



## **CICRA media release**

**EMBARGOED UNTIL 0700 ON FRIDAY, 22 NOVEMBER 2013**

**22 November 2013**

### **CICRA to consult on Aurigny and Blue Islands plans to share Jersey-Guernsey route**

Aurigny and Blue Islands have announced a proposal to provide joint operations on the Jersey-Guernsey route.

The two airlines have sought an exemption from the Competition (Jersey) Law 2005 to be able to codeshare and offer a combined service on the route. Air services between Guernsey and Jersey are already exempt from the Competition (Guernsey) Ordinance, 2012.

The airlines have applied to CICRA (the Channel Islands Competition and Regulatory Authorities) for this exemption and CICRA is seeking comment from interested parties on the proposal.

Under the proposed codeshare arrangement Aurigny would cease operating its own aircraft on Guernsey-Jersey and Jersey-Guernsey services. Blue Islands would operate the route year round using its existing ATR42 aircraft in accordance with a timetable agreed with Aurigny.

The airlines would independently market and sell an agreed allocation of seats on the flights, apply their own fares and terms and conditions, and the airlines' separate frequent flyer schemes and corporate deals would continue to apply.

Six or seven flights would operate on weekdays in each direction with four flights in each direction on Saturdays and three on Sundays.

Aurigny would provide, or arrange provision of, certain handling services in Jersey and Guernsey for Blue Islands and Blue Islands would cease to use its existing handling agents in the islands for these inter-island services.

CICRA chief executive Andrew Riseley said the airlines have submitted that the arrangements meet the conditions required for an exemption.

“Clearly the impact on consumers will be a significant part of our assessment when considering this application,” he said.

“The application does not address the issue of fares, and we would not expect this, but it does contain a commitment by both airlines to market and sell seats independently of one another. It may be that the best way to guarantee keen pricing is to ensure there is continued competition on the route.

“The airlines suggest that the proposed arrangement would provide sufficient capacity on the route and remove existing over-capacity.

“They maintain that the codeshare arrangement would also reduce the losses currently incurred by each airline on the route. Fuel consumption would also decrease through the use of only one aircraft.

“Both Blue Islands and Aurigny have suggested that the separate, loss-making services are unsustainable and that merging the services on this route would maintain a sufficient level of competition between the airlines.”

Mr Riseley said it was important that interested parties expressed their views on the application.

“CICRA will review the consultation responses and use them as appropriate in our consideration of the application,” he said.

A copy of the application is available on request and all submissions should be clearly marked: “Aurigny and Blue Islands – Application for Exemption – Consultation” and submitted by hand, post or email to arrive before 5pm on Friday, 6 December 2013.

CICRA expects to make its decision known during the week commencing Monday, 16 December.

Please see [www.cicra.gg](http://www.cicra.gg) or [www.cicra.je](http://www.cicra.je) for further details.

## ENDS

Comments should be submitted by hand delivery, post or email to one of the following addresses:

Suites B1 & B2	2nd Floor, Salisbury House
Hirzel Court	1-9 Union Street
St Peter Port	St Helier
Guernsey	Jersey
GY1 2NH	JE2 3RF
Email: <a href="mailto:info@cicra.gg">info@cicra.gg</a>	Email: <a href="mailto:info@cicra.je">info@cicra.je</a>

In line with CICRA's consultation policy, responses to the consultation will be made available on the CICRA website. Any material that is confidential should be put in a separate annex and clearly marked as such.

### NOTES TO EDITORS:

All enquiries should be directed in writing to CICRA Chief Executive, Andrew Riseley, in Guernsey at the Guernsey Competition and Regulatory Authority, Suites B1 & B2, Hirzel Court, St Peter Port, Guernsey GY1 2NH or in Jersey at the Jersey Competition Regulatory Authority, 2nd Floor, Salisbury House, 1 - 9 Union Street, St Helier, Jersey JE2 3RF. Alternatively email [info@cicra.gg](mailto:info@cicra.gg).

### About CICRA:

The Channel Islands Competition and Regulatory Authorities or 'CICRA' comprises the Jersey Competition Regulatory Authority (JCRA) and the Guernsey Competition and Regulatory Authority (GCRA) (formerly the Office of Utility Regulation). The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001, and the GCRA was established under The Guernsey Competition and Regulatory Authority Ordinance, 2012. In Jersey, the telecoms and postal sectors are regulated by the JCRA, which is also responsible for administering and enforcing the Competition (Jersey) Law 2005. In Guernsey the telecoms, postal and electricity sectors are regulated by the GCRA, which is also responsible for the administration and enforcement of the Guernsey competition law since it came into force on 1 August 2012.

By working together and sharing resources and expertise between the islands, CICRA strives to ensure that consumers in all the Channel Islands receive best value, choice and access to high quality services.