



International Airline Licences – Guidance Notes

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1) INTRODUCTION

a) WHO NEEDS TO APPLY?

i. General

Any airline proposing to operate scheduled international air services over*, into or out of Australian territory requires an International Airline Licence (IAL) before it can commence services. This includes cargo only operations.

Airline applicants are permitted to apply to the Department for an IAL and to the Civil Aviation Safety Authority for an Air Operator's Certificate at the same time.

ii. Code share arrangements

Airlines proposing to market seats and/or cargo capacity to and from Australia under code share arrangements with another airline also require an IAL. In these circumstances, an approved applicant will receive a limited licence which only authorises code sharing, provided that the services conducted on behalf of the applicant are operated in accordance with an approved Air Operator's Certificate and Transport Security Program. If the marketing airline in a code share arrangement wishes to commence operations with its own aircraft in the future, it will need to reapply for a full IAL.

An IAL application must be lodged by both the intending operator and the marketing airline in a code share arrangement.

iii. Wet or damp-lease arrangements

Airline applicants proposing to use wet or damp-leased aircraft to conduct scheduled international air services must provide the Department of Infrastructure, Transport, Regional Development and Local Government with the following information:

- a declaration that they intend to use wet or damp-leased aircraft to conduct proposed services;
- details of the provider of the aircraft for the proposed services; and
- evidence that the wet-leased aircraft provider holds an approved Air Operator's Certificate and Transport Security Program for the proposed services.



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Approved airline applicants will receive a 'restricted' IAL. If the marketing airline in a wet or damp-leasing arrangement wishes to commence operations with its own aircraft in the future, it will need to apply for a full IAL.

*Airlines proposing to operate scheduled international air services *over* Australia without landing are currently exempt from the requirement to hold an IAL by a Determination of the Secretary of the Department of Infrastructure, Transport, Regional Development and Local Government under section 12(3) of the *Air Navigation Act 1920* ('the Determination'). The Determination commenced on 20 March 2009.

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b) ELIGIBILITY

i. Australian Airlines

Australian airlines seeking an International Airline Licence to operate international air services are required to demonstrate that they can comply with the requirements of the relevant international air services agreement and/or arrangements between Australia and the country or countries to which they wish to fly. This is particularly important in relation to issues of substantial ownership and effective control, country of incorporation and principal place of business and/or incorporation.

The Australian Government requires Australian international carriers to meet a number of national interest criteria in relation to ownership and control requirements.

Ownership provisions require that:

Foreign shareholdings be limited to no more than 49 per cent of the total value of the issued share capital of the Australian airline.

Control criteria require that:

- At least two-thirds of the Board members are Australian citizens;
- The Chairperson of the Board is an Australian citizen;
- The airline's head office is in Australia; and
- The airline's operational base is in Australia.

Separate legislative provisions apply to Qantas Airways Ltd.

ii. Foreign Airlines

Foreign airline applicants must demonstrate that they are designated by their country/authority under the relevant international air services agreement and/or arrangement between Australia and their country of designation.

Foreign airlines must also demonstrate that they meet the requirements of the relevant international air services agreement and/or arrangements between Australia and their country of designation relating to incorporation as well as ownership and control and/or principal place of business and/or incorporation.

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c) LICENCE MAINTENANCE

Airlines are required to comply with audit measures administered by the Department of Infrastructure, Transport, Regional Development and Local Government in order to maintain their International Airline Licence and continue conducting scheduled international air services to and from Australia. Further details are outlined in the 'Maintaining Licence Status' section, below.

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2) THE APPLICATION

a) ADMINISTRATIVE DETAILS

i. How to submit

Applications for International Airline Licences (IALs) may be submitted by email or post.


- Post to:

General Manager
Aviation Industry Policy
Aviation & Airports Business Division
Department of Infrastructure, Transport,
Regional Development and Local Government
GPO Box 594
CANBERRA ACT 2601
AUSTRALIA

- Email to:

InternationalAirline@infrastructure.gov.au

All applications are required to be signed by an authorised representative of the applicant airline (further details on 'signature' are provided below) before submission. For applications submitted by email, electronic (i.e. scanned) signatures will be accepted.

For your convenience, a downloadable application template is available to assist you in your IAL application. The template may be altered as necessary, but all applicants must take responsibility to ensure their final application meets all formatting requirements outlined below. The template can be downloaded from [ [DOC: 62 KB](#)].

Please note that incomplete applications will be accepted by the Department of Infrastructure, Transport, Regional Development and Local Government at the applicant's risk.



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ii. Title

The application should be titled "An Application for an International Airline Licence - by (full registered name of airline)".

iii. Timing of Licence Application

The application should be forwarded to the Department of Infrastructure, Transport, Regional Development and Local Government at least sixty (60) days before the date of commencement of the proposed services or other such period as agreed by the Department.

iv. General formatting

The pages of an application should be consecutively numbered and paragraphs should be titled identically with the corresponding items in this guide.

The application should include the information requested below and any further information the applicant considers may clarify aspects of the application.

v. Caption

The following caption must be included in the application:

"The undersigned applies for permission pursuant to the *Air Navigation Act 1920* and the *Air Navigation Regulations 1947* to conduct scheduled international air services to and from Australia and certifies that the facts stated in the application are true and that the copies of any documents attached to the application are true copies".

vi. Contact Details of Applicant

Applicants are to provide the names of the heads of the following components of the organisation, together with postal and street addresses, telephone and facsimile numbers and e-mail addresses if available.

- Head Office
- Operating Headquarters
- Australian Offices (where applicable for foreign operators)
 - Australian Management
 - Marketing
 - Airport(s)

Note: both foreign and Australian international airlines are required to maintain a published Australian phone number. Failure to ensure Australian consumers have access to customer assistance without having to make an international phone call may result in the rejection of an IAL application.



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vii. Attached Documents

Please provide a table of contents identifying all attached documents in accordance with the relevant part of the application.

viii. Signature

The original of the application shall be signed:

- by the applicant, if an individual, who is sole owner;
- by each member of a partnership; or
- if a registered company or corporation, by an officer or officers of the company or corporation duly authorised to submit such applications on behalf of the company or corporation.

The status of the signatory must be indicated in terms of one of the above business structures. Copies of appropriate authorisations must be attached to the application.

As indicated above, electronic signatures will be accepted where applications are submitted to the Department by email.

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b) COMPANY PROFILE

Applicants are required to supply particular information in relation to their company profile. In particular, applicants must provide evidence of:

i. The present corporate existence of the applicant

- This includes evidence of the relevant Australian and/or foreign company number, the incorporation or business name registration, and a copy of any Act, Memorandum and Articles of Association, certificate of incorporation, or other instrument, from which the company or corporation derives its powers and functions. This documentation should be supplied both in relation to the country where the applicant is headquartered and Australia (whichever is applicable); and

ii. a - Nationality of Ownership and Control

- Proof of the nationality of the interests holding substantial ownership and effective control of the applicant should be supplied; or

b - Principal place of business and/or incorporation (where applicable)

- The applicant should supply evidence showing the applicant's main place of operations.

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c) IASC DETERMINATIONS (Australian Applicants Only)

Australian applicants for an International Airline Licence will need to have an allocation of capacity from the International Air Services Commission (IASC) prior to the grant of a licence.

The applicant should quote the IASC Determination number.

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d) AIR OPERATOR'S CERTIFICATE

Operators of aircraft seeking to operate scheduled international air services will be required to obtain from the Civil Aviation Safety Authority (CASA) an Air Operator's Certificate (AOC). Information regarding applications for AOCs can be obtained from the CASA website at http://www.casa.gov.au/aoc/aoc_app/index.htm, or by writing to:

- International Operations
Civil Aviation Safety Authority
GPO Box 2005
CANBERRA ACT 2601
AUSTRALIA

Fax: (07) 3144 7599
Email: international_ops@casa.gov.au

The Department of Infrastructure, Transport, Regional Development and Local Government will not finalise an application for an International Airline Licence (IAL) until a relevant AOC has been approved by CASA.

Please note that applicants for a limited code share only IAL and applicants intending to use wet-leased aircraft for proposed services are not required to supply this information in their application. However, such applicants are required to provide details of the operating airline in the proposed code share or wet-lease arrangement and are responsible for ensuring the operating airline has an approved Air Operator's Certificate for the proposed services.

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e) INSURANCE

A concise statement outlining present and/or proposed insurance coverage and its limits is required in relation to the following:

- i. passenger liability;
- ii. third party liability;
- iii. cargo and baggage liability; and
- iv. injury and loss as a result of active hostilities or civil unrest (War risk insurance).



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Passenger liability

Each carrier who carries passengers for hire or reward to or from Australia, or within Australia, is required to have in place passenger liability insurance which ensures that compensation will be paid in respect of death or personal injury suffered by passengers on the carrier's aircraft.

The Civil Aviation Safety Authority (CASA) is responsible for administering and enforcing the Commonwealth and State compulsory insurance schemes under Part IVA of the Commonwealth *Civil Aviation (Carriers' Liability) Act 1959*, the Civil Aviation (Carriers' Liability) Regulations 1991 and complementary State legislation.

Carriers are required to have appropriate insurance to be able to carry passengers on a commercial flight. The requirement also extends to any cargo carrier who transports persons who are not active flight crew members (e.g. cargo handlers, security guards, animal minders, etc.) on a cargo flight. Details of the requirements are available from the:

- Carriers' Liability Insurance Unit
Civil Aviation Safety Authority
GPO Box 2005
CANBERRA ACT 2601
AUSTRALIA

Telephone: (02) 6217 1131 (international +61-2-6217 1131))

Fax: (02) 6217 1110 (international +61-2-6217 1110)

Third party liability

Under the *Damage by Aircraft Act 1999*, Australian law provides for strict and unlimited liability for compensating third parties on the ground suffering death, injury or damage from aircraft within the Commonwealth's jurisdiction. It is a commercial decision of airlines to decide what insurance cover should be held. The Australian Government will assess whether the cover is appropriate for the level of an airline's operations in Australian territory.

Injury and loss as a result of active hostilities or civil unrest (War risk insurance)

The amount of war risk insurance covering passengers, hull and third party damage on the ground is a commercial matter for the airline. The Australian Government will assess whether the cover is appropriate for the level of an airline's operations in Australian territory.

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f) TRANSPORT SECURITY PROGRAM

A Transport Security Program, approved by the Office of Transport Security within the Department of Infrastructure, Transport, Regional Development and Local



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Government in accordance with the *Aviation Transport Security Act 2004* and related regulations, must be in place for the proposed services. Applicants should contact the Office of Transport Security for further information by email to:

AviationSecurityCompliance@infrastructure.gov.au

Information on preparing a Transport Security Program can be found at:

<http://www.infrastructure.gov.au/transport/security/aviation/operators.aspx>

Please note that applicants for a limited code share only IAL and applicants intending to use wet-leased aircraft for proposed services are not required to supply this information in their application. However, such applicants *are* required to provide details of the operating airline in the proposed code share or wet-lease arrangement and are responsible for ensuring the operating airline has a relevant Transport Security Program for the proposed services.

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g) TIMETABLES AND TARIFFS

Before air services may commence, and in conjunction with the issue of an International Airline Licence, applicants are required to separately submit details of proposed timetables to the Department of Infrastructure, Transport, Regional Development and Local Government. Timetable details should include the type of aircraft to be used for each scheduled international air service in accordance with regulations 16 and 20 of the Air Navigation Regulations 1947.

Licensees are not required to provide details of proposed tariffs unless the Secretary directs that they be submitted for approval.

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h) COMPLIANCE WITH AIRCRAFT NOISE STANDARDS (USE OF NON-CHAPTER 3 AIRCRAFT)

Under the Air Navigation (Aircraft Noise) Regulations 1984, subsonic jet aircraft that do not comply with the standards provided in Chapter 3, Volume I of ICAO Annex 16 ('Chapter 3') must not engage in air navigation in Australia.

The regulations provide limited exceptions for the operation of aircraft that is to be used solely for a purpose in the public interest. In this instance, the operator must lodge an application in writing to the Secretary of the Department of Infrastructure, Transport, Regional Development and Local Government, stating the public interest grounds relied on. Application forms may be downloaded from here: [[DOC: 80 KB](#)]

Additional information regarding aircraft noise standards for air navigation in Australian airspace may be found at:

<http://www.infrastructure.gov.au/aviation/environmental/noise.aspx>



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i) REQUEST FOR SUPPLEMENTARY MATERIAL

The applicant must supply such additional information as the Secretary to the Department of Infrastructure, Transport, Regional Development and Local Government may require.

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3) MAINTAINING LICENCE STATUS

a) COMPLIANCE DECLARATION FORM

International Airline Licence (IAL) holders are required to comply with a simple self-assessment audit scheme to maintain their IAL and continue conducting scheduled international air services to and from Australia. In order to comply, IAL holders must download, complete and lodge a 'Compliance Declaration Form' (CDF) with the Department of Infrastructure, Transport, Regional Development and Local Government every six (6) months, declaring their compliance with licence conditions.

To simplify the system for airlines, this declaration has been aligned with the existing requirements to lodge timetable approvals.

The form is available to download here (select relevant season):

- Northern Summer Scheduling Period [ [DOC: 73 KB](#)]
- Northern Winter Scheduling Period [ [DOC: 73 KB](#)]

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b) DEPARTMENTAL AUDIT

To further improve the Australian Government's oversight of the International Airline Licence (IAL) system, the Secretary of the Department of Infrastructure, Transport, Regional Development and Local Government (the Secretary) will write to IAL holders on occasion requiring the licence holder to provide evidence that they are complying with licence conditions.

Failure to provide either a declaration of compliance or evidence of compliance at the Secretary's request may result in the suspension or cancellation of an IAL.

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4) ADDITIONAL INFORMATION

a) LICENCE VARIATIONS

Additional conditions may be imposed on an International Airline Licence (IAL) by the Secretary of the Department of Infrastructure, Transport, Regional Development and Local Government (the Secretary) to reflect ongoing changes in the regulation of international aviation by the Australian Government. Updating IAL conditions constitutes a 'licence variation' under the Air Navigation Regulations 1947 (the regulations).

An IAL may also be varied at the request of an airline, provided that the request is made out to the Department in writing.

Before an IAL is varied by the Secretary, the IAL holder will be given notice in writing, including reasons for the proposed variation. The IAL holder must respond to this notice within thirty-five (35) days after the notice is given, in accordance with regulation 18D of the regulations.

Any decision to vary an IAL is subject to appeal before the Administrative Appeals Tribunal.

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b) REFUSAL TO GRANT A LICENCE

In the event that an airline's application for an International Airline Licence (IAL) is refused, the applicant will be informed within fourteen (14) days after the decision is made.

Any decision to refuse to grant an IAL is subject to appeal before the Administrative Appeals Tribunal.

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c) ADVERTISING

In accordance with regulation 24AA of the Air Navigation Regulations 1947, an airline that does not hold an International Airline Licence (IAL) may advertise a scheduled international air service to and from Australia before receiving an IAL, provided that the advertisement clearly states the service is subject to regulatory approval.

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d) SLOT APPLICATIONS

Applicants should contact Airport Coordination Australia for information on the process of obtaining slots at Australia's main international airports. Airport Coordination Australia can be contacted through their website at: <http://www.coordaus.com.au>.

Slots at airports not controlled by Airport Coordination Australia may be arranged directly with the Airports concerned.

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e) BORDER AGENCY CONSULTATION

Applicants seeking to commence international air services to Australia should make early contact with Australia's border control agencies to discuss their plans and related Australian Government requirements. Applicants should note that not all international airports have a permanent border agency presence. Contact details for the border agencies are provided below:

Australian Customs Service

- Director Passenger Clearance
Australian Customs Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2600

Ph: +61 2 6275 8026

Fax: +61 2 6275 6869

Customs website: <http://www.customs.gov.au>

Department of Immigration and Citizenship

- Advance Passenger Processing Director
Department of Immigration and Citizenship
PO Box 25
BELCONNEN ACT 2617

Ph: +61 2 6198 7393

Fax: +61 2 6198 7436

DIAC website: <http://www.immi.gov.au/>

Australian Quarantine and Inspection Service

- National Program Manager
Airports
Australian Quarantine & Inspection Service



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GPO Box 858
CANBERRA ACT 2601

Ph: +61 2 6272 5105
Fax: +61 2 6272 3468
AQIS website: <http://www.aqis.gov.au>

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f) REGULATORY REQUIREMENTS FOR REGISTRATION AS A FOREIGN COMPANY

The Department of Infrastructure, Transport, Regional Development and Local Government does not require that foreign airlines be registered as a foreign company in Australia to be issued with an International Airline Licence.

However, the *Corporations Act 2001*, which is administered by the Australian Securities Investment Corporation (ASIC), may require such registration. Compliance with the *Corporations Act* is a matter for a foreign corporation and ASIC to determine.

Applicants are encouraged to contact ASIC for further information, and/or obtain private legal advice in relation to their company's particular proposals. Contact details for ASIC can be found through their website at: <http://www.asic.gov.au>

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g) OTHER AGENCIES

For the requirements of other agencies, applicants should refer to Australia's Aeronautical Information Publication (AIP) (published by Airservices Australia), especially the Section dealing with Transit and Departure of Aircraft. The AIP can be accessed at: <http://www.airservicesaustralia.com/>

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h) STATISTICAL RETURNS

The Department of Infrastructure, Transport, Regional Development and Local Government is the Australian Government agency responsible for the collection of statistics on passengers, freight and mail carried by all international scheduled airlines operating into and out of Australia. Regulation 12 of the Air Navigation Regulations 1947 authorises the Department to collect this statistical data..

Information provided by airlines is incorporated into the Department's publications on international airline activity entitled 'International Scheduled Air Transport' (monthly & annual). Copies of these publications are available on the Department's website: <http://www.bitre.gov.au> (select "Transport Statistics", then "Aviation" then "International Airlines").



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The statistics can be provided in excel format or as a text file. Contact details for further information are provided below:

- Aviation Statistics
Bureau of Infrastructure, Transport and Regional Economics
GPO Box 501
Canberra ACT Australia 2600

Ph: +61 2 6274 7790 (phone)

Fax: +61 2 6274 7727 (fax)

BITRE website: [http:// www.bitre.gov.au](http://www.bitre.gov.au)

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