

**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)**

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RESOLUTION

At issue before the Commission is whether Grab Holdings, Inc. and MyTaxi.PH, Inc. (collectively, “Grab”) have failed to comply with the Refund Orders¹ issued by the Commission directing it to return to eligible GrabCar riders the complete amount of Php 25,450,000.00 as penalty for violating its Price Monitoring Commitment under Section 2.3.2 of the Undertaking,² as amended by Section 6.1 of the Extended Undertaking,³ that would warrant the imposition of penalties under Section 29 of the Philippine Competition Act and relevant rules and regulations of the Commission, including the nullification of Commission Decision No. 26-M-12/2018 and Commission Decision No. 33-M-012/2019.

Grab’s Price Monitoring Commitment

Grab committed to perform and abide by certain obligations and commitments contained in the Undertaking and Extended Undertaking (“Undertakings”) as a continuing condition for clearing the Transaction.⁴ At the same time, Grab obligated itself to address concerns regarding its ability and incentive to increase fares post-Transaction, and to ensure that its pricing behavior is not unreasonably different pre- and post-Transaction (“Price-Related Commitment(s”).

In general, violations by Grab relating to its Price-Related Commitments under Section 2.3.2 of the Undertaking shall be dealt with in accordance to Section 2.3.5 of the Extended Undertaking, to wit:

“2.3.5. Disgorgement. If the PCC finds that Grab has breached the System-Wide Average Fare Cap Commitment, Grab shall return the Disgorged Amount to its riders in proportion to the fares paid by the riders during the relevant month. **Grab shall make the refund through *GrabPay* credits within a period of thirty (30) days from**

¹ Commission Orders dated 14 November 2019, 10 December 2019, and 22 October 2020.

² Commission Decision No. 26-M-12/2018 dated 10 August 2018.

³ Commission Decision No. 33-M-012/2019 dated 12 November 2019

⁴ Acquisition by Grab Holdings, Inc. and MyTaxi.PH Inc. of assets of Uber B.V. and Uber Systems, Inc.



receipt by Grab of the Notice of Breach issued by the PCC (which in no case shall be earlier than the month immediately following the monitoring quarter where there was a breach).

x x x”

For violations committed specifically during the third monitoring quarter (11 February 2019 to 10 May 2019), fourth monitoring quarter (11 May 2019 to 10 August 2019), and the extension period (11 August 2019 to 31 October 2019) under the Undertaking, a different period for refund was provided in Section 6.1 of the Extended Undertaking.

“6.1. Amendment to the last paragraph of Section 2.3.2 of the Undertaking.

x x x

Grab shall make the refund through *GrabPay* credits within a period of sixty (60) days from receipt of the PCC’s order finding Extraordinary Deviation in accordance with the procedure set forth in Section 2.3.5. of this Undertaking. Grab shall submit to the PCC proof of its compliance with this requirement within five (5) days after it has refunded the penalty imposed by the PCC. Moreover, at least five (5) days prior to refunding the penalty imposed by the PCC to its riders, Grab shall publish the fact of such refund and the total amount to be refunded to its riders through a press release or statement to be posted in Grab’s social media outlets.

x x x”

Price Monitoring Commitment Violations

In the course of the implementation of Grab’s Price-Related Commitments, the Commission found that Grab violated Section 2.3.2 or Grab’s System-Wide Average Fare Cap Commitment on three (3) separate occasions.⁵ Thereafter, Grab was directed to return to Eligible Riders,⁶ through *GrabPay* credits, the total amount Php 25,450,000.00 within sixty (60) days from receipt of the relevant Refund Order. The details of the Refund Orders are as follows:

⁵ Enumeration was limited to those relevant to issue.

⁶ Grab riders who took Grab rides during the monitored periods.

<i>Date of the Refund Order</i>	<i>Extraordinary Deviations</i>	<i>Period Covered</i>	<i>Amount to be Refunded</i>
<i>14 November 2019</i> ("First Order")	101 route weeks on 15 route-time combination	11 February 2019 to 10 May 2019	Php 5,050,000.00
<i>10 December 2019</i> ("Second Order")	283 route weeks on 35 route-time combinations	11 May 2019 to 10 August 2019	Php 14,150,000.00
<i>22 October 2020</i> ("Third Order")	125 route weeks in 14 route-time combinations	11 August 2019 to 31 October 2019	Php 6,250,000.00
			Php 25,450,000.00

In compliance to the Refund Orders, Grab submitted three (3) Compliance Reports and a Supplemental Compliance,⁷ with the following attachments: (i) List of Eligible Riders and their respective refund amounts; ii) Redemption Report summarizing the refund amounts already redeemed by riders; and iii) proof of compliance with the Publication Requirement.⁸ In its submissions, Grab made a representation that it had complied with the orders of the Commission and completed the refund to the Eligible Riders in compliance with the Refund Requirement,⁹ to wit:

"On December 26, 2019, in compliance with the Publication Requirement, Grab published the fact of refund to its riders through a statement posted in Grab's social media outlets, stating, among others, that on December 31, 2019, the amount of Fourteen Million One Hundred Fifty Thousand Pesos (Php 14,150,000.00) would be proportionately distributed to riders who took GrabCar rides in Metro Manila from May 11, 2019 to August 10, 2019.

On December 31, 2019, Grab completed the refund to its riders in compliance with the refund requirement."¹⁰

Except for the dates and amounts pertinent to the Refund Orders, a similar manifestation as seen above appears in paragraphs 3 and 4 of the Compliance (re: Order dated 10 December 2019), and paragraphs 4 and 5 of the Compliance (re: Order dated 22 October 2020). Grab also apprised the Commission that it even rounded up the individual amounts to be refunded to at least Php 1.00.¹¹

⁷ Compliance (re the Order dated 14 November 2019); Compliance (re the Order dated 10 December 2019); and Compliance (with Order dated 22 October 2020) and Supplemental Compliance (with Order Dated 22 October 2020).

⁸ Compliance (re the Order dated 14 November 2019), par. 5; Compliance (re the Order dated 10 December 2019), par. 5; and Compliance (with the Order dated 22 October 2020), par. 6.

⁹ Compliance (re the Order dated 14 November 2019), p.2, n.2.; Compliance (re the Order dated 10 December 2019), p.2, n.2; and Compliance (with the Order dated 22 October 2020), p.2, n.3.; Supplemental Compliance (with the Order Dated 22 October 2020), p.1, n.1.

¹⁰ Compliance (with the Order dated 14 November 2019), par. 3-4.

¹¹ Compliance (re the Order dated 14 November 2019), p. 2, Footnote No. 2; Compliance (re Order dated 10 December 2019), p. 2, Footnote No. 2; Compliance (with Order dated 22 October 2020), p.3, Footnote No. 8; Supplemental Compliance (with Order Dated 22 October 2020), par. 10.

In the *Order dated 24 June 2020*, the Commission directed Grab to clarify its previous Compliances and to indicate the total amount that was actually returned to the Eligible Riders, to wit:

“... Grab is hereby ordered to clarify its previous Compliances by submitting the following:

1. A data dictionary for all of Grab’s submissions and attachments. The data dictionary shall define each variable mentioned in all the Compliances particularly the column headings contained in Annex A and the Redemption Reports (Annex B) of all Compliances. The definitions shall clearly identify which data columns correspond to the amounts distributed to eligible Grab riders in their account,¹² the number of eligible Grab riders, and the amounts actually claimed or redeemed¹³ by eligible Grab riders.
2. The mechanics for refund implemented by Grab in relation to all the Compliances, detailing the process to be undertaken by an eligible Grab rider in order to successfully claim the refund and have it available for use in the *GrabPay Wallet*;
3. Report relating to each Compliance, itemizing all Grab riders eligible to the refund, actual amount refundable to each Grab rider, and the latest status of each refund, with the corresponding data dictionary subject of each report, following the format provided in Annex “A” of this Order; and
4. For each Compliance, a report on the total amount actually redeemed by eligible Grab Riders as of 15 June 2021.”¹⁴

In its *Compliance dated 29 July 2021*, it appears that Grab was only able to refund a portion of the amounts it was ordered to return to the Eligible Riders.

	<u>Total Amount Refunded</u>	<u>Balance</u>
First Order	Php 5,651,748.00	Php 13,548,252.00
Second Order		
Third Order	Php 499,366.00	Php 5,800,634.00
		Php 19,348,886.00

Consequently, the Commission issued a *Show Cause Order dated 28 January 2022*, ordering Grab to refund the remaining amounts to all Eligible Riders and to explain

¹² Corresponds to the total amount of vouchers distributed by Grab to eligible Grab Riders in their corresponding Grab Application thru Grab’s *MyRewards*.

¹³ Corresponds to the total amount of the refund that was successfully credited to an eligible Grab Rider’s *GrabPay Wallet*.

¹⁴ Commission Order dated 24 June 2021.

why it should not be penalized for violating Section 2.3.5 of the Extended Undertaking and Section 2.3.2 of the Undertaking as amended by Section 6.1 of the Extended Undertaking. The order states:

"ACCORDINGLY, Grab is ordered to:

1. Refund within sixty (60) days from receipt hereof the remaining amounts to all eligible Grab riders automatically, without imposing the use of vouchers or any modes or means that require eligible riders to perform an act in order to claim such refund, and to immediately credit and make such refund available for use in the rider's GrabPay Wallet pursuant to Section 6.1 of the Extended Undertaking;
2. Submit within sixty (60) days from receipt hereof an updated report relating to each Compliance, itemizing all Grab riders eligible for the refund, actual amount refundable to each Grab rider, and the latest status of each refund, with the corresponding data dictionary subject of each report; and
3. File within fifteen (15) days from receipt hereof a written explanation under oath and show cause why no penalties under Section 29 (b) of the Philippine Competition Act and relevant rules and regulations of the Commission shall be imposed, including the nullification of Commission Decision No. 26-M-12/2018 and Commission Decision No. 33-M-012/2019, for Grab's failure to comply with Section 2.3.5 of the Extended Undertaking, and Section 2.3.2 of the Undertaking as amended by Section 6.1 of the Extended Undertaking.

Should Grab fail to file a written explanation within the period stated above, the Commission shall resolve the matter based on the records."¹⁵

Grab's Verified Explanation/Compliance and Motion for Reconsideration

On 08 March 2022, Grab filed its *Verified Explanation/Compliance and Motion for Reconsideration (Re: Order dated January 28, 2022)* ("*Verified Explanation*"). Grab submitted that it had already complied in full with the Refund Orders and Grab's disgorgement obligations under the Extended Undertaking.¹⁶

Grab refunded the amounts stated in the Refund Orders through the creation of GrabPay credit vouchers, which were seeded into the Grab apps of Eligible Riders.

¹⁵ Show Cause Order dated 28 January 2022.

¹⁶ Grab's Verified Explanation/Compliance and Motion for Reconsideration (re: Order dated January 28, 2022) dated 08 March 2022, par. 3.

The Eligible Riders would be able to access the refunds through their My Rewards page in their Grab app. Eligible Riders can avail of the vouchers by clicking “Reward” in the “My Rewards” page of a rider’s Grab app to have the refund amounts credited to their GrabPay Wallet.¹⁷

Grab confirms that not all vouchers seeded by Grab to the Eligible Riders had been redeemed as of the filing of its Verified Explanation.¹⁸ However, Grab submits that the Commission should not penalize Grab considering that it had already refunded all the amounts stated in the Commission Orders through GrabPay credits and there is no significant barrier preventing the Eligible Riders from redeeming their refund vouchers.¹⁹

Finally, Grab alleges that it has exerted and continues to exert efforts to ensure that the Eligible Riders avail themselves of the refund vouchers. To wit –

- Grab has increased the modes of notifications to Eligible Riders regarding the refund vouchers by adding (a) *in-app messages*; and (b) *notifications upon opening the Grab app*. Grab also sent reminders to Eligible Riders on unclaimed refund vouchers even after the refunds were already implemented.²⁰
- Grab has also extended the validity of all unclaimed vouchers until February 1, 2030. Vouchers that remain unclaimed as of February 1, 2030 will be reissued again with a further extension of validity. The extensions are intended to ensure that Eligible Riders will be able to utilize the full amount of the refunds that have been made available for their use in future transactions using the Grab app.²¹
- Grab also renamed the refund vouchers from “Rewards” to “PCC Approved Rebates” to encourage redemption of the refund vouchers and to ensure that Eligible Riders are aware that the refunds were given to comply with penalties imposed by the Honorable Commission.²²

Grab maintains that the Extended Undertaking only requires that the refunds be made “through GrabPay credits.”²³ Grab emphasizes that neither the Extended Undertaking nor any of the Refund Orders prescribe a specific refund mechanism that Grab must follow.²⁴ Grab submits that it has already fully complied with its obligation to refund the amounts stated in the Refund Orders and thus, Grab has not violated Section 2.3.5 of the Extended Undertaking, and Section 2.3.2 of the Undertaking as amended by Section 6.1 of the Extended Undertaking.

¹⁷ *Id.* par. 10.

¹⁸ *Id.* par. 13.

¹⁹ *Id.* par. 13.2.

²⁰ Grab’s Verified Explanation/Compliance and Motion for Reconsideration (re: Order dated January 28, 2022) dated 08 March 2022, par. 14.1.

²¹ *Id.* par. 14.2.

²² *Id.* par. 14.3.

²³ *Id.* par. 6.

²⁴ *Id.* par. 7.

The Commission's Findings

The Commission is not persuaded.

Pursuant to Section 2.3.5 of the Extended Undertaking and Section 2.3.2 of the Undertaking as amended by Section 6.1 of the Extended Undertaking, Grab shall make the refund through *GrabPay* credits within a period of sixty (60) days from its receipt of the Notice of Breach (*i.e. the Refund Orders*)²⁵ issued by the Philippine Competition Commission ("PCC").

The Refund Orders consistent with Section 6.1 of the Extended Undertaking, are clear. Any and all refunds made in relation to a violation of the System-Wide Average Fare Cap Commitment shall be directly made through "GrabPay credits" within the period so provided.

Refund vs GrabPay Credit Vouchers

Grab maintains that the use of the "GrabPay credit vouchers" was a valid refund mechanism. It argues that the plain language of the directive in the Extended Undertaking simply means that the **refund shall be done by allowing Eligible Riders to use the refunded amount as credits in the Grab App**, *i.e.*, that they can use the amounts to pay for subsequent rides using the Grab App. Grab further maintains that neither the Extended Undertaking nor the Refund Orders prohibit the use of vouchers.²⁶

The Commission emphasizes that "GrabPay credits" are not identical to "GrabPay Credit vouchers". No less than Grab itself, through Grab's official website, describe GrabPay credits as "*the prepaid way to pay for your Grab rides.*"²⁷ It is also defined as as a kind of virtual cash that can be used on a variety of cases such as: GrabCar, GrabFood, GrabMart, GrabExpress, and Online/Offline merchants who accept GrabPay.²⁸ An examination of the Grab App shows that "GrabPay credits" is clearly visible in the Grab App Homepage.²⁹ The app indicates an actual amount that corresponds to the user's current "Balance".

"GrabPay Credit" is akin to an actual currency that can be used for transactions offered by and within the Grab App, while a voucher requires an additional process before it may be used for a particular transaction. The process of claiming a "GrabPay Credit Voucher" consists of the following steps:

²⁵ Commission Order dated 14 November 2019, 10 December 2019, and 22 October 2020.

²⁶ Grab's Verified Explanation/Compliance and Motion for Reconsideration (re: Order dated January 28, 2022) dated 08 March 2022, par. 19.

²⁷ See: Grab Go Cashless with Grabpay credits, <https://www.grab.com/ph/blog/pulse-of-philippines/grabpay-credits/> (last visited 15 March 2023)

²⁸ See: <https://www.grab.com/ph/pay/guide/how-to-pay/> (last visted 15 March 2023); and https://www.grab.com/ph/pay/grabpay-merchants-directory/#InStore_Payment (last visited 15 March 2023).

²⁹ See: <https://www.grab.com/ph/download/> (last visited 15 March 2023).

- Eligible riders received in-app messages stating that they can access the refunds through their “My Rewards” page in their Grab App.³⁰
- The in-app message states that riders will have to click the “Reward” in their “My Rewards” page to have the refund amounts credited to their Grab Pay Wallet.³¹
- For claiming of “GrabPay Credit Vouchers” via push notifications, the following steps will be undertaken:

- Step 1: Tap on the push notification
- Step 2: Tap on the “My Reward”
- Step 3: Tap on the Reward that will be redeemed
- Step 4: Tap on “Redeem My GrabPay Bonus top-up”
- Step 5: The reward will move to Past Rewards’ tab
- Step 6: The credits will then be added into your balance.

- For claiming of “GrabPay Credit Vouchers” within the grab app, the following steps will be undertaken:

- Step 1: Tap on the ‘Points’ section
- Step 2: Tap on ‘My Rewards’
- Step 3: Tap on the reward
- Step 4: Tap on “Redeem My GrabPay Bonus top-up”
- Step 5: The reward will move to Past Rewards’ tab
- Step 6: The credits will then be added into your balance.

Until an eligible rider has completed all the necessary steps in redeeming a voucher, it will not be credited in the user’s “GrabPay credit(s)”. Clearly, seeding a “GrabPay Credit Voucher” in the Eligible Rider’s app cannot be construed as something remotely compliant to directive of the Commission to make a refund through “GrabPay credits.”

Grab in its *Verified Explanation* admitted that it placed an additional process to claim the refund, and in lieu of an automatic refund system took it upon itself to create “GrabPay Credit Vouchers” to be seeded into the Grab apps of Eligible Riders.³²

Clearly, Grab’s argument that it was able to comply with the Refund Orders is misplaced. Section 6.1 of the Extended Undertaking is plain and clear, it was the obligation of Grab to refund the appropriate amounts directly to the “*GrabPay credits*” of the Eligible Riders. It was an imperative obligation and is inconsistent with the idea of discretion, including the addition of another layer that would make the refund process confusing if not difficult.³³

³⁰ Grab’s Compliance and Submission (re: Order Dated June 24, 2021) dated 29 July 2021, par. 3(e).

³¹ *Id.*

³² Grab’s Verified Explanation/Compliance and Motion for Reconsideration (re: Order dated January 28, 2022) dated 08 March 2022, par. 10.

³³ *Abakada Guro Party List v. Ermita, G.R. Nos. 168056, 168207, 168461, 168463 & 168730, 01 September 2005.*

Prior to the issuance of the *Show Cause Order dated 28 January 2022*, the total amount that was redeemed was only **Php 6,151,114.00** out of **Php 25,450,000.00** or a meager **24.16%**. After the issuance of the *Show Cause Order*, the total amount that was refunded increased to a staggering 73.80%.

Date	Total Amount Actually Refunded/Redeemed	%
29 July 2021	Php 6,151,114.00	24.16%
20 April 2022	Php 18,783,665.00	73.80%

It is noteworthy that after the receipt of the *Show Cause Order*, Grab was able to automatically credit the refund amount to Eligible Riders with GrabPay wallets.³⁴ But still, despite the lapse of substantial time after the issuance of the *Show Cause Order* there remains **Php 6,666,335.00** that Grab was unable to refund.

Period of Refund

The Undertakings provide that Grab shall make the refund through *GrabPay* credits within a period of thirty (60) days from receipt by Grab of the Notice of Breach issued by the PCC.³⁵

The Commission notes that Grab received the following orders as listed below:

Relevant Order	Date of Receipt	Deadline (60 days from receipt of Order)
<i>Order dated 14 November 2019</i>	14 November 2019	13 January 2020
<i>Order dated 10 December 2019</i>	13 December 2019	11 February 2020
<i>Order dated 22 October 2020</i>	11 December 2020	9 February 2021

The deadline for complying with the First Order was on 13 January 2020, the Second Order on 11 February 2020, and the Third Order on 09 February 2021.

³⁴ Grab's Verified Explanation/Compliance and Motion for Reconsideration (re: Order dated January 28, 2022) dated 08 March 2022, par. 48.

³⁵ Section 2.3.5 of the Extended Undertaking and Section 2.3.2 of the Undertaking as amended.

Grab alleged that it had completed the refund to its Eligible Riders within the period so provided.³⁶ However, upon further inquiry by the Commission, Grab admitted in its *Compliance*³⁷ that as of 15 June 2021 only 24.16% of the entire amount of Php 25,450,000.00 has been actually refunded to the Eligible Riders.

It must be emphasized that the amount exacted as a refund partakes the nature of a penalty or imposition against Grab for violating the Price Monitoring Commitment in its Undertakings.

A penalty is imposed by way of punishment not by the mere convention of the parties, but by the lawmaking power, to insure a prescribed course of conduct.³⁸ It is a method deemed necessary by the legislature to restrain the commission of an offense and to aid in the prevention of such an offense.³⁹ Failure to distribute the amount would necessarily mean that Grab also failed to pay the requisite penalty exacted on it.

More than two (2) years from the issuance of the Refund Orders and despite the issuance of the *Show Cause Order*, the distribution of the refund to Eligible Riders' remains at 73.80%.⁴⁰ The Commission also notes that prior to the issuance of the *Show Cause Order*, Grab's arbitrary decision to use vouchers resulted to a meager 24.16% compliance contrary to its previous assertions that it has fully complied with the Refund Orders.

Accordingly, the Commission finds that Grab failed to comply with the Orders of the Commission and has not completed the refund pursuant to Section 2.3.5 of the Extended Undertaking, and Section 2.3.2 of the Undertaking as amended by Section 6.1 of the Extended Undertaking.

Penalty

Pursuant to Section 29 (c)⁴¹ of the PCA, the Commission may impose upon any entity fines of up to one million pesos (Php 1,000,000.00) where, intentionally or negligently, such entity supplies incorrect or misleading information in any document, application or other paper filed with or submitted to the Commission. In the instant case, the Commission finds that Grab had supplied incorrect and misleading information in its

³⁶ Compliance (re the Order dated 14 November 2019), par. 3-4; Compliance (re the Order dated 10 December 2019), par. 3-4; Compliance (with Order dated 22 October 2020), par. 5-6; and Supplemental Compliance (with Order Dated 22 October 2020), par. 11.

³⁷ Grab Compliance dated 24 July 2021.

³⁸ Cabal vs. Kapunan, G.R. No. L-19052, 29 December 1962.

³⁹ *Id.*

⁴⁰ Grab's Verified Explanation/Compliance and Motion for Reconsideration (re: Order dated January 28, 2022) dated 08 March 2022, par. 13.

⁴¹ SECTION 29. Administrative Penalties. — xxx (c) Supply of Incorrect or Misleading Information. — The Commission may likewise impose upon any entity fines of up to one million pesos (P1,000,000.00) where, intentionally or negligently, they supply incorrect or misleading information in any document, application or other paper filed with or submitted to the Commission or supply incorrect or misleading information in an application for a binding ruling, a proposal for a consent judgment, proceedings relating to a show cause order, or application for modification of the Commission's ruling, order or approval, as the case may be. xxx

Compliances⁴² to substantiate their claim that it has complied with the three (3) Refund Orders of the Commission. Grab stated that it **completed** the refund to its riders, in compliance with the Refund Requirement, despite its meager 24.16% compliance to the Refund Order of the Commission. **The penalty of Php 1,000,000.00 for each foregoing violation amounting to a total of Php 3,000,000.00 is hereby imposed in accordance to Section 29 (c) of the PCA.**⁴³

Furthermore, pursuant to Section 29 (b)⁴⁴ of the Philippine Competition Act⁴⁵ (“PCA”), an entity which fails or refuses to comply with a ruling, order, or decision issued by the Commission shall pay a penalty of not less than Php 50,000.00 up to Php 2,000,000.00 for each violation. For failing to return to eligible GrabCar riders the complete amount of Php 25,450,000.00 as penalty for violating its Price Monitoring Commitment under the Undertakings, the Commission finds that Grab failed to comply with the *Commission Order dated 14 November 2019, Commission Order dated 10 December 2019, and Commission Order dated 22 October 2020*. **Thus, for three (3) counts of violation, the Commission hereby imposes a penalty of Php 2,000,000.00 for each count, amounting to a total of Php 6,000,000.00.**

Alternative Refund Mechanism

Despite the significant lapse of time from the issuance of the Refund Orders the Commission finds the need to enable the remaining interested Eligible Riders the opportunity to claim their refund. Grab is hereby directed to execute an Alternative Refund Mechanism as follows:

- I. The amounts to be refunded shall still follow the original computation: the entitlement to each rider shall still be based on the proportional amount spent during the applicable period;
- II. Grab shall provide to the Eligible Riders a final chance to claim their refunds;
- III. Grab is directed to:

⁴² Compliance (re the Order dated 14 November 2019); Compliance (re the Order dated 10 December 2019); and Compliance (with Order dated 22 October 2020) and Supplemental Compliance (with Order Dated 22 October 2020).

⁴³ SECTION 29. Administrative Penalties. — xxx (c) Supply of Incorrect or Misleading Information. — The Commission may likewise impose upon any entity fines of up to one million pesos (P1,000,000.00) where, intentionally or negligently, they supply incorrect or misleading information in any document, application or other paper filed with or submitted to the Commission or supply incorrect or misleading information in an application for a binding ruling, a proposal for a consent judgment, proceedings relating to a show cause order, or application for modification of the Commission's ruling, order or approval, as the case may be. xxx

⁴⁴ SECTION 29. Administrative Penalties. — xxx (b) Failure to Comply With an Order of the Commission. — An entity which fails or refuses to comply with a ruling, order or decision issued by the Commission shall pay a penalty of not less than fifty thousand pesos (P50,000.00) up to two million pesos (P2,000,000.00) for each violation and a similar amount of penalty for each day thereafter until the said entity fully complies. Provided that these fines shall only accrue daily beginning forty-five (45) days from the time that the said decision, order or ruling was received. xxx

⁴⁵ Enacted on 21 July 2015.

- A. Take necessary steps to notify the affected riders of their unclaimed refund by publishing the notice once a week for four (4) consecutive weeks in a newspaper of general circulation and through the Grab App;
- B. Provide the affected riders a period of sixty (60) days from the initial publication of the first notice to claim refund;
- C. Within ten (10) days from the lapse of the sixty (60) day period to claim refunds, Grab shall submit a report on the claimed/unclaimed amounts, and remit the remaining amounts, if any, to the National Treasury through the PCC; and
- D. Should there still be remaining unclaimed amounts, Grab shall convey the same to the PCC for remittance to the National Treasury.

To increase the take-up rate, Grab is also directed to inform the public of the availability of the refund amounts via:

- In-App Notification for fifteen (15) separate days within a thirty (30) day period
- Short Message Service or SMS
- Electronic mail or Email
- Grab's existing Social Media accounts
- Grab's Official Website

Publication shall be done within five (5) days from receipt of this Resolution.

WHEREFORE, in view of the foregoing, the Commission finds that Respondents Grab Holdings, Inc. and MyTaxi.PH, Inc. violated Section 2.3.5 of the Extended Undertaking and Section 2.3.2 of the Undertaking as amended by Section 6.1 of the Extended Undertaking, and is hereby ordered to pay, within forty-five (45) days from receipt of this Resolution, the amount of **Php 3,000,000.00** and **Php 6,000,000.00** as penalty.

Additionally, Grab is directed to implement the Alternative Refund Mechanism within five (5) days from receipt of this Resolution.

Finally, Grab is directed to submit to the Commission within ten (10) days from the lapse of the period to claim, a Report relating to each Compliance, itemizing all Grab riders eligible to the refund, actual amount refundable to each Grab rider, and the latest status of each refund. Should there still be remaining unclaimed amounts, those shall be conveyed by Grab to the Philippine Competition Commission for remittance to the National Treasury.

SO ORDERED.

02 February 2023.



MICHAEL G. AGUINALDO
Chairman



MARAÑ VICTORIA S. QUEROL
Commissioner



I dissent
MICHAEL B. PELOTON
Commissioner



LOLIBETH RAMIT-MEDRANO
Commissioner

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