

MEDIA RELEASE

20 November 2020

CCCS RELEASES DIRECTIONS ON GRAB FOLLOWING THE COMMENCEMENT OF THE POINT-TO-POINT TRANSPORT REGULATORY FRAMEWORK (“P2P REGULATORY FRAMEWORK”)

1. With the new P2P regulatory framework taking effect on 30 October 2020,¹ CCCS will release the directions that were imposed on Grab on 24 September 2018 (“**the Directions**”) with immediate effect.²
2. On 24 September 2018, CCCS issued an Infringement Decision³ 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, which was completed on 26 March 2018, infringed section 54 of the Competition Act.
3. Together with the Infringement Decision, 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. The Directions⁴ sought to maintain Grab’s pre-Transaction pricing, pricing policies and product options in the ride-hailing platform⁵ services market and to remove all exclusivity obligations imposed by Grab on drivers and taxi fleets in Singapore.
4. Since the commencement of the P2P regulatory framework, companies such as Tada Mobility (Singapore) Pte Ltd, Gojek, Grab, ComfortDelgro and Ryde have been awarded Ride-hail Service Operator Licences (“**RSOLs**”)⁶. Other existing taxi operators have also been issued limited RSOLs to provide call booking services.
5. As a result, there are a number of operators in the P2P sector today. The P2P regulatory framework administered by the Land Transport Authority (“**LTA**”) and the Public Transport Council (“**PTC**”) ensures that all licensed operators cannot prevent their drivers from driving for other operators.

¹ LTA-PTC’s joint media release on the new P2P regulatory framework can be accessed [here](#).

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

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

⁴ A ride-hailing platform enables riders to book chauffeured point-to-point transport services with drivers of taxis or private-hire cars.

⁵ Besides the Directions issued on 24 September 2018, CCCS issued a set of interim measures directions on 13 April 2018 (that remained in force until the issuance of the Directions) which can be accessed [here](#).

⁶ Ryde Technologies Pte Ltd was awarded a one-year provisional RSOL.

6. The regulatory framework also ensures that P2P fares are transparent and clearly communicated to commuters, while leaving fare levels to be determined by market forces.
7. With a sectoral regulatory framework now in place, CCCS considers it timely to release the Directions imposed on Grab as the issues identified are more appropriately considered and addressed within the context of the sectoral regulatory framework.
8. Grab had earlier submitted an application to CCCS to impose a platform fee for its ride-hailing services in Singapore. With the lifting of the Directions, CCCS will no longer issue a decision on the application.
9. CCCS will continue to work closely with LTA and PTC to ensure that the P2P sector remains open and contestable.

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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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