

Make Sure Your Airfare for 'Full-fare' Price

Release Date: 7 September 2023 Dept. in Charge: **Aviation Industry Division, and more, MOLIT** Contact: Annie KIM / Global Media Communicator, MOLIT / <u>audiis2@korea.kr</u> / +82 44 201 3056

Random inspection on airlines for their compliance with full-fare disclosure rule results in 12 air carriers from home and abroad being faced with penalty

The Ministry of Land, Infrastructure and Transport (MOLIT, Minister WON Hee-ryong) conducted random inspections on both domestic and foreign airlines (total 71 airlines)* to check whether the provision of information on full airfare price (hereinafter referred to as 'full-fare disclosure rule') is complied, and decided to fine twelve(12) carriers that turned out to have violated the rule.

* Korean national carriers: 10 airlines, Foreign carriers: 61 airlines operating their own websites in Korean language and providing services for 2023 Summer Season

Taken effect from July 2014, 'Full-fare disclosure rule' mandates the price information to be displayed as the total amount* of fees expected to be paid by consumers as the final fare, when airfare is being compared and selected by consumers for their purchase of air tickets.

* Total amount that must include basic fare, fuel surcharge, and airport facility usage fee and others, and one-way or round-trip purchase requirement must be clearly stated



Ministry of Land, Infrastructure and Transport

This round of inspection was carried out by checking the websites* of airlines of both home and abroad from 19 to 28 July, with advertisements on social network service platforms as well in the case of Korean carriers.

* Airlines' websites where consumers can search for flight schedules and ticket price and book flight tickets

As a result of random inspections, twelve (12) carriers have been found to have violated the rule by displaying only the basic fare with no total amount stated ① or by not clearly indicating the one-way or roundtrip purchase requirement ②. MOLIT decided to impose a fine of KRW 2 million to each carrier pursuant to the Article 84 of the Aviation Business Act.

* Korean carriers: ① T'way Air, AeroK, ② Eastar Jet

* Foreign carriers: ① Juneyao Air, Bamboo Airways, Vietjet Air, Air Macau, Tigerair Taiwan
② Juneyao Air, AeroMongolia, Myanmar Airways International, Scoot, Xiamen Air

Looking at violation cases, 'A' carrier advertised the airfare on Daegu-Jeju route to be KRW 7,900 for one-way trip on the main page of its website, while its actual full fare amounted to KRW 19,600.

In case of 'B' airline, its website displayed the airfare for Incheon-Macau flight as KRW 100,000 (basic fare) on a first-come-first-served basis when its total fare was actually turned out to be KRW 154,900. As for 'C' airline, advertisements on social network platforms did not explicitly indicate the oneway or roundtrip requirements for the advertised fare.

Director General KIM Yeong-guk for Aviation Policy of the MOLIT stated that, "To prevent misleading information in advertisements causing restriction of consumers' optimal choices, the MOLIT will continue to strictly manage and monitor the compliance of full-fare disclosure rule by air carriers".