



MEDIA RELEASE

28 July 2020

CCCS CONSULTS ON GRAB'S APPLICATION TO IMPOSE A PLATFORM FEE FOR ITS RIDE-HAILING SERVICES IN SINGAPORE

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) is inviting public feedback from 28 July to 11 August 2020, on an application by Grab¹ to impose a platform fee on riders for its ride-hailing services in Singapore (“**the Application**”). If granted, this will amount to a variation of the directions² issued by CCCS to Grab on 24 September 2018 (“**the Directions**”).

Background

2. On 24 September 2018, CCCS issued an Infringement Decision³ (“**ID**”) against Grab and Uber (collectively, the “**Parties**”) in relation to the sale of Uber’s Southeast Asian business to Grab for a 27.5% stake in Grab in return (“**Transaction**”). CCCS found that the Transaction, completed on 26 March 2018, infringed section 54 of the Competition Act and had led to a substantial lessening of competition (“**SLC**”) in the provision of ride-hailing platform services in Singapore. Together with the ID, CCCS issued the Directions to the Parties to lessen the adverse impact of the Transaction on drivers and riders and to keep the market open and contestable.
3. Under the Directions, Grab is required to maintain its pre-Transaction pricing, pricing policies and product options (including driver commission rates and structures) for all its products in the ride-hailing platform services market.⁴ Consequently, Grab is not allowed to change its pre-Transaction prices or

¹ All references to “Grab” in this media release may refer to Grab Inc., and its subsidiaries and any other related entities including but not limited to GrabCar Pte Ltd., GrabTaxi Holdings Pte. Ltd., GrabTaxi Pte. Ltd.

² The Directions are set out at paragraph 372 of the ID.

³ CCCS’s media release on the ID can be accessed [here](#). The ID can be accessed [here](#).

⁴ Paragraph 372(f) of the ID issued to Grab and Uber dated 24 September 2018.

products without prior approval from CCCS. However, Grab may apply to CCCS to vary or remove the Directions.⁵

Grab's Application

4. Grab has applied to CCCS to vary the Directions to allow the imposition of a platform fee of S\$0.30 (S\$0.32 with GST) on each ride. Grab submitted that it invests heavily to provide both passengers and drivers with a safe and pleasant experience on its platform. Grab submitted that this is a practice that is in line with ride-hailing industry norm. Grab submitted that the S\$0.30 platform fee per ride will enable Grab to maintain and enhance the various safety measures and cover the relevant operating costs. A third of the funds collected through the platform fee will be committed towards providing benefits for driver welfare.

Public Consultation

5. CCCS is seeking public feedback to assist in its assessment of Grab's Application. In its assessment, CCCS will take into consideration the factors which are outlined in the Public Consultation Paper in [Annex 1](#). The closing date for submissions of feedback to CCCS is **11 August 2020, 5 pm**. If the submission or correspondence contains confidential information, please also provide CCCS with a non-confidential version of the submission or correspondence.
6. CCCS will determine how it should decide on Grab's Application following the public consultation.
7. More information on the public consultation can be accessed and downloaded from the CCCS website at www.cccs.gov.sg under the section "[Public Consultation](#)".

– End –

⁵ CCCS may at any time vary, substitute or release Grab from one or more of the directions on its own initiative or pursuant to an application by Grab to CCCS supported by reasons and evidence, including but not limited to any circumstances where the direction is no longer necessary or appropriate against the objective of CCCS in preventing the Transaction from resulting in a SLC.

About the Competition and Consumer Commission of Singapore

The Competition and Consumer Commission of Singapore (“**CCCS**”) is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act (Cap. 50B) which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop and/or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act (Cap. 52A) or CPFTA which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for business and consumers in Singapore.

For more information, please visit www.cccs.gov.sg

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