



MEDIA RELEASE

17 April 2014

CCS CLEARS THE PROPOSED STRATEGIC ALLIANCE BETWEEN SINGAPORE AIRLINES LIMITED AND AIR NEW ZEALAND LIMITED

The Decision

1. The Competition Commission of Singapore (“CCS”) has cleared the Proposed Strategic Alliance between Singapore Airlines Limited and Air New Zealand Limited (collectively, the “Parties”). The notification by the Parties was regarding the application of section 34 of the Competition Act (Chapter 50B) (the “Act”) to the Proposed Strategic Alliance.

2. After reviewing the submissions provided by the parties and various stakeholders, CCS finds that the Proposed Strategic Alliance could raise competition concerns but these would be offset by net economic benefits to Singapore. The Proposed Strategic Alliance is therefore excluded from section 34 of the Act because of the effect of the exclusion set out in section 35, read with paragraph 9 of the Third Schedule to the Act.

The Proposed Strategic Alliance

3. The Proposed Strategic Alliance relates to the provision of international scheduled air passenger services, with a specific focus on the affected Singapore origin and destination city pairs. The Proposed Strategic Alliance will involve varying levels of coordination, differentiated according to routes operated by the Parties, and include, amongst other things, (i) revenue sharing; (ii) coordination on pricing; and (iii) coordination on capacity and scheduling.

4. The Proposed Strategic Alliance is scheduled to take place subsequent to the Parties’ receipt of regulatory approvals in New Zealand and Singapore.

Third Party Feedback

5. In the course of its assessment, CCS conducted a public consultation and received feedback from various stakeholders, including the Civil Aviation Authority of Singapore, the Ministry of Transport, Changi Airport Group, and Vital Shared Services.

Public Register

6. Further information on the application is available on the Public Register at www.ccs.gov.sg. CCS's Grounds of Decision will be made available in due course.

About the Competition Commission of Singapore

CCS is a statutory board established under the Competition Act (Chapter 50B) on 1 January 2005 to administer and enforce the Act. It comes under the purview of the Ministry of Trade and Industry. The Act empowers CCS to investigate alleged anti-competitive activities, determine if such activities infringe the Act and impose suitable remedies, directions and financial penalties.

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

For media clarification, please contact

Ms Lim Le-Anne
Senior Assistant Director
Strategic Planning Division
Competition Commission of Singapore
Email: lim_le-anne@ccs.gov.sg
DID: 6325 8304/ 9478 8824

Ms Grace Suen
Assistant Director
Strategic Planning Division
Competition Commission of Singapore
Email: grace_suen@ccs.gov.sg
DID: 6325 8216/ 9835 8601