

Accelerated sector inquiry on the building thermal insulation market

16 June 2022, Budapest –The Hungarian Competition Authority (GVH) has launched an accelerated sector inquiry into the domestic market for thermal insulation materials, as there are indications that competition may have been distorted in a sector facing price increases.

The national competition authority has opened an accelerated sector inquiry into the Hungarian market for thermal insulation materials, as the prices of certain products, in particular certain **rock wool, glass wool and polystyrene** thermal insulation products, have recently increased significantly. According to the GVH's opinion, the price increases in the sector may be linked to distortion of competition, which justifies the need for an urgent investigation and intervention.

The high-volume usage of thermal insulation materials is a common feature of construction projects. The materials used here are partly from domestic and partly from foreign production. Both are delivered to end users through complex distribution networks. The GVH has received several market signals which indicated that there are problems at all levels of the vertical chain. A significant increase in the price of insulation materials could have a direct impact on the predictability of construction works and the effective completion of projects already started.

Since last year, the GVH has made it [a priority to investigate](#) possible market distortions or infringements linked to the recent sharp rise in the price of raw materials in the construction sector. The national competition authority has previously carried out similar investigations in the domestic [market for ceramic masonry units](#), as well as in the [markets for construction timber](#). In both cases, the GVH has developed a comprehensive package of proposals to stimulate competition and address existing market problems.

Following a public consultation, the GVH will summarise the results of the inquiry in a report. The time limit for the completion of the draft report is one month which, where justified, may be extended on two occasions by a maximum of one month each.

Press Office of the GVH