



MEDIA RELEASE

6 February 2014

CCS CONSULTS ON THE PROPOSED COOPERATION BETWEEN SCOOT PTE LTD AND TIGER AIRWAYS SINGAPORE PTE LTD

1. The Competition Commission of Singapore (“CCS”) is seeking feedback on the Proposed Cooperation between Scoot Pte Ltd and Tiger Airways Singapore Pte Ltd (individually a “Party” and collectively “the Parties”).
2. CCS received a Notification for Decision (“Notification”) on 28 January 2014 from the Parties with regard to the Proposed Cooperation. The Notification is made in relation to Section 34 of the Competition Act (the “Act”) which prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices, which have as their object or effect the prevention, restriction or distortion of competition within Singapore.
3. The Parties have entered into an Alliance Framework Agreement, pursuant to which the Parties agree to cooperate in relation to, among others, scheduling, pricing, sales and marketing, service policies, and other matters to improve the overall quality of service offered to passengers on the Parties’ respective operations. The Proposed Cooperation relates to the provision of international air passenger transport services. The scope of the proposed cooperation will include all services operated by the respective Parties, with the exception of routes between Singapore and Australia.
4. The Parties submit that the Proposed Cooperation does not have the object or effect of appreciably preventing, restricting or distorting competition in any markets in Singapore; and in any event, the Proposed Cooperation is entitled to benefit from the “Net Economic Benefit” exclusion under the Act. Paragraph 9 of the Third Schedule of the Act provides that the Section 34 prohibition shall not apply to agreements with net economic benefit. Such agreements are those that improve production or distribution, or promote technical or economic progress, and in which

restrictions are absolutely necessary to achieving these benefits and do not substantially eliminate competition.¹

Public Feedback

5. CCS is inviting all feedback and views in relation to the Proposed Cooperation.

6. It would be useful if you can provide comments particularly in relation to the following:

- a. The current state of competition in the provision of international air passenger transport services, particularly for the routes operated by the respective Parties;
- b. Impact of the Proposed Cooperation on competition in provision of international air passenger transport services; and
- c. Any benefits as a result of the Proposed Cooperation which may improve production or distribution, or promote technical or economic progress.

7. The consultation documents can be accessed and downloaded from the CCS website at www.ccs.gov.sg under the section "Public Register and Consultation". The closing date for submissions is on or before **26 February 2014**. If the submission/correspondence contains confidential information, please also provide CCS with a non-confidential version of the submission or correspondence.

About The Competition Commission of Singapore (CCS)

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.

¹ For more information, please refer to the Competition Act or the CCS guidelines: http://www.ccs.gov.sg/content/dam/ccs/PDFs/CCSGuidelines/S34_Jul07FINAL.pdf

For media clarifications, 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