

MEDIA RELEASE

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The Commission concludes settlement agreements with two airlines

The Competition Commission (“Commission”) has concluded settlement agreements with South African Airways (Proprietary) Limited (“SAA”) and Singapore Airlines. In terms of the settlements, SAA has agreed to pay a penalty of R18 799 292 and Singapore R25 106 692.

The settlements are in relation to price fixing conduct in respect of flights between Johannesburg and Hong Kong. This investigation was initiated on 16 January 2008 following Cathay Pacific’s application for leniency.

In the case of SAA, this settlement agreement also settles cases against the airline with regards to collusion concerning international air cargo surcharges and domestic route prices and pricing strategies during the 2010 Soccer World Cup. However, no findings were made against SAA in respect of these two matters. The Commission’s investigation into cargo fuel surcharges was referred to the Competition Tribunal in July 2010.

SAA has offered its full cooperation to the Commission in its ongoing investigations and prosecution of both the matters before the Tribunal. Similarly, Singapore Airlines undertook to do the same with regards to the Far East matter.

ENDS

Further info:

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