



Joint Business between Malaysia Airlines Berhad and Singapore Airlines Limited

Reference Number	:	MAVCOM/ED/CC/DIV4/2022(5)
Application	:	Individual Exemption under section 51 of Act 771
Applicants	:	Malaysia Airlines Berhad and Singapore Airlines Limited
Receipt of Application	:	12 July 2022
Summary of Application	:	<p>Malaysia Airlines Berhad (“MH”) and Singapore Airlines Limited (“SQ”) (collectively, the “Parties”) have submitted an application (“Application”) seeking an individual exemption for their metal neutral joint business partnership (“Proposed Joint Business”).</p> <p>The scope of the Proposed Joint Business covers all air passenger services between Malaysia and Singapore operated by MH and its sister company, FlyFirefly Sdn. Bhd. (“FY”), as well as SQ and its subsidiary, Scoot Tigerair Pte. Ltd. (“TR”). It does not apply to domestic services that have an origin and destination in Malaysia nor to connecting routes outside of Malaysia or Singapore.</p> <p>The Proposed Joint Business includes cooperation between the Parties in the following areas:</p> <ul style="list-style-type: none">(a) Revenue share model;(b) Network planning and schedule coordination;(c) Pricing coordination;(d) Coordination in distribution systems to maximise visibility of each other’s fares;(e) Inventory management coordination;(f) Joint sales;(g) Joint marketing;(h) Service and product cooperation; and



	<p>(i) Frequent flyer programme.</p> <p>The Parties submit that the Proposed Joint Business increases the likelihood of an expedited and more sustainable reinstatement of capacity and that it will improve connectivity for both Singapore and Malaysia, with consequential benefits to customers, the respective countries' aviation industries and tourism sectors.</p> <p>The Parties submit that the Proposed Joint Business is expected to bring the following benefits to consumers:</p> <ul style="list-style-type: none"> (a) Increased travelling options; (b) Expansion of services and products available; (c) Increased network connectivity; (d) Harmonised service offerings; (e) Additional capacity and improved scheduling; (f) Better accessibility through expanded code-sharing; (g) More attractive fare options due to pricing, inventory, sales, and marketing coordination; (h) Better corporate account offerings and benefits; (i) Improved frequent flyer programmes; and (j) Improved disruption management. <p>The Parties submit that the benefits and efficiencies arising from the Proposed Joint Business will outweigh any potential detriments to competition. The Parties further provide that the Proposed Joint Business is not likely to have the effect of significantly preventing, restricting, or distorting competition due to there being adequate competition from competitors within the Malaysia–Singapore market.</p>
<p>Consultation</p>	<p>: MAVCOM welcomes any party to submit written feedback on the individual exemption application regarding the Proposed Joint Business between MH and SQ.</p> <p>Any written feedback shall be titled "Joint Business</p>



**Malaysian
Aviation Commission**
Suruhanjaya Penerbangan Malaysia

	<p>between Malaysia Airlines Berhad and Singapore Airlines Limited” and submitted to MAVCOM by email to competition@mavcom.my by 24 August 2022.</p> <p>If the feedback contains confidential information, the party submitting the feedback shall clearly identify the confidential information and provide a non-confidential version of the feedback (with the confidential information removed and replaced by the word [“CONFIDENTIAL”]). “Confidential information” refers to trade, business or industrial information that belongs to any person, that has economic value and is not generally available to or known by others.</p>
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