



Australian Government

International Air Services Commission

DECISION

The Route: Indonesia
The Applicant: Qantas Airways Limited
(Qantas) (ABN 16 009 661 901)
Decision: [2025] IASC 221
Variation Of: [2024] IASC 128, [2024] IASC 113
Public Register File: IASC/APP/202533

The Commission varies Determination [2024] IASC 128 to permit the use of the capacity on the Indonesia route for code sharing between Jetstar Airways Pty Limited and Emirates, subject to certain conditions. The permission is valid for the duration of the Determination commencing from the date of issue of this decision.

The Commission also varies Determination [2024] IASC 113 to permit the use of the capacity on the Indonesia route for code sharing between Jetstar Airways Pty Limited and KLM Royal Dutch Airlines, subject to certain conditions. The permission is valid for the duration of the Determination commencing from the date of issue of this decision.

1 The application

1.1 On 3 November 2025, Qantas Airways Limited (Qantas) applied to the International Air Services Commission (the Commission) seeking to vary the following determinations on the Indonesia route:

- Determination [2024] IASC 128 which allocates 1,624 seats for the exercise of beyond traffic rights with 7 frequencies per week in each direction, to permit Emirates to code share on Jetstar operated services beyond Denpasar to Singapore, on a free sale basis; and
- Determination [2024] IASC 113 which allocates 2,320 seats of passenger capacity in each direction, to permit KLM Dutch Airlines (KLM) to code share on Jetstar operated services Cairns-Melbourne-Denpasar and Adelaide-Perth-Denpasar, on a free sale basis.

1.2 Qantas provided the Commission with a copy of Jetstar's code share agreements with Emirates and KLM, on a confidential basis.

1.3 In its application, Qantas submits that the proposed code share arrangement will enable Emirates and KLM to expand their selling proposition by independently marketing and pricing services on the Indonesia route, enhancing the range of choices and benefits for consumers connecting to their respective hubs in the United Arab Emirates and the

Netherlands.

1.4 In accordance with section 22 of the *International Air Services Commission Act 1992* (the Act), the Commission published, on 4 November 2025, a notice inviting submissions about the applications for variation. No submissions were received.

1.5 All non-confidential material supplied by the applicant is available on the Commission's website (www.iasc.gov.au).

2 Air services arrangements

2.1 Paragraph 7(2)(aa) of the Act provides that the Commission must not allocate available capacity contrary to any restrictions on capacity contained in a bilateral arrangement(s). Any variation made to an existing allocation of capacity should also not be contrary to any restrictions on capacity contained in a bilateral arrangement(s).

2.2 Under the Australia-Indonesia air services arrangements, Australian designated airlines may enter into cooperative marketing arrangements such as code sharing, blocked space or other cooperative marketing arrangements, as the marketing and/or operating carrier with another Australian designated airline(s), with a designated airline(s) of Indonesia or with airline(s) of a third country.

3 The Commission's consideration

3.1 Qantas' application seeks to vary the Determinations to include a condition of a kind referred to in paragraph 15(2)(e) of the Act. In view of this, the application is a transfer application as so defined in subsection 4(1) of the Act. The Commission has assessed the application in accordance with section 25 of the Act.

3.2 Subsection 25(1) of the Act provides that the Commission must make a decision varying the determination in a way that gives effect to the variation requested, subject to subsection 25(2). Subsection 25(2) states that the Commission must not make a decision varying the determination in a way that varies, or has the effect of varying an allocation of capacity if the Commission is satisfied that the allocation, as so varied, would not be of benefit to the public.

3.3 Under section 26 of the Act, in assessing the benefit to the public of a variation of an allocation of capacity, the Commission is required to apply the criteria set out in any policy statement issued by the Minister under section 11 of the Act.

3.4 Under section 11 of the Act, the Minister made the International Air Services Commission Policy Statement 2018 (the Policy Statement) which came into effect on 28 March 2018. The Policy Statement sets out the criteria which the Commission is required to apply in assessing the benefit to the public of allocations of capacity.

3.5 Section 18 of the Policy Statement specifically deals with 'transfer applications' such as this one. It provides that, in assessing whether the variation requested would not be of benefit to the public for the purpose of subsection 25(2) of the Act, the Commission

is to have regard to the ‘reasonable capability criterion’ set out in section 8 of the Policy Statement and may have regard to any of the additional criteria set out in section 9 that the Commission considers to be relevant. The Commission is also to have regard to the matters specified in paragraph 18(2)(b) of the Policy Statement to the extent that they are relevant to the variation under consideration.

3.6 ‘Reasonable capability criterion’ is defined in section 8 of the Policy Statement to mean the extent to which Australian carriers are reasonably capable of: a) obtaining the necessary approvals to operate on and service the route, and b) using the capacity allocated under the Determination. The ‘additional criteria’ to which the Commission may have regard are set out in section 9 of the Policy Statement.

3.7 The Commission notes that Jetstar is an established Australian international carrier that currently operates up to 103 services per week on the Indonesia route¹, and therefore finds that the carrier is reasonably capable of obtaining the necessary regulatory approvals and of using the capacity allocated under Determination [2024] IASC 113 and Determination [2024] IASC 128.

3.8 The Commission notes that it has received no submissions opposing the variations sought in Qantas’ transfer application.

Emirates

3.9 Emirates operates up to 28 services per week between Dubai and Singapore.²

3.10 In its application Qantas specified that Emirates plans to code share, as marketing carrier, on Jetstar operated services beyond Denpasar to Singapore (vv.), on a free sale basis.

3.11 The Commission considers that the proposed arrangement between Jetstar and Emirates will provide additional options and choice for consumers and tourists travelling between Australia and the United Arab Emirates, over Denpasar beyond to Singapore, connecting through to Emirates operated services from Singapore to Dubai.

3.12 The Commission considers that there is unlikely to be any lessening of public benefit through authorising the code sharing arrangement, noting its limited scope and that Jetstar and Emirates do not operate in parallel on the Denpasar-Singapore (vv.) sector.

KLM

3.13 The Commission notes that it has previously provided for Jetstar to utilise the capacity allocated to Qantas by Determinations [2021] IASC 107, [2021] IASC 118, [2022] IASC 110, [2023] IASC 102, [2023] IASC 107, [2023] IASC 127, [2023] IASC 131, [2023] IASC 132 and [2024] IASC 110 on the Indonesia route, to offer code share services with KLM on a free sale basis. The existing permission allows KLM to offer

¹ See Indonesia entry, Jetstar: [Northern Winter 2025-26 timetable summary](#)

² [Flights from Dubai \(DXB\) to Singapore \(SIN\) | Where we fly | Emirates](#)

code share services, as marketing carrier, on flights operated by Jetstar on the Australia-Indonesia route.

3.14 The proposed code share arrangement contemplated by this Decision involves KLM additionally placing its code on Jetstar's services from Cairns-Melbourne-Denpasar (vv.) and Adelaide-Perth-Denpasar (vv.), on a free sale basis.

3.15 The Commission notes that KLM operates up to a daily service between Amsterdam and Denpasar (via Singapore).³

3.16 The Commission considers that the proposed arrangements between Jetstar and KLM will provide additional options and choice for consumers travelling between Australia and the Netherlands, through Denpasar, marketed through KLM's distribution channels.

3.17 The Commission considers that there is unlikely to be any lessening of public benefit through authorising the expansion of the existing code sharing arrangements between Jetstar and KLM.

3.18 The Commission finds that the matters specified in subsection 18(2)(b) of the Policy Statement are not relevant to the variation under consideration. The Commission does not have information to suggest that Qantas' transfer application involves speculative activity. Qantas and Jetstar are established international carriers that currently hold multiple determinations and other regulatory approvals enabling the carriers to operate scheduled international air services on various routes, including the Australia-Indonesia route.

3.19 Having considered the criteria set out in section 18 of the Policy Statement, the Commission is satisfied that the capacity allocation issued under Determinations [2024] IASC 128 and [2024] IASC 113 as proposed to be varied, permitting Emirates and KLM to code share, as marketing carriers, on flights operated by Jetstar on the Indonesia route, would be of benefit to the public. Therefore, in accordance with section 25 of the Act, the Commission must make a decision varying Determination [2024] IASC 128 and Determination [2024] IASC 113 in a way that gives effect to the variation as requested in Qantas' transfer application.

3.20 Nothing in this decision should be taken as indicating either approval or disapproval by the Australian Competition and Consumer Commission (ACCC). This decision is made without prejudicing, in any way, potential future consideration of code share operations by the ACCC.

³ [KLM departures](#)

4 Decision varying Determinations [2024] IASC 128 and [2024] IASC 113 which allocate capacity to Qantas Airways Limited on the Indonesia route ([2025] IASC 221)

4.1 In accordance with section 25 of the Act , the Commission varies Determination [2024] IASC 128, which allocates capacity to Qantas Airways Limited on the Indonesia route, by:

adding the following conditions to Determination:

- The capacity may be used by Jetstar Airways Pty Limited to provide code share services with Emirates in accordance with the code share agreement between the airlines, dated 11 February 2014, as amended.
- Qantas Airways Limited must obtain the Commission’s written approval before implementing any variation to the code share agreement between Jetstar Airways Pty Limited and Emirates which would change: the code share services on the route, the relevant commercial aspects of the structure of the agreement from a free sale code share arrangement to a blocked space, or if the airlines propose to add third country routes on which the airlines will code share where Australian capacity will be used for services on that route.
- To the extent that the capacity is used to provide code share services on the route, the airlines must take all reasonable steps to ensure that passengers are informed, at the time of booking, of the carrier actually operating the flight.
- Nothing in this Determination exempts the airlines from complying with Australian Consumer Law.
- This decision comes into effect from the date of issue and is valid for the duration of Determination [2024] IASC 128.

4.2 In accordance with section 25 of the Act , the Commission varies Determination [2024] IASC 113, which allocates capacity to Qantas Airways Limited on the Indonesia route, by:

adding the following conditions to Determination:

- The capacity may be used by Jetstar Airways Pty Limited to provide code share services with KLM Royal Dutch Airlines, in accordance with the code share agreement between the airlines, dated 17 December 2019, as amended.
- Qantas Airways Limited must obtain the Commission’s written approval before implementing any variation to the code share agreement between Jetstar Airways Pty Limited and KLM Royal Dutch Airlines which would change: the code share services on the route, the relevant commercial aspects of the structure of the agreement from a free sale code share arrangement to a blocked space, or if the airlines propose to add third country routes on which the airlines will code share where Australian capacity will be used for services on that route.

- To the extent that the capacity is used to provide code share services on the route, the airlines must take all reasonable steps to ensure that passengers are informed, at the time of booking, of the carrier actually operating the flight.
- Nothing in this Determination exempts the airlines from complying with Australian Consumer Law.
- This decision comes into effect from the date of issue and is valid for the duration of Determination [2024] IASC 113.

Dated: 11 December 2025



GENEVIEVE BUTLER
Chairperson



JANE MCKEON
Commissioner