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15 February 2023

Ms Jasmina Ackar
Director
International Air Services Commission
PO Box 630
CANBERRA ACT 2601

Via email: Jasmina.Ackar@infrastructure.gov.au

Dear Ms Ackar

Application for renewal and variation – Vanuatu route

I refer to your letter of 25 July 2022, inviting the Virgin Australia Group (Virgin Australia) to renew determinations which allocate capacity to the airline and are due to expire between July and December 2023.

This correspondence follows a previous application from Virgin Australia of 23 August 2022 which was withdrawn on 29 September 2022.

Recommencement of Vanuatu services

Virgin Australia's recommencement of short-haul international services to Vanuatu was announced in June 2022, following an announcement that the Vanuatu border would re-open to international travellers in July 2022 (see attached).

From 10 March 2023, Virgin Australia will operate up to 5 flights a week utilising B737-800 aircraft.

In addition, Virgin Australia will continue to code share on its services for Vanuatu.

Determinations [2017] IASC 117 and [2017] IASC 121

In relation to Determinations [2017] IASC 117 and [2017] IASC 121, which allocate 900 seats of capacity in each direction on the Vanuatu route and permit the use of the capacity for code share services with Singapore Airline and Etihad Airways (Etihad), Virgin Australia advises that it is seeking to renew, and vary, both determinations in recognition of its strategic alliances with Qatar Airways (Qatar).



Specifically, Virgin Australia is proposing that the Determinations be varied to include a condition which permits the use of capacity for free sale code share services with Qatar on flights operated by Virgin Australia on the Vanuatu route. The intended commencement date for these services is 26 March 2023.

In addition, Virgin Australia proposes the revocation of the specific conditions which enable capacity utilisation by Tiger International, and via code share services with Etihad.

Virgin Australia requests that the variations sought be granted for the remaining terms of all the abovementioned determinations, and that the Determinations are also renewed for a period of five years.

To support this request, Virgin Australia has separately provided the Commission confidential copies of the relevant code share agreements.

IASC Act and Policy Statement Considerations

Virgin Australia requests that the Commission consider this application pursuant to section 25 (1) of the International Air Services Commission Act 1992 and the 'reasonable capability criterion' as defined in section 8 of the Minister's Policy Statement.

Virgin Australia would be pleased to provide further information if required and thanks the Commission for its consideration of these matters.

Yours sincerely

A handwritten signature in black ink, appearing to read "Chris Daffey", with a long horizontal flourish extending to the right.

Chris Daffey
Head of Government Affairs