



Australian Competition & Consumer Commission

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Our Ref: 48732 Contact Officer: Mark Basile Contact Phone: (03) 9290 1855

3 May 2012

Dear Sir/Madam

Etihad Airways and Air Berlin applications for authorisation A91307 & A91308 – interested party consultation

The Australian Competition and Consumer Commission (the ACCC) has received applications for authorisation from Etihad Airways and Air Berlin and invites you to comment on the applications. Attached is a summary of the authorisation process including how to make a submission to the ACCC.

Broadly, Etihad and Air Berlin are seeking authorisation to enter into a Commercial Co-operation Agreement and Codeshare Agreement (together 'the Alliance') which will cover air passenger services between Germany and Australia via Abu Dhabi.

A full copy of the application for authorisation, including a full description of the applicants and their proposed alliance, is available on the ACCC's website <<u>www.accc.gov.au/AuthorisationsRegister</u>>.

Interim authorisation

Etihad and Air Berlin have also requested *interim* authorisation for the Alliance pending the outcome of the ACCC's final decision on authorisation. The applicants commenced selling codeshare tickets in competition with each other on 29 March 2012 and are seeking interim authorisation to commence joint pricing, scheduling and marketing of air passenger services as soon as possible.

The ACCC endeavours to deal with requests for interim authorisation quickly. In deciding whether to grant interim authorisation, the ACCC is not required to undertake a full assessment of the benefit and detriment likely to arise as a result of the proposed conduct. Nevertheless, submissions in relation to interim authorisation are invited in this matter.

The ACCC decides whether to grant interim authorisation on a case by case basis and may take into account a range of factors, including harm to the applicant and other parties if interim authorisation is or is not granted, possible benefit and detriment to the public, the urgency of the matter and whether the market would be able to return to substantially its pre-interim authorisation state if the ACCC should later deny authorisation.

Submissions

The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements. Submissions are invited both in relation to the application for authorisation and in relation to the application for interim authorisation.

If you intend to provide a submission in relation to the applications for authorisation, please do so by 24 May 2012. Any submissions in relation to interim authorisation should be provided by 10 May 2012.

Alternatively, if you would like to provide comments orally, please contact Mark Basile on (03) 9290 1855 to organise a suitable time.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

Timetable

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information.

26 April 2012	Lodgement of application and supporting submission.
3 May 2012	Public consultation process begins.
10 May 2012	Closing date for submissions on interim authorisation.
May 2012	ACCC decision regarding interim authorisation.
24 May 2012	Closing date for submissions from interested parties on authorisation.
1 June 2012	Applicants respond to issues raised in the public consultation process.
June/July	Draft determination.
July 2012	Public consultation on draft determination including any conference if called.
August/September 2012	Final determination.

If you do not wish to make a submission at this time but would like to be informed of the progress of the applications at the draft and final determination stages, please advise us and provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the applications.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Mark Basile on (03) 9290 1855.

Yours sincerely

Jones

David Jones Director Adjudication Branch

Parties consulted in relation to application for authorisation A91307 & A91308

- 1. Aerolineas Argentinas
- 2. Air Canada
- 3. Air China
- 4. Air Mauritius
- 5. AirAsia X
- 6. Australasian Conference & Events
- 7. Australia India Business Council
- 8. Australia-Africa Business Council
- 9. Australian Arab Chamber of Commerce and Industries
- **10.** Australian Federation of International Forwarders
- 11. Australian Federation of Travel Agents
- 12. Australian Industry Group
- 13. Australian Lebanese Chamber of Commerce
- 14. Australian Services Union
- 15. Board of Airline Representatives of Australia
- 16. Brisbane Airport Corporation Pty Limited
- 17. British Airways
- 18. Cathay Pacific Airways
- 19. Centre for Asia Pacific Aviation
- 20. China Eastern
- 21. China Southern Airlines
- 22. CHOICE
- 23. Consolidated Travel Group
- 24. Consumer Action Law Centre
- 25. Delta Air Lines, Inc
- 26. Department for Manufacturing, Innovation, Trade, Resources and Energy
- 27. Department of Business and Innovation
- 28. Department of Foreign Affairs and Trade
- 29. Department of Infrastructure, Transport, Regional Development and Local Government
- 30. Department of Resources, Energy and Tourism
- 31. Department of Trade and Investment, Regional Infrastructure and Services
- 32. ICMS
- 33. International Air Services Commission
- 34. LAN Airlines
- 35. Malaysia Airlines
- 36. Meetings and Events Australia
- 37. Melbourne Airport
- 38. Perth Airport
- 39. Qantas Airways
- 40. Qatar Airlines
- 41. Queensland Government Avaition Committee (Department of Employment, Economic Development and Innovation)
- 42. Royal Brunei
- 43. Singapore Airlines Ltd
- 44. Skywest Airlines Pty Ltd
- 45. Solomon Airlines
- 46. State Government of Victoria
- 47. Sydney Airport
- 48. Tiger Aviation Pte Ltd
- 49. Tour Hosts Pty Limited

50. Tourism Australia

51. Tourism NSW

52. Tourism NT

53. Tourism Queensland

54. Tourism Tasmania

55. Tourism Victoria

56. Tourism Victoria

57. Tourism WA

58. Trade and Investment Queensland

59. TTF Australia

60. United Airlines

61. Virgin Australia Airlines