



P.O. Box 686
Dubai, U.A.E.
Fax: +9714 - 286-4112
Email: martin.camus@emirates.com

21 November 2011

Submissions – Jet Fuel
National Competition Council
GPO Box 250
Melbourne VIC 3001

Dear Sir/Madam,

RE: Applications for declaration of jet fuel infrastructure services at Sydney Airport

Emirates appreciates the opportunity to provide a brief submission to the National Competition Council (NCC) regarding the Board of Airline Representatives (BARA)'s applications for declaration of jet fuel infrastructure services at Sydney Airport.

Emirates operates flights from Sydney Airport to Dubai, Bangkok, Auckland and Christchurch. Our annual jet fuel demand at Sydney is approximately 190 million litres, the largest outside of our base in Dubai.

We encourage any initiative to facilitate competition for the provision of jet fuel. Emirates therefore supports the application submitted by BARA for the declaration of both the Caltex pipeline and Sydney JUHI facility. The ability to access both facilities on reasonable terms and conditions would promote competition by facilitating the entry of alternative jet fuel suppliers at Sydney Airport.

Emirates enjoys good relations with all our jet fuel suppliers in Australia. However, our experience during recent tenders at Sydney, Melbourne and Perth Airports indicates that competition for the provision of jet fuel is very limited at these Airports. It is particularly limited at Sydney Airport, which is effectively a near monopoly market. The pricing levels at Sydney, Melbourne and Perth airports remains significantly higher than prices offered at competitive markets globally.

The most recent Emirates tender for the provision of jet fuel at Sydney showed that only one of the current jet fuel suppliers is able to meet our full demand, another supplier indicated that it could only meet a proportion of our demand and a third supplier indicated that it could not place a bid at all 'due to volume constraints'. This lack of competition is concerning and likely to become a greater problem as demand for jet fuel at Sydney increases.

Emirates therefore supports the applications by BARA as the access to both the JUHI and Caltex Pipeline under reasonable terms and conditions would be required to promote greater competition for the provision of jet fuel at Sydney Airport.

Emirates thanks the NCC for the opportunity to comment on the application.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Martin Camus", is centered within a light gray rectangular box.

Martin Camus
Manager Procurement & Logistics