

PCC Market Study No. 02, Series of 2025

# Competition Impact Assessment of the Mobile Number Portability Act (RA No. 11202)

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**PHILIPPINE  
COMPETITION  
COMMISSION**

*Ensuring businesses compete and consumers benefit*

# Competition Impact Assessment of the Mobile Number Portability Act (RA No. 11202)

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Published by:



**Philippine Competition Commission**  
9/F and 25/F Vertis North Corporate Center 1  
North Avenue, Bagong Pag-asa  
Quezon City 1105

PCC Competition Impact Assessment, a type of PCC Market Study, aims to evaluate government regulations, rules, bills, other proposed government measures and laws, to identify those that may unnecessarily impede competition, and redesign identified regulations so that competition is not unduly inhibited. The opinions, findings, conclusions, and recommendations expressed in this study are those of the authors and do not necessarily reflect the views of the Commission.

The views reflected in this paper shall not restrict or confine the ability of the PCC to carry out its duties and functions as set out in the Philippine Competition Act. When examining any alleged anti-competitive activity that may come to its attention, PCC reserves the right to carry out its own market definition exercise and/or competition assessment in a manner that may deviate or differ from the views expressed in this paper.

## EXECUTIVE SUMMARY

The enactment of the Mobile Number Portability (MNP) Act, or Republic Act (RA) No. 11202, in 2019 enables subscribers to retain their mobile number when switching between mobile service providers (MSPs), free of charge. On its face, the law provides subscribers with a higher level of bargaining power in the telecommunications sector to quickly respond to dynamic prices, increasing variety of mobile services, and changing service quality. The MNP Act is a landmark legislation since it is expected to challenge the highly concentrated telecommunications sector by fostering competition among MSPs and increasing their incentive to attract or retain subscribers.

In its current implementation, Telecommunications Connectivity, Inc. (TCI)—the joint venture among the three existing MSPs (Smart, Globe, and DITO)—facilitates MNP services, with Syniverse Technologies as the technical solutions provider. The National Telecommunications Commission (NTC) is mandated under the MNP Act to regulate its implementation.

Several questions on the law's success have gained significance six years since its enactment and four years since porting has become operational in the Philippines. Did MNP foster competition among MSPs? Did MNP benefit and enable the third telco player to compete with existing MSPs more effectively? These questions arise amidst subscribers' growing demand for better network quality, wider service coverage, and more choices in a telecom industry characterized by high concentration and barriers to entry.

In the exercise of its policy advocacy powers, the Philippine Competition Commission (PCC) aims to answer these questions using the competition impact assessment (CIA) framework. The CIA is an internationally recognized method to evaluate existing and prospective government regulations, rules, and laws with the purpose of identifying and redesigning those that may unnecessarily impede competition. The exercise starts from closely examining the provisions of the law using a checklist (i.e., CIA threshold test) containing a series of questions consistent with the principles of competitive markets.

To substantiate the CIA threshold test, the CIA team conducted interview sessions with stakeholders in the MNP service market composed of the MSPs, the MNP service provider, and the regulators. These interviews covered various topics ranging from processing a porting application to ensuring data privacy. Additionally, a survey among mobile service users was conducted to draw insights on subscribers' switching behavior and the extent of MNP awareness and accessibility in the country.

The checklist serves as a guide to scrutinize the MNP Act's potential ramifications on competition such as its (i) impact on easing or restricting entry of new players, (ii) effects on fostering more competitive behavior among existing MSPs, (iii) influence on facilitating potential anti-competitive coordination, and (iv) impact on encouraging or limiting information access and consumer choice.

Based on switching data from September 2021 to December 2024 provided by TCI, the analysis reveals that the MNP Act delivers the anticipated result of fostering more competitive behavior among MSPs. However, while DITO Telecommunity – the new major telco player – has recorded a promising influx of switching subscribers from the other two players in the first 10 months of MNP implementation, such a trend begins to decline in latter months. In the period considered, Globe is a net donor while Smart is a net recipient.

Further, the assessment finds that the law provides sufficient safeguards against (i) abuse of dominant position by the existing MSPs and the MNP service provider (MNPSP), (ii) discriminatory practices due to self-regulation, and (iii) illicit access and use of personal information that may lead to anti-competitive conduct. However, the assessment also tackles two issues that have indirect effects on competition.

First is the low number of porting applications (i.e., those who avail of MNP services) during the first three years of MNP implementation, representing only 0.05% of the total registered mobile numbers. This may reflect subscribers' limited knowledge of the MNP Act. This fact is corroborated by the subscriber survey where 80% of the respondents are not familiar with the law, but 30.94% of them said that they were likely to switch if they knew that MNP existed. Conceptually, if subscribers are unaware of their freedom to switch to another MSP when dissatisfied, they may not realize the full benefits of the bargaining power offered by RA No. 11202. However, when informed, subscribers can choose the best services, forcing MSPs to innovate and provide offerings with better quality, price, and variety. It is therefore recommended that TCI and NTC conduct joint awareness campaigns to (re)introduce the MNP Act to the public.

Second is the allocation of MSP resources in the unutilized porting slots of the clearing house. The existing annual porting capacity, per agreement between TCI and Syniverse, is 10 million. The low number of porting applications has led to a significant number of unsubscribed slots, with over 99% of total capacity remaining vacant. Since MNP is free to subscribers, MSPs factor the cost of porting into their profit-maximizing decision. It is in their best interest to minimize costs that do not generate positive returns—one of which is the unutilized capacity that they are required to fund. High costs will discourage entry, depending on the absorptive capacity of the player, but low costs still come with friction to entry. The CIA Team therefore recommends TCI and Syniverse to revisit the maximum number of the latter's annual capacity in the next contracting cycle or by the end of their purchase agreement in September 2026.

Lastly, equipped with sufficient competency to observe and advocate for pro-competitive policies and interventions in the Philippine telecommunications sector, the NTC is in the proximal position to advise TCI and MSPs of competition matters. A competition assessment of the SIM Registration Act of 2022 (RA No. 11934) is also recommended to determine whether the law has effects on market competition, especially on its interface with the Data Privacy Act of 2012 (RA No. 10173) and the MNP Act. These activities are in line with the National Competition Policy which calls for a whole-of-government approach in enforcing competition-related laws and policies in the Philippines.

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## I. BACKGROUND AND MOTIVATION

Created to embody the Philippine Competition Act (PCA), the Philippine Competition Commission (PCC) is vested with functions and powers to conduct policy reviews, market studies, investigations, promulgate decisions, and impose penalties for anti-competitive market practices.<sup>1</sup>

In line with its functions, the PCC conducts Competition Impact Assessments (CIAs) to apprise itself and other stakeholders regarding the effects of government policies and interventions on the competition landscape in various industries. CIAs are undertaken to evaluate existing and prospective government regulations, rules, and laws, with the purpose of (i) identifying those that may unnecessarily impede competition, and (ii) redesigning identified regulations so that competition is not unduly inhibited.<sup>2</sup>

These CIAs contribute to fulfill PCC's mandate of monitoring, analyzing, and disseminating information on market competition, including advocating for pro-competitive policies in the Philippine legislature.<sup>3</sup> The findings form part of the foundation of PCC's institutional appreciation of the subject matter under study, with findings being used as bases for institutional policy, regulatory, and advocacy undertakings.

It is under this mandate that the PCC conducted a CIA of the Mobile Number Portability (MNP) Act of 2019 or Republic Act No. 11202. Drawing from international experience (Lee et al., 2006; Stach, 2004), the MNP Act was anticipated to spur competition in the Philippine telecommunications market by alleviating subscribers' concerns about the non-portability of their existing mobile numbers to another mobile service provider. The importance of the law has become more pronounced, given the now all-pervading significance of digital connectivity.

The PCC has identified telecommunications as one of its priority sectors in 2024-2025 due to the importance of providing Filipinos with access to a wide range of digital products and services, and its growing relevance to global trade dynamics. As a priority sector, the PCC shall focus its resources on understanding the telecom industry's competition landscape, identifying areas where anti-competitive practices may be present, and reviewing the regulatory environment where policy reforms may be forwarded.

The Philippine telecom industry is characterized by high market concentration with significant barriers to entry such as capital requirements, subscriber base, and brand image (Patalinghug et al., 2017). For a long time, Smart and Globe have held a virtual duopoly of the market (Chua, 2018). It was only in March 2021 that DITO, the third major telco player, had managed to enter the sector and started to commercially roll out its services (US International Trade Administration, 2022).

Despite gains from liberalization and deregulation in the 1990s, consumers still find themselves disadvantaged in the Philippine telecom sector (Uy, 2022). Even after the entry of the third telco player, subscribers continue to suffer from interconnection issues, poor cell phone reception, and slow customer support (Venzon, 2022; Mercurio, 2021). The absence of mobile number portability in the country further aggravates subscribers' woes by forcing themselves to abandon their mobile numbers, facing monetary and non-monetary switching costs.<sup>4</sup>

In essence, consumer switching costs in a market with limited competition generally raise prices and economic inefficiencies, discourage entry, lessen market competitiveness, and

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<sup>1</sup> Section 12 of RA No. 10667.

<sup>2</sup> Sec. 4.4.3 of the PCC CIA Guidelines.

<sup>3</sup> Section 12 of RA No. 10667 IRR.

<sup>4</sup> These monetary and non-monetary switching costs are classified in Klemperer (1995) as cited by Chua (2018).

reduce the product variety available to consumers. Policymakers should then discourage activities that increase consumer switching costs and encourage actions that reduce them (Klemperer, 1995).

## II. SALIENT FEATURES OF RA NO. 11202 AND ITS IRR

One of the policy reforms that brought hope to many mobile network users was the passage of the MNP Act on February 8, 2019. The law was enacted partly due to growing public concerns regarding their existing mobile service providers (MSPs), particularly poor network quality, expensive charges, and low service coverage. Accordingly, the MNP Act enables subscribers to keep their original mobile numbers if they ever decide to switch to another MSP or change subscription plans.

Prior to the enactment of the MNP Act, Chua (2018) implied using EU and US jurisprudence that the existing players' practice of substantial and strategic creation of switching costs (i.e., imposition of contractual lock-in and absence of mobile number portability) resulting from their collective dominance may be violative of abuse of dominant position or Section 15 of the PCA. The MNP Act is a landmark piece of legislation since it plays a crucial role in preventing abuse of market dominance among MSPs by minimizing switching costs in the telecom sector, such as the inconvenience of having to change one's contact list.<sup>5</sup>

The law itself recognizes three things in which subscribers and MSPs will benefit:<sup>6</sup> (i) the promotion of consumer welfare as the MNP will foster freedom among subscribers to choose and respond to quality, price, and other important considerations, (ii) the new perspective for MSPs to compete with each other, ultimately resulting in technological innovation and stimulating greater demand, and (iii) the opportunity to rebalance the relationship between MSPs and subscribers who have long been constrained by the lack of a law empowering them to leave their current MSP with ease.

The law requires existing and future MSPs to provide MNP to all qualified subscribers completely free of charge in a timely and non-discriminatory manner. The porting application (PA), which signifies an eligible<sup>7</sup> subscriber's intention to switch, should be processed within 48 hours. MSPs shall also be prohibited from imposing conditions or procedures that would persuade subscribers to delay or cancel a PA.

A PA is coordinated and facilitated between the donor provider (the subscriber's existing MSP) and the recipient provider (the subscriber's ensuing MSP) via an MNP service provider (MNPSP) (**Box A**). Currently, Telecommunications Connectivity, Inc. (TCI)—a joint venture company incorporated by Smart, Globe, and DITO in December 2019—oversees number porting services by coordinating MNP-related activities of the MSPs and the clearing house.<sup>8</sup> The law gives freedom to the MSPs to select the clearing house for the MNP implementation. In 2019, US-based telecom technology company Syniverse Technologies was tapped as the technical solutions provider or the clearing house for all PAs.

In other countries, MNP services are usually operational within 27 months after issuance of the implementing rules and regulations (IRR). In the Philippines, Syniverse estimated that MNP services should be in its full-blown implementation within 18 months after setting up a support and management mechanism under normal conditions (Globe Telecom, 2019). However, the pandemic caused delays in completing the necessary infrastructure

<sup>5</sup> For example, Lee et al. (2006) showed that switching costs have been lowered considerably since number portability has been in force in the Korean market.

<sup>6</sup> Section 3, pars. (a)-(b) of RA No. 11202.

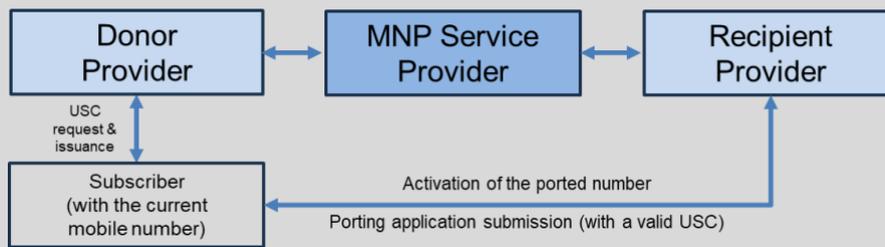
<sup>7</sup> A qualified applicant is someone described under Section 5 of RA No. 11202 IRR.

<sup>8</sup> Technically, the TCI and Syniverse comprise a single operating unit called the MNPSP. However, Syniverse only serves the technical process of porting applications, and it is considered as the *vendor* of porting capacity. The TCI, on the other hand, oversees the management and operation of porting services, including coordination with the three existing MSPs.

and technical support. As such, MSPs did not begin processing PAs until September 30, 2021–27 months after the effectivity of the IRR on June 11, 2019.

**Box A: The Porting Process for Inter-MSP MNP**

When a subscriber decides to avail of MNP services, the porting process involves a mix of face-to-face interaction and virtual assistance. Sec. 6 of the IRR details the prescribed process of every porting application (PA). It starts with the subscriber visiting a mobile service provider’s physical store or virtual portal to secure a nine-digit unique subscriber code (USC) which is valid for 15 days from the date of issuance by the donor provider.



Source: Authors’ illustration based on Sec. 6 of RA No. 11202 IRR and inquiry with TCI

In issuing the USC, the donor provider contacts the clearing house and determines if the subscriber is eligible for the MNP service by answering a few Yes/No questions, most of which relate to the qualifications under the MNP Act (e.g., whether the subscriber has no financial obligation with the donor provider or has not availed of porting services in the last 60 days).

Once the USC is secured, the subscriber then submits a PA along with the valid USC to the preferred recipient provider. The recipient provider shall forward the PA to the MNPS which will in turn perform the technical aspect of the porting process. Afterward, the recipient provider activates the ported number and immediately informs the subscriber about the next steps. In some cases, a new SIM needs to be activated with a one-time password (OTP) supplied by the recipient provider.

Note that the whole process, excluding the actions required from the subscriber (e.g., travel to a physical store), should take place within 48 hours. Notably, there is no substantial difference in the porting process when the application involves a change from prepaid to postpaid (*vice versa*), except that the donor and recipient providers are the same.

The National Telecommunications Commission (NTC) is mandated under RA No. 11202 to implement MNP nationwide. In coordination with the Department of Information and Communications Technology (DICT), the National Privacy Commission (NPC), PCC, and other government agencies, the NTC released Memorandum Circular No. 03-06-2019 as the IRR of the MNP Act.

Today, only NTC has visibility of the implementation via regular consultation sessions with TCI and the MSPs. Since MNP has become a stable routine service of MSPs over the years, NTC now only monitors its implementation. As an attached agency, the NTC does not provide reports to DICT on its monitoring efforts. However, while RA No. 11202 does not

require Congressional oversight of its implementation, updates are included as part of NTC's submissions during budget deliberations in Congress.<sup>9</sup>

### III. CIA OBJECTIVES AND DOCUMENT MAP

More than five years after its enactment, questions regarding the success and effectiveness of the MNP implementation have become more relevant. Did MNP foster competition among the MSPs as set forth under Section 3(b) of the law? Due to the new policy, MSPs should have ideally developed more competitive behavior by implementing unique marketing and promotional strategies in anticipation of expected competition. Did the MNP benefit and enable the new telco player to compete more effectively? Given that subscribers may now freely switch to another MSP, did DITO benefit from more subscribers switching to its services? These are the main questions that this CIA aims to answer, along with the provision of further details to the CIA checklist found in **Annex A**.

The rest of the report is organized as follows: Section IV lays out the scope and limitations of the impact assessment, and Section V details the methodology used following the prescribed process under the PCC CIA Guidelines. The methodology also includes a brief description of the data gathering and processing techniques employed. Section VI examines potential restrictions of specific provisions of RA No. 11202 and its IRR using the CIA checklist as a guide. Section VII identifies alternative policy options based on the possible restrictions found. Section VIII assesses the identified alternative policies vis-à-vis the status quo. Finally, Section IX concludes and offers key recommendations on policy reforms.

### IV. SCOPE AND LIMITATIONS

To examine the extent of MNP's impact on competitive behavior among MSPs, this CIA focuses on the tenor and implementation of RA No. 11202 and its IRR (NTC MC 03-06-2019). While there are other laws and regulations that protect subscribers in the telecommunications sector, these other laws are outside the scope of the CIA.

One such law that promotes consumer protection in the telecom space includes the Subscriber Identification Module (SIM) Registration Act (RA No. 11934) that aims to curb digital fraud and enhance national cybersecurity by requiring every subscriber to register their mobile number under their identity. Another law is the Data Privacy Act (RA No. 10173) that seeks to protect all forms of private, personal, and sensitive information by proscribing irresponsible collection, processing, and disposal of the same. Although not largely discussed in the CIA, these pertinent laws are referred when necessary in the report to contextualize certain analyses.

The report uses quantitative and qualitative information from stakeholder submissions and representations during the data gathering phase. After conducting reasonable due diligence to verify accuracy, the CIA analyzes the information provided to draw conclusions and recommendations.

### V. METHODOLOGY

#### A. The CIA Process

The CIA involves a six-step process that runs from the identification of policies to be assessed until the presentation of key findings to relevant stakeholders.<sup>10</sup> The first step was a series of internal collaborations between PCC management and technical staff to identify

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<sup>9</sup> Interview with NTC.

<sup>10</sup> PCC CIA Guidelines (2019).

laws and regulations for an in-depth competition assessment. In these consultations, the MNP Act was identified as an offshoot of telecommunications as a priority sector.<sup>11</sup>

The CIA checklist or threshold test is accomplished to serve as a guidepost for a detailed assessment of possible competition issues at the law's provisional level. Alternative policy options are assessed vis-à-vis the status quo. The status quo refers to the policies that shape the current implementation of MNP. Alternative policies are weighed based on their advantages, disadvantages, and potential impact on competition and overall welfare.

Results were presented to PCC commissioners, managers, and technical staff. The same was also discussed with the TCI through the Economics Office's Strategic Policy Dialogue (SPD) initiative on July 9, 2025.<sup>12</sup> Other external stakeholders who may be interested in the results of the CIA report include the NTC, DICT, the academe, policymakers, and private players in the telecom sector.

## B. Data Collection and Processing

The CIA Team conducted a series of interviews with resource individuals representing key stakeholders in the MNP implementation. These were conducted to solicit insights on the MNP's success and any effects on the competitive behavior of MSPs. During the interviews, the CIA Team also requested quantitative information. This quantitative information includes data on the number of subscribers over time, the number of subscribers that availed of MNP services since its implementation in September 2021, and the success rate of MSPs in complying with the 48-hour period for processing a PA. Other figures in this report are collected through desk research.

Monthly data is available from September 2021 to December 2024. However, the CIA Team recognizes that trends in this data may vary depending on switching dynamics in the future as a result of changes in the behavior of MSPs.

A survey was also conducted in August-September 2024 to augment the data gathered from the interviews and desk research. A total of 452 respondents participated in the survey using a structured questionnaire. The survey asked about the subscribers' preference in using mobile network services, knowledge of the MNP Act, switching experience, likelihood of switching, and other considerations such as data privacy and availability of customer service to process PAs. Respondents were from Metro Manila, various provinces in Luzon, Cebu City, and Davao City.

The qualitative data are processed using thematic analysis based on the guide questions outlined in the CIA checklist. The quantitative data are summarized using tabular and graphical representations, including the calculation of basic figures such as switching rates and the average number of PAs processed.

## VI. EXAMINATION OF POTENTIAL RESTRICTIONS

The following discussions explore the themes in the CIA checklist. These refer to possible anti-competitive features found in RA No. 11202 and its IRR. There is first a brief exposition of provisions relevant to each specific theme, followed by a discussion of information gathered in the interview and data analysis. Each subsection concludes by assessing whether the relevant provisions or circumstances are pro- or anti-competitive.

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<sup>11</sup> The conduct of the MNP CIA was approved by the Commission in its regular meeting on October 25, 2023.

<sup>12</sup> The SPD seeks to discuss the findings of the CIA in a face-to-face meeting with high-level representatives from PCC and partner agencies.

## A. On the creation of exclusive rights and licensing systems as barriers to entry

Competition is characterized by many sellers with no significant control over prices and market demand. If the market is served by only one or few sellers, there is a possibility that the market would fall short of the benefits of competition such as low prices, higher variety, and better quality of goods and services. Even more so, if a monopolistic market is created by unique or exclusive licenses granted by the government, the sole player may enjoy inherent insulation from competition due to limited or impossible entry of new firms. Absent any safeguards, this artificial barrier also poses risks of possible abuse of dominance by the sole player.

### *The MNPSP as a natural monopoly*

Section 3.1 of the IRR<sup>13</sup> states that there shall be one MNPSP<sup>14</sup> that will provide mobile number porting services for the MSPs. This provision creates a new market for porting services where the existence of competition may be analyzed. Since the market is served only by a single MNPSP, the law effectively creates a monopoly.

However, having a single and centralized MNPSP is the standard practice among early adopters of number portability policy (Khan, 2010). A centralized MNPSP requires a single clearing house, and the government creates uniform rules and policies for the porting process. It is argued that this system is more efficient and less complex compared to a peer-to-peer porting system where each MSP must execute a bilateral agreement with each of its competitors to manage porting. This bilateral approach requires subscribers to be familiar with different processes of each MSP pair, potentially increasing the friction to switch.

With efficiencies under a centralized system, it appears that MNP service provision has a natural monopoly feature in which success is determined by the scale and scope of operations. This means that the number of feasible MNPSPs is directly proportional to a country's mobile phone penetration rate who may avail of MNP services. In the Philippines, mobile phone penetration is virtually equal to the population.<sup>15</sup> Aside from population, the structure of the service provider is a function of regulations, contractual arrangements, and overall feasibility in a country.<sup>16</sup>

### *Selection of the MNPSP*

The MSPs are granted the freedom to select the clearing house (Sec. 3.2), with limited to no participation of the government.<sup>17</sup> In some cases where government intervention is minimal, private actors are left to their own devices to decide on market outcomes. Since the MNPSP is a natural monopoly where competition for the market should be the guiding principle in the selection of players, a competitive selection process (CSP) is highly warranted.

As an oversight agency, the NTC believes that the MSPs implemented a CSP.<sup>18</sup> During the process, a request for proposal was given out to all prospective bidders in which three companies namely Syniverse, iConnectiv, and SFT participated.<sup>19</sup> Accordingly, the bidders were evaluated based on financial and technical viability where Syniverse emerged as the

<sup>13</sup> For brevity, all provisions mentioned in this report pertain to the provisions of RA No. 11202 IRR (not the law itself), unless otherwise specified.

<sup>14</sup> To recall, the TCI and Syniverse Technologies are collectively referred to as the MNPSP (see Box A above) with TCI as the overseer and Syniverse as the solutions provider or vendor of porting capacity.

<sup>15</sup> The Philippines has 99.3% cellular mobile connections while India has 78% of its population (Kemp, 2024a & 2004b).

<sup>16</sup> Interview with Syniverse.

<sup>17</sup> Interview with NPC, DICT, and NTC.

<sup>18</sup> Interview with NTC.

<sup>19</sup> Interview with TCI.

top choice.<sup>20</sup> With this, it appears that while the MSPs had the discretion to select the technical vendor, the selection process was done in a competitive manner.

Additionally, the rationale of the MSPs' freedom to choose and establish the MNPSP stands. Since the MSPs shoulder the full cost of porting services (i.e., no public money involved), this flexibility leaves them more accountable to the service provider who will eventually charge them porting fees. Had the government provided funding and controlled porting operations, involved agencies could have imposed additional conditions in the spirit of due diligence and fiscal prudence. From a competition perspective, such conditions may have hindered the swift implementation of MNP services. Further, since the government had limited participation in the selection process, there is also no licensing regime created to authorize the selected MNPSP aside from the *de jure* recognition that there shall be one service provider.

### *Potential abuse of dominance*

There may also be issues arising from the possible abuse of dominance exercised by the MNPSP. Potential MSPs who may participate in the mobile number porting services in the future will be processed and approved by the MNPSP. The new MSP shall also become a party to the existing agreement between the MNPSP and the incumbent MSPs (Sec. 3.5). With this provision, the abuse may come as (i) exploitative in which TCI charges exorbitant fees for every PA processed, or (ii) exclusionary in which new players who signify interest to provide MNP services are excluded by the original MSPs.

However, charging high fees is not feasible in this case since the MSPs—as joint partners in creating and managing TCI, which in turn decides the fee structure—will themselves internalize rising costs. More concretely, the IRR makes it clear that the MNPSP shall have the same rates, fees, and access for porting services for all participating MSPs (Sec. 3.3.6). The porting service fees are also borne only by the MSPs (Sec. 6(a) of RA No. 11202)<sup>21</sup> with a strong prohibition against charging mobile subscribers and porting applicants (Sec. 11).<sup>22</sup>

Note that the fees collected in relation to MNP services can be classified into two categories: (i) capital expenditure for hardware and software facilities (Sec. 3.3.3), and (ii) operating and maintenance costs, which include the transaction charge for every successful PA (Sec. 10.1.9).

If the exploitative conduct is on the collection of capital contribution, it is clear that while a new entrant shall become party to the existing agreement between the MNPSP and MSPs, Sec. 3.3.3 states that such an entrant is not solely responsible for the capital expenditure or assume the cost of hardware and software facilities. The same will be shared among MSPs which means that any artificial inflation will also be borne by existing MSPs.

If the exploitative conduct is on the collection of transaction fees paid by the recipient provider, the MNPSP cannot discriminate since (i) the agreement includes pre-determined porting charges, and (ii) any MSP can be a recipient provider at any point in time such that the fixed fee is readily applied. Essentially, the existence of an agreement that includes provisions on cost-sharing mechanisms and the opportunity for MSPs to negotiate the fee structure among themselves serve as a sufficient safeguard against MNPSP's possible abuse of dominance.

<sup>20</sup> Interview with DITO.

<sup>21</sup> Sec. 6(a) – Provide nationwide MNP to all qualified subscribers free of charge.

<sup>22</sup> RA No. 11202 IRR – Sec. 11. MNP and Interconnection Fees/Charges

11.1 a) No fees and charges shall be collected from the applicants of MNP.

b) No fees and charges related to the MNP service shall be collected from the subscriber.

As to the possible exclusion of new entrants, the law clearly states that the MNP should be provided on a national scale to promote consumer freedom and welfare. Any practice that runs counter to such an objective will attract public interest and the government's attention to enforce penalties against the MSPs. Lastly, the fact that there are reserved routing numbers<sup>23</sup> for potential MSPs (Sec. 4) recognizes that there may be other entrants accommodated, and the law does not foreclose new entrants in the MNP service market.

In sum, the monopolistic nature of the market for porting services might pose issues on possible abuse of dominance by the MNPSP. However, this seems to be unlikely given that (i) the provision of porting services is akin to a natural monopoly where only one entity is viable, (ii) the MNPSP selection appears to be competitive, (iii) there is no incentive for the MSPs to charge high porting fees since MNP service is free of charge, and (iv) the possible abuse of the MNPSP's dominance is countered by numerous safeguards and internalization of high costs.

### B. On imposing high costs as a barrier to entry

There may also be concerns regarding significant barriers to entry for new players due to the high cost of participating in the MNP services market. As mentioned, the new MSP shall share capital expenditure and operating costs with existing MSPs that are parties to the original agreement.

Compared to the pre-MNP Act scenario where MSPs are not obliged to provide porting services to their subscribers, the additional cost of providing MNP on top of investments needed to set up the primary business of a telco (e.g., call, SMS, or internet services) may discourage entry. For context, when the three current MSPs established the MNPSP, they needed to contribute PHP 40 million each to build the initial capitalization of TCI.<sup>24</sup> This amount may be relatively large or small depending on the initial capitalization of a viable telco or revenue of an existing player.

At the time of incorporating TCI in 2019, Smart had a mobile service revenue<sup>25</sup> of PHP 88.87 billion<sup>26</sup> whereas Globe earned PHP 111.77 billion.<sup>27</sup> This means that they only needed to contribute 0.045% and 0.036%, respectively, of their income to the MNPSP.<sup>28</sup> As confirmed by Smart and Globe, while the fees in establishing and setting up MNP services are borne by the MSPs, the total cost requirement is insignificant compared to their total financial capacity.<sup>29</sup> This then implies that more established players have greater capacity to shoulder MNP services. Can new players also absorb the same costs?

In 2021, the PHP 40 million contribution of DITO was initially considered heavy since it was still a startup back then. However, as DITO's income grew over time, MNP costs are no longer considered onerous for the new telco company.<sup>30</sup> Further, based on the selection rules for new major telco players released in 2018, a new player should have a capital of at least PHP 10 billion<sup>31</sup> which means that it shall contribute 0.40%<sup>32</sup> to TCI. In any case, a new entrant shall contribute less than 1% of its capital to participate in the MNP service market.

<sup>23</sup> The routing number is used to route calls to the ported number (Sec. 4.3).

<sup>24</sup> During a policy dialogue held on July 9, 2025 at the PCC Office, TCI qualified that these costs are exclusive of other investments made by the MSPs to integrate mobile number portability procedures in their systems.

<sup>25</sup> Mobile service revenue is composed of returns from data, voice, and SMS services.

<sup>26</sup> PLDT's Audited Consolidated Financial statements for year ended December 31, 2019.

<sup>27</sup> Globe's Audited Financial Statements for year ended December 31, 2019.

<sup>28</sup> The figures for DITO were not computed due to recorded losses in 2021-2022 (Philippine Daily Inquirer, 2023).

<sup>29</sup> Interview with Smart and Globe.

<sup>30</sup> Interview with DITO.

<sup>31</sup> Section 2.2 of NTC MC 09-09-2018.

<sup>32</sup> This is overstated since the assumption is that there are only two existing players during the new player's entry. If more players participate in the MNP service market, the average costs per player also decrease.

Given this, the benefits of providing porting services to subscribers still outweigh the costs. A study in Europe confirms that even though there are both direct and indirect costs when introducing MNP, virtually all cost-benefit studies have concluded that the overall effect of MNP is positive (Buehler et al., 2006). Moreover, an ex-post assessment of MNP implementation among 38 countries found more specific results: MNP reduced average prices and encouraged switching when the process is rapid (e.g., less than five days) but not when it is slower (Lyons, 2006). Note that RA No. 11202 requires MSPs to process a PA within two days only.

Although additional cost considerations from providing MNP services may arise for new players in the telecom market, the figures above provide strong bases that the costs do not significantly hinder market entry. Lastly, the expected positive net effects of MNP as experienced in foreign jurisdictions suggest that the benefits of MNP clearly outweigh costs.

### C. On the imposition of pricing restrictions and seemingly unbalanced incentives

MSPs are prohibited by the MNP Act from charging subscribers for PAs, making mobile number porting free of charge to subscribers.<sup>33</sup> While making the service free can only be beneficial for the consumer, it may impact the behavior of the MSPs who will ultimately shoulder the costs.

MSPs do not gain profit from MNP operations and transactions. MNP compliance and operations could thus be categorized as cost centers<sup>34</sup> for MSPs. “Port-out” requests signify the loss of a subscriber and the attached potential income. With the prohibition against charging of subscribers for PAs, there is no incentive on the part of MSPs to improve this portion of the porting process, nor to ensure the smooth transition of a subscriber to the new chosen MSP.

This lack of incentive is however mitigated in instances wherein a subscriber is “porting-in” or when the MSP becomes the recipient provider. Port-in requests to an MSP by a transferring subscriber suggests future potential income, and as such, MSPs have the incentive to improve the overall port-in experience to ensure the subscriber’s smooth, expeditious, and successful transfer. It is in the best interests of MSPs to expend resources to improve this side of the process.

While prohibiting charges for MNP benefits consumers and effectively fosters MSP competition, it would also be important to ensure that MSPs guarantee seamless port-out application processes among subscribers, despite the lack of incentives to do so. It is worth noting, however, that the TCI and MSP representatives meet periodically to address issues and improve porting processes.<sup>35</sup> It can be inferred that there exist mechanisms that would resolve any porting concerns between the MSPs.

While the MNP Act simply legislates that subscribers are not charged for porting their numbers, the law does not stipulate the fees to be paid to and by the MSPs for the MNP service. The fee structure currently adopted by the MSPs, TCI, and Syniverse, given the current porting rates, is virtually a function of utilization. Current porting volumes are less than 1% of the total contracted annual clearing house capacity, and despite this, the three MSPs still pay equal amounts for the unutilized volume.<sup>36</sup> To maximize these payments to the MNPS, the resulting incentive for MSPs is to increase port-ins to their service. Though

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<sup>33</sup> Section 6(a) of RA No. 11202.

<sup>34</sup> In business operation, a cost center is a function within an organization that does not directly add to profit but still costs the organization money to operate (Tuovila, 2024).

<sup>35</sup> Interview with TCI and DITO.

<sup>36</sup> Interview with TCI and Syniverse.

the amount paid to the MNPSP is non-trivial, interview with MSPs reveal that the same is not excessively onerous or heavy.<sup>37</sup>

Overall, RA No. 11202 does not contain provisions that restrict pricing since MNP service is free of charge to subscribers. However, the cost disparity between subscriber port-in and port-out creates seemingly unbalanced incentives among MSPs to facilitate seamless PAs. The existing mechanism instituted by TCI and MSP, however, negates possible disincentives and the probability of attracting new subscribers motivates MSPs to comply. A new fee structure that does not put heavy weight on the unutilized clearing house capacity may also be considered to alleviate compliance costs. If equity is considered, a version of this recommendation is to collect pro-rated fees from MSPs based on their net port-in during the relevant period. However, this may be violative of the MNPSP's obligation under the rules.

#### D. On advertising restrictions

The MNP Act and its IRR do not explicitly impose advertising restrictions related to MNP. Although a provision in the IRR exists against persuading a subscriber to delay or cancel his or her PA,<sup>38</sup> this prohibition actually ensures that switching friction is reduced.

As discussed in the next sections, the number of subscribers that availed of porting services represents only 0.05% of the total registered subscribers in the Philippines. For comparison, foreign jurisdictions in which Syniverse operates (i.e., US and India) average about 5% of total subscribers.<sup>39</sup> Stakeholders, especially MSPs, argue that this can be the result of two things: (i) subscribers are already satisfied with their respective MSPs such that switching is unlikely, and (ii) subscribers are not aware of MNP's existence.

The first reason is possible. In the PCC survey, out of the 250 respondents (or 55.31% of 452) who said that they are unlikely to switch, 85.20% (or 213 out of 250) mentioned that they are already satisfied with their current network's services and promos. However, the survey data also supports the second reason for the low switching rate. About 80% of survey respondents (or 362 out of 452) mentioned that they are not at all familiar with the MNP Act.<sup>40</sup> Of these subscribers, 30.94% (or 112 out of 362) were likely to switch if they knew that MNP existed.

It is worth noting that even after years since the enactment of the MNP Act, subscribers' knowledge on the availability of an MSP facility that enables them to port their numbers is still limited. TCI also recognizes the need to conduct more information campaign activities to increase awareness of mobile number portability in the Philippines.<sup>41</sup> The joint venture has been planning on conducting more awareness campaigns, including maintaining a website that disseminates information on the benefits and process of MNP. The MSPs also have MNP pages on their websites (**Box B**).

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<sup>37</sup> Interview with Globe, Smart, and DITO. Please also refer to footnote 45.

<sup>38</sup> Section 8(c) of RA No. 11202.

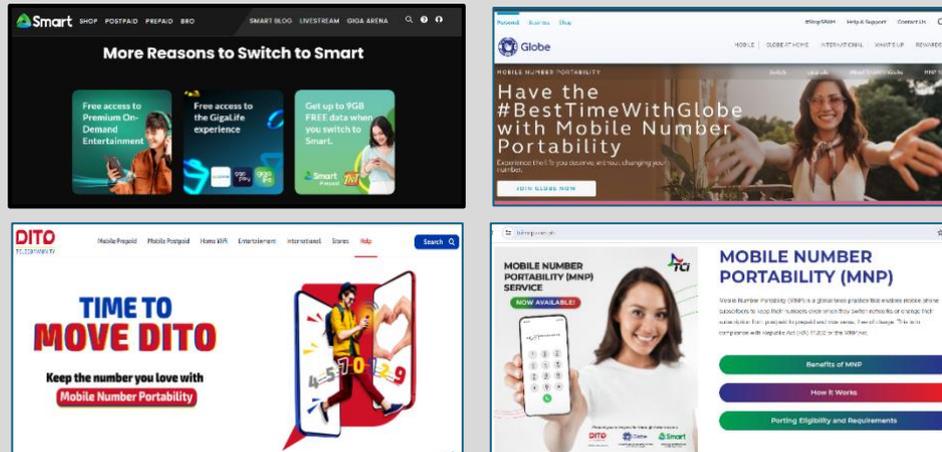
<sup>39</sup> Interview with Syniverse.

<sup>40</sup> A three-point Likert scale was used to ascertain subscriber's knowledge of MNP: not at all familiar, somewhat familiar, and very familiar.

<sup>41</sup> Interview with TCI.

### Box B: Advertising and Competition among MSPs

The three MSPs agree that the implementation of RA No. 11202 has changed the competition landscape in the provision of mobile telecommunication services. This prompts them to actively engage in promotional activities either to retain or attract new subscribers. The following are screenshots of the MSPs' websites promoting information and various offers relating to MNP.<sup>42</sup>



As a new player with a low customer base, DITO has the incentive to attract new subscribers. In fact, the MNP has given DITO the opportunity to compete with the longstanding duopoly of Smart and Globe more easily by empowering subscribers. Despite the decreasing number of DITO's net port-ins, the MSP has seen positive switching rates from September 2021 to August 2024 (see Figure 1 below).

Stakeholders agree that the ultimate measure of MNP's success is the level of awareness among subscribers of its availability whenever they decide to switch. This in turn puts pressure on MSPs to do well in disseminating information about MNP. Arguably, it is not the number of subscribers who availed of MNP services that dictate how much number portability has changed the competition landscape. This is because the law does not *per se* encourage switching among subscribers; rather it provides MNP as an option for subscribers to respond promptly to MSPs' service quality, pricing, and other important considerations.<sup>43</sup>

To be clear, RA No. 11202 does not restrict advertising, except for promotions that would increase switching friction, such as marketing strategies that persuade subscriber to cancel a PA. Increasing subscribers' awareness of MNP requires every service provider to augment information campaign efforts to either retain existing subscribers or attract new customers.

#### E. On the creation of differential costs and resource allocation

There are differential costs of compliance if firms subject to the same regulation face different expenses to achieve compliance. Until now, the expenses that remain unexplored are the costs of porting operation based on the utilized and unutilized capacities of the MNPS. According to TCI, Syniverse has an annual porting capacity of 10 million slots.

<sup>42</sup> MSP websites accessed on June 27, 2024.

<sup>43</sup> Section 3(c) of RA No. 11202.

On the utilized capacity, the recipient provider pays the MNPSP for every successful PA. This is because a port-in represents potential income for the receiving MSP. However, the donor recipient also expends some resources to facilitate the porting-out process on its end, which represents a loss of actual income. Technically, there is a substantial differential cost of MNP Act compliance if the MSP is always a net donor.

This assessment asserts that while there may be differential compliance costs depending on the net number of PAs, these costs are indirectly determined by the increased competition among MSPs. If the player is aggressive such that it promotes its products to existing and potential subscribers more vigorously than competitors, port-ins are more likely, hence net losses will be avoided. On the other hand, if the player does not exert much effort to attract or sustain subscribers, port-outs are more likely, possibly resulting in net losses. The risk of facing differential costs, therefore, prompts players to increase advertising and marketing efforts.

On the unutilized capacity, TCI confirmed that MSPs still face costs even if no subscribers switch during the year. This is because they still need to pay for maintaining the maximum capacity of 10 million porting slots as part of their contract with the technical vendor.<sup>44</sup> For example, if only 10% of the slots is subscribed, the MSPs share an equal amount for the 900,000 unused portion. Data show that only about 22,000 subscribers avail of MNP services each year between 2022 to 2024, resulting in over 99% excess porting capacity. While this cost sharing does not constitute differential compliance costs, it raises concerns about the efficient allocation of resources by MSPs.

Although fees paid to the MNPSP represent one aspect of MNP implementation, each MSP also has allocated in-house resources to process and serve MNP porting requests. The costs of these resources are different for each MSP, since these would depend on each MSP's method of implementation to make their systems interoperable with those of the MNPSP's.<sup>45</sup> Nevertheless, none of the MSPs noted concerns regarding differential costs in implementation. There is value in revisiting the maximum allocated porting capacity of Syniverse to ensure efficient allocation of resources.

#### F. On the creation of a self-regulatory regime

An industry with relative autonomy in regulating its players' operations is still subject to competition policy scrutiny. This is because self-regulating players may engage in coordinated efforts that, while envisioned to promote industry best practices and standards, may lead to anti-competitive practices. In the case of MNP implementation, the three MSPs were given the freedom to select and manage the MNP process with minimal supervision from the government.

TCI survives as a corporate entity by collecting capital infusion from MSPs, and charging them porting fees, as well as operation and maintenance costs.<sup>46</sup> To recall, NTC only provides routine monitoring and submits reports to Congress insofar as its budget deliberation is concerned. Given these, there may be two sources of potential competition concerns resulting from the established mechanism of a self-regulatory regime. First is the regular communication between and among TCI and the MSPs in their weekly huddle. This could possibly lead to anti-competitive discussions and coordination (**Box C** presents a case in Korea). Second is the setting of industry standards among the MSPs through TCI that may render the entry of new players almost impossible.

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<sup>44</sup> The specific expenses for every successful porting application shouldered by the recipient MSP and for the unutilized capacity shared equally among the three MSPs are under the Master Purchase Agreement between TCI and Syniverse. The CIA Team was not able to obtain a copy of the same because of confidentiality claims. Therefore, this CIA may not offer exact figures for such costs. Nevertheless, TCI confirmed that MSPs face costs for each porting application and for maintaining the maximum capacity.

<sup>45</sup> Interview with DITO.

<sup>46</sup> Interview with TCI.

### Box C: MNP Collusion in Korea

The Korea Fair Trade Commission (KFTC) has recently imposed penalties amounting to USD78.5 million along with a corrective order on three mobile carriers for an alleged collusion in Korea's mobile number portability market. The players had implemented an agreement to mutually coordinate between November 2015 to September 2022 to ensure that the number of net increases and decreases in number portability were not concentrated in the hands of a specific carrier. KFTC noted that the companies had colluded to limit competition with each other, resulting in a drop of MNP transfers from 3,000 per day in 2014 to only 200 in 2016.

Source: Concurrences (2025)

The first possibility can be dismissed as follows. Interviews reveal that the regular meetings are conducted by TCI to address operational concerns with MSPs when certain issues occur (e.g., late issuance of unique subscriber code (USC)) during the relevant period. This initiative is part of TCI's commitment to properly implement RA No. 11202, and it is incumbent upon the joint venture to resolve problems as soon as they occur. MSPs also confirmed that issues are best resolved in those regular meetings since NTC also participates as a government representative, especially when policy concerns arise.

Assuming, *arguendo*, that marketing strategies and other proprietary information are discussed in these meetings leading to anti-competitive coordination, data show that there is no indication of shared incentives to do so. Globe has suffered subscriber losses since porting became operational in 2021 (**Figure 1**) and it should have already seen its share of the incentives after more than three years of coordination, if any. Further, even if there is coordination in marketing efforts, subscribers ultimately decide on their preferred network which could frustrate such anti-competitive coordination efforts.

The second possibility is more complex because no new entrant has applied to join the MNP market since its launch. However, the law is clear on the treatment of a new entrant in the provision of MNP services and that the MNPSP shall accord the same rates, fees and access for porting services to all participating MSPs (Sec.3.3.6). The MNPSP is also given a timeline of 30 days to process and approve the onboarding of a new MSP. With these safeguards, it is expected that existing MSPs and the MNPSP do not impose conditions that may hinder entry of a new player.

#### G. On the sharing of sensitive information and data privacy safeguards

For purposes of this report, sensitive information pertains to information that, if obtained by competitors, may lead to unfair competitive advantages. One such information is the identity of subscribers availing MNP services. Note that the illicit and unauthorized collection of personal data is punishable under the Data Privacy Act (DPA) and not under the PCA. It only becomes pertinent to competition law if such sensitive information is used for anti-competitive intent like analyzing consumer preference based on personal data to divide the market.

While the law is clear that no promotional effort should be exerted by an MSP to delay or cancel a PA, there is no prohibition on activities that regain the same after switching. In fact, regaining previous subscribers may be one of the goals of heavy advertising among MSPs, aside from retaining and attracting new users. Nevertheless, RA No. 11202 provides ample safeguards against retrieval of sensitive information.

For example, Secs. 7.1.8 and 7.1.9 state that players shall maintain the confidentiality of information obtained and provide the necessary safeguards to protect the same in the course of porting activities. Further, Section 10.1.2 states that the MNPSP shall maintain and ensure that the records in the Number Portability Database are kept secure and confidential. The history of porting transactions shall be maintained for six months. Records of porting transactions shall be maintained beyond six months upon request from competent government agencies through the NTC.

Lastly, internal MSP processes ensure that no personal data breach occurs in their systems. For example, Globe has a dedicated data compliance officer, and secure databases are maintained to ensure data privacy. In case of a data breach, Globe also set up extensive measures and regularly conducts fine-tuning exercises in compliance with the DPA. These systems and databases are also subject to the regular review of the NPC.

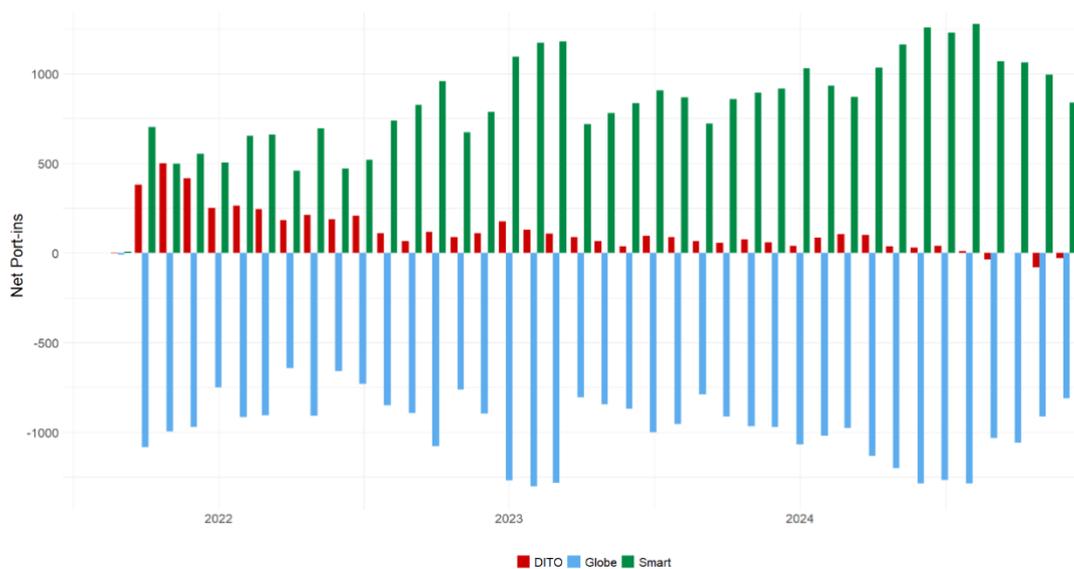
H. On limiting subscribers' ability to switch

*The current switching scenario*

At this point, it is useful to discuss the overall switching dynamics to ascertain the level of competition among MSPs and determine whether DITO could effectively compete with the other two players. **Figure 1** below shows the net port-ins of MSPs during the relevant period. Net port-in is calculated as the difference between successful port-in and port-out processed by the MNPSP for a particular MSP. A positive net port-in implies net gain while negative means net loss.

It can be observed that Smart has consistently maintained positive net port-ins during the period, while Globe suffers in the negative territory. In DITO's case, the first 10 months of MNP implementation were promising due to the noticeable influx of switching subscribers, but this condition begins to decline in recent months. This means that while DITO may have, on average, benefited from MNP during the relevant period, the trend purportedly shows that the new player may not yet be able to effectively compete with its bigger rivals. In fact, the declining trend—if persists to be so—could indicate the new major telco player may not impose sufficient competitive constraints in the telecom market.

**Figure 1: Net Port-Ins among MSPs, September 2021–December 2024<sup>47</sup>**



<sup>47</sup> Author's calculation and illustration based on raw data from TCI.

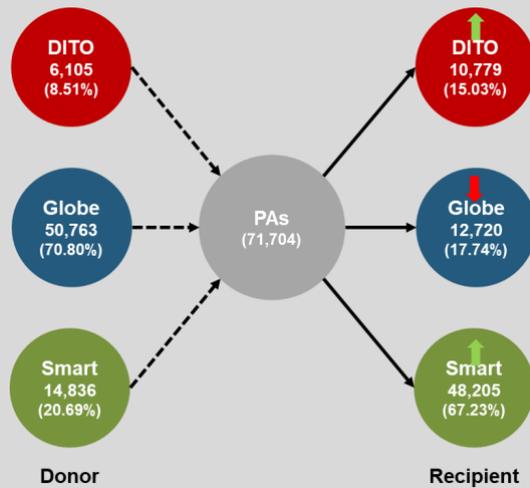
The intention of RA No. 1102 is to rebalance the relationship between MSPs and subscribers (Sec. 3(c) of the law) by giving the latter the power to readily switch between MSPs. Thus, MNP does not limit subscribers' ability to switch and in fact fosters consumer freedom. **Box D** presents the switching behavior of subscribers among the three current MSPs. Given the share of recipient MSPs, the analysis shows that most subscribers still prefer switching to Globe and Smart, with the latter substantially benefiting as the net recipient.

**Box D: Switching Behavior of Subscribers**

Figure D1 provides a summary of the switching behavior among subscribers. As of December 2024, a total of 71,704 subscribers have availed of MNP, representing less than 0.05% of the total registered numbers in 2024. In the subscriber survey, only 2 out of 452 respondents have experienced switching MSPs.

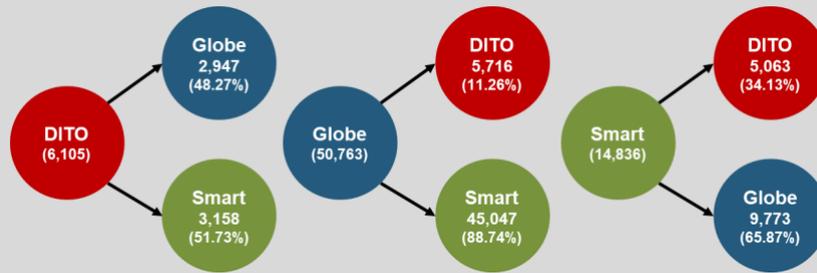
On average, Smart and DITO appear to be the net gainers since the implementation of MNP in September 2021, with Smart accumulating the majority or 67.23% of the porting applications (PAs). Globe, however, experienced a net loss of subscribers during the relevant period, donating 70.80% but only receiving 17.74% of the total PAs.

**Figure D1: Summary of Porting Applications**



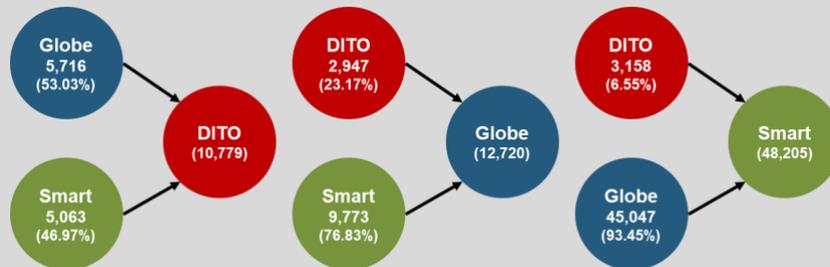
Looking closer at the switching dynamics on the donor side, only a small fraction of subscribers has availed of MNP for the period September 2021 to December 2024. Relative to the MSPs' year-end count of their respective subscribers in December 2024, only 0.03% availed MNP from Smart, 0.01% from Globe, and 0.03% from DITO. DITO and Globe subscribers prefer switching to Smart, and Smart subscribers prefer switching to Globe. Of the PAs from Globe and Smart, only 11.26% and 34.13% switched to DITO, respectively (Figure D2). This signals subscribers' strong preference towards the two original major players.

**Figure D2: Distribution of Port-ins**



On the recipient side, it appears that the top two players have a stronger connection. Of the total subscribers switching to Globe, 76.83% come from Smart. Likewise, of the total subscribers switching to Smart, 93.45% come from Globe. Lastly, more than half of switching subscribers to DITO come from Globe.

**Figure D3: Distribution of Port-outs**



Source: Authors' calculation and illustration based on raw data from TCI

Further investigation is required to conclude whether inhibiting provisions in the IRR hamper nationwide MNP, or if pro-competitive provisions indeed facilitate nationwide MNP. These provisions for further review include (i) the eligibility requirements for a subscriber to avail of MNP services, including the 60-day ban on re-availing MNP from the day of a successful PA—which is considered inhibiting because subscribers can only avail of MNP to a certain extent, and (ii) the 48-hour processing time of a PA—which is a pro-competitive provision because it requires the provision of MNP in a speedy manner.

*The 60-day period as a possible restraint to consumer choice*

Section 5 of the IRR enumerates the qualifications for subscribers to be eligible to apply for MNP services. Understandably, the qualifications are in place to (i) safeguard against non-payment of outstanding obligations with the subscriber's current MSP, (ii) ensure identities of mobile number owners, (iii) observe existing court orders, and (iv) prevent further occurrence of fraudulent activities.

However, one qualification states that there shall be an interval of at least 60 days from the date of activation of the ported number before the subscriber is eligible for another MSP service request. This provision might limit the subscriber's freedom to switch to another MSP. A subscriber who failed to realize the assumed benefits or convenience of a new MSP cannot immediately revert to their previous MSP or choose another provider. They may only do so after the period of 60 days has lapsed. This means that while the MSP facilitates switching, the waiting period might counteract consumer choice.

Upon taking a closer look at this issue, the intention appears to be justified. First, the 60-day waiting period will provide sufficient time for the subscriber to try out the services of their new MSP or reevaluate the benefits. Second, the waiting period may mitigate the technical burden on the clearing house and the MSPs should the MNP traffic exhaust the clearing house's total capacity.

#### *The 48-hour processing time as a pro-competitive condition*

Section 6.1.6 of the IRR requires the porting process to be completed within 48 hours from the submission of the PA with the recipient provider to the activation of the ported number. This provision is pro-competitive such that the MSPs must promptly act on each PA. Porting data between September 2021 to February 2024 from TCI show that of all PAs processed, 88.18% comply with the 48-hour requirement. The MSPs claim that delays on the rest of the PAs are due to a mix of MSP and subscriber responsibility, including (i) delays in issuing the one-time password (OTP) to activate the new SIM,<sup>48</sup> and (ii) delays in the use of the new SIM itself.<sup>49</sup> Nevertheless, MSPs have fulfilled their commitment to quickly process PAs in the first years of MNP implementation.

Overall, Smart is currently the net gainer from PAs, receiving 67.23% of all port-ins. There seems to be no issue with the 60-day waiting period for a subscriber to re-avail of MNP services because of the justified intention, and the commitment of MSPs to process PAs within 48 hours from receipt.

#### *Other switching factors: The use of dual SIMs*

The challenge of having to choose or switch between the MSPs is somehow mitigated by the opportunity to use multiple SIMs either through multiple devices or a mobile device with dual SIM capability. In the subscriber survey, 18.58% of the respondents (or 84 out of 452) use dual SIMs with their primary and secondary networks presented in **Table 1** below. Notice that 35.71% of them (or 30 out of 84) prefer to combine Smart and Globe. This proportion increases to 54.76% (or 46 out of 84) if the other networks are reclassified under their parent brands (i.e., GOMO and TM under Globe; TNT under Smart). Interestingly, 20 respondents or 23.81% of dual SIM users make DITO their secondary network.

**Table 1: Primary and Secondary Network of Dual SIM Users**

Primary	Secondary					Total
	DITO	Globe	Smart	TM	TNT	
DITO	0	3	0	1	2	6
Globe	6	0	16	3	2	27
GOMO	0	0	0	1	0	1
Smart	6	14	0	4	6	30
TM	3	1	0	0	3	7
TNT	5	3	1	4	0	13
<i>Total</i>	20	21	17	13	13	<b>84</b>

#### *Other switching factors: The growing popularity of app-based communications*

It is noteworthy that the passage of the MNP Act in 2019 does not render MNP less relevant to subscribers, despite the presence of messaging apps that do not rely on mobile numbers. In 2008, 81% of working age Filipinos were using mobile SMS to communicate (Philippine Star, 2008). This figure slightly went down to 73% in 2016 (WARC, 2016). While there is an increasing share of data on the mobile service revenue of MSPs (**Box E**),<sup>50</sup> which

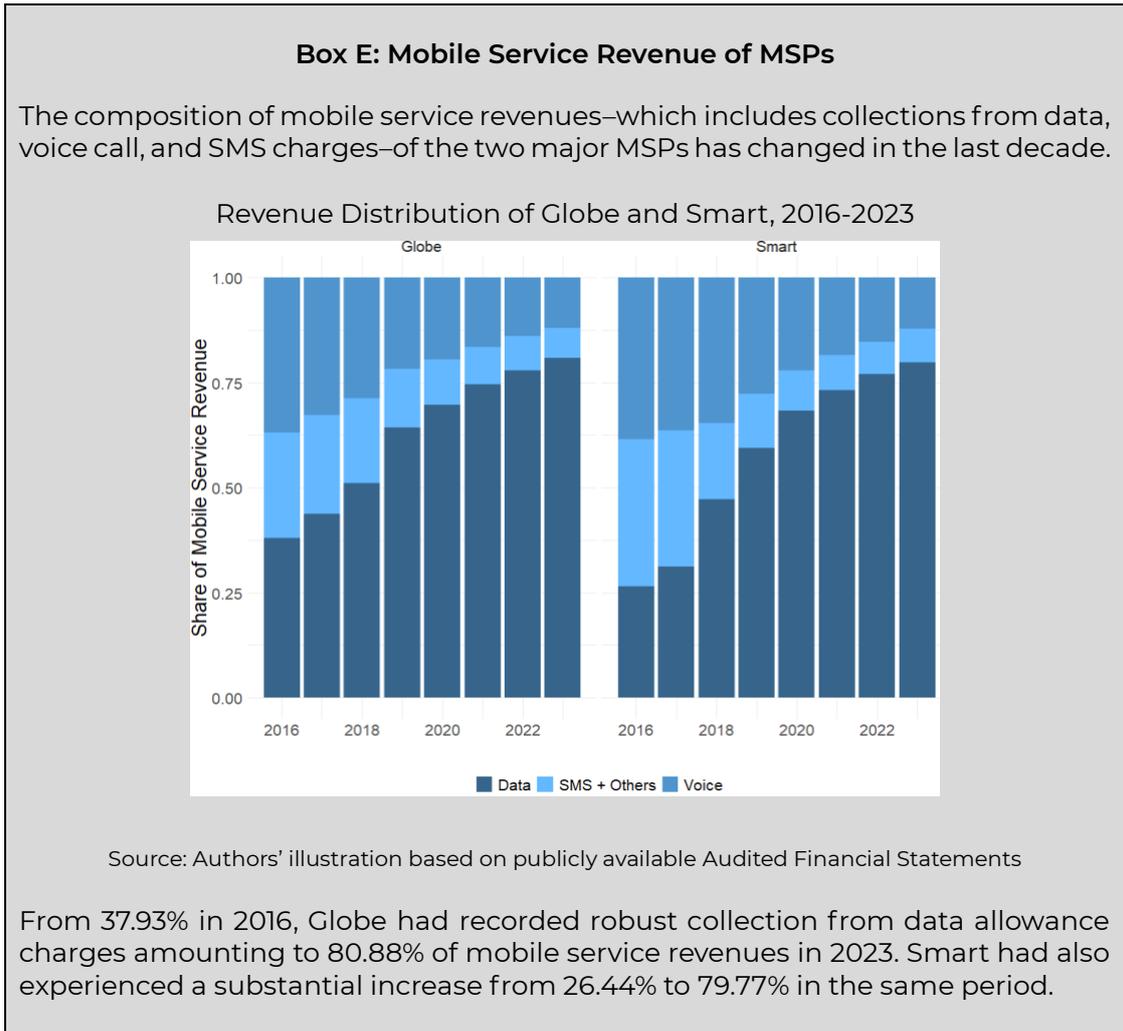
<sup>48</sup> Interview with Globe and DITO.

<sup>49</sup> Interview with TCI.

<sup>50</sup> Data for Globe and Smart from Audited Financial Statements for 2016-2023. Data for DITO is not available.

may reflect subscribers' preference for messaging apps that use the internet, the lack of reliable internet service in the Philippines will still keep SMS relevant to subscribers (Rosales, 2022).

The complementary relationship between SMS and app-based communication platforms is evident in the subscriber survey. Even if 72.57% of respondents (or 328 out of 452) said that they always use messaging apps for online chatting, 80.11% (or 289 out of 328) still frequently use SMS for sending text messages. The same observation can be made between phone calls and messaging platforms. Aside from these, mobile numbers are also frequently used for receiving one-time passwords from linked merchants and bank accounts, suggesting the need to still keep a well-maintained mobile number.



I. On the effects of other laws on MNP

Other laws like the SIM Registration Act (SRA) and DPA do not work independently from the MNP Act. MSPs and regulators recognize that these laws provide security and facilitate easier porting among subscribers.

It is imperative for both the donor and recipient providers to know their customers before processing a PA. Since the MNP predates SIM registration, MSPs can differentiate the volume of documents required before and during SRA implementation to verify the identity of porting applicants. Before SRA, the subscriber must submit various documents to prove identity and residence. Some, if not all, of these documents are already foregone

in lieu of the identity registered under the SRA implementation, implying that the law has facilitated an easier porting process.

TCI has observed that SIM registration caused an increase in porting requests, suggesting that the SRA has a positive effect on PAs (Business World, 2023). A simple comparison of the number of PAs six months before and after the SRA's commencement in December 2022 indicates that there is indeed an increase in the number of PAs by 447 requests or 4.44%. However, this was shown to be a temporary effect and this does not present a full picture of the effect of SRA since one has to perform a more comprehensive analysis by isolating the effects of time, heightened advocacy campaigns, and more intense competition among MSPs.

On the other hand, the observance of data privacy under the DPA is said to have added friction to the MNP implementation. The MNPSP and MSPs had to establish internal and institutional measures to prevent personal data breaches, which may be perceived as additional compliance costs. However, considering that security is as vital as efficiency in porting services, the additional costs are justified by the assurance that subscribers' identities are secure.

In sum, there are indications that the SRA has positive effects on the number of PAs but these effects were not sustained in the succeeding periods. However, while it can be argued that the DPA adds an additional layer of compliance in the MNP implementation, the security and data privacy ensured by established measures within MSPs and TCI outweigh the added compliance costs.<sup>51</sup>

## VII. IDENTIFICATION OF ALTERNATIVE POLICY OPTIONS

The previous section finds that RA No. 11202 and its IRR do not contain provisions – cross verified with its implementation—that restrict entry of new players in the telecommunications sector and MNP service market. The availability of number portability, in fact, empowers subscribers to respond to changing quality, prices, and variety, and compels players to rethink their marketing strategies. MSPs also adjust their perspective of the competition landscape in response to subscribers' increased buying power. The law also provides sufficient safeguards against anti-competitive coordination and abuse of dominant position. Institutional mechanisms are also in place to prevent illicit access to sensitive information.

### A. Unresolved potential concerns

There remains two unresolved pockets of concern that need further assessment. These concerns are not *per se* anti-competitive, but they may indirectly affect competition and hamper successful implementation of a nationwide MNP. These are (i) the low number of PAs which represent only 0.05% of the total number of registered subscribers in the Philippines, and (ii) the cost sharing arrangement for the unutilized porting capacity of over 99% in 2022-2024.

As discussed, there may be two reasons for low porting among subscribers. First, they are already satisfied with their current MSPs. Second, they are not aware of the opportunity to switch to a desired MSP whenever they find the current provider unsatisfactory. Given that the law itself recognizes the difficulties of subscribers with their MSPs (e.g., unbalanced power between the subscriber and the MSP under Sec. 3(c)), the first reason—though supported by the survey results—is not the only explanation for low switching rate. The subscriber survey also lends justification that the limited knowledge of MNP's existence among subscribers is equally plausible.

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<sup>51</sup> Herath, et al (2023) argue that while there are costs of deploying privacy enhancing technologies (PETs), their advantages far outweigh the disadvantages in view of maximizing the protection of data privacy.

MNP awareness has an indirect impact on the competition landscape. On one hand, if subscribers are not aware that they can freely switch to other networks, they are forced to accept the dissatisfactory service. They are further deterred from switching due to the perceived monetary and non-monetary costs associated with losing their mobile number. Thus, MSPs can continue to offer their services with minimal incentives to innovate. On the other hand, if subscribers are aware, there is inherent bargaining power upon them to choose the best mobile service. In turn, if MSPs are aware that subscribers are equipped with such bargaining power, they are induced to offer the service with the best quality, price, and variety.<sup>52</sup>

There are indications that subscribers indeed benefit if they switch to another network. An Opensignal study finds that Globe users logged higher internet speed upon leaving the MSP, while DITO users experienced an improvement of their phone signal when they made a switch (Rosales, 2023). To a lesser extent, the two subscribers who switched in the survey said that they have experienced higher signal quality, wider promo options, and better customer service with their new MSP. The MSPs therefore have the incentive to offer the best quality service since they face the risk of losing subscribers to competitors if they fail to resolve inconsistencies mainly in their mobile signal and network availability (Rosales, 2023).

On the second issue, MSPs—as profit-oriented firms—aim to minimize costs by allocating their financial resources more efficiently. The cost sharing arrangement for the unutilized capacity of the clearing house, however, contradicts this objective. The low volume of PAs results in an unusually high excess capacity. MSPs are still required to regularly pay for such unutilized capacity. While it is argued that the capital and operational requirements of MNP services are negligible compared to the MSPs' total financial resources, there is still room for minimizing costs.

Since the MSPs' objective is to minimize costs and ultimately maximize profits, it is incumbent upon them to consider the most efficient allocation of resources when entering the market for MNP services.<sup>53</sup> High costs undoubtedly serve as a barrier to entry, but low costs still create friction to entry. Though minimal, these costs still factor into their decision when engaging in a new business endeavor especially since MNP services are given free of charge to subscribers.

## B. Alternative policy options

There are three options available to increase subscribers' awareness of MNP. First, there could be information dissemination when a subscriber activates a new SIM. This effort may come in various forms such as printing MNP information on SIM packaging, an SMS sent to the new SIM informing the subscriber of her freedom to switch, or customer relations when the subscriber buys the SIM in a store from sales representatives. MSPs may also incorporate MNP information when the SIM is registered through their respective websites.

Second, since TCI serves the interest of MSPs and subscribers, it is in the best position to heavily advocate for MNP. It also has the incentive to do this because an increase in PAs means an increase in porting fees collected. The information campaign may be as traditional as road shows to the more convenient SMS dissemination to existing subscribers. Third, the TCI and NTC (including DICT) may conduct joint activities to promote the MNP Act. This will foster a collaborative effort between the regulator and the joint

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<sup>52</sup> For example, when 'wireless local number portability' was introduced in the US in 2003, telcos were vying for their business offering everything from better deals, newer phones, and higher quality services at lower prices (Stach, 2004).

<sup>53</sup> Dumitrescu (2019) argues that resource allocation process is an essential component of management control systems, as it provides a system of planning, coordination, and control for management. The management team then makes use of a budgeting mechanism to make effective goal-oriented decisions.

venture to send a signal that the government and private sectors are actively advocating for subscriber welfare.

There are also three options the TCI may consider for minimizing the costs of the unutilized porting capacity. First is the outright reduction of annual porting capacity from 10 million (or 7.66% of total registered numbers in 2024) to a maximum of only 200,000 (or 0.15%) maintained for a definite period (not necessarily annual). This number is still considered substantial given that it is eight times the actual number of PA in 2024, but it may cut the expenses on the unutilized capacity by 98%. Second is to set a variable commitment with Syniverse based on the actual number of PAs on a monthly basis. For instance, the porting capacity next month may be set below or above the level of actual PAs completed in the preceding month, depending on TCI's analysis. This is more flexible on the part of MSPs, and it leads to the least possible cost for the unutilized capacity.

Lastly, if it is not possible for TCI and Syniverse to alter their existing agreement, the MNPSP may revisit the maximum porting capacity of the clearing house in the next contracting cycle to account for switching realities. The two parties, with the concurrence of the MSPs and guidance of NTC, may agree on a smaller capacity. These options are evaluated in the next section.

### **VIII. ASSESSMENT OF ALTERNATIVE POLICIES**

The policy options for each of the identified concerns are evaluated based on legal and practical considerations, including their costs and benefits. Comparative statements use the status quo discussed in the examination of potential restrictions above.

#### **A. To increase subscribers' awareness of RA No. 11202**

The idea that MSPs inform subscribers upon SIM activation is one possible intervention to increase MNP awareness. MSPs directly deal with subscribers, and they are at the forefront of informing customers about the latest trends, promos, and policy changes. However, as MSPs do not want to encourage subscribers to switch out of their services immediately, MSPs may not have the incentive to disseminate information on MNP to their new SIM users. Likewise, setting up campaigns that inform new subscribers comes with costs on top of their advertising activities to attract or retain customers.

The TCI has been advocating for MNP since its foundation. The home page of its website features basic information on MNP, including its benefits and processes. It also includes links to the MSPs' MNP pages. TCI has the incentive to do these because it collects fees for both port-in and port-out transactions. It benefits from increased traffic of PAs.

However, the joint venture recognizes that current efforts still need to reach a wider audience. The status of switching is reflective of TCI's intervention in the last three years. It may want to invest in innovative activities like sending reminders to subscribers of their ability to switch via SMS. However, this may come with unauthorized access to subscriber's personal information since TCI is a private entity and has no inherent authority to use this information for purposes other than porting.

The third option then comes in as the most viable alternative. When TCI and NTC (including the DICT) join hands to conduct information campaigns, more subscribers will be reached. TCI may augment its existing activities with the guidance and assistance of NTC using its regulatory reach in various regions in the Philippines. In these activities, the MSPs will also be tapped as partners but TCI and NTC shall not give preferential treatment to any MSP. It may also be possible for NTC to send MNP information to individual subscribers via SMS in the exercise of its regulatory powers.

This option should still be complemented by MSPs' individual efforts. Respondents (about 80%) in the subscriber survey said that factors that could encourage them to switch include access to information about switching, availability of physical and virtual channels as well as customer service to process switching, and confidentiality of personal information. Note that subscribers respond to a wider information dissemination. For example, albeit enacted three years later than the MNP Act, the SRA has gained greater prominence among subscribers due to enhanced efforts that encourage registration. In the subscriber survey, 70.13% of the respondents said they are very familiar with the SRA with only 2% said that they are totally unfamiliar.

#### B. To minimize costs of unutilized porting capacity

Cutting costs and efficient allocation of resources are the prime objectives of bringing down the maximum porting capacity of the clearing house. If there is a substantial reduction of the 10 million slots to only 200,000 payments to the unutilized portion will decrease. However, this may not be possible given the contractual arrangement between TCI and Syniverse Technologies. Note that the latter was selected through a competitive process and its expected returns are determined using the parameters laid out by the MSPs during the bidding. This means that Syniverse had committed to operate the technical aspect of porting with 10 million slots. Therefore, an outright reduction of the maximum porting capacity will compromise the viability of the clearing house in the Philippines.

The same argument can be made for the option that determines a rolling maximum capacity based on monthly transactions. In fact, this determination entails closer monitoring of PAs which may result in added costs to the MNPSP. It will also introduce greater financial uncertainty to Syniverse as its annual returns may vary, substantially deviating from its expected income during the bidding process. Further, the feasibility of TCI may also be affected as it survives from the fees collected from MSPs. This may result in the MNPSP's failure, defeating the purpose of an organized and efficient centralized system which the PCC advocated during the crafting of RA No. 11202.

Therefore, given the legal and practical constraints of indiscriminately altering private incentives to make a successful MNP in the Philippines, the TCI and Syniverse may consider revisiting their agreement terms on the maximum capacity in the next contracting cycle.<sup>54</sup> This is expected to start after the expiration of the five-year Master Purchase Agreement between them in September 2026.<sup>55</sup> Given the longer dataset available to better inform the contract, the parties may then adjust the capacity based on switching statistics. The following table synthesizes the evaluation of alternative courses of action.

**Table 2: Comparison of Alternative Options**

Options	Advantages	Disadvantages	Recommended?
<i>Actions that increase subscriber's awareness of RA No. 11202</i>			
MSPs to disseminate information upon SIM activation	Subscribers are immediately informed of their right to switch since MSPs are at the forefront of customer service	Not in the best interest of MSPs to encourage switching of newly acquired subscribers	No
Only TCI to exert advocacy efforts	Mandated to facilitate MNP and has the	The low switching rate is reflective of	No

<sup>54</sup> Another potential option not discussed in this report but tackled during the policy dialogue with TCI on July 9, 2025 is the selection of a new MNPSP. If both parties do not come to a sensible concession on the number of annual porting slots and other terms in the next contracting cycle, TCI is better-off keeping its options open to other solutions providers.

<sup>55</sup> Email correspondence with TCI dated June 28, 2024.

Options	Advantages	Disadvantages	Recommended?
	incentive to encourage switching	TCI's efforts in the last three years	
TCI and NTC (including DICT and the MSPs) to conduct joint advocacy efforts	To send a signal that the government and private sectors prioritize subscribers' welfare	Prone to preferential treatment	Yes
<i>Actions that minimize the cost of unutilized porting slots</i>			
Outright reduction from 10 million to 200,000 slots	May cut expenses for the unutilized capacity by 98%	Increased uncertainty on the feasibility of the technical vendor	No
Rolling determination based on monthly utilization rate	More accurate cost-cutting method based on real-time switching behavior	Increased uncertainty on the feasibility of the technical vendor and enhanced monitoring efforts	No
Revisit numbers in the next contracting cycle	More flexible	Not immediately implementable	Yes

## IX. CONCLUSION AND RECOMMENDATIONS

This CIA attempts to scrutinize the MNP Act's (i) impact on easing or restricting entry of new players, (ii) effects on fostering a more competitive behavior among existing MSPs, (iii) influence on facilitating potential anti-competitive coordination, and (iv) impact on encouraging or limiting information access and consumer choice.

The examination of potential competition restrictions above confirms that RA No. 11202 and its IRR indeed deliver the anticipated result of fostering a more competitive behavior among MPs evidenced by their responses to retain existing and attract potential subscribers. Based on data from September 2021 to December 2024, Smart is a net recipient, while Globe is a net donor. However, while DITO has seen a promising influx of switching subscribers in the first 10 months of MNP implementation, this trend has been reversed in the negative territory in recent months. This observation purportedly signifies that the new major telecom player is not yet able to compete effectively with its bigger rivals.

Further, the assessment finds that the law provides sufficient safeguards against (i) abuse of dominant position by the existing MSPs and the MNPSP, (ii) discriminatory practices due to self-regulation, and (iii) illicit access and use of personal information that may lead to anti-competitive conduct. **Annex B** summarizes these findings.

However, the assessment also finds issues that may have indirect effects on competition. One is the low number of PAs representing only 0.05% of the total registered mobile numbers which may reflect the limited knowledge of the MNP Act among subscribers. If subscribers are not aware of their freedom to switch to another MSP when they find their current MSP unsatisfactory, they may not realize the full benefits of bargaining power offered by RA No. 11202. If they are aware, subscribers are able to choose the best services, forcing MSPs to innovate and offer services with the best quality, price, and variety.

It is therefore recommended that TCI and NTC (including the DTI) devise a comprehensive advocacy plan to (re)introduce the existence of MNP to subscribers. These entities may also tap MSPs in these activities but without giving preferential treatment to any player. NTC

may provide assistance and guidance to TCI utilizing its institutional network at the regional and provincial levels. NTC, in relation to its regulatory advocacy, may also send reminders via SMS to individual subscribers of their freedom to switch. To augment the subscriber survey in this CIA, TCI and NTC may also want to conduct a wider and more comprehensive survey to measure the awareness level among subscribers which will inform the necessary advocacy intervention.

The other issue is the inefficient allocation of MSP resources in the unutilized porting slots of the clearing house representing over 99% of the maximum capacity. Since MNP is free to subscribers, MSPs factor into their profit-maximizing decision the cost of porting. It is in their best interest to minimize costs that do not generate positive returns—one of which is the unutilized capacity that they are required to pay. High costs will discourage entry, depending on the absorptive capacity of the player, but low costs still come with friction to entry.

To remedy this concern, TCI and Syniverse may revisit the maximum number of the latter's annual capacity. If this is not immediately possible due to legal, financial, and practical considerations, a renegotiation may occur in the next contracting cycle starting September 2026. The parties may set a smaller porting capacity based on switching statistics at the time of negotiations.

Lastly, equipped with sufficient competency to observe and advocate pro-competitive policies and interventions in the Philippine telecommunications sector, NTC is in the proximal position to advise TCI and MSPs of competition matters during their regular consultation meetings. This is to make sure that these meetings do not facilitate anti-competitive coordination and sharing of trade secrets among players. A competition assessment of the SRA is also recommended to determine whether the law has effects on market competition, especially on its interface with the DPA and the MNP Act. These activities are in line with the National Competition Policy which calls for a whole-of-government approach in enforcing competition-related laws and policies in the Philippines.

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## Annex A: MNP CIA Threshold Test

Ref	A. On barriers to entry and exit	
A1	Does the regulation create unique and exclusive rights for a company?	<b>Yes.</b> There is only one MNP Service Provider (MNPSP) who shall provide mobile number porting services for the MSPs (Sec.3.1 of the IRR) <sup>56</sup> . Potential MSPs who may participate in mobile number porting services in the future will be processed and approved by the MNPSP and shall become party to the existing agreement between the MNPSP and incumbent MSPs (Sec.3.5).
A2	Does the regulation create license or permit systems for companies?	<b>Yes</b> , but only with respect to the selection of the MNPSP (Sec.3.1, 3.2) and the government does not directly give a license to the selected service provider.
A3	Does the regulation raise the cost for a company to enter or leave a business activity?	<b>Yes.</b> The porting service fees are borne only by MSPs (Sec.6(a) of RA No. 11202) with strong prohibition against charging mobile subscribers and MNP applicants (Sec.11 of the IRR). This is an additional cost which might raise entry of potential MSPs.
A4	Does the regulation place geographical barriers on operation and trading?	<b>No.</b> The relevant market in which MSPs operate is nationwide and RA No. 11202 aims to implement a nationwide MNP (Sec.11 of RA No. 11202).
B. On companies' ability to compete		
B1	Does the regulation establish price rules?	<b>No.</b> RA No. 11202 is silent as to the fees that may be charged per porting service by the MNPSP to the MSPs. The law does not also establish price rules that affect subscribers and porting applicants since the costs will be entirely borne by MSPs (Sec. 7.1.2, 11).
B2	Does the regulation restrict advertising?	<b>No.</b> DPs and RPs have the obligation to conduct awareness campaigns and provide subscribers complete, relevant, and timely information on MNP (Secs.7.1.7, 7.1.13). The only prohibitions against advertising are (i) the imposition of conditions and procedures that would disincentivize the subscriber to switch between MNPs (Sec. 9.4), and (ii) the use of information obtained from the porting application to persuade the subscriber to cancel or delay switching (Sec. 9.5).
B3	Does the regulation set standards that would not be chosen by many informed customers?	<b>No.</b> This is not applicable to customers since it empowers them to switch. There are also no unreasonable standards set in which MSPs may have difficulty complying with.
B4	Does the regulation create differential costs of operation for businesses?	<b>Yes.</b> The operation and maintenance cost sharing shall be agreed among MSPs and the MNPSP (Sec. 3.2). However, the sharing of capital expenditure (software, hardware, and other

<sup>56</sup> All indicated provisions are found in the IRR, unless otherwise specified.

		facilities) will be equal among MSPs, regardless of size, coverage, and number of subscribers (Sec.3.3)
<b>C. On potential anti-competitive coordination</b>		
C1	Does the regulation create a regime of self-regulation?	<b>Yes.</b> The MSPs, and not the NTC or a third-party entity, choose an MNPSP who shall facilitate the porting of MNs (Sec.3.2). The agreement and subsequent amendments thereto shall be submitted to NTC (Sec.10.1.1). The agreement includes the capital expenditure, charge per porting transaction, manner of payment, and quality of service (Sec.10.1.9).
C2	Does the regulation generate sharing of sensitive information?	<b>Yes.</b> There is sharing of subscriber's information between the DP and RP through the MNPSP. The porting application (PA) – which contains personal information – shall be transmitted between two MSPs to facilitate the porting.  However, such information should be deleted in the DP's database upon transmission to RP (Sec.9.6). Further, records of porting transactions shall only be maintained by the MNPSP for six months and may be retained beyond such period upon request from a competent government agency (Sec.10.1.2). The records in the number portability database should only be used for the purpose of porting and not for any other purpose (Sec. 10.1.7). Other provisions also ensure that information security and confidentiality are observed (Secs. 8.1.10, 9.7, 10.1.2).
C3	Does the regulation exempt a company or industry from competition law?	<b>No.</b> In fact, Sec.3(b) of RA No. 11202 encourages MSPs to compete with each other to provide consumers with the best overall value they can offer, possibly resulting in technological innovation.
<b>D. On limiting information and consumer choice</b>		
D1	Does the regulation limit the consumer's ability to switch between suppliers?	<b>No.</b> The main purpose of the law is to rebalance the relationship between MSPs and consumers (Sec. 3(c) of RA No. 11202) in which the latter is given the power to readily switch between MSPs, subject to a 60-day waiting period from the time of latest successful porting application.
E	Does the regulation mention the PCC and its functions, or alter any of its powers or functions?	<b>Yes.</b> The NTC shall coordinate with other government agencies, including the DICT, NPC, and PCC to implement RA No. 11202 (Sec. 11 on the drafting of IRR and other issuances).

**Annex B: Summary of CIA Findings**

<b>Theme</b>	<b>Policy Objective</b>	<b>Competition Concern</b>	<b>Finding</b>
Exclusive rights and licensing systems	Legal recognition of a single and centralized MNPSP for efficient and organized porting services; establish accountability among MSPs	The MNPSP may exercise abuse of dominance by engaging in exploitative and exclusionary practices	The MNPSP is a natural monopoly with sufficient safeguards in place to prevent abuse of dominance, such as internalization of increasing costs, and presence of legal mechanisms and bargaining power for new entrants
High costs of entry	Establish the initial capital requirements of TCI and maintain the operations of the MNPSP	Significant capital contributions and operating expenses may serve as barriers for new and potential players to enter the MNP service market	Investment requirements are considered insignificant and bearable, even for players with minimum viable scale; studies reveal that the benefits of MNP far outweigh the costs
Pricing restrictions	MNP is free of charge to ensure its nationwide implementation and accessibility	MSPs may have no incentive to invest in mechanisms that ensure smooth port-out transactions	The opportunity to attract new customers incentivizes MSPs to improve both port-in and port-out services; TCI and MSPs immediately resolve porting issues
Advertising restrictions	No advertising restrictions aside from the prohibition against offering promos to persuade the subscriber to delay or cancel a porting application	No competition concern. In fact, the MNP prompts MSPs to enhance advertising efforts to retain and attract subscribers. However, the miniscule portion of subscribers availing MNP services may be due to lack of awareness of its availability	Only 0.05% of the total number of registered subscribers availed of MNP services; TCI and MSPs should augment information campaign activities
Differential costs of compliance	MSPs also pay for the unutilized porting capacity to maintain the clearing house	The inefficient allocation of resources may discourage new entrants to participate in the MNP service market	While there are no differential costs of compliance among MSPs, there is value in revisiting the maximum porting capacity of Syniverse to ensure efficient allocation of financial resources
Self-regulatory regime	Establish accountability among MSPs in implementing the MNP Act	Regular meetings among the players may lead to anti-competitive coordination; policymaking authority of TCI may result in exclusionary rules	Meetings ensure swift resolution of porting concerns and there are no incentives to discuss marketing strategies; legal safeguards are present to prevent the imposition of exclusionary rules

Theme	Policy Objective	Competition Concern	Finding
Sharing of sensitive information	Establish security and privacy of personal information collected during porting process	Access to personal information may be used for anti-competitive intent like analyzing consumer preference based on personal data to divide the market	Both legal and institutional safeguards exist to prevent personal data breaches
Subscriber's ability to switch	Only eligible subscribers can avail of MNP services to attain various objectives such as preventing occurrence of fraudulent activities and non-payment of existing obligations	The 60-day ban on re-availing MNP services may hinder easy switching should the subscriber does not immediately realize the supposed benefits of the new MSP; the benefits of a timeline to process an application may not be realized if the majority of PAs are processed beyond 48 hours	Globe appears to be the net donor while Smart substantially benefits as the net recipient; DITO has seen a promising influx of switching subscribers but net port-ins are already in the negative territory in recent months in the dataset available; the ban is justified to avoid excessively exhausting the clearing house resources and to give time for subscribers to try out the services of the new MSP; 88% of PAs are processed within the 48-hour period
Effects of other laws	The SRA and DPA interface with the MNP Act to prevent occurrence of fraudulent activities and protect data during the porting process	The DPA requires institutionalization of internal mechanisms within the MSPs and MNPSP to ensure data privacy which may raise the cost of compliance	There are indications that the SRA has positive effects on the number of porting applications while the security and data privacy promised under the DPA outweigh compliance costs

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### Contact Us

The Philippine Competition Commission is open Mondays through Fridays, from 8:00 a.m. to 5:00 p.m. Submissions of notifications and complaints are accepted during these hours.

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