



Australian  
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# NEWS RELEASE

## ACCC PROPOSES TO RE-AUTHORISE VIRGIN-ETIHAD ALLIANCE

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The Australian Competition and Consumer Commission has issued a draft determination proposing to re-authorise Virgin Australia (ASX: VAH) and Etihad Airways to continue their existing air transport services international alliance, which operates between Australia and the Middle East, for a further five years.

Under the alliance, the airlines cooperate on joint pricing and scheduling of services across their networks. Virgin and Etihad will not share revenue under the alliance.

"The ACCC considers this alliance would likely result in continued public benefits through promoting competition and enhancing the products and services offered to customers travelling between Australia and the Middle East and onward destinations throughout Europe," ACCC chairman Rod Sims said.

Virgin introduced Sydney-Abu Dhabi services as part of the implementation of the Alliance.

"The ACCC accepts that Virgin would not operate services to Abu Dhabi if this partnership with Etihad did not exist. Virgin could not offer a viable service on the route without offering the beyond connections available on Etihad's network within the Alliance," Mr Sims said.

The ACCC previously granted authorisation to Virgin and Etihad on 3 February 2011.

The ACCC is seeking submissions from interested parties in relation to its draft determination, before making a final decision. Submissions are due by 16 November 2015.

Authorisation provides immunity from court action for conduct that might otherwise raise concerns under the competition provisions of the *Competition and Consumer Act (2010)*. Broadly, the ACCC may grant an authorisation when it is satisfied that the public benefit from the conduct outweighs any public detriment.

Further information is available on the ACCC's [public register](#).