

# Anticipated acquisition by Korean Air Lines Co., Ltd of Asiana Airlines Inc.

## Decision on acceptance of undertakings in lieu of reference

**ME/6924-21**

The CMA's decision to accept undertakings in lieu of reference under section 73(2) of the Enterprise Act 2002 given on 1 March 2023. Full text of the decision published on 3 March 2023.

### Introduction

1. On 17 November 2020 Korean Air Lines Co. (**Korean Air**) and Asiana Airlines Inc. (**Asiana**) entered into a binding Share Subscription Agreement, pursuant to which Korean Air will subscribe for, and purchase from, Asiana shares representing 63.88% of the total issued and outstanding stock of Asiana (the **Merger**). Korean Air and Asiana are together referred to as the **Parties**, and for statements referring to the future, as the **Merged Entity**.
2. On 14 November 2022, the Competition and Markets Authority (**CMA**) decided under section 33(1) of the Enterprise Act 2002 (the **Act**) that it is or may be the case that the Merger consists of arrangements that are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, and that this may be expected to result in a substantial lessening of competition (**SLC**) within a market or markets in the United Kingdom (the **SLC Decision**).
3. On 21 November 2022, Korean Air offered undertakings in lieu of reference to the CMA for the purposes of section 73(2) of the Act. The CMA gave notice to Korean Air on 28 November 2022, pursuant to section 73A(2)(b) of the Act, that it considered that there were reasonable grounds for believing that the undertakings offered, or a modified version of them, might be accepted by the CMA under section 73(2) of the Act and that it was considering Korean Air's offer (the **UILs Provisional Acceptance Decision**).

4. The text of the SLC Decision and the UILs Provisional Acceptance Decision are available on the CMA webpages.<sup>1</sup>

## The undertakings offered

5. As set out in the SLC Decision, the CMA found that the Merger gives rise to a realistic prospect of an SLC as a result of:
- (a) horizontal unilateral effects in the supply of scheduled air passenger transport services (**air passenger services**) on the London-Seoul route;
  - (b) horizontal unilateral effects in the supply of air cargo transport services (**air cargo services**) on the Europe to South Korea route for customers transporting cargo from the UK to South Korea; and
  - (c) horizontal unilateral effects in the supply of air cargo services on the South Korea to Europe route for customers transporting cargo from South Korea to the UK.<sup>2</sup>
6. As set out in the UILs Provisional Acceptance Decision, to address these SLCs Korean Air offered to give undertakings in lieu of reference to the CMA:
- (a) To enter into a binding framework agreement (the **Framework Agreement**) with Virgin Atlantic Airways Limited (**VAA**) to facilitate VAA's entry onto the Relevant Routes,<sup>3</sup> which includes:
    - (i) making available slots at London Heathrow Airport (**LHR**) and Incheon International Airport (**ICN**) near Seoul to allow VAA to operate a daily air passenger service between LHR and ICN; and
    - (ii) at the request of VAA, entering into certain related arrangements intended to facilitate VAA's entry onto the Relevant Routes.
- (the **Framework Agreement Commitment**)
- (b) In the event that VAA does not: (i) notify Korean Air by an agreed date that it will enter the Relevant Routes by the target entry date (as discussed further at paragraph 8 below); or (ii) operate on the Relevant

---

<sup>1</sup> See the case page at <https://www.gov.uk/cma-cases/korean-air-slash-asiana-airlines-merger-inquiry>.

<sup>2</sup> In the remainder of this decision, the supply of (i) air passenger services on the London-Seoul route and (ii) air cargo services on each of the Europe to South Korea route for customers transporting cargo from the UK to South Korea and the South Korea to Europe route for customers transporting cargo from South Korea to the UK (the **Relevant Cargo Routes**) are referred to collectively as the **Relevant Routes**.

<sup>3</sup> VAA does not currently supply air passenger services on the London-Seoul route or offer scheduled direct flights on the Relevant Cargo Routes.

Routes for a minimum period of six full consecutive IATA seasons<sup>4</sup> after entry (the **Minimum Period**), to facilitate entry on the Relevant Routes by one or more alternative carriers (an **Alternative Prospective Entrant**), including by:

- (i) making available slots at LHR and ICN to allow the Alternative Prospective Entrant to operate a daily air passenger service between LHR and ICN; and
- (ii) at the request of the Alternative Prospective Entrant(s), entering into certain related arrangements intended to facilitate the entry of the Alternative Prospective Entrant(s) onto the Relevant Routes.

(the **Open Slot Commitment**)

- 7. The Framework Agreement Commitment and the Open Slot Commitment together comprise the **UILs**.
- 8. Pursuant to the UILs there are, therefore, potentially three sequential time periods within which the remedy can take effect:
  - (a) VAA has an initial exclusive window to take the remedy, the length of which is dependent on Russian airspace reopening to UK airlines. Accordingly, insofar as the Merger completes 12 months or more before the final day of IATA Summer Season 2024 and KAL has notified VAA of such completion one month before the relevant notification dates set out below, this initial period runs until:
    - (i) September 2023, if notice is given by September 2023 that Russian airspace will reopen to UK airlines during the course of IATA Summer Season 2024;<sup>5</sup> or
    - (ii) July 2024, if no notice is given that Russian airspace will reopen to UK airlines during the course of IATA Summer Season 2024 by September 2023.<sup>6</sup>
  - (b) If VAA does not take the remedy within the initial window (described at (a) above), a second remedy-taking window opens within which either VAA or an Alternative Prospective Entrant can take the remedy (ie the Framework

---

<sup>4</sup> ie 3 years. **IATA Season** means (i) the IATA Summer Season beginning on the last Sunday of March and ending on the Saturday before the last Sunday of October; or (ii) the IATA Winter Season beginning on the last Sunday of October and ending on the Saturday before the last Sunday of March.

<sup>5</sup> For the purposes of this paragraph, the CMA sets out possible dates for the operation of the UILs. However, precise timings under the UILs may vary depending on the date of completion of the wider Merger.

<sup>6</sup> This window will also close if VAA provides notice to KAL that it no longer intends to take the remedy.

Agreement Commitment or the Open Slot Commitment respectively). If the remedy is taken by any carrier during this window, no other carrier will be able to take the remedy (ie KAL does not have to provide the remedy to more than one remedy-taker). Insofar as the Merger completes 12 months or more before the final day of IATA Summer Season 2024 and KAL has notified VAA of such completion one month before the relevant notification dates set out below, this window will remain open until the end of IATA Winter Season 2025/26.

- (c) If the remedy is not taken during the course of the previous windows (described above), a final remedy-taking window will commence, within which an Alternative Prospective Entrant can take the remedy.<sup>7i</sup> This window would remain open for the longer period of:
  - (i) the remaining period of the initial 20 full consecutive IATA Seasons starting at the date of completion of the Merger; or
  - (ii) the period until an Alternative Prospective Entrant has commenced and operated on the Relevant Routes for at least six full consecutive IATA Seasons.

## **Suitability of VAA as the remedy-taker**

- 9. As set out in the UILs Provisional Acceptance Decision, the UILs include provisions that the CMA is required to be satisfied that VAA (as the proposed remedy-taker for the Framework Agreement Commitment) fulfils the criteria below:
  - (a) VAA is independent of and has no significant connection to the Parties (ie a connection that may compromise its incentives to compete with the Merged Entity);
  - (b) VAA has the financial resources, expertise (including the managerial, operational and technical capability), incentive and intention to maintain and develop services on the Relevant Routes in competition with Korean Air and other competitors from the Target Entry Date (or Extended Target Entry Date, as applicable);

---

<sup>7</sup> VAA remains able to take the remedy during this window, but the Framework Agreement would no longer be operative and therefore Korean Air and VAA would have to enter into new arrangements under the Open Slot Commitment to give effect to the UILs.

- (c) VAA is reasonably to be expected to obtain all necessary approvals, licences and consents from any regulatory or other authority in order to operate as required; and
  - (d) VAA's entry does not create a realistic prospect of a substantial lessening of competition within any market or markets in the UK.<sup>8</sup>
- 10. The CMA, in undertaking its assessment of VAA as a suitable remedy-taker against these criteria, has taken into account any relevant submissions made to it.
- 11. In particular, on the basis of the evidence available to the CMA, it considers that:
  - (a) VAA has no significant connection to the Parties that may compromise its incentives to compete with the Merged Entity.
    - (i) For the reasons set out further in paragraph 15(a) below, the CMA considers that VAA's planned membership of the SkyTeam Alliance (of which Korean Air is also a member) would not have a material impact on VAA's incentives to compete with the merged entity.
    - (ii) The CMA also notes that (i) Delta Air Lines (**Delta**) is a minority shareholder in Korean Air's ultimate parent company and in VAA; and that (ii) Delta has separate joint ventures with each of VAA and Korean Air in respect of certain transatlantic routes (with VAA) and transpacific routes (with Korean Air). Delta's minority shareholding in Korean Air's parent company is limited and the two joint ventures are separate to VAA's operations on the Relevant Routes. On this basis, the CMA considers that these factors would not compromise VAA's incentives to compete with the Merged Entity.
  - (b) The evidence available to the CMA indicates that VAA has the appropriate financial resources, expertise (including managerial, operational and technical capability), assets, and incentive needed to maintain and develop services on the Relevant Routes, in competition with Korean Air and other competitors from the target entry date.<sup>9</sup>

---

<sup>8</sup> For further information, see [Mergers remedies \(CMA87\)](#), December 2018, paragraph 5.21. As noted at footnote 14 of the UILs Provisional Acceptance Decision, the factors that the CMA will consider in this regard materially overlap with those for suitable purchasers for a divestiture remedy, as set out in the CMA's remedies guidance.

<sup>9</sup> The CMA considered, among other matters, Asiana's pre-Merger average daily cargo volume for the UK and flight frequency between the UK and South Korea and notes that VAA (as the proposed remedy-taker) would have capacity to match (or even exceed) the average cargo volume and flight frequency of Asiana on the

- (c) The CMA is satisfied that VAA will obtain the relevant licences, approvals and consents required to operate the Framework Agreement Commitment; and
  - (d) The CMA is satisfied that VAA has the incentive and intention to maintain and develop services on the Relevant Routes in competition with Korean Air and other competitors. VAA is an established airline operator that has a track record of successfully entering air passenger service and air cargo service routes, often as a 'challenger' brand, and has a broader strategic incentive in entering the Relevant Routes. Further, the CMA is satisfied that VAA has an appropriate business plan to add the Relevant Routes to its existing portfolio of air passenger service and air cargo service routes.
12. On this basis, the CMA concludes that each of the matters in paragraph 9 are satisfied and that VAA would be a suitable remedy-taker.

## Consultation and the CMA's assessment

13. On 8 December 2022, pursuant to paragraph 2(1) of Schedule 10 to the Act, the CMA published the UILs, inviting interested parties to give their views on the UILs. The relevant text from the consultation is set out at Annex 1 of this decision (the **Consultation**).<sup>10</sup> For the reasons set out in the Consultation, the CMA's preliminary view was that the UILs would resolve the SLC identified in the SLC decision in a clear-cut manner (ie without giving rise to material doubts about the overall effectiveness of the UILs or concerns about their implementation).<sup>11</sup>
14. In light of the submissions received during the consultation period which concerned the UILs,<sup>12</sup> the CMA has given further consideration to the issues set out below:
- (a) The CMA considered whether the Merged Entity and VAA would have a reduced incentive to compete on the Relevant Routes as both will be

---

Relevant Cargo Routes. Due to the impact of Covid-19, Asiana's average daily cargo tonnage decreased from 2020. Accordingly, the CMA averaged the 2017 to 2019 cargo tonnage and flight frequency to determine the 'pre-Merger' estimation of Asiana's air cargo services. On this basis, the CMA considers that this estimation will likely overstate the cargo requirement of any remedy-taker.

<sup>10</sup> The full consultation text was published on <https://www.gov.uk/cma-cases/korean-air-slash-asiana-airlines-merger-inquiry>.

<sup>11</sup> *Merger remedies*, (CMA87), December 2018, Chapter 3, in particular paragraphs 3.27, 3.28 and 3.30.

<sup>12</sup> In response to the Consultation, the CMA also received one submission about the impact of the Merger generally on competition. However, as the CMA's decision on the Merger was announced on 14 November 2022, the CMA was not able to further consider that submission as part of this decision on the UILs.

members of the SkyTeam Alliance, and whether VAA fulfils the independence criterion set out above in paragraph 9(a);<sup>13</sup>

- (b) The CMA considered the potential impact of the UILs on cargo routes between the UK and South Korea (the **Relevant Cargo Routes**). This includes the consideration whether the Merger may reduce Korean Air's incentives to supply a UK carrier with access to capacity on two air cargo services a week under the terms of the Air Services Agreement between the UK and South Korea governments (the **UK-South Korea ASA**).

15. Taking each point in turn, the CMA notes the following:

- (a) The CMA understands that the SkyTeam Alliance facilitates collaboration on features such as lounge access, frequent flyer programmes and staff travel discounts. The CMA understands that joint membership of the SkyTeam Alliance will not lead to cooperation between VAA and the Merged Entity (eg in respect of prices, capacity, or other strategic commercial matters). The CMA has not received any evidence to suggest, in the specific circumstances of this case, that the Merged Entity and VAA both being members of the SkyTeam Alliance could compromise VAA's incentives to compete on the Relevant Routes. On this basis, as set out in paragraph 11(a) above, the CMA considers that the independence criterion in relation to VAA as a suitable remedy-taker is met.
- (b) In relation to the Relevant Cargo Routes, the CMA notes that Korean Air and Asiana offer direct scheduled air cargo services between London and Seoul, and that the UILs enable two independent airlines (ie the Merged Entity and the remedy-taker) to continue to offer direct scheduled air cargo services between London and Seoul. In relation to the UK-South Korea ASA, the CMA considers that the terms of the UK-South Korea ASA are not affected by the Merger or the UILs, and therefore that any obligation on Korean Air to supply a UK carrier derived from the UK-South Korea ASA is not related to the Merger or the UILs.

16. Accordingly, the CMA considers that the considerations above have not caused it to change its preliminary view that the UILs would be acceptable.

17. The CMA therefore considers that the UILs offered by Korean Air are clear-cut and appropriate to remedy, mitigate or prevent the competition concerns identified in the SLC Decision and that VAA is a suitable remedy-taker.

---

<sup>13</sup> An alliance of 19 airlines in Europe, America and Asia, for which Korean Air is currently party and which VAA will join imminently (see here: <https://www.virgin.com/about-virgin/latest/virgin-atlantic-to-join-skyteam-alliance>).

## Decision

18. For the reasons set out above, the CMA considers that the UILs provided by Korean Air are as comprehensive a solution as is reasonable and practicable and remedy, mitigate or prevent the SLC identified in the SLC Decision and any adverse effects resulting from it. The CMA has therefore decided to accept the UILs offered by Korean Air pursuant to section 73 of the Act. The Merger will therefore not be referred for a phase 2 investigation.
19. The undertakings, which have been signed by Korean Air and will be published on the CMA webpages,<sup>14</sup> will come into effect from the date of this decision.

**Colin Raftery**  
**Senior Director, Mergers**  
**Competition and Markets Authority**  
**1 March 2023**

---

<sup>i</sup> Footnote 7 should be read as follows: 'VAA is unable to benefit from the Open Slot Commitment in light of the definition of Prospective Entrant in the UILs.'

---

<sup>14</sup> See <https://www.gov.uk/cma-cases/korean-air-slash-asiana-airlines-merger-inquiry>.



## Annex 1

### **Anticipated acquisition between Korean Air Lines Co., Ltd and Asiana Airlines Inc**

### **Notice under paragraph 2(1) of Schedule 10 to the Enterprise Act 2002 (the Act) – consultation on proposed undertakings in lieu of reference pursuant to section 73 of the Act**

**ME/6980/21**

#### **Introduction**

20. On 17 November 2020 Korean Air Lines Co. (**Korean Air**) and Asiana Airlines Inc. (**Asiana**) entered into a binding Share Subscription Agreement, pursuant to which Korean Air will subscribe for, and purchase from, Asiana shares representing 63.88% of the total issued and outstanding stock of Asiana (**the Merger**). Korean Air and Asiana are together referred to as the **Parties**, and for statements referring to the future, as the **Merged Entity**
21. On 14 November 2022, the Competition and Markets Authority (**CMA**) decided under section 33(1) of the Enterprise Act 2002 (the **Act**) that it is or may be the case that the Merger consists of arrangements that are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, and that this may be expected to result in a substantial lessening of competition (**SLC**) within a market or markets in the United Kingdom (the **SLC Decision**). The text of the SLC Decision is available on the CMA's webpages.<sup>15</sup>

---

<sup>15</sup> See [Korean Air / Asiana Airlines merger inquiry - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/korean-air-asiana-airlines-merger-inquiry)

22. On 21 November 2022, Korean Air offered undertakings in lieu of reference to the CMA for the purposes of section 73(2) of the Act.
23. On 28 November 2022, the CMA gave notice to Korean Air, pursuant to section 73A(2)(b) of the Act, that it considers that there are reasonable grounds for believing that the undertakings offered, or a modified version of them, might be accepted by the CMA under section 73(2) of the Act and that it is considering the Parties' offer (the **UIL Provisional Acceptance Decision**).

## The undertakings offered

8. As set out in the SLC Decision, the CMA found that the Merger gives rise to a realistic prospect of an SLC as a result of:
  - (a) horizontal unilateral effects in the supply of scheduled air passenger transport services (**air passenger services**) on the London-Seoul route;
  - (b) horizontal unilateral effects in the supply of air cargo transport services (**air cargo services**) on the Europe to South Korea route for customers transporting cargo from the UK to South Korea; and
  - (c) horizontal unilateral effects in the supply of air cargo services on the South Korea to Europe route for customers transporting cargo from South Korea to the UK.<sup>16</sup>
9. To address these SLCs, as set out in detail in the UIL Provisional Acceptance Decision,<sup>17</sup> Korean Air has offered to give UILs to the CMA:
  - (a) To enter into a binding framework agreement (the **Framework Agreement**) with Virgin Atlantic Airways Limited (**VAA**) to facilitate VAA's entry onto the Relevant Routes,<sup>18</sup> which includes:
    - (i) making available slots at London Heathrow Airport (**LHR**) and Incheon International Airport (**ICN**) near Seoul to allow VAA to operate a daily air passenger service between LHR and ICN; and

---

<sup>16</sup> In the remainder of this decision the supply of (i) air passenger services on the London-Seoul route and (ii) air cargo services on each of the Europe to South Korea route for customers transporting cargo from the UK to South Korea and the South Korea to Europe route for customers transporting cargo from South Korea to the UK (together, **the Relevant Cargo Routes**) are referred to collectively as the **Relevant Routes**.

<sup>17</sup> UIL Provisional Acceptance Decision, paragraphs 6-18.

<sup>18</sup> VAA does not currently supply air passenger services on the London-Seoul route or offer scheduled direct flights on the Relevant Cargo Routes.

- (ii) at the request of VAA, entering into certain related arrangements intended to facilitate VAA's entry onto the Relevant Routes.

(The **Framework Agreement Commitment**)

- (b) In the event that VAA does not: (i) notify Korean Air by an agreed date that it will enter the Relevant routes by the target entry date;<sup>19</sup> or (ii) operate on the Relevant Routes for a minimum period of six full consecutive IATA seasons<sup>20</sup> after entry (the **Minimum Period**), to facilitate entry on the Relevant Routes by one or more alternative carriers other than VAA (an **Alternative Prospective Entrant**), including by:
  - (i) making available slots at LHR and ICN to allow the Alternative Prospective Entrant to operate a daily air passenger service between LHR and ICN; and
  - (ii) at the request of the Alternative Prospective Entrant(s), entering into certain related arrangements intended to facilitate the entry of the Alternative Prospective Entrant(s) onto the Relevant Routes.

(The **Open Slot Commitment**)

- 10. The Framework Agreement Commitment and the Open Slot Commitment, as described in further detail below, together comprise the **Proposed Undertakings**.
- 11. The Proposed Undertakings are subject to the fast-track dispute resolution procedure and allow for the appointment of a Monitoring Trustee to monitor the Proposed Undertakings, as required by the CMA.
- 12. The Proposed Undertakings also require Korean Air to ensure that its slots at LHR and ICN that are or might reasonably be required to be made available to VAA and/or an Alternative Prospective Entrant under these undertakings are maintained and preserved and not disposed of, save as otherwise agreed in advance in writing by the CMA.

---

<sup>19</sup> Meaning the later of any date during the IATA Summer Season 2024 or the date that is 12 months after closing of the Merger (the **Target Entry Date**). This may be extended to the later of any date during IATA Summer Season 2025 or the date that is 12 months after closing of the Merger if the Russian airspace will not be open to UK carriers during the course of IATA Summer Season 2024 (the **Extended Target Entry Date**).

<sup>20</sup> I.e 3 years. IATA Season means (i) the IATA Summer Season beginning on the last Sunday of March and ending on the Saturday before the last Sunday of October; or (ii) the IATA Winter Season beginning on the last Sunday of October and ending on the Saturday before the last Sunday of March.

## CMA assessment

13. The CMA currently considers that, subject to responses to the consultation required by Schedule 10 of the Act, the Proposed Undertakings will resolve the SLC identified in the SLC Decision in a clear-cut manner, ie the CMA currently does not have material doubts about the overall effectiveness of the Proposed Undertakings or concerns about their implementation.<sup>21</sup> As set out in detail in the UIL Provisional Acceptance Decision,<sup>22</sup> this is because the Proposed Undertakings facilitate the entry of VAA or an Alternative Prospective Entrant in the supply of both air passenger and air cargo services on the relevant markets described at paragraph 8 above in a way that would replicate the competitive constraint that Asiana would exert on Korean Air absent the Merger.
14. The CMA also currently considers that the Proposed Undertakings would be capable of ready implementation. This is because:
  - (a) As regards the Framework Agreement Commitment, VAA has already been identified as an entrant and, before any UILs are finally accepted, will have entered into a binding framework agreement with Korean Air to enter the London-Seoul route in relation to air passenger services and air cargo services;
  - (b) Under the Framework Agreement Commitment, prior to entry onto the route using its own services, VAA will benefit from a unilateral codeshare agreement for air passenger services and, at VAA's request, a unilateral agreement for air cargo services with Korean Air. These agreements would be available to VAA from the point the UILs are accepted and would, in particular, enable VAA to prepare the launch of its services whilst also allowing VAA to provide services to air passengers and air cargo services customers via these agreements before its own entry.
  - (c) The Proposed Undertakings contain clear mechanisms, overseen by a Monitoring Trustee, for either VAA (under the Framework Agreement Commitment) or an Alternative Prospective Entrant (under the Open Slot Commitment) to access slots and the additional range of commercial terms and access rights available under the Proposed Undertakings on clear terms and to clear timescales.

---

<sup>21</sup> *Merger remedies* (CMA87), 13 December 2018 (**CMA87**), paragraph 3.28.

<sup>22</sup> UIL Provisional Acceptance Decision, paragraphs 19-54.

### ***Suitability of the remedy taker***

11. The Framework Agreement Commitment also provides that the CMA needs to approve VAA as the proposed remedy-taker and the terms of its entry.
12. In particular, in keeping with the position that the identity and capability of a remedy-taker is of major importance in ensuring the success of any remedy,<sup>23</sup> the Proposed Undertakings set out that the CMA will be required to be satisfied that:
  - (a) VAA is independent of and has no significant connection to Korean Air;
  - (b) VAA has the financial resources, expertise (including the managerial, operational and technical capability), incentive and intention to maintain and develop services on the Relevant Routes in competition with Korean Air and other competitors from the Target Entry Date (or Extended Target Entry Date, as applicable);
  - (c) VAA is reasonably to be expected to obtain all necessary approvals, licences and consents from any regulatory or other authority in order to operate as required; and
  - (d) VAA's entry does not create a realistic prospect of a substantial lessening of competition within any market or markets in the UK.
13. Before deciding whether to ultimately accept the Proposed Undertakings, as VAA has been identified as the entrant under the Framework Agreement Commitment, the CMA will consider all of the matters set out above. This will include whether VAA has the incentive and intention to maintain and develop services on the relevant routes in competition with Korean Air and other competitors from the Target Entry Date, and also the terms of the Framework Agreement. Provided that we are satisfied on all these matters, we intend to accept the Proposed Undertakings. Of course, the CMA will take into account, as part of its assessment of VAA as the remedy-taker, relevant submissions made in response to this consultation.

### **Proposed decision and next steps**

14. For the reasons set out above, the CMA currently considers that the Proposed Undertakings are, in the circumstances of this case, appropriate to remedy,

---

<sup>23</sup> See CMA87, paragraph 5.21. The factors that the CMA will consider in under the Proposed Undertakings materially overlap with those for suitable purchasers for a divestiture remedy, as set out in the CMA's remedies guidance.

mitigate or prevent the competition concerns identified in the SLC Decision and form as comprehensive a solution to these concerns as is reasonable and practicable.

15. The CMA therefore gives notice that it proposes to accept the Proposed Undertakings in lieu of a reference of the Merger for a phase 2 investigation. The text of the Proposed Undertaking is available on the CMA web pages.<sup>24</sup>
16. Before reaching a decision as to whether to accept the Proposed Undertakings, the CMA invites interested parties to make their views known to it. The CMA will have regard to any representations made in response to this consultation and may make modifications to the Proposed Undertakings as a result. If the CMA considers that any representation necessitates any material change to the Proposed Undertakings, the CMA will give notice of the proposed modifications and publish a further consultation.<sup>25</sup>
17. Representations should be made in writing to the CMA and be addressed to:

Liana Sandulescu  
Mergers Group  
Competition and Markets Authority  
The Cabot  
25 Cabot Square  
London  
E14 4QZ

Email: [liana.sandulescu@cma.gov.uk](mailto:liana.sandulescu@cma.gov.uk)  
Telephone: 020 3738 6603

**Deadline for comments: 5pm, Friday 23<sup>rd</sup> December 2022**

---

<sup>24</sup> See [Korean Air / Asiana Airlines merger inquiry - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/korean-air-asiana-airlines-merger-inquiry).

<sup>25</sup> Under paragraph 2(4) of Schedule 10 to the Act.