

The GVH is working hard on construction price rises

11 August 2021, Budapest – In parallel, four competition authority investigations are ongoing in construction markets. As promised, the Hungarian Competition Authority (GVH) will investigate any signals of market distortion or possible infringements in the sector concerned.

The national competition authority has made clear that [it attaches the utmost importance to clean competition](#) in the construction materials market, so it pays particular attention to it. A special investigation team within the Authority analyses [the increased number of informal complaints and market signals](#).

In line with this focus, four simultaneous competition investigations are now underway in construction markets, partly on the basis of signals that have been prioritised recently.

The GVH [conducts a procedure against a leading national player of the gravel market](#) on suspicion of abuse of dominant position, which allowed the company to cut back its extraction capacity in order to sell at a higher price. A procedure is also ongoing against three of the most important players in the domestic cement market, also [on suspicion of abuse of dominant position](#).

The accelerated sector inquiry into the structural problems on the domestic brick market is now based on the government's [expanded competition authority toolkit specifically designed to address the problems of the construction industry](#). In the framework of this special procedure, the Competition Authority has conducted dawn raids at both [domestic brick manufacturers and wholesalers](#) and [distributors](#) throughout the country to follow the “life cycle” of a product from the manufacturer to the distributor and on to the consumer.

The increased vigilance of the construction industry is also reflected in merger control, with the Competition Authority [recently investigating a concentration involving construction works](#). On the basis of preliminary data, it was not possible to assess the impact of foreign takeovers on a sector that is struggling with huge price increases.

“We are working with all our tools to alleviate the problems of the construction industry. We are listening to all signals, and in the course of the ongoing investigations we will focus on identifying and remedying potential competition problems as soon as possible” - said Csaba Balázs Rigó, President of the Hungarian Competition Authority.

GVH Press Office