



MEDIA RELEASE

7 May 2018

Uber/Grab merger: Appointment of monitoring trustee to monitor compliance with CCCS's Interim Measures Directions

The Competition and Consumer Commission of Singapore ("CCCS") issued Interim Measures Directions ("IMD") to Grab¹ and Uber² (collectively, the "Parties") on 13 April 2018, following Grab's announcement on 26 March 2018 that it has acquired Uber's Southeast Asian business, with Uber acquiring a 27.5 per cent stake in Grab (the "Transaction") to keep the market open and contestable. The public non-confidential version of the IMD and the reasons for its issuance can now be found at www.cccs.gov.sg/public-register-and-consultation/public-register/mergers-and-acquisitions.

2. As required under the IMD, the Parties have proposed Smith & Williamson LLP ("S&W") to be the independent monitoring trustee, to monitor compliance with the IMD terms. CCCS has approved S&W's appointment. Anyone with feedback regarding possible non-compliance by the Parties with the IMD terms, and more generally on the Transaction, should report to CCCS at cccs_feedback@cccs.gov.sg
3. The monitoring trustee is to monitor the following IMD terms:
 - a. Grab is required to maintain its pre-merger pricing and product options for riders and drivers. This means maintaining base fare levels, surge factor and driver commission rates as they were prior to 26 March 2018, the date of the merger announcement.
 - b. Grab shall ensure that new drivers entering into an agreement to drive on Grab's platform of their own accord are not subject to any exclusivity obligations, lock-in periods and/or termination fees. Grab shall ensure these drivers are not penalised, directly or indirectly, as a result.

¹ "Grab" refers 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., Grab Rentals Pte. Ltd. and Grab Rentals 2 Pte. Ltd.

² "Uber" refers to Uber Technologies, Inc., and its subsidiaries and any other related entities including but not limited to Uber Singapore Technology Pte. Ltd., Lion City Holdings Pte. Ltd., Lion City Rentals Pte. Ltd., Lion City Automobiles Pte. Ltd., and LCRF Pte. Ltd..

- c. Uber is required to allow drivers who rent from Lion City Rentals (“LCR”) to drive for any ride-hailing platform and shall not be subject to any impediments (e.g. higher rental rates and/or lack of insurance coverage) that limit their ability to drive for any ride-hailing platform.
 - d. Uber is required to release ComfortDelGro from any restrictions from partnering with a third-party ride-hailing platform.
 - e. Grab shall cease its exclusivity arrangements with all taxi fleets in Singapore, provided that (a) there are no exclusivity arrangements in Singapore between any taxi fleets and any third-party ride-hailing platform other than Grab, and (b) that all taxi operators permit their respective taxi drivers to drive for any third-party ride-hailing platform for metered and fixed fare jobs.
 - f. Grab is not allowed to take over Uber’s operational data (e.g. historical trip data) from Uber.
 - g. The Parties shall clearly communicate through an email to drivers and riders in Singapore who were on the Uber platform that migration to the Grab platform is purely optional (i.e. drivers and riders have a choice whether to migrate to Grab and are not required to download or use Grab’s ride-hailing platform).
4. The IMD required the Uber ride-hailing platform in Singapore to be extended until 7 May 2018 to allow for a smoother transition for riders and drivers. Uber is not obliged to extend the app beyond this date.
5. CCCS’s investigations into the Transaction are still ongoing. In the event CCCS makes a finding that the Transaction has resulted in a substantial lessening of competition and infringes section 54 of the Competition Act, CCCS may impose such appropriate directions (or accept such appropriate commitments from the Parties) to remedy, mitigate or eliminate any adverse effects of such an infringement.

-End-

About the Section 54 Prohibition under the Competition Act & Merger Procedures

Section 54 of the Act prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition in Singapore.

CCCS is generally of the view that competition concerns are unlikely to arise in a merger situation unless:

- The merged entity has/will have a market share of 40% or more; or
- The merged entity has/will have a market share of between 20% to 40% and the post-merger combined market share of the three largest firms is 70% or more.

Merging entities are not required to notify CCCS of their merger but they should conduct a self-assessment to ascertain if a notification to CCCS is necessary. If they are concerned that the merger has infringed, or is likely to infringe, the Act, they should notify their merger to CCCS. In such cases, CCCS will assess the effect of the merger on competition and decide if the merger has resulted, or is likely to result, in a substantial lessening of competition (“**SLC**”) in Singapore.

Separately, CCCS has the ability to conduct an investigation into an un-notified merger if there are reasonable grounds for suspecting that the merger infringes section 54 of the Act. In the event CCCS finds that a merger situation has resulted or is expected to result in an SLC, CCCS has powers to give directions to remedy the SLC. For example, CCCS can require the merger to be unwound or modified to address or prevent the SLC, as the case may be. CCCS may also consider issuing interim measures prior to the final determination of the investigation.

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

Enforcement of IMD

Under Section 85 of the Act, the IMD can be registered with the District Court in order to enforce and secure compliance with the IMD through the District Court. A breach of the IMD after registration and the securing of an enforcement order from the District Court would amount to an act of contempt that constitutes an offence.

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

For media clarifications, please contact:

Ms. Grace Suen
Senior Assistant Director (Communications)
Competition and Consumer Commission of Singapore
Email: grace_suen@cccs.gov.sg
DID: 6325 8216

Ms. Loy Pwee Inn
Senior Assistant Director (Communications)
Competition and Consumer Commission of Singapore
Email: loy_pwee_inn@cccs.gov.sg
DID: 6325 8313