



1 November 2023

Ms Jasmina Ackar  
Director  
International Air Services Commission  
GPO BOX 630  
CANBERRA ACT 2601

Via email: [Jasmina.Ackar@infrastructure.gov.au](mailto:Jasmina.Ackar@infrastructure.gov.au)

Dear Ms Ackar,

#### **APPLICATION FOR VARIATION – HONG KONG ROUTE**

As part of a code share agreement between Qantas Airways Limited (Qantas) and KLM Royal Dutch Airlines (KLM), it is proposed that KLM offer code share services on a free sale basis on flights operated by Qantas on the Hong Kong route from 1 January 2024, or as soon as all necessary approvals have been received.

The code share agreement enables KLM to market services on Qantas services between Hong Kong and Sydney/Melbourne, providing connectivity to Australia beyond its Amsterdam-Hong Kong operated flights.

The ability for KLM to market travel options via Hong Kong provides additional customer choice and enhances one-stop connectivity between Australia and the Netherlands, which is currently available under the Qantas/KLM code share agreement via Singapore and Bangkok. Competition on the route will increase as a result of enabling KLM to sell more itinerary options, with both Qantas and KLM continuing to price and sell independently of each other.

A copy of the confidential code share agreement between Qantas and KLM will be provided separately to the Commission.

#### **Variation sought**

Qantas seeks variation of Determination [2019] IASC 129 to permit KLM to code share on Qantas operated services on the Hong Kong route. The variation is requested for the duration of the Determination.



## **IASC Act and Policy Statement Considerations**

We request that this application be considered against the 'reasonable capability criterion' as defined in section 8 of the Minister's Policy Statement.

We would be pleased to provide any further information the Commission requires.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'A Pritchard', is centered on a light gray rectangular background.

**Anna Pritchard**

Executive Manager, Government, Industry & Competition