



Australian Government

International Air Services Commission

RESOLUTION

Resolution: [2022] IASC R02
Determination: [2019] IASC 119
The Route: Japan
The Applicant: Virgin Australia International Airlines Pty Ltd
(ABN 63 125 580 823)
Public register file: IASC/APP/202221

On 28 October 2019, the International Air Services Commission (the Commission) issued Determination [2019] IASC 119 (the Determination) allocating one frequency per day in each direction to Virgin Australia International Airlines Pty Ltd (Virgin Australia) on the Japan route to service Tokyo-Haneda Airport. The Determination includes several conditions, including the requirement for the capacity to be utilised from no later than 29 March 2020 or from such other date approved by the Commission.

Due to the COVID-19 pandemic impacts, including travel restrictions put in place by the Australian Government in March 2020, Virgin Australia was not able to commence the new services to and from Tokyo-Haneda as originally planned. In light of this, upon the request of Virgin Australia, the Commission issued Resolutions [2020] IASC R02 (17 April 2020); [2020] IASC R04 (19 June 2020); [2020] IASC R09 (7 December 2020); [2021] IASC R03 (06 April 2021); and [2021] IASC R06 (4 November 2021) extending the date of commencement of use of the capacity.

On 29 June 2022, Virgin Australia wrote to the Commission seeking a further extension of the date for utilisation of the capacity from 30 October 2022 until 30 June 2023. In its letter, Virgin Australia provided the Commission, on a confidential basis, with its firm commercial plans to commence operating these services at the beginning of the Northern Summer 2023 season. As part of its application, Virgin Australia indicated that it has been unable to commence the Tokyo-Haneda services due to ongoing restrictions imposed on travel between Australia and Japan, the uncertainty around the timeline for these to be eased and accordingly the return of consumer demand, as well as the challenges associated with the commencement of services on a new international route, which would require six (6) months to effectively market the services to support their successful introduction.

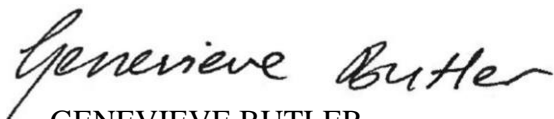
The Commission recognises the continued impacts of the COVID-19 pandemic and associated travel restrictions on airlines' international operations, passenger demand and global competition worldwide. The Commission notes that international borders remain highly

restricted, and countries such as Japan continue to impose measures such as passenger movement caps, creating highly restricted market conditions for airlines to utilise their capacity allocations.

In light of these extraordinary circumstances and a lack of certainty as to when travel restrictions will be lifted by Japan, the Commission issues Resolution [2022] IASC R02 to provide that the capacity issued under Determination [2019] IASC 119 is to be utilised from no later than 26 March 2023 (the start of the Northern Summer 2023 season), or such other date approved by the Commission.

The Commission will continue to monitor the airline's ability to fully utilise the capacity on the route.

Dated: 05 July 2022



GENEVIEVE BUTLER
Chairperson



JANE MCKEON
Commissioner