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For Immediate Release

Competition Commission invites restaurant industry to provide information in its investigation into online food delivery platforms

The Competition Commission (“Commission”) is conducting an investigation under the Competition Ordinance (“Ordinance”) into the conduct of two online food delivery platforms, namely Delivery Hero Food Hong Kong Limited, trading as Foodpanda (“Foodpanda”), and Deliveroo Hong Kong Limited (“Deliveroo”).

Specifically, the Commission is looking into whether Foodpanda and Deliveroo have contravened the Ordinance by imposing certain requirements on their partner restaurants. These include:

- requiring exclusivity from partner restaurants or inducing partner restaurants to agree to exclusivity by including terms or conditions in their agreements with partner restaurants, which discourage these restaurants from partnering with other online food delivery platforms;
- requiring partner restaurants to offer their menu items on the platform at prices that are equal to or lower than those offered on the partner restaurants’ own menu and/or on other online food delivery platforms. This may include the right for the platform to adjust prices offered by partner restaurants to achieve the same effect; and
- requiring partner restaurants that wish to acquire online food delivery services, to also acquire pick up or other services from them.

The Commission considers that, if present, these requirements may have the potential effect of softening competition among online food delivery platforms, as well as hindering entry and expansion by new or smaller online food delivery platforms, depriving consumers and partner restaurants of the benefits of effective competition.

Restaurants that have concerns or information about the practices of Foodpanda, Deliveroo, or the online food delivery market in general are encouraged to complete a [dedicated questionnaire](#) on the Commission’s website by 11 February 2022. The Commission has also reached out to a number of restaurant industry associations inviting them to distribute the questionnaire to their members.

Alternatively, interested parties may also contact the Commission [by telephone](#) at 3462 2118, [e-mail](#) (complaints@compcomm.hk), [post](#), or in person at the Commission’s office (by appointment only).

The Commission will seek to protect any confidential information provided including the identity of the submitting party, in accordance with the Ordinance and the Commission’s

Guideline on Investigations. Information provided anonymously will also be considered by the Commission.

Mr. Rasul Butt, Chief Executive Officer of the Commission, said, “The online food delivery industry has grown tremendously in Hong Kong in recent years and the food delivery platforms are playing a crucial role in the daily lives of Hong Kong people, particularly with the ongoing pandemic and the need for social distancing. Ensuring effective competition in the market to safeguard the interests of industry players and consumers as well as other relevant parties is therefore of utmost importance.

We call on restaurants and other stakeholders to come forward and provide information which may help us assess practices in the industry, including whether there are restrictions that are harming competition.”

This investigation is ongoing and the Commission stresses that existence of the investigation does not prejudice its outcome.
