

**In the Matter of the Acquisition by  
Grab Holdings, Inc. and  
MyTaxi.PH, Inc. of Assets of Uber  
B.V. and Uber Systems, Inc.**

**PCC Case No. M-2018-001  
(MAO Case No. M-2018-012)**

**Re: Manifestation and Application  
for the Amendment of the  
Undertaking dated 9 August 2018**

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## **COMMISSION DECISION NO. 33-M-012/2019**

For decision is Grab Holdings, Inc. and MyTaxi.PH, Inc.'s (collectively, "Grab") Manifestation and Application for the Amendment of the Undertaking dated 9 August 2018 (the "Application") praying for the Commission's approval of Grab's application for the amendment of the Undertaking and the executed Extended Undertaking in its entirety, effective 1 November 2019, pursuant to Section 12.5.7<sup>1</sup> of the PCC Rules on Merger Procedure (the "Merger Rules").

On 10 August 2018, following Grab's submission of the Undertaking dated 9 August 2018 (the "Undertaking") setting its proposed voluntary commitments, the Commission rendered Commission Decision No. 26-M-12/2018 that it would take no further action with respect to Grab's acquisition of the assets of Uber B.V. and Uber Systems, Inc. (collectively, "Uber") (the "Transaction") on the basis of the voluntary commitments in the Undertaking (the "Commitment Decision").

The term of the Undertaking was one (1) year covering the period of 10 August 2018 to 10 August 2019, during which Grab's compliance with its commitments was monitored.

On 5 August 2019, Grab filed a Manifestation and Omnibus Motion wherein it expressed its willingness to waive the expiration of the Undertaking on 10 August 2019, and extend the effectivity thereof until 20 October 2019, to enable Grab to discuss with the Commission the possibility of Grab offering a new set of voluntary commitments.

On 8 August 2019, the Commission granted the Manifestation and Omnibus Motion and extended the term of the Undertaking until 20 October 2019.

On 5 October 2019, Grab filed a second Manifestation and Omnibus Motion requesting a further extension of the effectivity of the Undertaking from 20 October 2019 until 31 October 2019, which request was granted by the Commission on 8 October 2019.

<sup>1</sup> Section 12.5.7. Where PCC has rendered a Commitment Decision, the party who provided the commitment may apply to PCC to vary, substitute or release such commitment.



On 31 October 2019, after several consultations with the Commission and pursuant to Section 12.5.7 of the Merger Rules, Grab submitted the Application, with an attached executed Extended Undertaking of even date containing its final proposal for the new set of voluntary commitments (the “Extended Undertaking”).

Considering the continued lack of competitive constraints on Grab during the period of the Undertaking and the subsistence of the identified competition concerns arising from the Transaction such as (1) Grab’s prevailing market dominance, (2) Grab’s ability to unilaterally increase prices profitably, (3) existence of significant barriers to entry, and (4) inadequacy of Grab’s service quality to the detriment of the riding public, the Commission finds it necessary to extend and amend the Undertaking.

**WHEREFORE**, premises considered, finding the Application and the attached executed Extended Undertaking to be in order pursuant to Section 12.5.7 of the Merger Rules, the Commission hereby **APPROVES**:

1. Grab’s Application for the Amendment of the Undertaking; and
2. Grab’s Extended Undertaking as a continuing condition for the Commission’s clearance of the Transaction.

It is understood, based on Section 6.1 of the Extended Undertaking, that for the third quarter (11 February 2019 to 10 May 2019), fourth quarter (11 May 2019 to 10 August 2019), and the extension period (11 August 2019 to 31 October 2019) under the Undertaking, for which the PCC has not issued any order finding an Extraordinary Deviation as of the date of the Extended Undertaking, the penalty for breach of the Price-Monitoring Commitment equivalent to five percent (5%) of Grab’s commissions in respect of all the trips taken in the specific Route Time Combination and for the weeks identified as having Extraordinary Deviation, subject to the range indicated in Section 29 (d) of the Philippine Competition Act (“PCA”), shall be returned to Grab’s riders who took Grab rides during the quarter when there was Extraordinary Deviation.

This Decision is rendered based on the attached Extended Undertaking and the submissions of Grab in relation to the Extended Undertaking, without final adjudication on the Statement of Concerns dated 22 May 2018 filed by the Mergers and Acquisitions Office with the Commission.

Grab is hereby ordered to faithfully comply with the terms and conditions of the Extended Undertaking effective as of 1 November 2019.

However, this does not preclude Grab from implementing such other additional measures to promote competition and consumer welfare consistent with the PCA.

Any breach of the conditions set forth in the Extended Undertaking will subject Grab to the imposition of appropriate fines, additional remedies, and such other measures as the Commission may deem necessary, including the nullification of the Commitment Decision.

**SO ORDERED.**

12 November 2019.



**ARSENIO M. BALISACAN**  
Chairman



**JOHANNES BENJAMIN R. BERNABE**  
Commissioner



**AMABELLE C. ASUNCION**  
Commissioner



**MACARIO R. DE CLARO, JR.**  
Commissioner

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