



## Australian Government

### International Air Services Commission

#### DECISION

**The Route:** Indonesia  
**The Applicant:** Qantas Airways Limited  
(Qantas) (ABN 16 009 661 901)  
**Decision:** [2026] IASC 201  
**Variation Of:** [2023] IASC 131  
**Public Register File:** IASC/APP/202601

**The Commission varies Determination [2023] IASC 131 to permit the use of the capacity on the Indonesia route for code sharing between Qantas' wholly-owned subsidiary Jetstar Airways Pty Limited (Jetstar) and Finnair Plc, and InterGlobe Aviation Limited subject to certain conditions. The permissions are valid for the duration of the Determination commencing from the date of issue of this decision.**

#### 1 The application

1.1 On 18 December 2025, Qantas Airways Limited (Qantas) applied to the International Air Services Commission (the Commission) seeking to vary Determination [2023] IASC 131 on the Indonesia route, to permit Finnair Plc (Finnair) and InterGlobe Aviation Limited (IndiGo) to code share on Jetstar operated services, on a free sale basis.

1.2 Determination [2023] IASC 131 allocates to Qantas unlimited passenger capacity on the Indonesia route between points in Australia, except Sydney, Melbourne, Brisbane and Perth, and points in Indonesia. The capacity may be used by either Qantas or its wholly-owned subsidiary, Jetstar, and for the latter to provide services jointly with KLM Royal Dutch Airlines.

1.3 As part of its application, Qantas provided the Commission with a copy of Jetstar's code share agreements with Finnair and IndiGo, on a confidential basis.

1.4 In its application, Qantas submits that the proposed code share arrangements will provide an expanded network of travel options for Finnair and IndiGo customers as well as a seamless travel experience with single ticket itineraries and through checked baggage.

1.5 In accordance with section 22 of the *International Air Services Commission Act 1992* (the Act), the Commission published, on 19 December 2025, a notice inviting submissions about the application for variation. No submissions were received.

1.6 On 9 December 2025, Qantas requested the Commission's approval of the amended code share arrangement between Jetstar and Finnair, in accordance with the conditions imposed under Determination [2024] IASC 128 and Determination [2023] IASC 107. The Jetstar-Finnair code share agreement has been updated to include additional services on the Indonesia route, commencing in Northern Winter 2025-26:

- Sunshine Coast-Denpasar-Singapore (v.v.); and
- Newcastle-Denpasar-Singapore (v.v.);

1.7 These determinations were varied by Decision [2025] IASC 216 to allow Finnair, as marketing carrier, to offer codeshare services on selected Jetstar operated services. This matter is being addressed separately.

1.8 All non-confidential material supplied by the applicant is available on the Commission's website ([www.iasc.gov.au](http://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 Determination 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 route<sup>1</sup>, and therefore finds that the carrier is reasonably capable of obtaining the necessary regulatory approvals and of using the capacity allocated under Determination [2023] IASC 131.

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

#### Finnair

3.9 The Commission notes that it has previously permitted Jetstar to utilise the capacity allocated to Qantas under Determinations [2023] IASC 107 and [2024] IASC 128 on the Indonesia route, to offer code share services with Finnair on a free sale basis. Under the existing permission, Finnair is authorised, as the marketing carrier, to offer code share services on flights operated by Jetstar on the Australia-Indonesia route, from Australia’s major gateway airports.

3.10 The proposed code share arrangement contemplated by this Decision involves Finnair additionally placing its code on Jetstar’s services Sunshine Coast-Denpasar-Singapore (vv) and Newcastle-Denpasar-Singapore (vv), on a free sale basis.

3.11 The Commission considers that the proposed arrangement between Jetstar and Finnair will provide additional options and choice for consumers and tourists travelling between points in Australia and Finland, over Denpasar beyond to Singapore, connecting through to Finnair’s operated services from Singapore to Helsinki.

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

#### IndiGo

The Commission notes that it has previously permitted Jetstar to utilise the capacity allocated to Qantas by Determinations [2023] IASC 107, [2024] IASC 113 and [2024] IASC 128 on the Australia-Indonesia route, to offer code share services with IndiGo on a free sale basis. Under the existing permission, IndiGo is authorised, as marketing carrier, to offer code share

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

services on flights operated by Jetstar on the Australia-Indonesia route, from Australia's major gateway airports.

3.13 The proposed code share arrangement contemplated by this Decision involves IndiGo additionally placing its code on the following Jetstar services, on a free sale basis:

- Darwin – Denpasar (vv);
- Gold Coast – Denpasar (vv);
- Cairns – Denpasar (vv); and
- Adelaide – Denpasar (vv).

3.14 The Commission considers that the proposed arrangement between Jetstar and IndiGo will provide additional options and choice for consumers and tourists travelling between points in Australia and India, over Denpasar connecting through to IndiGo's operated services from Denpasar to Mumbai.

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

3.16 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.

3.17 Having considered the criteria set out in section 18 of the Policy Statement, the Commission is satisfied that the capacity allocation issued under Determination [2023] IASC 131 as proposed to be varied, permitting Finnair and IndiGo 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 [2023] IASC 131 in a way that gives effect to the variation as requested in Qantas' transfer application.

3.18 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.

#### **4 Decision varying Determination [2023] IASC 131 which allocates capacity to Qantas Airways Limited on the Indonesia route ([2026] IASC 201)**

4.1 In accordance with section 25 of the Act, the Commission varies Determination [2023] IASC 131, 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 Finnair Plc in accordance with the code share agreement between the airlines, dated 15 May 2017, 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 Finnair Plc 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.
- The capacity may be used by Jetstar Airways Pty Limited to provide code share services with InterGlobe Aviation Limited in accordance with the code share agreement between the airlines, dated 23 May 2025, 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 InterGlobe Aviation Limited 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 [2023] IASC 131.

Dated: 30 January 2026

A handwritten signature in cursive script that reads "Genevieve Butler".

GENEVIEVE BUTLER  
Chairperson

A handwritten signature in cursive script that reads "Jane McKeon".

JANE MCKEON  
Commissioner