatory notification of M&A transactions: (i) from PHP 8.5 billion to PHP 9.1 billion for the size of party test; and (ii) from PHP 3.5 billion to PHP 3.8 billion for the size of transaction test. This marks the ninth adjustment to the thresholds since the Philippine Competition Act (PCA) was enacted in 2015.

The new thresholds shall take effect on 1 March 2026. Notifications filed before 1 March 2026, ongoing M&A reviews, and transactions already decided by the PCC will not be affected.

### Recommended actions

Beginning 1 March 2026, M&A transactions will be subject to mandatory notification to the PCC if they meet the new thresholds of PHP 9.1 billion for the size of party test, and PHP 3.8 billion for the size of transaction test.

M&A transactions that meet the thresholds for mandatory notification must file a notification with the PCC and must not be consummated prior to obtaining clearance from the PCC or the lapse of the waiting period, as provided under the Rules and Regulations of the PCA (“**PCA-IRR**”) and the Rules on Merger Procedure.

### In more detail

Under the PCA-IRR, parties to an M&A transaction must notify the PCC if the transaction meets both the size of party test and the size of transaction test.

#### Size of party test

The size of party test is met if: (i) the aggregate annual gross revenues in, into or from the Philippines; or (ii) the value of the assets in the Philippines of the ultimate parent entity (UPE) of either the acquiring or acquired entities exceeds PHP 9.1 billion.

#### Size of transaction test

The threshold for the size of transaction, as provided below, depends on the type of the M&A transaction.

For an acquisition of assets, mandatory notification is required if: (a) the value of the assets being acquired in the Philippines or the value of the acquiring entity’s assets in the Philippines, depending on where the assets to be acquired are located; and (b) the gross revenues generated by those assets in or into the Philippines, exceed PHP 3.8 billion.

For the acquisition of shares in a corporation, or of an interest in a noncorporate entity, mandatory notification is required if: (a) the value of the assets of the target or its gross

revenue in, into or from the Philippines, exceeds PHP 3.8 billion; and (b) the acquisition will give the acquirer and its affiliates more than 35% of the target's outstanding voting shares or profits, or more than 50% of such voting shares or profits, if the acquirer already has more than 35% interest in the target prior to the transaction.

In the case of a joint venture, the acquirer is subject to mandatory notification if the total value of assets to be combined and contributed to the joint venture in the Philippines, or the gross revenue in the Philippines from such assets, exceeds PHP 3.8 billion.



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The law is stated as of 5 March 2026.

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