

**Individual Exemption for the Transpacific Joint Venture Agreement between All Nippon Airways Co., Ltd. and United Airlines Inc.**

Reference Number	MAVCOM/ED/CC/DIV2/2022(1)
Application	Individual exemption under section 51 of Act 771
Applicant	All Nippon Airways Co. Ltd
Receipt of Application	28 January 2022
Summary of Application	<p>MAVCOM had previously granted an individual exemption to All Nippon Airways Co., Ltd. (“NH”) and United Airlines, Inc. (“UA”), (collectively referred to as the “Parties”) on 11 May 2017 for a period of five (5) years, for their joint venture arrangement in respect of scheduled air passenger services between North America and Malaysia via transpacific routes, which exemption ended on 10 May 2022. NH and UA had submitted an application to renew the individual exemption which application was deemed submitted to MAVCOM on 28 January 2022.</p> <p>The joint venture is governed by a Transpacific Joint Venture Agreement (“JVA”) entered into by NH and UA, which has already been implemented in markets between Singapore, Japan, North America, South America and the Caribbean.</p> <p>Under the JVA, the Parties aim to achieve metal neutrality where all passenger revenue from the routes operated under the JVA are redistributed to each Party. Through the JVA, the Parties engage in joint pricing, revenue management and sales, in addition to coordinated marketing, frequent flyer programmes, airport operations, and information technology.</p> <p>The objective of the JVA is to enhance and provide greater options of scheduled air passenger services on routes between cities in Asia and North America.</p> <p>The Application provides that the joint venture would give rise to the following benefits for Malaysian travellers:</p> <ul style="list-style-type: none"> <li>(i) fare reduction;</li> <li>(ii) maintenance and expansion of network;</li> <li>(iii) improvement in the quality of online connecting services via Narita Airport;</li> </ul>

	<p>(iv) expansion of fare products;</p> <p>(v) cooperation in relation to frequent flyer programmes (“FFP”) allowing travellers to enjoy seamless FFPs;</p> <p>(vi) expansion of offerings to corporate clients for their one-stop shopping; and</p> <p>(vii) increased operating efficiencies and cost reduction.</p> <p>The Application also provides that the benefits above are proportionate to the detrimental effects of the JVA.</p> <p>On 19 October 2022, MAVCOM issued its decision to grant an individual exemption to the Parties’ JVA for another five (5) years, ending 18 October 2027.</p>																	
Application Timeline	<table border="1"> <thead> <tr> <th data-bbox="555 770 876 842">Date</th> <th data-bbox="876 770 1386 842">Progress Update</th> </tr> </thead> <tbody> <tr> <td data-bbox="555 842 876 913">28 January 2022</td> <td data-bbox="876 842 1386 913">Application made to MAVCOM</td> </tr> <tr> <td data-bbox="555 913 876 1021">14 February 2022</td> <td data-bbox="876 913 1386 1021">Publication of the <a href="#">summary of application</a> for public consultation</td> </tr> <tr> <td data-bbox="555 1021 876 1128">14 March 2022</td> <td data-bbox="876 1021 1386 1128">Public consultation for the application was closed</td> </tr> <tr> <td data-bbox="555 1128 876 1236">7 September 2022</td> <td data-bbox="876 1128 1386 1236">Publication of the <a href="#">Proposed Decision</a> for public consultation</td> </tr> <tr> <td data-bbox="555 1236 876 1344">21 September 2022</td> <td data-bbox="876 1236 1386 1344">Public consultation on the Proposed Decision was closed</td> </tr> <tr> <td data-bbox="555 1344 876 1415">19 October 2022</td> <td data-bbox="876 1344 1386 1415">Issuance of the <a href="#">Final Decision</a></td> </tr> <tr> <td data-bbox="555 1415 876 1635">13 June 2023</td> <td data-bbox="876 1415 1386 1635">Publication of the <a href="#">individual exemption order</a> in the <i>Gazette</i> (under the purview of the Ministry of Transport and the Attorney General’s Chambers)</td> </tr> </tbody> </table>	Date	Progress Update	28 January 2022	Application made to MAVCOM	14 February 2022	Publication of the <a href="#">summary of application</a> for public consultation	14 March 2022	Public consultation for the application was closed	7 September 2022	Publication of the <a href="#">Proposed Decision</a> for public consultation	21 September 2022	Public consultation on the Proposed Decision was closed	19 October 2022	Issuance of the <a href="#">Final Decision</a>	13 June 2023	Publication of the <a href="#">individual exemption order</a> in the <i>Gazette</i> (under the purview of the Ministry of Transport and the Attorney General’s Chambers)	
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