



MEDIA RELEASE

31 January 2025

CCCS Grants Conditional Approval for the Proposed Expanded Joint Venture between Singapore Airlines and Deutsche Lufthansa AG After Accepting Commitments

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) has granted conditional approval of the proposed expanded joint venture between Singapore Airlines Limited (“**SIA**”) and Deutsche Lufthansa AG (“**Lufthansa**”) (collectively, the “**Applicants**”) after accepting commitments from the Applicants.

Background

2. In 2016, CCCS conditionally cleared a joint application for decision in relation to the joint venture between the Applicants in the provision of scheduled air passenger transport services (the “**2016 JV**”). CCCS determined that the 2016 JV would not infringe section 34 of the Competition Act 2004 (the “**Act**”) subject to, amongst other conditions, the Applicants’ adherence to commitments which they had provided at the time.¹

The Present Application

3. For the present application, the Applicants filed a joint application in December 2022 for a decision from the CCCS as to whether a proposed expansion of the 2016 JV (which involves an expansion of the geographic scope of the 2016 JV) would infringe section 34 of the Act.² On 2 August 2023, after receiving clarifications and additional submissions from the Applicants, CCCS commenced a further review of the Applicants’ joint venture as expanded (the “**Proposed Expanded JV**”).

¹ See CCCS’s media release dated 12 December 2016 “CCS Accepts Capacity Commitments by SIA and Lufthansa in Clearing their Proposed Joint Venture” here: <https://www.cccs.gov.sg/media-and-consultation/newsroom/media-releases/ccs-accepts-capacity-commitments-by-sia-and-lufthansa>

² See CCCS’s media release dated 19 December 2022 “CCCS Consults on the Proposed Expansion of Joint Venture between Singapore Airlines Limited and Deutsche Lufthansa AG” here: <https://www.cccs.gov.sg/media-and-consultation/newsroom/media-releases/sia-and-lufthansa-proposed-joint-venture-expansion-19-dec-22>

4. The Applicants submitted that the Proposed Expanded JV would lead to the following benefits:
- i) Increased passenger numbers and tourists to Singapore that would benefit tourist-related industries;
 - ii) More competitive fares arising from the elimination of double marginalisation;
 - iii) Expanded virtual networks of the airlines, thereby providing more service offerings to passengers;
 - iv) Significant benefits to corporate account customers; and
 - v) Improved connectivity for both SIA and Lufthansa, better utilisation of both Applicants' assets and combined efforts to recover from the devastating effects of Covid-19 pandemic, with consequential benefits to Singapore's aviation industry and tourism.

CCCS's Assessment

5. CCCS's Guidance Note for Airline Alliance Agreements outlines key principles for CCCS's assessment of airline alliances.³ In assessing the Proposed Expanded JV, CCCS reviewed information provided by the Applicants as well as canvassed third-party feedback. CCCS found that the price and capacity coordination between the Applicants arising from the Proposed Expanded JV may restrict competition on the affected routes. CCCS has also assessed that while there are some claimed benefits arising from the Proposed Expanded JV, these are insufficient to outweigh the competition concerns such that the net economic benefits exclusion under the Act would apply. In particular, the Applicants are the only two airlines operating direct flights to and from Singapore, and possess significant market shares, for two specific routes, namely Singapore-Frankfurt (and vice versa) ("**SIN-FRA vv**"), and Singapore-Zurich (and vice versa) ("**SIN-ZRH vv**").

³ See CCCS's Airlines Guidance Note here: [CCCS Issues Guidance Note for Airline Alliance Agreements](#)

Commitments by the Applicants

6. To address CCCS's competition concerns, the Applicants provided commitments (the "**Proposed Commitments**") pertaining to scheduled international air passenger transport services on the SIN-FRA vv and SIN-ZRH vv routes. The Applicants undertake, amongst other things, to:
 - a. Maintain seat capacity on an aggregated basis on the SIN-FRA vv and SIN-ZRH vv routes at stipulated levels;
 - b. Carry a minimum number of Singapore passengers on the SIN-FRA vv and SIN-ZRH vv routes, in each calendar year; and
 - c. Appoint an independent auditor to monitor compliance with the above, and render a report to CCCS on an annual basis.
7. For further details on the Proposed Commitments, please refer to **Annex A**.

CCCS's Assessment of the Applicants Commitments

8. From 15 to 29 November 2024, CCCS conducted a consultation exercise to assess whether the Proposed Commitments would sufficiently address the competition concerns arising from the Proposed Expanded JV. The relevant stakeholders did not raise any concerns with the Proposed Commitments.
9. After evaluating the feedback provided, CCCS considered the Proposed Commitments sufficient to address the competition concerns arising from the Proposed Expanded JV.

Conclusion

10. CCCS approved the Proposed Expanded JV on 28 January 2025, subject to the Applicants' adherence to the Proposed Commitments.
11. More information can be accessed from the CCCS website at www.cccs.gov.sg under the section "Public Register".

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About the Competition and Consumer Commission of Singapore

The Competition and Consumer Commission of Singapore (“**CCCS**”) is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act 2004 which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act 2003 or (“**CPFTA**”) which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for businesses and consumers in Singapore.

For more information, please visit www.cccs.gov.sg.

For media clarifications, please contact:

Ms. Winifred Kwok
Senior Assistant Director (Communications)
Competition and Consumer Commission of Singapore
Email: winifred_kwok@cccs.gov.sg
DID: 6325 8216

Ms. Ashley Tuen
Senior Executive (Communications)
Competition and Consumer Commission of Singapore
Email: ashley_tuen@cccs.gov.sg
DID: 6991 7059

ANNEX A

[Commitments by Singapore Airlines Limited and Deutsche Lufthansa AG to the Competition and Consumer Commission of Singapore](#)