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For immediate release

Competition Commission consults on proposal to accept new commitment offered by Deliveroo

The Competition Commission (“Commission”) today commenced a consultation on the newly proposed commitment offered under section 60 of the Competition Ordinance (“Ordinance”) by Deliveroo Hong Kong Limited (“Deliveroo”), an online food delivery platform in Hong Kong.

In June 2023, the Commission conducted a consultation¹ (“First Consultation”) on the proposed commitments offered by Deliveroo and another food delivery platform, Delivery Hero Food Hong Kong Limited (“Foodpanda”). The commitments were proposed in response to the Commission's earlier investigation, which had found that certain requirements imposed by Deliveroo and Foodpanda on their partnering restaurants may hinder entry and expansion by new and/or smaller platforms and/or soften competition in the market, potentially in contravention of the First Conduct Rule of the Ordinance. To address the Commission’s concerns, the two platforms had each offered commitments to amend or remove the relevant provisions to allow restaurants greater freedom in partnering with new and/or smaller platforms and in pricing menu items on their own channels and other platforms.

In September 2023, following the First Consultation, Deliveroo notified the Commission that it was submitting a revised proposed commitment (“New Commitment”) and withdrawing the previous proposed commitment which had undergone the First Consultation.

The New Commitment proposed by Deliveroo largely mirrors its proposed commitment that underwent the First Consultation, except for the key change of excluding restaurants partnering with Deliveroo under Profit Guarantee Terms² or Outlet Expansion Terms³ from the scope of the New Commitment.⁴

The Commission takes the view that Deliveroo’s New Commitment is appropriate to address its concerns and therefore proposes to accept it.

Together with the New Commitment from Deliveroo, the Commission has published a notice of the consultation on its website at www.compcomm.hk. Interested parties are now invited to submit representations on the New Commitment, including the Commission’s proposed

¹ See the Commission’s [press release](#) dated 1 June 2023.

² Under the Profit Guarantee Terms, Deliveroo guarantees that a Restaurant will receive a target amount of gross food value for the sale of food and/or beverages on Deliveroo’s platform for the purpose of facilitating investment in commercial initiatives by Deliveroo and the Restaurant.

³ Under the Outlet Expansion Terms, Deliveroo pays a certain amount to a Restaurant for the purposes of meeting such Restaurant’s capital expenditure needs, including but not limited to setting up new restaurant location(s), or expanding its existing restaurant venues, of that Restaurant.

⁴ These exclusions are in line with Foodpanda’s proposed commitment that had undergone the First Consultation.

acceptance of it, no later than 6:00 pm on 24 November 2023.

All representations received by the deadline will be considered by the Commission and posted on its website before a decision on whether to accept the New Commitment is made. If a representation contains confidential information, a non-confidential version of the representation should also be submitted.

As for Foodpanda, the commitment process is still ongoing and the Commission will publish an announcement regarding the commitments of both Deliveroo and Foodpanda once a decision is made.
