

18 September 2025

Case Ref: CCC/CP/08/01/2022

**DECISION ON INVESTIGATION OF UBER ON FALSE AND MISLEADING
REPRESENTATION AND UNCONSCIONABLE CONDUCT AGAINST CONSUMERS**

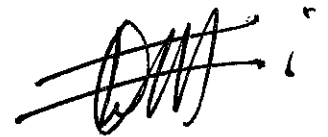
1. The COMESA Competition Commission ("the Commission") initiated an investigation against Uber BV. ("Uber") on 5 September 2023 for possible false and misleading representation and unconscionable conduct towards consumers.
2. The Commission observed several consumer complaints with Uber's services in Uganda, Kenya and Egypt regarding among others being charged higher prices than the displayed price; drivers cancelling the booking after long waits; drivers failing to turn up yet customers get charged. The Commission reviewed Uber's Terms and Conditions for riders to assess compliance with the Regulations and observed the following concerns:
 - i. Section 1 of the Terms gave Uber the power to terminate a service to a consumer at any time, for any reason and without notice. The Commission was concerned that terminating a service midway into the provision of the service, for reasons that may not be the fault of the customer was possibly unconscionable.
 - ii. Section 4 of the Terms reserved the right for Uber to establish, remove and/or revise charges for any or all services or goods obtained through the use of its services at any time, and at its sole discretion. The Commission's concern was that the consumer may be misled to rely on the displayed price to make a decision, when in fact it was likely to change. The Commission was also concerned that consumers may be forced to pay more than the agreed price even for reasons that cannot be attributed to the consumer.
 - iii. Sections 2, 4 and 5 of its Terms absolved Uber from any liability regarding the quality of services and risks associated with the service provided by third parties contracted by Uber to provide services to the consumer. The Commission observed that consumers contract directly with Uber and rely on it to get the ride hailing services, and at no point do they negotiate with the drivers and hence do not have contractual obligations with them. Therefore, if Uber could not be held liable for the actions of the drivers as indicated in its Terms and Conditions, the consumer would be left vulnerable and disenfranchised when aggrieved with the standard or quality of services provided.
 - iv. Section 7 of the Terms applicable in Kenya and Uganda provided that the Terms and Conditions were exclusively governed by the Laws of the Netherlands, which may have had the effect of limiting the application of the domestic laws and subsequently, violate the consumer's right to affordable and effective redress



mechanism.

3. The Commission was concerned that the conduct of Uber was possibly misleading and a likely violation of Article 27 (1) (a) of the COMESA Competition Regulations ("the Regulations"), which provides that: *"A person shall not, in trade or commerce, in connection with the supply or possible supply of goods or services or in connection with the promotion by any means of the supply or use of goods or services: : (a) falsely represent that goods are of a particular standard, quality, value, grade, composition, style or model or have had a particular history or particular previous use"*. The Commission observed that Uber presented information on price that may have been misleading to consumers since this could be changed at any time, and at its sole discretion. This conduct may have the effect of misleading consumers to rely on the price to make a decision, when in fact it was likely to change.
4. The Commission was further concerned that Uber may have acted in an unconscionable manner and possibly in violation of Article 28(1) which provides that: *"A person shall not, in trade or commerce, in connection with the supply or possible supply of goods and services to a person, engage in conduct that is, in all the circumstances unconscionable"*. The Commission observed that through its Terms, Uber had discretionary powers to change prices or terminate services to the consumer at any time. The consumer may therefore be forced to pay more than the agreed price or the service may be terminated midway for reasons that may not be attributed to the consumer. Additionally, Uber absolving itself from any liability with regard to the quality of services and risks associated with the services provided by third parties (drivers) could leave aggrieved consumers at a disadvantage as they did not have direct contractual relationships with the drivers. The Commission also considered restricting the Governing Law of Uber's Terms to the laws of the Netherlands as unfair since it would limit application of the domestic laws in Kenya and Uganda, making consumer redress difficult.
5. Uber, in its submissions, indicated among others that:
 - i. Riders are provided with (i) upfront price estimates (which estimates are only deviated from in limited circumstances), and (ii) clear price breakdowns which, where applicable, are displayed to consumers and therefore riders receive an appropriate level of transparency and predictability in relation to the likely fare that they are to be charged, prior to confirming the trip.
 - ii. The provision below in its terms relates primarily to the right to change the price from time to time but not during the transaction.

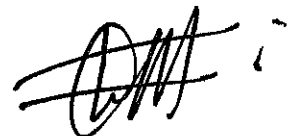
"As between you (client) and Uber, Uber reserves the right to establish, remove and/or revise Charges for any or all services or goods obtained through the use of the Services at any time in Uber's sole discretion."
 - iii. The prices charged to riders for use of services provided via the Uber app are transparent and accepted by consumers prior to procuring such services. An upfront estimate of the total fare is provided prior to a rider initiating a trip. Deviations from this estimate occur only in limited, unforeseen circumstances as and when necessary to appropriately compensate drivers.
 - iv. The circumstances under which a service may be terminated midway included safety risks or other unforeseen circumstances that make it impossible to proceed with the service.
 - v. Uber does not contract drivers for the provision of transportation services. It simply



provides them with the technology to engage with riders and therefore they cannot be held liable for their actions which may negatively impact riders.

6. The Commission noted the following with regard to Uber's response:

- i. In circumstances where the price changes as a result of the consumer's actions such as delays and request to change the route, the price estimates may not be misleading. However, where the deviations of prices include those that have not been caused by the rider, for example traffic jams, accidents, roadblocks etc., in such circumstances, the consumer is misled on displayed and agreed price prior to confirming the trip. This is because such circumstances were not foreseeable by either party and the consumer may not have been prepared to pay an additional amount. Unforeseeable circumstances are not always the fault of any of the parties and therefore the consumer should not solely bear such costs.
- ii. The consumer may be forced to pay the final price for the ride even in circumstances where the change in price is not their doing, which is unfair. Consumers should not be obliged to pay a price higher than what was agreed particularly where the circumstances leading to a change in price were not of their fault. Ideally, where neither party was responsible for deviation in prices such as in the case of *force majeure* (traffic jam, broken bridge, blocked road or accidents), the consumer should not solely bear the cost, instead each party should share their respective losses and any possible payments should be negotiated between the parties, as opposed to automatically being passed down to the consumer.
- iii. The clause on revision of prices did not necessarily refer to new services only because of the use of the phrase: "**as between you (client)**" which means that the individual would already be using the service. The phrases, "**revision of the price**" and "**obtained through the use of the service**" are also in reference to the existing agreed price which is being changed/revised. Further the use of the phrase "**at any time**" means it can also apply to ongoing services. In this regard therefore, the Commission was of the view that the section covers the ongoing services and not only new services being introduced as purported by Uber.
- iv. The circumstances under which a service may be terminated midway may exist, however, such circumstances should be made clear to the consumer and included as a separate provision. It was observed that Uber does not separate foreseeable circumstances from unforeseeable situations that might render the service impossible. The language used in the Terms and Conditions, that "**termination can happen for any reason at any time**", can be taken advantage of by Uber to terminate an ongoing service even in foreseeable circumstances or manageable situations.
- v. Regarding Uber's limitation of liability for the actions of its drivers, the Commission observed that:
 - a. Uber contracts directly with the consumer and should be liable for its services, and not the drivers. Riders are not provided with the required contractual elements of the third parties, for example the legal address of the drivers, obligations of the drivers and consumer rights over the drivers.
 - b. Consumers by accepting the terms and conditions of Uber contract with Uber and not the drivers.



- c. Uber offers the service, provides price estimates and issues the official receipts for payments.
- d. The shortlisting of the vehicles and ranking of the drivers that are displayed to the riders are determined and done by uber.
- e. In case of any complaints, these are lodged directly with Uber for action.
- f. Uber vets its drivers and puts in place other security measures for drivers and riders to ensure safe and reliable service. Drivers are not allowed to change the terms of services, for example a consumer cannot negotiate with the driver to change the vehicle or the driver or even to reduce the price. Further, the relationship between the drivers and the riders is controlled by Uber as indicated in its Terms and Conditions for the drivers.
- g. While Uber is entitled to limit its potential liability, including in respect to the conduct of drivers which is beyond Uber's control, such exclusion of liability has to be subject to the Regulations and national laws of the Member States.
- h. Consumers contract with Uber based on the representations made expressly to them by Uber and have no contract with third parties, particularly the drivers. Uber's Terms and Conditions for consumers do not establish or regulate the contractual relationship between riders and drivers to which Uber is not a party.
- i. Uber's Terms and Conditions for consumers do not reflect reasonable limitations on Uber's potential liability in relation to the actions of individual drivers and riders whose actions are within Uber's control.
- j. The wording of section 5 of Uber's Terms and Conditions completely absolved Uber of any liability and not just for actions beyond their control. In this case, the consumer remained solely responsible for the entire risk arising from use of the service, which is unconscionable.
- k. There are differences in the Terms and Conditions applied in the UK and France where, for example Uber did not blatantly absolve its liability under Clause 9.3 of UK Terms and Conditions¹, which highlights circumstances under which Uber's limitation in liability applied. It was observed that in the case of the UK Terms and Conditions, Uber was indemnified only when claims arose from the consumer's breach of the Terms and Conditions or breach of the applicable law, or in the case of third-party claims.
- l. The indemnity clause of Uber:
 - indemnified Uber from any and all claims, arising from the consumers' use of the Services or services or goods obtained through the consumer's use of the Services. This condition would indemnify Uber even in instances where the loss or expenses arose out of Uber's fault, and not occasioned by the consumer. The generalization of this clause sought to absolve Uber from any claims arising out of the use of their service.

¹ [Legal | Uber](#)



- indemnified Uber from claims arising from Uber's use of the consumer's User Content. This had the effect of not holding Uber accountable where the consumer's content was used inappropriately and offered no protection of the consumer's data.
- vi. As regards the governing rules of the Terms and Conditions, it was observed that in the case of Uganda and Kenya, restricting the governing law to the Laws of the Netherlands had the effect of limiting the application of the domestic laws. The resulting judgment in the Netherlands would not be enforced easily in the Member States and it would be costly for consumers wishing to pursue justice.
7. Uber cooperated with the Commission and agreed to amend its Terms and Conditions to comply with the Regulations as recommended by the Commission. The Commission was satisfied with the amendments to Uber's Terms and Conditions and its responsiveness in addressing and ensuring that their services were in compliance with the Regulations.
8. The Commission recommended to the Committee Responsible for Initial Determinations (CID), that the investigation against Uber be closed in view of the fact that Uber had addressed its concerns and complied with its directives. The CID was satisfied with the manner in which Uber addressed the Commission's concerns and closed the investigation. Uber was required to publish on its Websites, Apps and all similar platforms and notify consumers of the amended Terms and Conditions.
9. The Commission shall conduct periodic reviews of the market to assess compliance with the Decision to ensure that consumer rights are upheld. The general public is also called upon to be vigilant to ensure that commitments given by firms to address consumer issues are complied with.
10. Any consumer or interested party requiring further information regarding the Commission's Decision on this matter, may contact Mr. Steven Kamukama, Director Consumer Welfare and Advocacy Division on Email: skamukama@comesacompetition.org



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